



Annual Report 2021 - 2022

Victoria State Emergency Service



This report provides an account of the Victoria State Emergency Service (VICSES) during the 2021-22 financial year, as required under the *Financial Management Act 1994*.

It provides a record of events and activities, acknowledges the contribution of VICSES volunteers, staff and supporters, and informs government and the public about VICSES services during the 2021-22 financial year.

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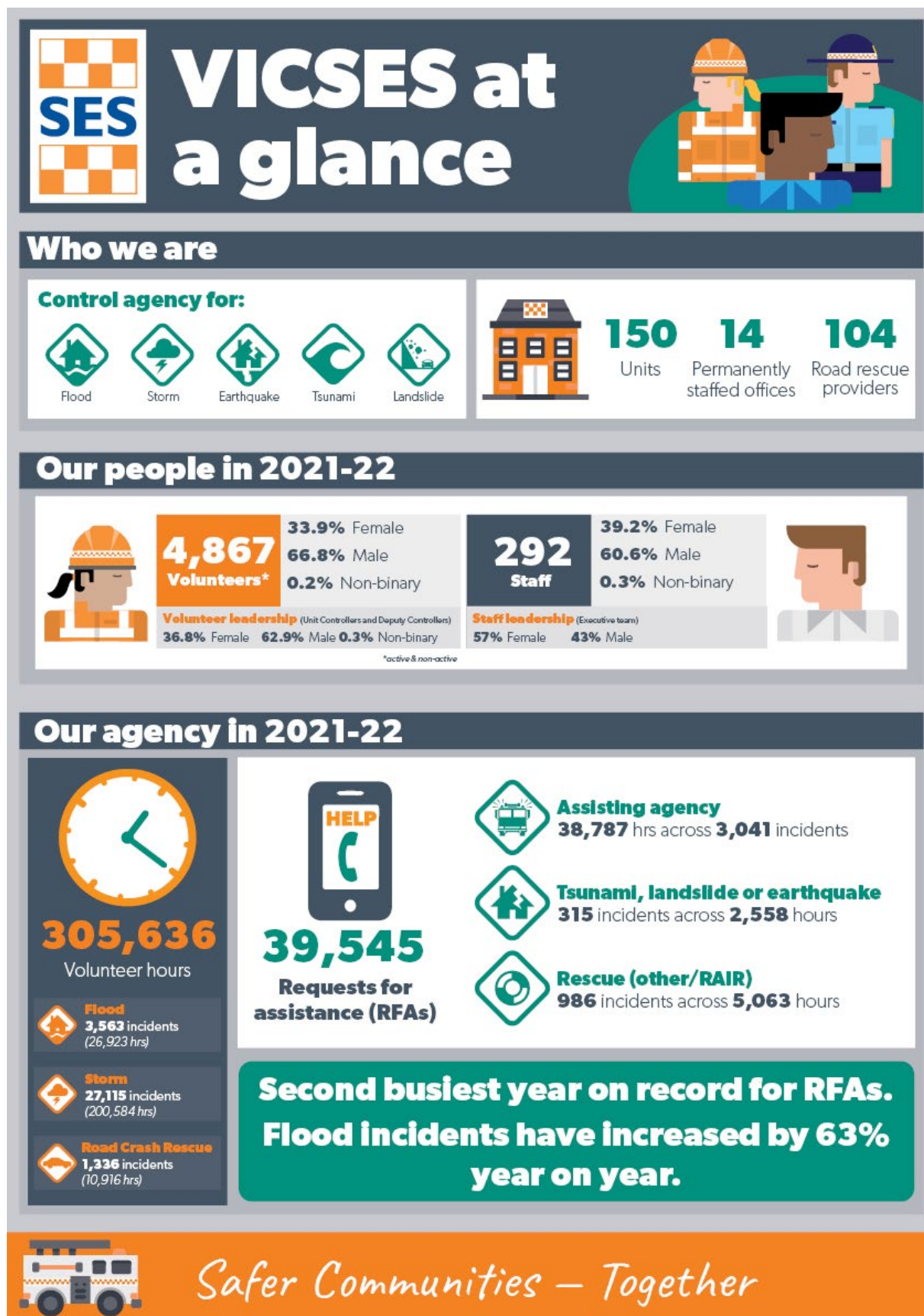


The Victoria State Emergency Service respectfully acknowledges the Traditional Owners of the land and waters. We pay our respects to Elders past, present, and emerging.

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Year at a glance – VICSES in 2021-22



About VICSES

Our vision

Safer Communities – Together.

Our mission

Partner with communities, government, other agencies, and business to provide timely and effective emergency management services, building community preparedness, disaster resilience and contributing to risk prevention.

Who we are

Victoria State Emergency Service (VICSES) is a volunteer-based organisation, providing emergency assistance to minimise the impact of emergencies and strengthen the community's capacity to plan, respond, and recover when emergencies occur. Our volunteers are the backbone of VICSES, serving the Victorian community 24 hours a day, 7 days a week, 365 days a year.

We are the control agency for flood, storm, tsunami, earthquake, and landslide throughout Victoria, and provide the largest road rescue network in Australia, with 104 accredited road crash rescue specialist units across the state.

We operate under the *Victoria State Emergency Act 2005* and collaborate and consult with the coordinating agency for emergency management, Emergency Management Victoria (EMV).

As a statutory authority, VICSES is governed by a Board, which is accountable to the Minister for Emergency Services. Operating since 1950, VICSES covers all of Victoria, via 150 units across six regions, in addition to a Head Office located in Southbank, Melbourne.

VICSES is a significant contributor and leader in emergency management. We strive to develop and lead best practice by focusing on further developing our core business activities and strengthening our relationships and partnerships in developing a resilient Victorian community that knows what to do before, during, and after an emergency.

VICSES has served Victorians with distinction since 1950, and is a significant contributor and leader in emergency management.

We have a strong value proposition for government, community, employers, and partners, and we pride ourselves on being a values-based organisation of choice for Our People. We enjoy having the highest level of unprompted awareness of any emergency services organisation – well above most other sector organisations.

VICSES is unique in that it provides multiple specialist services, including road crash rescue and response to storm, flood, and landslide, in addition to swift water rescue, and supporting other emergency service agencies with everything from search and rescue (land, water, steep angle and alpine), crime scene support, fire and ambulance support, and other agency support.

Our broad remit means we are responsible for maintaining highly specialised services, training, vehicles, and equipment across the broadest range of legislative responsibilities of any emergency service organisation in the state of Victoria. However, this presents a range of resource and financial challenges and constraints for VICSES.

With more frequent weather events, population growth, state health issues (COVID-19 pandemic), greater diversity of our communities, increased regulatory compliance and continued sector reform, VICSES is experiencing growing complexity and demand for the services we provide, and increased pressure on our current operating model.

These increased demands and expectations have implications on the experience of our volunteers, and their ability to deliver services safely and effectively for the communities we serve. As we continue to evolve to meet the changing demands and needs of communities, government, and the emergency management sector, continued investment in VICSES is vital to ensure our service delivery and operating model is sustainable to meet our current and future needs.

This document provides an overview of the work undertaken by VICSES in the 2021-22 financial year, and aims to highlight our unique strengths and expertise, while addressing our current challenges now and into the future. It demonstrates our strong commitment to advocate for the continued investment in our people, our capabilities, the way we operate, and our technology in order to be a viable and sustainable emergency management service, and realise our vision of *Safer Communities – Together*.

Chair's Foreword



Greg Wilson, VICSES Chair

On behalf of the VICSES Board, it is my pleasure to present this year's Annual Report.

The past 12 months have proved to be one of the most challenging periods in the history of our organisation, receiving 39,545 requests for assistance (RFAs).

During this time our members have responded to many significant emergency events, including the severe storms that impacted communities across the state in late-October 2021, and responding as the control agency to Victoria's largest-ever recorded earthquake in September 2021. Our members also continued their support role throughout peak periods of the COVID-19 pandemic, providing much needed assistance alongside Ambulance Victoria in patient transportation.

Notably, our support has extended across the border, with members deploying to New South Wales (NSW) in March and April of 2022, to undertake integral roles as part of Incident Management Teams and on-the-ground, to support those impacted by devastating flooding.

With such a high demand for the services provided by our members, investments towards our infrastructure have been welcomed with open arms. Alongside celebrating the opening of five new unit facilities, in May 2022 we received a record investment of \$28.5 million dollars as part of the state budget, ensuring the response capabilities of our units now, and well into the future.

In addition to these investments and new facilities, we've also made great strides in building a better workplace for all members through improvements towards our organisational culture. This includes a renewed focus on diversity and inclusion for all members, and has seen the launch of great initiatives such as diversity and inclusion training programs, expanding our culture and conduct policies and mental health and wellbeing support services, and the launch of our first ever Gender Equality Action Plan.

As we look forward, many exciting opportunities and challenges lie ahead, including the roll-out of our new VICSES Operating Model, which is expected to go live in September 2022. This new organisational structure will allow us to remain a fit-for-purpose and sustainable emergency service agency, while prioritising the volunteer experience.

I am extremely proud of the achievements of our members across the state, and am confident in the capabilities and skills of our people to continue to demonstrate our shared Vision of *Safer Communities – Together*.

On behalf of the Board, I'd like to once again thank our volunteers, staff, and Executive team, for your service in supporting our communities.

A handwritten signature in blue ink, appearing to read 'G. Wilson'.

Greg Wilson, Board Chair
Melbourne, July 2022

CEO's Report



Stephen Griffin, VICSES CEO

Reflecting on another extremely challenging and busy 12 months, I'd like to highlight the milestones and success of our organisation during 2021-22.

Continuing to work through the global COVID-19 pandemic and ongoing lockdown periods, there were many challenging environments that our members were faced with, severely restricting our operational and day-to-day activities. Despite the impacts of restrictions on delivering our services, our members responded with the same high level of dedication and commitment to assist our Victorian communities, receiving 39,545 requests for assistance (RFAs) (resulting in 36,975 incidents) – the second highest recorded number of RFAs in the history of our organisation.

Our members also provided much needed assistance to our partner agencies during these periods, including setting up the regional 'ring of steel' program alongside Victoria Police and the Australian Defence Force, border travel restrictions from interstate locations, the delivery of essential supplies to public housing tenants, and more recently assisting Ambulance Victoria in transporting patients and paramedics at the peak of ambulance shortages. I cannot thank our members enough for their tireless efforts during these periods. Your support and readiness in adapting to an extremely difficult and prolonged pandemic response, has been exemplary.

In addition to supporting communities locally, our members were also a part of major deployments interstate. This included deploying 195 VICSES members to support our counterparts in New South Wales during the devastating storm and flood events in March and April of 2022. Assigned across multiple Incident Management Teams and on-the-ground response roles, the assistance provided by our members was highly regarded by our partner SES agencies and state governments.

Aside from our operational response, the past 12 months also saw a renewed commitment to addressing the issues of inappropriate behaviour and harassment in our organisation. A number of surveys and reviews were undertaken to better understand the nature of these issues and the impacts to our members, with support from external stakeholders. As a result, support initiatives such as *'Be Heard'* were launched to assist with members reporting grievances, improved mental health and wellbeing resources, and implemented culture and conduct training and education. Together, this has paved the way towards building the ideal workplace culture that we are striving for as part of VICSES.

While there were challenges, we also had many successes, including the progress made towards our \$124 million dollar unit building program. Official openings were held this year at VICSES Wangaratta, Knox and Emerald Units, as well as upgraded facilities as part of VICSES Essendon Unit. I look forward to the further planned progress across the next few years, in delivering a record number of new builds to better support our volunteers and our communities.

The latter part of this financial year also saw the relaunching of our revised VICSES Operating Model. This was first discussed in 2020 but was delayed due to the impacts of the COVID-19 pandemic. The updated model includes feedback from a range of stakeholders, and at its core, provides improved services to enhance the volunteer experience. We look forward to implementing this model in the second half of 2022.

Working towards building a better VICSES, the organisation has also completed our negotiations for a new Enterprise Agreement for the next three years. These negotiations were conducted in a spirit of co-operation and mutual respect. The agreement also addresses the issues of work-life balance and hours of work, as part of a sector that is often challenged by timeframes in emergencies.

In summarising the past year, our organisation has also benefitted greatly from an increased emphasis and interest from media outlets. Our members have been featured across print, radio, and television for a range of operational events and important campaigns such as *Wear Orange Wednesday* and *Driver Reviver*. Together, this visibility in the media has highlighted the respect and trust that the community has in our organisation.

Finally, I wish to thank all of our volunteers and staff, the Executive team and the VICSES Board, as well as the team at Emergency Management Victoria, for all of your ongoing support. I also wish to thank our Minister for Emergency Services, The Hon. Jaclyn Symes MP, for her ongoing interest and support of our members at VICSES.

I am extremely proud of the incredible efforts of our members over the past 12 months, in ensuring the safety of our communities across Victoria – together.

Kind regards,

A handwritten signature in black ink, appearing to read 'S. V. Griffin', with a stylized flourish at the end.

Stephen Griffin, Chief Executive Officer
Melbourne, July 2022

Our history

VICSES has a rich historical past. Established as a volunteer based Civil Defence Organisation which could quickly be activated in the event of war, VICSES has been involved in most major emergency responses in Victoria since we began in 1950.

Our timeline

1950

VICSES is established as a volunteer based Civil Defence Organisation which could quickly be activated in the event of war.

1972



Parliament passes the *State Emergency Services and Civil Defence Act* which formally legislates the role of the Victoria Civil Defence Organisation. At this time, around 100 voluntary Civil Defence Units had been established in municipalities across Victoria.

1981



The *Victoria State Emergency Service Act* is passed, formally recognising VICSES as a general emergency management agency.

1979

The Ministry for Police and Emergency Services is created, including Victoria Police, the Metropolitan Fire Brigade, Country Fire Authority and Victoria State Emergency Service.

1975

The Victoria Civil Defence Organisation is renamed the **Victoria State Emergency Service** to conform with other states.



2005

Victoria State Emergency Service is established as an independent Statutory Authority.



2015 marked 40 years of VICSES. This was a time to reflect and celebrate our achievements, challenges and evolution from a Civil Defence Organisation to the organisation we are today.

VICSES STRATEGIC
PLAN 2018-22

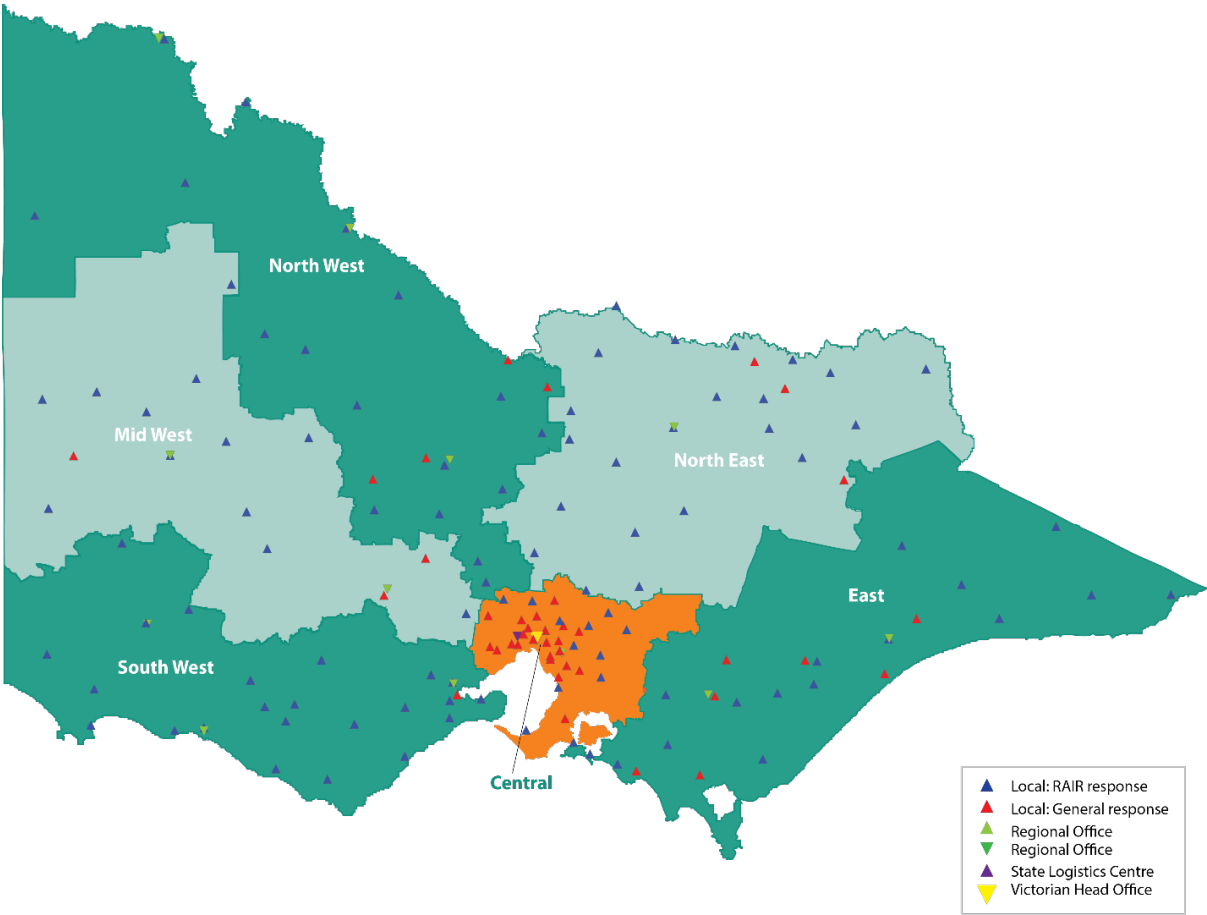


2015



Where we work

VICSES operates 14 permanently staffed offices, including the Victorian Head Office based in Southbank. We also operate 150 units across Victoria, which are divided into six regions.



Our Values



We pride ourselves on our credibility

- We pride ourselves on delivering on our promises and commitments, and in doing the right thing consistent with our values.
- We are responsive, trustworthy, skilled and respectful in our actions.



We are part of our community

- We take a proactive, supportive and empathetic approach to achieve community outcomes.
- We collaborate with our communities and partners, sharing knowledge and expertise.
- We ensure we are integrated, connected and engaged with our community.



Safety drives our decisions

- We empower our people to work within their capability to ensure we don't compromise the safety of our people and the community.
- We promote open and honest conversations about the health and wellbeing of our people.



Focused and adaptable

- We are disciplined in achieving our objectives; adaptable in our approach.
- We recognise and respect the diversity of our capability.
- We channel our resources to achieve results.



Together we are VICSES

- We share a common purpose working together without fear, favour or prejudice.
- We acknowledge that all of our people contribute to, and enhance our ability to prepare for, respond to and recover from emergencies.



We are proud of our distinctive brand that is well recognised within the community and in how we actively embrace volunteerism.

**VICSES STRATEGIC
PLAN 2018-22**



Victoria State Emergency Service value proposition

To Our People

VICSES celebrates an inclusive and diverse workforce that is reflective of the communities we serve, and is committed to leading better public safety outcomes. Our strong investment in organisational values is a key driver in empowering and motivating our volunteers and staff (Our People) in a work environment that acknowledges, respects, and values the diversity, abilities, and contributions of all. The safety of Our People is paramount. Working in partnership with some of Australia's most respected health and wellness providers, VICSES is committed to the health, safety, and wellbeing of Our People and in ensuring a healthy work life balance.

To community and government

Our volunteers are the backbone of VICSES, making up 95% of Our People, who serve the Victorian community as an unpaid workforce 24 hours a day, 7 days a week, 365 days a year. VICSES has a long and proud history of serving Victoria with a simple vision: *Safer Communities – Together*. As a significant contributor and leader in emergency management, our strength is Our People, their highly skilled and extensive capabilities, and networks. VICSES provides significant economic value to the state through a multiple specialist volunteer workforce that provides emergency assistance to thousands of Victorians every year.

To employers

Volunteering for VICSES provides the opportunity to learn skills that are highly sought after and transferrable to the workplace. As a registered training office (RTO), all volunteers receive nationally endorsed and competency-based training in a broad range of operational and non-operational areas, and gain skills and experience in leadership, teamwork, communication, accountability, and commitment. Employers also benefit from increased employee engagement, morale, and motivation, while making a demonstrated contribution to corporate social responsibility.

To partners

Our research indicates that VICSES enjoys the highest level of recognition among the community compared to all other emergency service organisations within the Victorian community, and well above most other sector organisations, making VICSES a well-recognised and trusted brand. Our collaborations with others can assist in the achievement of objectives we might not be able to achieve on our own; executed through exchange of goods, services, financial, or in-kind support.

VICSES today

Our fundamental goals

1 We will be a sustainable organisation to take us into the future	2 We will be an organisation of choice for our people and partners	3 We will work with and empower the community to build confidence and resilience
OUR KEY INITIATIVES 1.1 Review our operating model and scope of activities and reform our organisation structure 1.2 Advocate funding needs to government through relevant budget bids and strong relationships 1.3 Develop and implement a Strategic facilities management plan that supports our new operating model and structure	2.1 Develop and implement Our People Strategy to build the capability of our people and strengthen our volunteer engagement 2.2 Develop and implement an Information Technology Strategy that better supports our volunteers and incorporates business intelligence 2.3 Work with partners to deliver shared services for the organisation	3.1 Promote our brand, our role and our volunteers to community, partners and government 3.2 Mainstream community resilience through our services, structure and systems 3.3 Implement Operational capability strategy to deliver our services safely and effectively
OUR ENABLERS  People	 Infrastructure and systems	 Funding

Table: Excerpt from *VICSES Strategic Plan 2018-2022*

Emergency Management

We collaborate and consult with the coordinating agency for emergency management, EMV. We assist Victoria Police in search and rescue operations, and play an important role in supporting Ambulance Victoria, Country Fire Authority (CFA), Fire Rescue Victoria (FRV), Parks Victoria, and the Department of Environment, Land, Water and Planning (DELWP), during fire and other emergency incidents.

Emergency management requires swift, localised responses with trained and well-supported personnel to address the disruptive, largely unpredictable, sudden, and potentially destructive nature of emergencies.

Beyond our agency control preparation and response for flood, storm, tsunami, earthquake, and landslide, VICSES also plays a key role in:

Rescue of persons from, or endangered by:

- Road, aircraft, industrial and rail (RAIR) incidents
- Steep and high angle incidents
- Damaged or collapsed buildings
- Swift water
- Other emergency or dangerous situations

Supporting:

- Search and rescue on land, including caves and on water
- Evacuation
- Incidents involving mass casualties

Provision of information and advice to the community and government before, during and after emergency events.

Volunteer experience

VICSES actively embraces volunteerism and is committed to providing a volunteer experience that meets family and work needs. We strive to be an organisation of choice for people and partners, as described by Fundamental Goal two of our [Strategic Plan 2018-22](#) (as above).

As a way of ensuring our members are connected and celebrated, a quarterly publication, [Community Matters](#), delivers key information and updates from across VICSES, with information on wellbeing, health and safety, campaigns and events, projects and operations, and interesting news stories from each of our regions.

Service Delivery Strategy

The [VICSES Service Delivery Strategy \(2015 – 2025\)](#) helps us identify what services we will deliver to Victorian communities, and the most effective and efficient ways to deliver them.

The strategy provides a framework for assessing and planning our units service delivery in the context of their community, and a methodology for working towards sustainability, meeting the diverse needs of communities, changes to climate, and in managing for growth and impacts to challenge locations.

Diversity and inclusion

Diversity and inclusion continues to be an important part of VICSES, and we strive for inclusive and supportive culture across the entire organisation.

We are committed to taking a leadership role in gender equality in the emergency management sector. In 2021-22, VICSES submitted our first [Gender Equality Action Plan \(GEAP\)](#), as one of our obligations under the *Gender Equality Act 2020*, which is part of the important steps in helping us achieve gender equality for all members across our service. The GEAP aims to help VICSES to communicate the importance of gender equality to our members and members of the public, identify where change is needed, and plan and implement meaningful actions across the service.

VICSES also recognises the Aboriginal Traditional Owners of Country throughout Victoria and their continuing connection to land, waters, and community, paying respect to their cultures and Elders past, present, and emerging. An Acknowledgement of Traditional Owners policy continues to be implemented across the business, with shared knowledge and awareness of the traditional custodians of the lands and waters VICSES operates on.

Community resilience

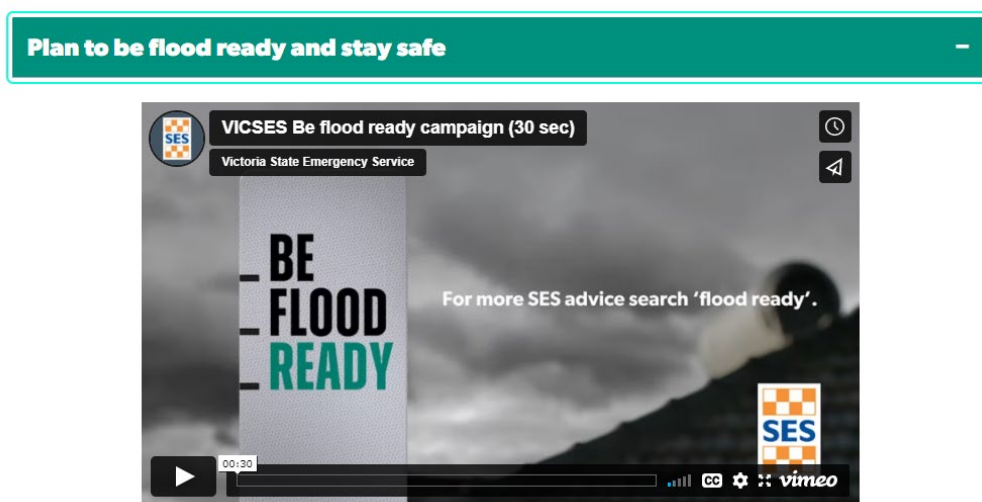
The [VICSES Community Resilience Strategy Renewal \(2019-22; Strategy Renewal\)](#) builds and extends the foundational doctrine and frameworks found within the seminal [VICSES Community Resilience Strategy 2016-19](#). Implementation and progress of the strategy renewal has occurred, with many achievements to celebrate.

We also acknowledge there is more to be done to realise, and deliver, upon the strategy renewal to ensure communities are better prepared for emergencies.

Within the strategy renewal are three strategic objectives – build capacity, increase collaboration, and foster connections. Critically, the strategy renewal emphasises strong relationships between Victorians and the services, systems, and structures to support communities. VICSES continues to cultivate strong partnerships and works across the sector to build safer and more resilient communities. Our volunteers have been supported to deliver our key safety messages when they engage with their local community with updated, contemporary training with a focus on evidence-based engagement practice.

Key community resilience initiatives undertaken in 2021-22 have included:

Continuing to raise community awareness about staying safe in storms and floods with both mass media and localised campaigns, including the development and deployment of the [Be flood ready](#) and [Bag it, block it, lift it and leave content](#).



Social research conducted in relation to the VICSES [15 to float](#) campaign, which focuses on the dangers of driving on flooded roads demonstrated that this simple message has an impact with community members, decreasing their likelihood to enter floodwater.

We have also focused on action-orientated messaging and engagement with our key message of *Do 1 thing* as part of this ongoing campaign. The *Do 1 thing* campaign draws attention to the need to take protective action to prepare for emergencies by taking action, doing one thing at a time, and understanding that all these actions collectively will increase preparedness.



VICSES Board

VICSES is governed by a board of directors (Board) who are accountable to the Minister for Emergency Services.

Greg Wilson

Greg Wilson was appointed as VICSES Chair in February 2020.

Greg was previously with the Department of Premier and Cabinet and was Secretary of the Department of Justice and Regulation, Secretary of the Department of Sustainability and Environment (now operating at DELWP), and Deputy Secretary of the Policy and Cabinet Group at the Department of Premier and Cabinet. Greg chaired the Victorian Essential Services Commission (formerly Office of the Regulator-General) and has held a number of senior leadership roles including Deputy Secretary (Water Sector) in the Department of Sustainability and Environment, General Manager of Regulatory Policy at the Essential Services Commission, Senior Economist, Department of Treasury and Finance, Melbourne Water and City West Water.

Greg was appointed as Chair of CFA in 2020, and has been Chair of the Transport Accident Commission (TAC) since 2019.

Lisa Borowick CA

Lisa joined the VICSES Board in February 2017, and is Deputy Chair of the Board, and also Chair of the Risk & Audit Committee.

Lisa is a Chartered Accountant with more than 27 years' experience in commerce. Lisa's industry experience includes corporate travel, technology, insurance, residential property development, recruitment, risk management and accountancy. Lisa has spent over 30 years volunteering for not-for profits, such as environmental groups, and as the National President of sporting body, Maccabi Australia. Lisa sits on the Board of Goldman Group, LNB Projects Pty Ltd, and MAI Board of Governors.

Additionally, Lisa is the International Chair of the English-speaking Desk for Maccabi World Union and is a member of the International Sports Committee, who set and presided over the sporting regulations for the Maccabiah Games, a multi-sport event held quadrennially, and currently the third largest sporting event in the world.

Dr. Bernadette Northeast (B. Sci (Hons), PhD, GAICD)

Bernadette was appointed to the VICSES Board in September 2020.

Bernadette has post-graduate qualifications in fisheries management and aquaculture and a career background in natural resource management, strategic partnership brokerage, and stakeholder engagement. Bernadette has been a VICSES volunteer with the Warrnambool Unit since 2002. Holding a number of leadership, training, and operational roles; she has qualifications in almost all of the VICSES response areas.

Bernadette is passionate about community and volunteerism, and her contribution to community development and safety has been recognised a number of times, including a Royal Humane Society bravery commendation for her role in an ocean rescue event, 2017 Warrnambool City Council Australia Day Citizen of the Year, and 2019 Rotary International Peace Award.

Bernadette brings strong governance, risk, and strategic planning background from 25 years of experience on private and public sector Boards. She is currently the Deputy Chair of the Victorian Fisheries Authority, Deputy Chair South West Healthcare, Board Director PrimeSafe, and Chair Wimmera & South West Family Violence Partnership.

Bernard (Bernie) Cronin

Bernie joined the VICSES board in October 2014.

Bernie brings skills in board governance, community infrastructure planning and service management. He has extensive senior management experience in local government and voluntary activities, including Municipal Emergency Recovery Management. His qualifications are in company directorship, business, human resources, and social policy. Bernie is currently involved on a number of boards across social services and community-based organisations.

Casey Nunn (ASM) (former member)

Casey was appointed to the VICSES Board in February 2020, and resigned in April 2022.

Casey has extensive experience in emergency services, having served as a volunteer with Ambulance Victoria for over 18 years and CFA as an operational support volunteer for 13 years. She was awarded an Ambulance Service Medal in the 2011 Australia Day Honours. In 2012, Casey was awarded an Emergency Services Foundation (ESF) Scholarship, and travelled throughout the United States and Canada studying recruiting, retaining, and leading volunteers.

Casey is a former Hume Young Citizen of the Year and a Youth Parliament Participant. In 2012, Casey was elected to Hume City Council and served as Mayor from 2013 - 2014. Casey serves as a Board member of the Salvation Army 3064 Advisory Board, and is a Trustee Director for Vision Super. Casey is a Graduate of the Australian Institute of Company Directors (GAICD) and was inducted into the Victorian Honour Roll of Women in 2019.

Jane Foley

Jane was appointed to the VICSES Board in August 2021.

Jane brings extensive corporate governance, strategy, risk, organisation improvement and change management experience. She has worked across a diverse range of industry sectors including superannuation, professional services, government, education, and international aid.

She has held diverse board and committee governance roles in commercial and not-for-profit organisations and is currently a Board member of Box Hill Institute and Chair of its Education Quality Committee.

Her qualifications include a Master of Arts (International Relations) and a Graduate of the Australian Institute of Company Directors (GAICD).

Martin Geerings

Martin was appointed to the VICSES Board in February 2020.

Martin has been a volunteer with CFA for 20 years, and was awarded the National Emergency Medal for the 2009 Victorian Bushfires. In 2019 Martin received the National Medal for Service for his work with CFA and the community. Martin brings with him skills and expertise obtained over 20 years working in the finance sector of a major industry and is the former owner of a small business. Martin has a long-standing interest and involvement in community welfare organisations and has volunteered with the Wye River SLSC and Leukaemia Foundation.

Nina Brooks (former member)

Nina joined the VICSES Board in January 2016 and was Deputy Chair of the Risk & Audit Committee and a member of the Remuneration Committee, until she left the board in August 2021.

Nina is an experienced human resource executive with over 25 years' experience and comprehensive knowledge of business partnering to achieve organisational results. She has worked across a variety of industries including professional services, consulting, fast moving consumer goods (FMCG), manufacturing and government. She is recognised as a trusted and insightful advisor across the full spectrum of people and organisational culture.

Nina has been a Director of Otway Health where she chaired the CEO Management Committee and is currently serving as a Director of International Social Services (Australia). Nina is also a graduate of the Australian Institute of Company Directors (AICD).

VICSES Executive team

VICSES is led by an Executive leadership team, who are accountable to the Board of Directors.

Stephen Griffin, Chief Executive Officer

Stephen became Chief Executive Officer (CEO) in May 2014. He has previously held management, executive, and chief executive positions in local government.

Qualified with a Bachelor of Applied Science and Master of Business Management from Victoria University, Diploma of Education from Mercy College, and a Graduate Diploma of Local Government Management from Deakin University, Stephen has been successful in attracting federal and state government funding for large local government projects.

Tim Wiebusch, Chief Officer Operations (ESM)

Tim Wiebusch was appointed Chief Officer Operations (COO) in December 2017, following 12 years working for VICSES in the roles of Deputy COO and Deputy COO (Readiness). Tim first joined VICSES as a volunteer in 1993.

Tim brings a wealth of experience, with a career spanning 25-years in government agencies, in addition to significant long-term secondments at the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) and EMV. He has also played a significant senior operational leadership role in a range of emergency events such as the 2009 Victorian Bushfires, Victorian floods (2010/2011), Christmas Day hailstorm (2012), the Norwegian Star Incident (2016), and the Great Ocean Road landslides (2016).

Kate White, Director - Community Resilience, Communications and Corporate Services

Kate joined VICSES in 2011, and is currently leading Community Connections, Emergency Management Planning, Media and Communications and the comprehensive corporate services portfolio.

Kate has extensive experience in emergency management, event management, and finance and banking across the public and corporate sectors. She has worked directly with disaster affected communities and volunteers and is undertaking a Master of Philosophy in Disaster Preparedness and Management at Monash University. More recently, Kate has also taken on the role of Chair, VICSES Pandemic Preparedness and Response Team (PPRT), leading the businesses COVID-19 pandemic response.

Shelley Cussen, Director - People and Organisation Development

Shelley Cussen joined VICSES as Director, People and Organisation Development in January 2021.

Shelley leads the People and Organisation Development team. Shelley Cussen joined VICSES after extensive experience within the utility sector as a Senior People and Safety Leader.

She has led several diverse portfolios, including health, safety, environment & quality, human resources, customer service and facilities management. She brings a deep understanding and passion for improving people and community outcomes.

Silvia Silverii, Chief Information Officer

Silvia Silverii joined VICSES as Chief Information Officer in July 2018, leading the Information Services team.

Silvia brings more than 20 years' experience in Information Technology and a wealth of experience and skills in optimising the use of data and information flow for organisations. In 2019, Silvia developed, and is now delivering, an Information Services Strategy which supports the corporate strategy, and in-turn underpins an improved 'volunteer experience'. Silvia was previously with the Independent Broad-based Anti-Corruption Commission (IBAC) Victoria, where she held the role of Head of Information Technology and Management for five years, supporting IBAC's organisational objectives through the leadership of its information and communications technology programs. Prior to IBAC, Silvia was the Chief Information Officer for the Financial Ombudsman Service for six years. Prior to that, Silvia worked internationally and nationally for EPT Pty Ltd/KAZ Software Solutions.

Corporate governance

Statutory authority, board, and structure

Responsible Minister

The Minister responsible for VICSES is the Minister for Emergency Services.

Statutory Authority

The Victoria State Emergency Service Authority was established by the *Victoria State Emergency Service Act 2005* (Vic) (VICSES Act). The *Victoria State Emergency Service Regulations 2017* came into operation on 1 October 2017. These regulations set the expectations of the standards for volunteers in behaviour, training, exercising of skills and other administration matters.

Board responsibilities

The Victoria State Emergency Service Authority Board (the Board) is constituted under the VICSES Act. The Board is accountable to the Minister for Emergency Services. The Board consists of directors appointed by the Governor in Council on the recommendation of the Minister for Emergency Services.

The Board's key responsibilities include approving the organisation's strategic plan, monitoring its implementation and performance against the strategic plan objectives, and ensuring VICSES meets its statutory obligations. The Board also monitors and influences VICSES culture, reputation, policies, and legal compliance. The authority of decision-making on a number of significant matters is reserved for the Board.

Outside of those areas, the CEO is responsible for the day-to-day management of VICSES. The CEO, together with the VICSES Executive Management Team, is responsible to the Board for the development and implementation of our strategy, and the overall management and performance of VICSES.

All Board directors are independent of VICSES. Board directors are required to disclose any conflict or pecuniary interests and submit an annual Declaration of Private Interests in respect of their responsibilities to the Victoria State Emergency Service Authority.

Board committees

There are two standing committees that assist the Board in carrying out its responsibilities.

Risk and Audit Committee

The Risk and Audit Committee monitors and advises on matters relating to:

- Risk management, compliance, external audit, internal control, internal audit, policies, corporate governance, and matters that may significantly impact the financial condition or affairs of VICSES.
- Work health and safety.
- VICSES legal compliance,

People, Culture and Remuneration Committee

The People, Culture and Remuneration Committee has been established to monitor and advise on matters relating to:

- Remuneration arrangements and outcomes.
- Organisational culture.
- Diversity and inclusion.

The Board appoints the members and the Chair of each committee. Following each committee meeting, the Board receives a report from that committee on its deliberations, conclusions, and recommendations.

Sub-committees at 30 June 2022

Risk and Audit Committee	People, Culture and Remuneration Committee
Lisa Borowick (Chair)	Greg Wilson (Chair)
Bernie Cronin	Lisa Borowick
Casey Nunn	Bernadette Northeast
Jane Foley*	
Nina Brooks**	

* Jane Foley commenced on RAC on 24 May 2022

** Nina Brooks term on board finished on 22 August 2021

Board of Directors' attendance at meetings

A total of six meetings were held by the Board and its committees during the 2021-22 financial year.

The below table outlines the attendance by Board Directors:

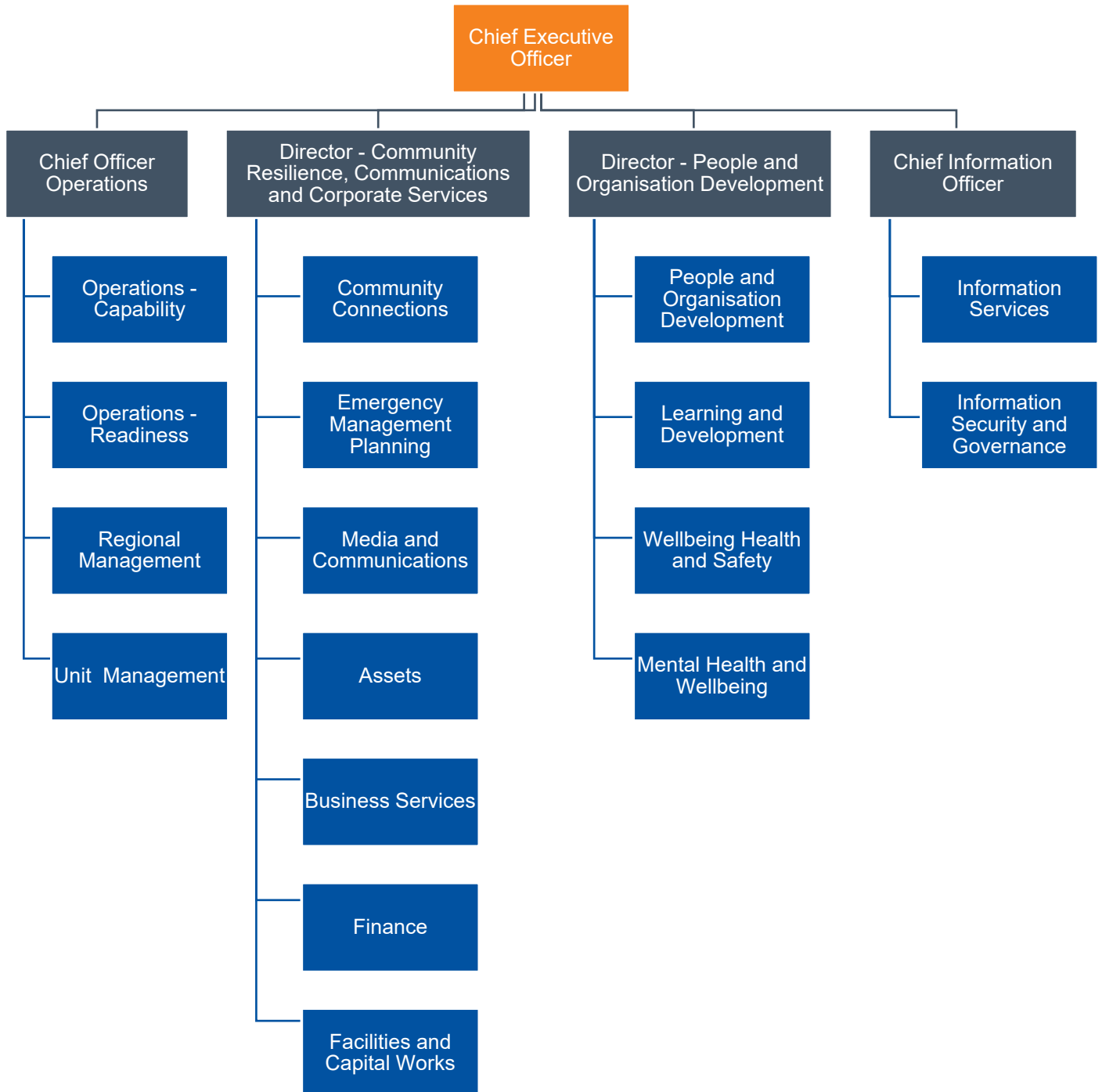
Board		Board sub-committees	
Board Directors	Board Meetings	Risk and Audit Committee	People, Culture and Remuneration Committee
Greg Wilson	6		3
Lisa Borowick	5	4	3
Bernie Cronin	6	3	
Bernadette Northeast	6		3
Casey Nunn	3	3	
Martin Geerings	4		
Jane Foley*	5	1	
Nina Brooks**	1		

*Jane Foley commenced with the board on 22 August 2021

**Nina Brooks term on board finished on 22 August 2021

Organisational charts

VICSES structure



Governing policies

Freedom of Information

VICSES is subject to the *Freedom of Information Act 1982*. During the 2021-22 financial period, VICSES received 50 Freedom of Information (FOI) applications. In keeping with the spirit of the *Freedom of Information Act 1982*, VICSES endeavours, where possible, to satisfy requests for information outside of the FOI process. Further information about VICSES' FOI obligations, including VICSES' Part II Statements, can be found at ses.vic.gov.au/freedom-of-information.

Privacy

As a Victorian statutory authority, VICSES must collect, use, and disclose personal information in accordance with the *Privacy & Data Protection Act 2014* (Vic). VICSES runs regular privacy training and awareness initiatives and provides advice and assistance to ensure members are aware of their obligations. VICSES continues to apply the internationally endorsed principle of 'Privacy by Design' into its activities.

Surveillance

Following the publication of the Victorian Auditor General Office's (VAGO) Security and Privacy of Surveillance Technologies in Public Places Report from 2018, considerable effort has been undertaken by VICSES Information Services (IS) to develop, communicate, manage, and maintain an appropriate and effective policy response so that the organisation meets its obligations under the *Surveillance Devices Act 1999* (Vic) and the *Privacy & Data Protection Act 2014* (Vic). This is now a well-defined, ongoing responsibility that IS oversees and requires ongoing advice, assistance, and training, as well as management of the process for receiving, approving and reporting surveillance requests and breaches.

DataVic Access Policy

Consistent with the DataVic Access Policy issued by the state government in 2012, VICSES continues to make public its datasets via data.vic.gov.au.

Gifts, Benefits and Hospitality

In keeping with the standards issued by the Victorian Public Sector Commission in relation to the management of gifts, benefits and hospitality, VICSES publishes its Gifts, Benefits and Hospitality Register on a quarterly basis at ses.vic.gov.au/about-us/publications.

Protected Disclosure

VICSES encourages the reporting of corrupt, dangerous, or incompetent conduct. Any person who has concerns about such conduct should contact the Independent Broad-based Anti-Corruption Commission on 1300 735 135 or via their website: <http://www.ibac.vic.gov.au>. VICSES supports employees and volunteers who disclose such conduct or assist with an investigation through its Protected Disclosure Welfare Policy. Further information about this policy can be obtained from the Manager, Information Security & Governance.

Local Jobs First – Victorian Industry Participation Policy

The *Victorian Industry Participation Policy Act 2003* requires departments and public sector bodies to report on the implementation of the Local Jobs First – Victorian Industry Participation Policy (Local Jobs First – VIPP). Departments and public sector bodies are required to apply the Local Jobs First – VIPP in all procurement activities valued at \$3 million or more in metropolitan Melbourne and for state-wide projects, or \$1 million or more for procurement activities in regional Victoria. There was one procurement activity that was required to comply with the Local Jobs First - VIPP category for the 2021-22 financial year.

Disclosure of Major Contracts

Departments and public sector bodies are required to disclose, in accordance with the requirements of government policy and accompanying guidelines, all contracts greater than \$10 million in value entered into during the financial year. There were no contracts greater than \$10 million in value for the 2021-22 financial year.

National Competition Policy

Under the National Competition Policy (NCP), the guiding legislative principle is that legislation, including future legislative proposals, should not restrict competition unless it can be demonstrated that: The benefits of the restriction to the community as a whole outweigh the costs; and the objectives of the legislation can only be achieved by restricting competition.

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service. VICSES continues to comply with the requirements of the NCP.

Compliance with the Carers Recognition Act 2012

VICSES has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012*. These include considering the care relationships principles set out in the act when setting policies and providing services and inclusion of relevant provisions in the VICSES enterprise bargaining agreement.

Project Development and Construction Management Act 1994

Under the *Project Development and Construction Management Act 1994* (Vic) (PDCM Act), public construction consists of any matter relating to the construction, maintenance, rehabilitation, alteration, extension, or demolition of any improvements on land by, or on behalf of, departments and public bodies. This includes design and construction practices, tendering processes, project delivery and contract administration. VICSES continues to carry out facilities upgrades and maintenance of its occupied buildings through a program of works in accordance with regulatory requirements. Any possible non-compliance issues are also remedied through a program of works in accordance with regulatory requirements.

Building Act 1993

VICSES complies with the *Building Act 1993* with respect to alterations and maintenance to the buildings owned by VICSES. VICSES carries out a periodic review of its facilities to identify the condition of facilities under its control. Possible non-compliance issues with facilities are remediated through a program of works in accordance with regulatory requirements.

Financial Management Compliance Attestation Statement

I, Greg Wilson, on behalf of VICSES, certify that VICSES has complied with the applicable Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994* and instructions.

A handwritten signature in blue ink, appearing to read 'G. Wilson', is positioned above the printed name and title.

Greg Wilson, Board Chair
Melbourne, November 2022

Consultancies

Consultant	Service	Fees Approved \$	Amount Expended 2021-22 \$	Future Commitments \$
Over \$10,000				
Maddocks	Security System Advice	14,236	14,236	-
Solve Consulting International Pty Ltd	SAS Project	13,125	13,125	-
Data#3 Limited	Windows 10 Desktop Refresh	75,259	75,259	-
Arcblue	VICSES Procurement Strategy	19,800	19,800	-
Arcblue	Business Case Development for PPCE	28,273	28,273	-
Right Lane Consulting Pty Ltd	Gender Equality Audit	55,800	55,800	-
The Performance Architects (VIC)	Organisational Review - Directorate Support	21,557	21,557	-
Ideas Advisory	Business Case Development for ERC funding	30,116	30,116	-
Total		258,166	258,166	

Consultant	Service	Fees Approved \$	Amount Expended 2021-22 \$	Future Commitments \$
Under \$10,000				
6	Various	24,972	24,972	-
Total		24,972	24,972	

Information Communication Technology expenditure

Business as Usual ICT Expenditure	Non BAU	Non BAU Operational	Non BAU Capital
<i>Total \$m</i>	<i>Total A + B \$m</i>	<i>A \$m</i>	<i>B \$m</i>
2.57	1.87	1.87	0

Key performance measures

VICSES reports on key performance measures to the Victorian Government through the Minister for Emergency Services. We report on:

- Quantity: The number of members (volunteers and staff).
- Quality: The number of units and personnel trained and accredited for road rescue and Level 3 Incident Controller.
- Timeliness: The time it takes units to respond to road rescues.

Key performance measures of VICSES

Major outputs, deliverables and/or performance measures		Unit of measure	June 2022 QTR4 YTD		
			Target	Actual	% Variation
Quantity					
1	Permanent operational staff	Number	83	92	11%
2	Permanent support staff	Number	122	129	6%
3	Volunteers - operational	Number	3,559	3,109	-13%
4	Volunteers – support	Number	904	737	-18%
Quality					
5	Road crash rescue accredited brigades/units	Number	103	104	1%
6	Level 3 Incident Controller trained staff and volunteers*	Number	12	9	-25%
Timeliness - Road Accident Rescue					
7	Emergency response times meeting benchmarks	Per cent	90%	91.4%	1.4%
	Emergency response times meeting benchmarks	Number	N/A	638	
	Total number of emergency responses	Number	N/A	697	

* VICSES is rebuilding to this target over the next three years, which is the time it takes to develop the skills and depth of experience required to be accredited at this level

Figure as of 30 June 2022

COVID-19 Impact

Application of COVID-19 policy

In accordance with the VICSES Value of *'Safety drives our decisions'*, the health and safety of Our People – volunteers and staff - is paramount and the absolute priority of the pandemic plan. During a pandemic, the expectation from the community is that essential services will be maintained and that emergency management agencies will be able to continue to service the community as required. It is therefore critical that VICSES has robust plans in place to meet our statutory obligations during a pandemic in responding to flood, storm, earthquake, tsunami, and landslide emergencies, providing road crash rescue capability and support to other agencies, while ensuring the health and safety of Our People.

Leadership by the Executive Management Team (EMT), Unit Management Teams (UMT), Regional Management Teams (RMT) and Business Managers, in conjunction with good planning, was paramount throughout this pandemic event.

Throughout the entirety of the 2021-22 financial year, VICSES continued to coordinate comprehensive COVID-19 adaptations of the VICSES Pandemic Plan, COVIDSafe Directions, and arrangements due to the evolving and dynamic nature of the pandemic.

Our protocols were adapted to reflect new government restrictions, and a number of committees comprised of both volunteers and staff drew on our technical expertise and specialist skills across VICSES, guiding the business in how we responded to, and continue to respond to the pandemic, as well as our decision making, which was scaled and varied to be proportionate to the needs experienced at the time. A significant change to previous pandemic planning and arrangements was the shift from planning for high levels of workforce absenteeism to a realised remote workforce that could continue to deliver services, respond to emergencies, and provide assistance to affected individuals and communities during the pandemic.

VICSES Statement of Intent

To support all members, the VICSES Statement of Intent was shared as a high-level reference to guide our decisions.

The infographic is titled "Statement of Intent – COVID19" and features the VICSES logo. It is designed to complement the information available via the single source of VICSES information and advice on the VICSES Hub: <https://hub.ses.vic.gov.au/coronavirus-covid-19>.

Safety drives our decisions

The health, safety and well-being of all our members and their families remains an **absolute priority** at this time and underpins all of our decisions and actions.

Everyone has a responsibility to act in accordance with VICSES advice and doctrine and that of the Government and Health Authorities.

All members should stay informed and take steps to protect themselves through **enhanced hygiene practices** and **physical distancing** (1.5m). Frequently **clean and disinfect** high-touch surfaces and shared equipment after use such as radios, phones, computers, vehicles and equipment.

We are part of our community

VICSES is committed to providing emergency assistance to minimise the impact of emergencies and strengthen the community's capacity to plan, respond and recover when emergencies occur – 365 days a year, 7 days a week, 24 hours a day.

Our focus is to maintain all operational service delivery.

Each member is responsible to make appropriate decisions about the protection of their own health and for following VICSES PPE advice.

Members are strongly encouraged to download the COVIDSafe App to speed up contacting people exposed to COVID-19. This helps authorities support and protect you, your friends, and family.

We pride ourselves on our credibility

VICSES Emergency Response activities will continue following our **COVID-19 Response Protocols** for RMs. This includes testing if necessary, attending private premises.

We will only attend VICSES activities if we meet the **Should I Respond** criteria.

VICSES will provide information to members based on the most up-to-date health advice provided by the State and Federal Governments and health authorities.

Together we are VICSES

Follow the most up-to-date COVIDSafe Directions for guidance on restrictions, responding to RMs, face-to-face training, volunteer recruitment and ensure **unit attendance records** are completed in case of the need to manage an outbreak or contact tracing.

All face-to-face meetings, awards ceremonies and fundraising remain suspended until further notice.

Utilise VICSES facilities for video and teleconferencing as an alternative to conducting face-to-face meetings and prioritise staying connected with all Unit members, especially those in the at risk category who are strongly discouraged from attending SES.

Assets and fleet will continue to provide routine and essential maintenance of vehicles and equipment along with resupply of consumables.

Focused and adaptable

Our Values have held us in good stead over difficult times and all VICSES members are encouraged to anchor all their actions back to Our Values.

To support operational service delivery, we must be **Focused and Adaptable**, adapting our practices so that VICSES response can continue and in how we support each other and the communities we serve.


Leaders within Unit Management Teams are responsible for maintaining current awareness of the movement and status of their respective team members.

Authorised by: Stephen Griffin (Chief Executive Officer) and Tim Webber (Chief Officer Operations)

VICSES Statement of Intent – COVID19 – Version 4, 31 July 2020

VICSES COVIDSafe Directions








To aid all members in the practical application of how the everchanging restrictions related to their role within VICSES, the VICSES COVIDSafe Directions were created, and continue to be adapted with each change.



VICSES COVIDSafe Directions

Arrangements from 24 June 2022

All members - Guiding principles

Face masks	Hygiene	Report exposure	Training	1.5 metres	Get vaccinated	Feeling unwell?
						
Wear at all times. Only required in high-risk settings.	Wash your hands. Handshakes are optional.	Report positive cases via snapform .	All training activities are allowed across the service.	Maintain physical distancing where possible.	Members must be fully vaccinated (boosted).	Get tested. Stay home and isolate.

General guidance

- Follow [COVID-19 outbreak guidance](#) protocols. Members who are confirmed positive cases of COVID-19 must report this via the [COVID-19 exposure snapform](#).
- Apply and adhere to the [COVIDSafe checklist](#).
- Ensure correct usage of Personal Protective Clothing and Equipment (PPC&E) when responding to RFA's as per [COVID-19 Response Protocols](#).
- Look after each other and consider your overall wellbeing. Access health and wellbeing resources on [the Hub](#).

Availability and vaccination

- In line with state government third dose mandate, members must be fully vaccinated ('boosted'), with three doses, to represent VICSES.
- Those VICSES members who have not yet provided evidence of third-dose vaccination, and are currently listed as "VOL ON LEAVE", will now have that status extended until the end of winter (31 August 2022).
- Members can provide evidence that they are fully vaccinated ('boosted') via the [vaccination snapform](#) or by sending proof of vaccination status to covid-19@ses.vic.gov.au ASAP.

Training and Response

- Triage using the [COVID-19 Response Protocols](#).
- All training activities allowed, including with other agencies. Composite teams from adjoining units are allowed.
- N95/P2 face masks are required in operations where you have close or direct contact with a casualty or COVID-19 confirmed community member. At other times, face masks are only required in certain high-risk settings but encouraged where you cannot physically distance (1.5m). See full details below.

Community facing activity



- Community activity such as recruitment, community engagement, events, or fundraising (inc. BBQs and door knocks) can be conducted face-to-face, with a preference for events to be held outdoors. School and scout visits can take place. Ensure compliance with any COVIDSafe requirements outlined by the school or group.
- Must apply all [COVIDSafe principles for community activity](#).
- Larger or more complex events can go ahead with a [VICSES COVIDSafe Plan - Community Engagement Programs](#).

Office attendance

- Staff to return to offices a minimum of three days per week in line with Victorian Public Service guidance as per CEO advice.

Face masks covering the nose and mouth

Masks to be carried at all times. Masks are only required in high-risk settings, as directed by the [Victorian Government](#).

No face shields, bandanas or scarves are to be worn, as per government rules.







When to wear P2 (non-vented) /N95 or KN95 masks:

- If close or direct contact with a casualty;
- If in contact with a confirmed case of COVID-19;
- If you are household close contact; or
- If requested in DCPs, ICCs, RCCs or the SCC.

These directions serve as part of the VICSES COVIDSafe plan - available on the Hub if requested by Victorian Government authorities

Operations overview

Regional statistics

<p>Central Region</p>  <p>Office locations: Mulgrave and Sunshine</p> <p>33 operational units 11 accredited road rescue units 2 regional support units</p>	<p>Mid West Region</p>  <p>Office locations: Wendouree and Horsham</p> <p>14 operational units 11 accredited road rescue units 1 regional support unit</p>	<p>North West Region</p>  <p>Office locations: Bendigo, Swan Hill, and Mildura</p> <p>22 operational units 19 accredited road rescue units 1 regional support unit</p>
<p>East Region</p>  <p>Office locations: Moe and Bairnsdale</p> <p>24 operational units 18 accredited road rescue units 1 regional support units</p>	<p>North East Region</p>  <p>Office location: Benalla</p> <p>25 operational units 22 accredited road rescue units 1 regional support unit</p>	<p>South West Region</p>  <p>Office locations: Geelong, Warrnambool, and Hamilton</p> <p>24 operational units 23 accredited road rescue units 1 regional support unit</p>

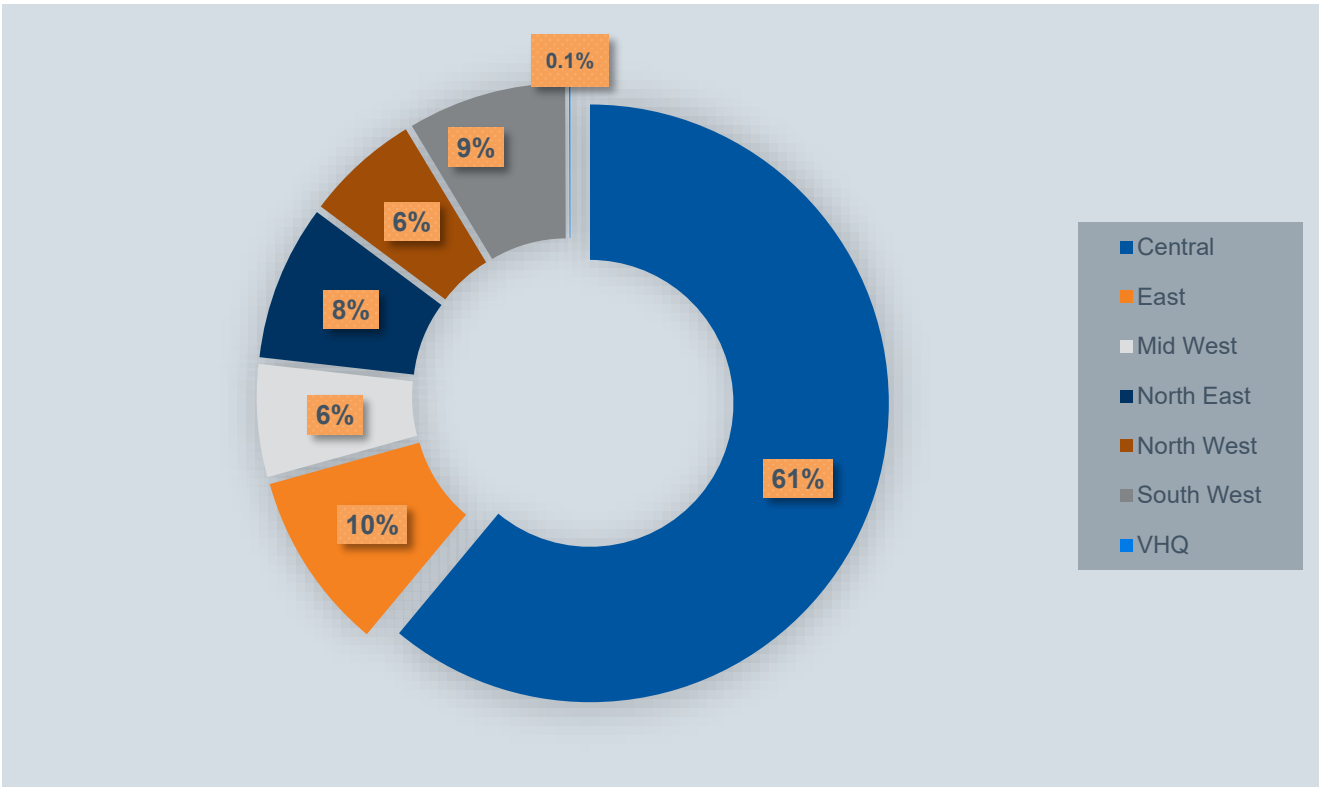
2021 - 2022 Incidents/Hours

	Authorised Activity	Control Agency			Rescue			Support Other	
Region	Non-Ops	Flood	Storm	T L E ¹	Rescue Other	Rescue RAIR	Rescue Road	Assist Agency	Total
Central	268	1,841	17,650	192	559	15	399	1,643	22,567
	10,356	9,140	145,783	1,224	1,623	104	2,190	19,190	189,610
East	53	425	2,459	44	102	8	186	298	3,575
	806	3,064	10,472	191	624	77	1,626	4,968	21,828
Mid West	14	275	1,639	11	51	5	56	201	2,252
	598	5,192	12,793	35	376	42	644	2,275	21,955
North East	127	293	2,014	31	84	7	203	349	3,108
	5,107	1,638	10,512	454	817	212	2,266	6,651	27,657
North West	81	343	1,333	10	63	3	218	226	2,277
	2,216	3,608	6,513	470	412	18	1,857	2,735	17,829
South West	76	385	2,009	25	83	6	274	315	3,173
	1,790	4,271	12,271	150	665	107	2,334	2,998	24,586
VHQ	0	1	11	2	0	0	0	9	23
	0	11	2,254	35	0	0	0	3	2,303
Total	619	3,563	27,115	315	942	44	1,336	3,041	36,975
	20,873	26,924	200,598	2,559	4,517	560	10,917	38,820	305,768

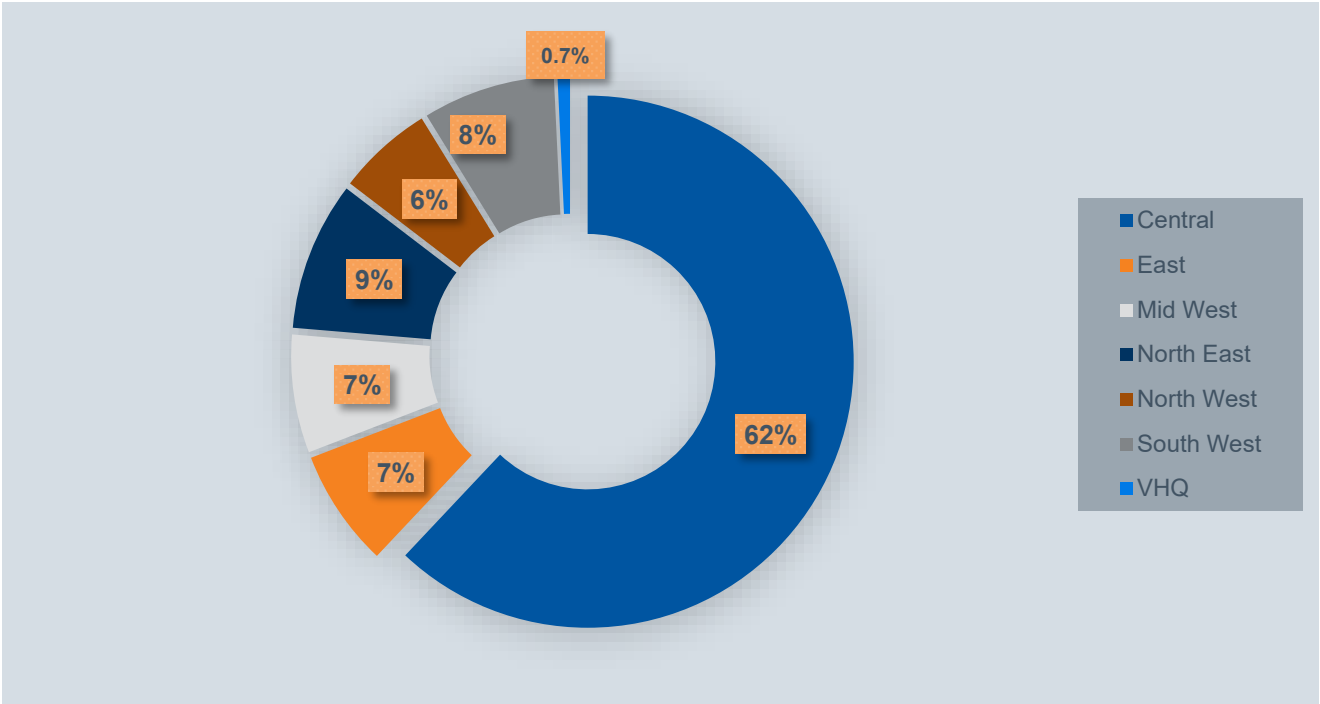
Notes: For greater accuracy in reporting, the categorisation of each incident has been reviewed based on the reported incident type per the actions of the responding VICSES members, the reported cause of the event and the information in the initial page. This review is applicable to all available data from July 2009 to the current financial year and has resulted in a 1-2 per cent variance in previously reported incident counts.

¹ TLE stands for Tsunami, Landslide and Earthquake

2021- 22 Incidents by region (per cent)



2021- 22 Hours by region (per cent)



Comparison between this year and last year's financial years

		Authorised Activity	Control Agency			Rescue			Support Other	Total
		Non-ops	Flood	Storm	T L E	Rescue Other	Rescue RAIR	Rescue Road	Assist Agency	
Incidents	2021-22	621	3,563	27,114	315	942	44	1,336	3,040	36,975
	2020-21	509	2,181	28,341	141	836	46	1,366	2,976	36,396
Hours	2021-22	20,873	26,924	200,598	2,559	4,517	560	10,917	38,820	305,768
	2020-21	11,131	18,617	408,139	1,120	5,241	406	12,022	46,751	503,427

Operational terms/category descriptions:

- **Control agency:** A control agency is the primary agency responsible for responding to a specified type of emergency – VICSES is the control agency for flood, storm, tsunami, earthquake, and landslide emergencies. Further information as follows:
 - Response to storm and flood is the bulk (approx. 80 per cent) of VICSES response activity.
 - T L E shows our preparation and response to damage caused or threatened by more extreme but less frequent natural events - tsunami, landslide and earthquake.
- **Assist agency:** VICSES may be asked by a control agency to support the response to an emergency by providing essential services, personnel (staff or volunteers), or material that may contribute to the management of the emergency.
- **Declared operations:** Declared operations are significant events requiring the allocation of resources and personnel for sustained periods to support a response in either a control or support capacity. They are declared by the VICSES Chief Officer (or authorised member).
- **Authorised activity (non-ops tasks):** The authorised agency term relates to our reported community engagement, including public relations, fundraising and works with the Driver Reviver program.
- **Request for Assistance (RFA):** A request for VICSES to respond to an incident can be made by a member of the public, another agency or a VICSES member.
- **Incident:** An incident is when a VICSES operational member or crew take an action in response to one or more RFAs relating to an emergency at a unique location.
- **Rescue:** Includes our control agency and key support for different types and levels of rescues:
- **Rescue Other:** Includes both domestic and technical rescues such as swift water and high angle (rope) rescues.
- **Rescue RAIR:** A distinct type of technical rescue is that of Road, Air, Industrial and Rail. Road rescue is listed as a separate figure.

- **Rescue Road:** VICSES provides the largest road rescue network in Australia, with 104 accredited road crash rescue provider units in Victoria.
- **Support other agency:** Covers our assistance to other government agencies, primarily police, Ffre and ambulance.

Operations of significance

Overview

In 2021-22, the demand for VICSES response has continued to increase, with members receiving 39,545 requests for assistance (RFAs) (resulting in 36,975 incidents), our second busiest year on record (surpassing the 2020-21 figure of 36,396 RFAs).

Flooding related requests have increased approximately 50% on previous years. Regionally, Central Region recorded its busiest year on record, as well as the South West Region recording is second busiest year.

2021-22 has been a year in which VICSES members have responded to a significant number of events, including events for all control agency hazards. VICSES also participated in 25 declared operations, through which members contributed extensive hours. In addition to member response within Victorian borders, VICSES has played a significant role supporting interstate deployments for NSW flood response in March and April.

COVID-19 has continued to influence the way events are responded to across the state, with the agency remaining flexible and adaptable in order to be able to maintain response capability and member safety in the complex operational environment.

Significant operations

COVID 19 Class 2 Emergency 27 May – 5 July 2021 (State-wide)

COVID 19 Class 2 Emergency 15 July – 19 November 2021 (State-wide)

Refer to notes on COVID-19 regarding ongoing business expectations and relations.

24 - 26 July 2021: Severe Weather (state-wide)

VICSES received guidance from the Bureau of Meteorology (BOM) a regarding Severe Weather Warning for damaging winds and the risk of a Coastal Storm Surge, commencing on Saturday 24 July and continuing through until Monday 26 July. This was the first significant severe weather event forecast following the cessation of the June 2021 extreme weather event. While only limited impact was observed, additional public messaging was disseminated to ease community concern.

3 - 9 September 2021: Cold front/heavy rainfall (state-wide)

Movement of a cold front and low-pressure system led to widespread falls to much of Victoria, leading to river rises and flooding in Hume, Gippsland, and parts of metropolitan Melbourne. Several landslides in Gippsland led to temporary road closures. Over 700 RFAs were received, with 370 in Central Region, 140 in the East Region, and 90 in the North East Region, largely for trees down on roads and property, building damage and flooding

22-24 September 2021: Earthquake (state-wide)

An earthquake event occurred near Mansfield at 9:15am on Wednesday, 22 September 2021, which was felt throughout the state and beyond state borders. Initially reported as a magnitude 6.0 (Mw), the earthquake was revised to magnitude 5.8 (Mw) by Geoscience Australia. This was the largest onshore earthquake event in Victoria's recorded history. A magnitude 4.0 and magnitude 3.1 aftershock occurred after the main earthquake.

Initial reports of building damage in the north east parts of Victoria were received, with building damage observed in metropolitan Melbourne and North East Victoria (129 RFAs relating to building damage). The earthquake event also prompted temporary closure of some infrastructure (West Gate Bridge, Melbourne Airport) to allow for inspections, as well as causing power and telephone services disruption in some areas.

29 September – 4 October 2021: Heavy rainfall/severe weather (state-wide)

Heavy rainfall in the east and south-west of the state led to several flood warnings being issued. Minor flood warnings on the Barwon River led to several road closures and concern regarding potential rescue requirements of campers.

Rainfall in the east led to minor to moderate flooding to the Thompson, Latrobe, and Traralgon creek systems. 147 RFAs were received in this area in a 40-hour window, mostly for flooding. A taskforce from Central Region supported additional rescue and general response capability in East Region.

Within Central Region, isolated storm cells brought intense rainfall and localised flash flooding. 46mm of rainfall in 45 minutes in the Broadmeadows area prompted Incident Control Point (ICP) activation to support 73 RFAs. A CAD field kit was deployed to the ICP to support the incident. A total of 832 RFAs were received state-wide, with Central Region receiving 511 RFAs and East Region receiving 172 RFAs.

15-16 October 2021: Heavy rainfall (Central and East Regions)

A low-pressure system brought heavy rainfall to Central, North Central and Gippsland weather district areas, as well as strong winds and damaging gusts.

Stream and river rises were observed in multiple systems, including Yarra, Bunyip, Acheron, Kiewa, Goulburn Rivers and Dandenong Creek, locations resulting in nuisance flooding, along with minor and moderate flood warnings released. Over 400 RFAs were received in Central Region, largely for trees down and building damage, with the greatest impact to the Emerald, Lilydale, Frankston, and Healesville Unit areas. A pre-planned taskforce was deployed to assist in response.

East Region received numerous RFAs as a result of flash flooding in the evening preceding (14 October), with Morwell Unit most significantly affected. Impacts seen were largely flooding and building damage, with flash flood messaging and a minor flood warning released for Traralgon Creek. Flood warnings were also released for Tambo, Snowy and Mitchell Rivers.

28 October – 8 November 2021: Severe weather/wind (state-wide)

A strong front and associated significant wind event (with rain and hail) initially impacted the west of the state, with additional fronts following, impacting south-west Victoria and metropolitan Melbourne areas. Due to event timing and conditions, thunderstorm asthma was an item of potential concern during initial stages of this event.

Intense rainfall on Thursday 28 October led to flash flooding in the Mid West and North West Regions, with three flash flood warnings released for St Arnaud, Inglewood/Charlton, and Castlemaine associated with the severe weather warning.

Early on 29 October, wind gusts in excess of 100km/hr and heavy rainfalls led to widespread damage across the South West Region and metropolitan Melbourne areas. Wind gusts of 143km/hr were recorded at Mt William, 146km/hr at Wilsons Promontory, and 119km/hr at Melbourne Airport.

In the South West Region, fallen trees and flooding led to road closures and a rapid influx of RFAs, with greatest impacts in the Geelong, Bellarine, and Surf Coast municipalities.

In metropolitan areas, high winds and heavy rainfall led to considerable building damage, as well as significant numbers of tree down and traffic hazard RFAs. Along with power outages, debris on roads and train and tram lines caused disruption to the public transport network. This also disrupted school routes, and hazardous weather and trees down led to temporary closure of several schools. Five divisions were formed to assist in response, relief, and recovery with the recent storm events, with all metropolitan units active in storm response. A contingent of 46 NSW SES members were deployed to support the storm response operations.

Of the 9,897 RFAs received during this event, 7,685 RFAs were received for Central Region, 662 RFAs for East Region, 526 RFAs for Mid West Region, 578 RFAs for South West Region, 303 RFAs for North West Region and 129 RFAs for North East.

Widespread power outages and disruption to telecommunications was experienced across the state. Several units were offline due to lack of power and internet connection. 526,000 properties were without power at

8:30am on 29 October, making it one of the largest power outage events in the state. While efforts were made for power reconnection, many properties remained without power for several days. A high volume of calls led to some delays for people to request assistance through 132 500.

Many issues and potential improvements identified in the June 2021 event were able to be applied in this event, from swift deployment of NSW resources to assist, effective multiagency integration at Divisional Command Points (DCPs), to generator roll-out in support of the power outage event.

11-15 November 2021: Severe weather and flooding

BOM provided guidance that two separate low-pressure systems would impact the state within a weekend, with the first bringing heavy rainfall and the second with widespread winds reaching damaging criteria. Widespread flood watches were issued for West and South Gippsland, East Gippsland, North East, and parts of Central Weather Districts.

Over 1,000 RFAs were received during the period of 11 November – 15 November, mainly for tree down and traffic hazard events. High numbers of building damage events were also received in Central Region, with three building damage jobs in Yarra Ranges requiring relocation of residents. Several flood rescues were enacted in East, North East, and Central Regions. Throughout the event, Central Region received 577 RFAs, East Region 188 RFAs, Mid West Region 63 RFAs, North East Region 48 RFAs, North West Region 68 RFAs, and South West Region 57 RFAs.

Cumulative rainfall totals of up to 159mm in East Gippsland, 142mm in West Gippsland, and 127mm in elevated parts of Central Region were received. Flooding occurred on numerous river systems, ranging from Minor or Moderate Flood Levels across metropolitan Melbourne (Bunyip, Werribee, Yarra Rivers), North East (Upper Murray and Kiewa Rivers) and Gippsland (Tambo, Nicholson, Snowy, Macalister, Latrobe, Thomson Rivers, and the Gippsland Lakes). Major Flood Warnings were released for the Avon and Mitchell Rivers. Minor flooding continued for several days following the event.

Water rescues were conducted by Victoria Police Search and Rescue, with the support of VICSES Land Based Swift Water Rescue (LBSWR) teams and helicopters from Ambulance Victoria. A specialised boating taskforce was also deployed to Gippsland to provide additional support.

Multi-agency Incident Control Centres (ICCs) at Dandenong, Benalla and Traralgon were stood up, as were Regional Control Centres (ICCs) in metropolitan Melbourne, Gippsland, and Hume. State command personnel were in place at the State Control Centre (SCC), with further flood specialist roles in situ at the SCC able to provide further support.

25-28 November 2021: Heavy rain and flooding (eastern Victoria)

BOM provided guidance that a broad low-pressure trough, with a low to its north, would slowly cross Victoria, bringing tropical moisture from northern Australia into Victoria, with widespread combined rainfall totals of up to 80mm. As catchments were saturated from recent rainfall, BOM issued Flood Watches for catchments in Gippsland, the North East, and outer metropolitan Melbourne.

In readiness for the forecast flooding, VICSES stood up Bairnsdale ICC, Regional Operations Centres in both East Gippsland and the North East, as well as the SCC. A task force containing flood boats was also readied to deploy from the Central Region into Gippsland in support of local VICSES crews.

Despite forecast figures, the majority of the rain fell on the NSW side of the border, resulting in minor flood warnings being issued for the Murray River upstream of Lake Hume and further flood watches issued for East Gippsland and the Mitta Mitta catchments.

Thunderstorm activity led to instances of localised flash flooding. Flash flooding in Violet Town in the North East resulted in the relocation of one person.

A Severe Weather Warning for damaging winds was released for Central, East Gippsland, South West, Northern Country, North Central, North East, and West and South Gippsland, and Wimmera forecast districts. Following storm activity in October and early November, interim business rules were still in place for several metropolitan local government areas (LGAs) with regard to wind warnings. Additional engagement was completed with these municipalities

While the rainfall and riverine impacts have been less than forecast, this has resulted in the exercising of key facilities, and readiness arrangements leading into a La Niña summer.

19-20 December 2021 - Severe Weather

BOM provided guidance that a trough would cross Victoria with strong fronts on both Saturday and Sunday. A Severe Thunderstorm Warning was issued for much of the state, and a Severe Weather Warning for damaging winds was issued for parts of Central, East Gippsland, North Central, North East and West and South Gippsland Forecast Districts. Destructive winds were observed about Victoria's ranges, with gusts of 135km/h recorded on Mt Buller and 124km/h on Mt Hotham.

A Gale Warning was issued for the Central Coast, Central Gippsland Coast and East Gippsland Coast and a Strong Wind Warning issued for Port Phillip, Western Port, Gippsland Lakes, and West Coast. Gusts of 115km/h recorded at Fawkner Beacon and 102km/h at St Kilda.

Instances of flash flooding was observed, with Rutherglen receiving 34.8mm in 30 minutes, and warnings were issued to the community for storm activity including an Emergency Warning for Yarrowonga and a Very Dangerous Thunderstorm Warning for Wangaratta.

The town of Walwa in the North East Region experienced a micro-burst of weather, resulting in 12 RFAs for the community including two homes having their roof removed by the wind and one property with 15 large trees down, blocking access for the residents. A caravan park was also impacted with multiple trees down requiring the relocation of patrons.

919 RFAs were received across the state, with over 70% relating to trees down. Central Region (624 RFAs) and North East Region (186 RFAs) were most heavily impacted

Epidemic thunderstorm asthma was also a concern during the event, with a high forecast in place for East Gippsland.

5-7 January 2022: Severe thunderstorms (state-wide)

BOM advised severe thunderstorms were possible over much of the state with the potential for supercell thunderstorms and heavy rainfall. A number of flash flood and thunderstorm advice messages were issued as a result of severe thunderstorms.

Creswick and surrounds experienced a flash flooding event, with 53mm rain upstream, 110mm in Invermay and Creswick areas, and 120-200mm north of Ballarat. 88 RFAs were recorded for the Creswick area within three hours, including three rescue persons trapped. This was estimated to be a 1-in-50-year event. Within the Ballarat area, 206 RFAs were received, mainly for building damage

In Omeo, 114mm of rain fell in 24 hours causing minor flooding. Impacts to the caravan park required relocation of campers.

Significant storm cells formed near Colac and the Otways, and a large thunderstorm cell near Portland resulted in many RFAs due to heavy rain and hail.

VICSES members were instructed to cease all non-priority one events as a result of very dangerous thunderstorms near Bannockburn in the south-west, and in Melbourne's western suburbs.

In excess of 1,600 RFAs were received across the state during this event, largely for building damage and flooding. Central received 882 RFAs, East 137 RFAs, Mid West 339 RFAs, North East 105 RFAs, North West 35 RFAs, and South West Region received 192 RFAs.

15-16 January 2022: Tsunami – Marine Threat (East Region)

On 15 January, a significant eruption of the HungaTonga-HungaHa'apai volcano triggered a large earthquake and trans-Pacific tsunami. Multiple tsunami land threat and marine warnings were issued for parts of the Australian mainland, and some islands and territories on evening of 15 Jan. Land Warnings were received for Norfolk Island and Lord Howe Island. Marine warnings were issued for Macquarie Island and much of Australia's eastern coastline, from Sandy Cape in Queensland, to the South East Cape of Tasmania. Victorian warnings extended from Lakes Entrance to 128km east of Gabo Island.

Timing of the event was of concern given the increased tourist population at the time, as there was possibility of dangerous rips, waves and strong ocean currents, and some localised overflow onto immediate foreshore.

This event highlighted some limitations in the Emergency Alert Warning System when being utilised for warning areas of such scale and reinforced the importance of engagement with interstate partner agencies.

Regional Emergency Plans and SOP updates have been completed following this event, with further learning opportunities available through state masterclass sessions.

26-30 January 2022: Severe thunderstorms/heavy rainfall (state-wide)

BOM advised that severe thunderstorm activity, supported by a very humid, unstable airmass, would be likely to produce heavy rainfall that may lead to flash flooding over much of the state commencing Wednesday 26 January, and continuing for several days.

Mildura was impacted by a flash flood event with local falls of up to 110mm, including 72mm in 1.5 hours. 131 RFAs were received for water entering premises, vehicles stuck in floodwater, and building damage. The VICSES Mildura Unit local headquarters suffered a power outage, requiring generator backup.

Damaging and local destructive winds in western parts of state led to building damage and trees down. Edenhope recorded 93km/h winds and 26mm of rainfall in 30 minutes. Horsham recorded 129km/h winds and rainfall of 29mm in a short period

Geelong received 40mm rain in 40 minutes, causing flash flooding of the Geelong CBD and surrounding suburbs. 298 RFAs were received in eight hours with VICSES South Barwon, Geelong, and Corio Units most heavily impacted. Most requests related to flooding entering premises or building damage. Nine requests were received for rescue persons trapped in floodwaters. An aged care facility flooded in communal areas and some rooms, with two residents relocated. VICSES Mortlake Unit received a years' worth of RFAs in a day, mostly for calls for assistance for trees down.

Severe Thunderstorm Warnings for heavy rainfall, and very dangerous thunderstorms warning for Gisborne and Woodend were released, with Malmsbury recording 56.2mm of rainfall in 60 minutes, and Springhill-Tylden recording 23mm of rainfall in 30 minutes. Flash flooding was recorded in Castlemaine, with trees down and building damage the greatest threat in Gisborne, Woodend, and Bendigo.

Dangerous Thunderstorm Warnings for wind and hail were released for outer metropolitan Melbourne, with cells continuing though eastern suburbs. Central Region received over 100 RFAs, with the busiest VICSES units being Gen Eira, Monash, and Narre Warren Units. 16 flood rescues were reported, with 20 properties experiencing above floor flooding. Minor riverine warnings were released for the Yarra, Watts, Bunyip, and Werribee rivers, as well as Dandenong Creek.

Flash flooding in Rutherglen and Chiltern prompted RFAs, with a high percentage of calls for flooding entering premises.

1 February 2022: Intense rainfall/damaging winds (North East Region)

A large storm cell developed rapidly over the North East, with the most intense area tracking from Benalla to Tallangatta. Rainfall totals received include 47mm at Bobinawarrah, 40mm at Rosewhite, and 31mm at Rocky

Point. Closure of the Snow Road between Markwood and Gapsted was required as a result of multiple trees over the road. 113 RFAs were received, mostly for trees down.

Power outages affected approximately 1,000 properties across Milawa, Boorhaman, Cheshunt, Everton, Oxley, Whitfield, Gapsted, Mudgegonga, and Yackandandah.

28 February - 15 March 2022 - NSW Deployment - Flooding

NSW was subject to severe weather events from 22 February, resulting in significant flooding across many catchments around Lismore, Grafton, and Casino, with further rainfall following across the coming days and weeks. Record river heights were reached in many catchments, with dangerous conditions resulting from ongoing riverine and flash flooding, damaging wind gusts and impacts to roads, communication, and power.

Following an initial request for flood boat operators, further staff and volunteer resources were deployed to support in-field operations (Community Liaison Officer (CLO) and General Rescue (GR) taskforces) and ICCs in Rhodes, Metford, and Goonellabah, as well as filling Jurisdictional Liaison Officer (JLO) roles in the State Operations Centre (SOC) in Wollongong. Boat crews initially sent to Coffs Harbour worked in Grafton, Casino and Mullumbimby, while CLOs reported into Goonellabah and GR crews into Goonellabah and Sydney.

VICSES crews worked in the community assisting with flood and storm damage and referrals of support to displaced community members, as well as aiding NSW crews by covering shifts to give their crews breaks. Additional impacts from the east coast low were experienced along the mid-north coast and further down the coast toward metropolitan Sydney and the south coast of NSW, increasing the flood threat.

27 staff and 94 volunteers from across all regions deployed to directly support the incident. Assets and Operational Communications functions supporting the deployment of satellite phones, radio caches, personal protective clothing and equipment, and consumables. COVID-19 added additional complexities due to testing regimes, differences in COVID-19 restrictions across multiple states (VIC, NSW and QLD), hygiene practices, and concerns regarding isolation if members were to test positive.

22 March 2022: Heavy Rescue Truck vehicle rotations (state-wide)

An issue with VICSES Heavy Rescue Trucks (HRTs) in March, with manufacturing and design issues identified with the service body and subframe of the HRTs, which had the potential to compromise the structural integrity of the service body, as well as cause cracking and movement of the service body and sub-frame.

This issue was identified through VICSES' regular inspection and maintenance program, and has subsequently been explored through more detailed internal Safety and Compliance Audits, as well as analysis by independent external engineers.

The severity of the issues in some HRTs required that some HRTs be removed from service immediately for safety reasons. A project team was put in place to support the state-wide inspection and investigation process. The project team were able to identify alternative vehicles from within the VICSES fleet to relocate to affected units, to ensure service continuity was maintained.

While the project team have started to undertake investigation and controlled road testing of interim solutions, extensive delays are expected for some vehicle stock availability due to global demand and supply chain issues.

HRT inspections will be ongoing to ensure remaining vehicles continue to be fit for task.

28 March – 9 April 2022: NSW deployment - flooding

Victorian agencies including VICSES received a request for assistance from NSW SES, following continued heavy rainfall as a result of the east coast low activity. Substantial flooding had been experienced in northern

parts of the state, with additional severe weather warnings released for greater Sydney, Central Coast, Illawarra and South Coast.

11 staff and 66 volunteers undertook roles in Incident Management Teams (IMTs), JLOs, GR taskforces, and liaison or vehicle drivers over a two-week period. The JLO role operated out of Wollongong, with IMT members in Wollongong, Goulburn and Metford Task Force Crews were deployed to Port Macquarie and Lismore.

Due to limited resources available in NSW, six Medium Rigid 4WD Trucks and six 4WD vehicles were transported to NSW for use by incoming Victorian GR taskforces for two rotations. VICSES crews worked in the community assisting with flood and storm damage, assist with referrals of support to displaced community members, and aid in fatigue management for local NSW crews.

COVID-19 added additional complexities due to testing regimes, differences in COVID-19 restrictions across multiple states (VIC, NSW and QLD), hygiene practices, and concerns regarding isolation if members were to test positive.

The Victorian Attorney-General and Minister for Emergency Services expressed her appreciation for the service and contribution of VICSES members throughout the NSW deployments.

1 April 2022: Flooding - Gippsland

BOM advised that a slow-moving low-pressure system would likely see widespread combined rainfall totals of up to 120mm in East Gippsland and up to 60mm of rain in west and south Gippsland.

An ICC was stood up at Bairnsdale and two boating taskforces were deployed to assist. Additional flood analyst and mapping roles were in place at the SCC to support flood activity. Widespread falls of 100-200mm were observed with isolated falls of 250mm+ in some areas.

Flood Warnings for Snowy and Cann Rivers (major), Genoa, Tambo and Mitchell River (moderate) systems were released. Due to severe weather conditions, strong winds and dangerous road conditions, a Black Flag Warning was put in place and the Princes Highway was closed between Orbost and Genoa for approximately 20 hours. The Monaro Highway from Cann River to the NSW border also closed.

The communities of Bemm River were isolated for a period due to floodwater cutting road access at Sydenham Inlet Road. Marlo also experienced short term isolation.

13-18 May 2022; Missing persons search – Dinner Plain

VICSES were requested to assist Victoria Police in the search for a missing 70-year-old man near Dinner Plain. Approximately 57 members from 15 VICSES units assisted in search operations over the course of seven days. The Field Operations Vehicle (FOV) and a lighting trailer were also deployed.

An initially small search area was expanded over the following days, with VICSES members searching hiking tracks and 4WD routes under the direction of Victoria Police Search and Rescue. Despite extensive searching in increasingly cold conditions, the missing male was yet to be found at the time of publishing of this report. Victoria Police were greatly appreciative of the efforts of the VICSES volunteers.

Our people

Volunteers

Our volunteers are the backbone of VICSES, serving the Victorian community 24 hours a day, 7 days a week, 365 days a year, in what has continued to be a significant period of emergencies.

All of our volunteers are well equipped and trained comprehensively in a wide range of skills to provide on-the-ground support during emergencies - from responding to natural disasters such as flood, storm, earthquake, tsunami, and landslide, to road crash rescue, supporting other emergency service organisations, and assisting their units by undertaking roles such as finance, media, incident management and community education. Volunteers actively engage directly with communities to support them on how to best prepare for emergencies and minimise the impact of emergencies when they occur. As of June 2022, VICSES comprised of more than 5,000² members, as per the below data:

Breakdown of active volunteers (*as at 30 June, 2022)

Operational	Female	Male	Non-binary/other	Total
Controller	30	120	0	146
Deputy Controller	121	259	2	377
Unit Officer	152	283	0	430
Member ordinary	644	1,534	3	2,156
Subtotal	936	2,168	5	3,109
Non-operational	Female	Male	Non-binary/other	Total
Associate	114	71	0	183
Junior	29	41	0	70
Probationary	179	301	5	484
Subtotal	323	414	5	737
Total active	1,266	2,570	10	3,846*

Breakdown of non-active³ volunteers

Non-Active	Female	Male	Non-binary/other	Total
Non-active	36	88	0	124
Vol on leave/sick leave	353	580	2	933
Total Non-Active	389	668	2	1,059

Please note that members that hold multiple positions across the state will count in each position that they hold, but only once in the total. This does mean that the totals will not exactly match the sub totals. As of 30th June 2022, VICSES had 4,867 members across the operational, non-operational active and non-active categories.

² Includes active and non-active volunteers and staff.

³ Not currently on roster.

Staff

The past year has seen ongoing commitment and flexibility from our staff, in the face of continued disruption and COVID-19 related interruptions. Staff started the year predominately working from home but were able to commence a staggered return to the office as restrictions in Victoria eased from September 2021. The fact that we have been able to maintain most of our operational and support functions during this time of change, has demonstrated the great dedication, passion, and adaptivity shown by staff.

Our 14 strategically located offices throughout the state support over 4,500 volunteers, and provides units with access to vital equipment, training, and other support resources, ensuring all staff and volunteers are able to effectively serve their local communities. Each office supports a variety of state-wide initiatives, including the delivery of workshops and training, emergency management planning and development, and community resilience activities.

As of June 2022, the VICSES workforce comprised 165 ongoing, 61 fixed-term and 66 casual employees, equalling 292 staff in total.

A breakdown of our staff member count is as follows:

	Jun-22		Jun-21	
	Headcount	FTE	Headcount	FTE
Ongoing Full Time	157	157	144	144
Ongoing Part Time	8	5.07	9	5.9
Total	165	162.07	153	149.9
Fixed Term	61	57.4	56	50.2
Casual	66	-	70	-
Total	292	219.47	279	200.1

The following table provides a breakdown of employee gender, age, and classification:

		Ongoing	FTE	Fixed term	Casuals
Gender	Male	99	98.6	33	45
	Female	66	63.47	28	20
	Nonbinary	-	-	-	1
Total		165	162.076	61	66
Age	Under 25	2	2	2	4
	25-34	22	21.75	14	12
	35-44	39	37.32	22	19
	45-54	52	51.4	14	11
	55-64	40	40	9	13

	65 and over	10	9.6	-	7
Total		165	162.076	61	66
Classification	VPS 1	-	-	-	-
	VPS 2	13	12.4	3	29
	VPS 3	33	32.4	17	37
	VPS 4	59	58.2	25	-
	VPS 5	36	35.076	11	-
	VPS 6	19	19	4	-
	Executive	5	5	1	-
Total		165	162.076	61	66

Our business

People and Organisation Development

The VICSES People and Organisational Development (POD) directorate focuses on developing, maximising, and sustaining the abilities and resources of our volunteer and staff workforces. The directorate is led by Shelley Cussen, who has now held the role for 18 months, commencing in January 2021.

People, Culture and Development

Within the POD directorate, the People, Culture and Development team provide people services to the organisation, with a focus on resourcing, support, and development. Joining the team in the past year has been Kirsty Cadusch, in the role of Manager of People, Culture, and Development.

It has been a full 12 months for the People, Culture and Development team, with several projects being maintained from the previous financial year, plus the addition of new projects being implemented across the service. VICSES also participated in the Victorian Public Sector *People Matter* Survey in 2021, with 27% of VICSES staff providing valuable feedback that has informed several key projects in the 21-22 financial year.

Projects continued from 2020-21 Financial Year include:

- **The VICSES Gender Equity Project:** Continued work on this project resulted in VICSES' first [Gender Equality Action Plan](#) being completed and submitted to the Commission for Gender Equality in the Public Sector on the 31 March 2022. VICSES have also made the commitment to extend its reporting commitments beyond what is stipulated by the Commission, and conduct annual gender audit analysis for both staff and volunteer workforces.
- **Implementation of the Victoria State Emergency Service Enterprise Agreement 2020:** The Agreement was approved by the Fair Work Commission to take effect on 10 December 2021, and the implementation project was finalised on the 23 May 2022. This agreement aims to improve provisions for operational response, improve gender equality, and provide greater benefits and flexibility to VICSES staff.
- **VICSES Operating Model Review – Our People Focused Future:** This review was re-commenced after a COVID-impacted pause. Staff and volunteer consultation and feedback processes were conducted from March to April 2022, with an updated and finalised model presented in May 2022. The aim of the operating model review is to equip the service to navigate and thrive in a changing emergency services industry. Work and staff collaboration will continue into the new financial year as staff are supported to transition into the new model.

In addition to the above, 2021 saw the launch of several large projects, all of which are designed to promote the ongoing success and functioning of the service.

- **Implementation of the Victoria State Emergency Service Enterprise Agreement:** The POD team are working in conjunction with the Community Resilience, Communications and Corporate Services directorate to implement the VICSES Enterprise Agreement, by modifying VICSES systems and policies and training modules in-line with the agreement terms. This will ensure that information being provided to the organisation is consistent and properly documented.
- **Review and update of all position descriptions:** All staff position descriptions have been reviewed in-line with the finalised Enterprise Agreement and updated into a new template that focuses on reducing barriers to entry into the roles for all people. An extensive consultative process was conducted allowing

staff to shape and inform the development of the updated position descriptions.

- **Cultural and Satisfaction Program:** A key focus of the service is to develop and promote a culture of safety, support, and success. Over the past year six core cultural attributes have been identified, and a survey has been developed and launched to all 4,500+ members. Survey results will be collated in August 2022 and will inform future initiatives and culture work.
- **Be Heard Program:** In response to concerning reports of bullying and harassment within the service in 2021, VICSES embarked on an extensive program to target and promote psychologically safe behaviours and to encourage all members to speak up where they see or experience bullying or harassment.

Steps taken to date include:

- The establishment of two independent reviews into the culture and experiences of staff and volunteers. These were completed by former Fair Work Commissioners Julius Roe and Michael Gay, and consultant experts Beyond Frontiers.
- The development of an online training module for all members on preventing bullying, harassment, discrimination, and occupational aggression.
- The development and delivery of 13 staff-focused online workshops on 'Leading with Inclusivity', and the delivery of two volunteer leader focused workshops also titled 'Leading with Inclusivity'.
- The development of a dedicated member-access intranet page with grievance reporting and policy information, resources, and confidential support options.
- The development of a dedicated member-access intranet page with information on all VICSES diverse and inclusive actions, events, and achievements.

Further work connected to the Be Heard program is planned into the new financial year to support capability development across the organisation so that all managers, staff, and volunteers feel confident to speak up and promote a safe and welcoming culture for all.

- **Implementation of a new Case Management System:** The VICSES system for managing and recording cases has been reviewed and updated to ensure more robust methods of tracking and updating grievances and cases. This gives VICSES the opportunity to be more responsive and sustainable in our approach to case management, and aims to improve the service to the broader organisation.
- **Review of VICSES Regulations:** A review of the disciplinary processes contained in the VICSES Regulations 2017 is being conducted, and an interim workflow has been developed. The team will be developing and advocating for changes to the regulations that will streamline the management of volunteer disciplinary processes, with the goal of ensuring a fairer, fit-for-purpose, and more responsive process.

The projects detailed above are projected to have a significant and positive impact on the service and all of its members. Additionally, the team regularly represents the service through membership with industry leading groups seeking to promote safety, wellbeing, and sustainability in emergency services. This includes:

- AFAC Champions of Change Coalition Implementers Working Group
- AFAC Volunteer Management Technical Group
- Emergency Management Victoria Inclusion and Diversity Implementers Working Group
- Volunteer Consultative Forum.

Plus, regular engagement with the Community & Public Sector Union (CPSU) on a range of topics through the Staff Consultative Forum.

On a final positive note, we are also pleased to announce that 450 of our members, many of which are our dedicated volunteers, have been awarded their National Emergency Medal for their dedicated and tireless work helping to keep communities safe during the 2019-2020 Victorian Bushfires. These awards will be presented in the second half of 2022.

Learning and Development

Learning program review and development

As a nationally recognised accredited trainer, the release of new and revised training programs and skills maintenance tools has strengthened the role pathways available to members during 2021-22. Role pathways provide members with clear role expectations and defined training and skills maintenance requirements to be considered endorsed to perform a role. This approach was strengthened through either the development or release of programs, including:

- **Emergency Tree Operations:** Development of two training programs aligned to three national competency standards covering assessment of complex tree operations, to develop and implement a work plan for the safe stabilisation and removal of trees during emergencies.
- **Driving safely at VICSES:** An induction training program covering VICSES expectations for use of safe driving behaviours when driving VICSES vehicles.
- **First Aid:** Development of two blended learning training programs to support internal delivery of first aid.
- **Unit Duty Officer:** Development of a training program to develop consistent response to receiving and triaging of RFAs by volunteer units.
- **Crew Member Gap:** Release of upskilling training to 2,700 existing members for the new crew member training approach that was released to new members in 2020-21.
- **Rescue Boat Navigation:** Development of a new training program covering navigation skills on water to provide easier access to the rescue boat pathway.
- **Skills maintenance:** Development of direct access to activity cards in the learning management system to enhance the ability for volunteers to access and record completion of skills maintenance requirements.

Leadership Essentials

In response to feedback about the need to invest more in our volunteer leaders, three online training programs were released in 2022. The Leading Self, Leading Others, and Leading Leaders programs released under the banner of Leadership Essentials provides members with information on how the leadership behaviours within the VICSES Leadership Capability Framework apply. The training is enhanced through volunteer members providing insights into their experiences through interviews and case studies.

Learning outcomes

Throughout 2021-22, VICSES members engaged in a wide variety of online and face-to-face learning opportunities now available to VICSES members. Many of the programs were delivered using accredited training programs on the VICSES Registered Training Organisation (RTO) scope of registration and support role pathways released in 2018.

VICSES issued 37,682 skills/competencies for the successful completion of a training event, of which 9,138 align to a nationally accredited training outcome. The training programs with highest attendance during the financial year were:

Course	Attendance
Electric winches	1,520
Tree hazard awareness	1,273
Crew Member Gap Training	1,259
First Aid Course	1,145
Preventing Bullying, Harassment and Discrimination	1,105
VICSES Induction for Volunteer Members	836
Flood Observer Training	798
Crew Member Supervised – Theory	778
Child Safety at VICSES	766

Wellbeing, Health and Safety

VICSES continues to focus on encouraging a proactive safety culture, ensuring members are equipped to identify safety and wellbeing issues and put in place actions that may prevent injury or illness from occurring.

Statewide Wellbeing, Health and Safety Report

Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Number of incidents and hazards	314	355	262	304	354	369	379	459
Hazard reporting rate*	2.36	2.58	1.28	1.76	1.93	1.91	1.64	2.36
Incident reporting rate*	4.99	4.93	4.31	4.76	5.48	5.92	6.44	8.93
Number of standard claims	29	20	27	22	13	29	20	21
Number of lost time claims	18	15	21	20	7	26	16	19
Average cost per standard claim**	\$1,842	\$14,481	\$3,786	\$16,838	\$3,812	\$15,406.35	\$9,188.80	\$18,739.43
Average cost per standard mental injury claim **	Data not collected for this period				\$5,363	\$55,157.97	\$52,210.25	\$49,264.06
Claims reporting rate	0.42	0.31	0.445	0.43	0.15	0.48	0.32	0.52
Mental injury claims* reporting rate					0.04	0.1	0.23	0.12
Fatality claims	0	0	0	0	0	0	0	0

* Agreed Industry Standards. Rate calculated = per 100 staff FTE and Vol Head Count (active).

**Calculated on Actual Cost.

Safety initiatives and continuous improvement

Wellbeing, Health and Safety incident investigation effectiveness and efficiency

A significant focus of 2021-22 has been the review of incident investigation processes and procedures and the development of simplified approaches that support consistent investigations across the organisation, as well as strengthened learnings. This is phase two of a three-year project. Some of the milestones achieved include:

- Revision and update of guidance documents for users, which has simplified the way investigations are completed.
- Review and update of the Incident Cause Analysis Method (ICAM) investigation process in the VICSES online safety management system SafeGate, which simplifies how investigations reports are written and stored.
- Continued delivery of ICAM lead investigator training, to build internal investigation capability.
- Frameworks to share learnings from investigations through safety committees and case studies.

Significant storms work

During the last month of the previous financial year and the first half of the 2021-22 year, Victorian communities experienced unprecedented weather events. VICSES took the opportunity to conduct a significant review of procedures and programs around working in severe weather events, particularly around fallen trees. Further work will continue into 2023 to implement new approaches to severe weather events and hazardous trees, further supported by a newly introduced system, Assurance and Investigation Role.

Wellbeing, Health and Safety risk management

VICSES continued a key project to enhance and strengthen the approach to assessing risk before commencing a task or job, named Job Safety Planning. This program will be piloted in the new tree operations program that is also undergoing review and enhancement

COVID-19

Due to the ongoing COVID-19 pandemic, VICSES enacted our Pandemic Plan which provides details of VICSES' planned response to an Influenza Pandemic. The plan provides the organisation with a strategic response to protecting VICSES' members, their families, and the Victorian community. It provides direction, guidance, and actions to undertake by various members of the agency for each alert stage of the pandemic.

VICSES has maintained robust plans to meet our statutory obligations during a pandemic in responding to flood, storm, earthquake, tsunami and landslide emergencies, providing road crash rescue capability and support to other agencies, while ensuring the health and safety of Our People.

Wellbeing, Health and Safety communication and consultation

One of the pillars of our strategy in 2021-22 was more structured Wellbeing, Health and Safety (WHS) Communications. In this first part of a two-year program, the team developed a WHS Communications Matrix and templates for standard monthly communication (including the *WHS Insights* and *Fast 5* publications). An initial monthly WHS email campaign was trialled, which was then merged into the monthly VICSES Bulletin in early 2022. There was also the creation of various work instructions and business rules relating to the structure of the process.

Work commenced on the creation of a database of WHS Messages which will continue during the next phase of the program. A simplified process for the development and approval of safety updates and alerts was developed and approved, to enable more timely communication of relevant messages.

Health and wellbeing

Volunteer workers compensation

VICSES has continued to advocate for improved arrangements for volunteers' workers compensation. A partnership continues with WorkSafe Victoria and Allianz Insurance.

VICSES Health and Wellbeing Strategy

VICSES has continued the delivery of health and wellbeing programs for members, with a focus on supporting and assisting members with their physical and psychological capacity to perform VICSES tasks. This year programs included Healthwatch, with interactive workshops on topics including fatigue, resilience, movement,

nutrition and sleep and mindfulness, 6-week Challenge, Step It Up, and in response to the ongoing COVID-19 restrictions - Healthwatch at Home.

The largest wellbeing campaign event in the 2021-22 Financial Year was Step It Up. VICSES shifted to encompass activities that were designed to support physical and mental wellbeing, and opened up to individuals and households as well as teams. With half the VICSES offices and units represented, over 890 members, and more than 250 million steps, this was the most successful step campaign to date.

Step It Up participation rates:

Year	Teams	Participants	Total Steps
2016	24	291	10 million
2017	43	498	127 million
2018	46	516	143 million
2019	59	671	181 million
2020	65	850	200 million
2021	86	890	250 million

Mental Health and Wellbeing

VICSES is committed to developing a shared responsibility for mental health across the organisation, with a culture of support and help seeking aiming to break down stigma.

The Mental Health and Wellbeing Framework guides this vision through a three-tiered approach:

- Promotion of mental health and supporting early identification and intervention for those that require support.
- Protection of mental health by reducing workplace risk factors and increasing members strengths and capability.
- Responding to those in need of mental health management with access to psychological support, referral, and crisis support.

The first year of the Mental Health and Wellbeing Framework 2021-2023 has been completed, with a focus on developing a strong psychological safety culture. It recognises the shared responsibility for mental health across the organisation and the role that the psychosocial and organisational factors can have on promoting positive mental health and wellbeing.

In 2021, the Mental Health and Wellbeing business unit introduced several new initiatives with a focus on providing members with the knowledge and skills to recognise and respond to changes to mental health and the skills to support others. These initiatives include:

- Training (online and face-to-face)
- Psychological First Aid
- Resilience in collaboration with Health Watch
- Alcohol and other dependencies programs

- Individual wellbeing check-in, AV SMART 2.0
- The Working Mind First Responder (pilot)
- Positive Leadership Training Suite (pilot)

As a priority, VICSES aims to build the mental health literacy of members and leaders, in order to increase mental health awareness, decrease stigma, and address psychosocial risks inherent in emergency services. In 2021-22, VICSES conducted a number of pilot programs addressing psychosocial risks with particular emphasis on young members and capacity building for leaders.

The team continued to provide psychological support for members and their immediate family via telephone, video conference, and face to-face. Additionally, the team provided a broad range of services, training, resources, and support tools to promote the wellbeing of all members, including the MindFit Podcast, webinars, Movember, and teams support activities.

VICSES worked with Phoenix Australia to become one of the first emergency service agencies to be supported by Responder Assist, the Centre of Excellence for emergency worker mental health.

VICSES also worked closely with other emergency service agencies and peak bodies to improve knowledge and share resources across the sector. These partners included CFA, FRV, ESF, the Australasian Fire and Emergency Services Authorities Council (AFAC), RUOK?, Fortem, and Beyond Blue. Additionally, VICSES initiated a national SES-focused community of practice with the aim of furthering interstate agency collaboration.

Peer Support

The VICSES Peer Support Program is made up of 48 active Peer Support Officers and Chaplains across the state. They hold a variety of roles and come from diverse backgrounds, and are selected and trained to support their fellow members. Peers are also involved in providing support following critical incidents and in the delivery of pre-incident awareness training.

During 2021-22, a total of 1,526 contacts were provided by the Mental Health team (including Peer Support). This is a 17% increase on the previous year. Individuals seeking support made up 46% of the contacts, with 85% of the internal support provided to volunteers.

State Operations

Incident Management Team training, development and accreditation

VICSES has actively contributed to the development of multi-agency Incident Management Team (IMT) capability for the past decade. This has included our members being trained on multi-agency delivered courses and developing towards the multi-agency Level 3 Accreditation Panels. Since 2018, we have committed to greater volunteer involvement in IMT development, and volunteers now account for 9% of our VICSES IMT workforce, with that number growing as a result of the continued investment in IMT support officers that will become regionally based in-line with the operating model in 2022 and beyond.

Through the Inspector General of Emergency Management's (IGEM) review of 10 years of reform of the emergency management sector and inquiry into the 2019-20 Victorian Bushfires, a review of the sector's approach to training, accreditation, coordination, and development across the 21 core capabilities identified in the Victorian Preparedness Framework was observed, with key recommendations that EMV review and improve these processes.

In response, EMV led the review of the IMT training and accreditation process and developed a Training and Development Master Plan, in collaboration with key agencies, including VICSES. The future approach will see training, development, and accreditation coordinated centrally through EMV with partner agency contribution. It will result in improved blended learning options, recognition of previous broader experience, a broader involvement of other agencies and sectors, and a strong focus on the development of women and volunteer members into IMT roles. VICSES remains committed to strengthening IMT capability outcomes for Victoria.

Road crash rescue tool modernisation

VICSES currently has 104 road crash rescue (RCR) accredited units. VICSES provides a state issued Principal Provider RCR kits to each of these units, and they are replaced every 10 years. Including the scheduled replacement of state and regional spare kits, this usually sees around 12 kits per year being replaced under the Critical Assets Program (CAP).

VICSES trialled issuing new Holmatro Pentheon Battery Powered RCR Kits to five units under the 2021-22 Financial Year CAP, to replace the existing core hydraulic kits. Hydraulic hose connected tools have served our members well for many years, however new generation battery powered tools have provided advanced portability and improved operational effectiveness.

Following the unit trial, RCR workshop assessment, and researching tool effectiveness across other agencies, the VICSES COO endorsed a report made by the Operations team and approved the replacement of all 12 kits for 2022-23 Financial Year CAP with Holmatro Pentheon Tools. The COO further approved that all future kit replacements will be with the new technology tools. Replacement is being undertaken on a prioritised basis in consultation with regions and affected units, and training is provided to members receiving the new tools.

Incident Management Team Leadership Development Program

In the absence of a sector driven IMT leadership development course capability for members developing to Level 3 IMT accreditation, VICSES instigated and delivered an innovative IMT Leadership Development Program in June 2021 in partnership with Red Flag Leadership and PSI P/L.

A further program was delivered in March 2022, with both successful programs being conducted at the Victorian Emergency Management Institute at Mount Macedon. In addition to developing VICSES members (volunteers and staff), we also invited and had members from partner agencies in attendance, including CFA, EMV, FRV, Forest Fire Management Victoria (FFMV), Tasmania SES, NSW SES and the Northern Territory Emergency Services (NTES).

VICSES has decided to host a third program to be conducted in August 2022, and has extended the invitation again to our partner agencies including the South Australia SES and Australian Capital Territory SES. Following consultation with our Victorian emergency service partners, it has been decided that this third program will be delivered with a minimum of 50% as women participants. Women who are emergency management practitioners remain underrepresented in key IMT leadership roles, and there is a clear benefit in seeking greater gender equity in this area. VICSES is proud to be at the forefront of continued efforts to achieve greater gender equity outcomes in emergency management development.

Emergency Management and Planning

As part of the suite of activities in implementing 2018 legislative reform as part of the *Emergency Management Act 2013*, the Emergency Management Planning (EMP) team continue to support the agency transition and sector shift to a new approach to emergency management planning. This includes the EMP teams lead role in updating the State Emergency Management Plan (SEMP) Flood Sub-plan and Storm Sub-plan, providing

ongoing guidance and support across VICSES in the new roles undertaken by the organisation in regional and municipal planning committees, as well as continuing to play a lead role in municipal risk assessments across the state.

This has resulted in VICSES now having a total of five state plans, 24 regional plans, over 100 municipal plans, and 170 Local Flood Guides to support operational and community awareness and decision making in the lead up to, and during emergency events.

Significant updates and enhancements have occurred in the Public Information and Warnings space, with a range of new community warnings templates developed, as well as alterations to business rules to ensure the most appropriate warnings are issued to the public based on potential consequences. With significant periods of operations through the year, VICSES issued a total of 1,784 warnings (including updates and all clear messages) to the community through Vic Emergency. This provided community members with timely, tailored, and relevant information about emergencies to assist them make informed decisions about their safety.

These warnings consisted of:

- 1,668 flood warnings
- 91 storm warnings
- 10 landslide warnings
- 8 earthquake warnings
- 7 tsunami warnings

To support operational activity, the EMP team has played a key role in building capability for the newly adopted Emergency Alert (EAP4), enabling the issue of telephony warning alerts to the community as required.

In December 2021 we implemented the Australian Warning System for Flood and Storm, seeing us work towards a national consistency in the way the community receives warnings, and providing a clearer understanding of the actions community members need to take to stay safe.

We have also built our intelligence capability through the local intelligence project Snap, Send, Solve, which has improved the ability of personnel and community members in-the-field to share local photos of impacts of emergency events with IMTs, to better support intelligence gathering and decision making.

The EMP team also continues to collaborate closely with key partners and organisations across the emergency management, including supporting ongoing work with various universities and research bodies to inform research that prioritises greater outcomes for the community through all phases of emergency.

Our relationships

VICSES has successful partnerships so that we can collaborate and achieve inclusive participation to enable community-led activities, programs and services. Our partnerships are more than simply an exchange of goods, services, financial, or in-kind support. Our collaborations span across the emergency services sector, government, and private sector.

Together, we can achieve what would not be possible if we operated in silos, aiming to create safer and more resilient communities.

Government and emergency services

Emergency Management Victoria

There is a strong relationship between VICSES and EMV. EMV supports the Emergency Management Commissioner, who has overall responsibility for coordination before, during, and after major emergencies, including the management of consequences of an emergency. VICSES works closely with EMV and shares responsibility, along with a number of other agencies, on a range of emergency management functions and initiatives.

VICSES actively contributes to the SCC, as well as a number of sector wide initiatives and multi-agency training programs coordinated by EMV. Some examples include the Supplementary Alerting System (SAS) which is coordinated by EMV and being developed for use by VICSES and other first responders, as well as other VicEmergency platforms which are hosted by EMV, but with warning templates and business rules for VICSES hazards managed by VICSES.

Department of Environment, Land, Water and Planning and the Victorian Floodplain Management Strategy

The partnership agreement between VICSES and DELWP in relation to the Victorian Floodplain Management Strategy continues. This partnership aims to increase the awareness of Victorian communities, businesses and government agencies of flooding, and encourage emergency preparedness through protective action associated with mitigation of flood risks and the consequences of flooding. The Victorian Floodplain Management Strategy has been strengthened through this partnership as the ability to provide effective flood preparation, response and recovery activities have been enhanced.

Transport Accident Commission

VICSES continues a longstanding partnership agreement with the Transport Accident Commission (TAC), which provides better funding support for road rescue services, and joint initiatives that will help reduce the Victorian road toll. Our partnership with TAC incorporates road safety initiatives, such as our collaboration to support the national Driver Reviver program, and provides funding for peer support with many members facing challenging situations when responding to RFAs.

Red Cross

Collaboration between VICSES and Red Cross has seen community engagement programs including the use of the Red Cross RediPlan and Get Ready app. VICSES members have been able to use these tools to engage with various communities and work towards building capacity of individuals and households. VICSES has also encouraged the use of the Australian Red Cross Children's activity book in engagement programs with children.

Local government

VICSES has continued to play a leading role in support of Municipal Emergency Management Planning (MEMP) Committees, facilitating all-hazard risk assessments on behalf of municipalities utilising the Community Emergency Risk Assessments (CERA), and taking the lead role in auditing MEMPs on a rolling three-year cycle. VICSES finished being responsible for MEMP audits in 2021-22.

Corporate Partnerships

AAMI

AAMI has been a proud Principal Community Partner of VICSES since 2003, and has seen AAMI generously donate over \$9 million in contributions to support the incredible work of our VICSES volunteers. The partnership recently shifted focus to supporting our volunteers to deliver community resilience initiatives via community engagement programs, including the *15 to float* initiative, with an interactive augmented reality app that demonstrates the dangers of driving through floodwaters piloted. Additionally, AAMI were able to provide funding for the roll-out of the Interim Female Fit Personal Protective Clothing (PPC), which has made a considerable difference in the comfort of our female members when responding, with 83% advising that this was an improvement on the existing PPC. The partnership with AAMI aligns with the VICSES Community Resilience Strategy Renewal 2019-2022.

Working on the business

Corporate Services

Volunteer Grant Programs

VICSES has a number of possible avenues through which it can seek grant funding, including federal, state, and local government, as well as other community groups. These grants enable VICSES to fund community programs and provide our volunteers with the equipment, training and support they need to service the community including:

- **Emergency Services Equipment Program (VESEP)**

In 2021-22, the Victorian Government committed \$2.36 million in VESEP grant funding to VICSES. These funds resulted in 34 projects, which included 22 vehicles and seven VICSES unit minor refurbishment projects.

- **Volunteer Unit Assistance Fund Grants Scheme (UAF)**

The UAF was established by VICSES to enable VICSES units to meet the cost of purchasing and maintaining equipment and facilities, providing training and resources, and to meet the administrative expenses of the units. The program, funded by public donation, resulted in 25 projects that included 15 VICSES unit minor refurbishment projects and nine equipment projects.

Enterprise Risk Framework

Each year, VICSES delivers corporate risk management activities to ensure we can achieve our objectives and to consider the potential impact of all types of risks on all processes, activities, stakeholders, products, and services.

As an organisation it is important that we have a formal risk management process in place that allows staff and volunteers to systematically think about all the possible risks that may affect VICSES in achieving its objectives before they happen, so we can determine how VICSES can avoid, minimise, or accept the risk.

VICSES adheres to the updated ISO 31000 (2020) standard; assisting business units and regions to manage their risks with training and oversight, and facilitating yearly risk register reviews and reporting back to the governance functions provided by the Risk Management Committee (RMC) and the Risk & Audit Committee (RAC).

Business continuity planning

VICSES adheres to the Ministerial Standing Directions and compliance requirements to maintain our Business Continuity Framework (BCF) and adhering to the AS ISO 22301:2020 standard; assisting the business units, regions and units to manage their Business Continuity Planning (BCP) with training and support; facilitating yearly Business Impact Analysis (BIA) reviews, and reporting back to the RMC and RAC.

Last year VICSES ran a business continuity exercise with the Executive Management and Crisis Management teams for the first time. In 2021-22, that process was extended to the regions, where four of the six regional officers participated in a business continuity simulated rehearsal to test processes and identify where planning improvements could be made.

After successfully implementing a new BCP system for VICSES' head office functions and its regional officers last year, VICSES is now running a project to introduce the BCP system to the unit leadership so that units can manage their BCP via a mobile application instead of printed/PDF documents, improving accessibility and efficiency of the planning process.

Facilities and Capital Works

VICSES operates from over 160 facilities throughout Victoria, including:

- Volunteer units: Local headquarters and satellite facilities.
- Staff offices: 12 regional offices, the State Logistics Centre (located in Sunshine), Incident Control Centres, and the Victorian Head Office based in Southbank.

A key highlight for the year was the ongoing development and delivery of the VICSES High Priority Infrastructure Program, in partnership with the Community Safety Building Authority (CSBA) and volunteer units. As part of this commitment, 19 new and upgraded facilities will be delivered to support the critical work of volunteers across the state.

Major achievements over the last year include:

- Delivery of four projects - including new facilities for the VICSES Emerald, Knox, and Northcote (Heidelberg) Units, and an extension to the VICSES Essendon Unit.
- Commencement of construction on the VICSES Chelsea and Broadmeadows (Fawkner) Units, which are expected to be completed and ready for operations by the end of 2022.
- Tenders issued for construction of the VICSES Cobram, Port Fairy and Wonthaggi Units.
- Planning and design of nine projects including VICSES Corio Unit, a new satellite facility for the VICSES Frankston Unit in Skye, and land acquisition for brand new units across metropolitan growth areas.
- Consultations and planning for a new facility in Mallacoota to be shared by VICSES, Life Saving Victoria and the Australian Volunteer Coast Guard. This project is jointly funded by the Victorian and Commonwealth Governments.

Other key achievements include:

- Planning and delivery of a new facility for the VICSES Chiltern Unit – a jointly funded initiative between the Indigo Shire Council and VICSES.
- Delivery of small to medium upgrades and refurbishments funded through Victorian Government economic stimulus and grant programs. As part of the Emergency Services Refurbishment Fund (ESRF), over \$4.2 million was allocated towards 55 VICSES projects across Victoria.
- Commencement of major remediation works at the Victorian Head Office, an ESRF funded project scheduled for completion by late 2022.
- Implementation of the annual building maintenance schedule for VICSES units and office facilities.

Major project challenges included the impact of COVID-19 on volunteers, staff, contractors and consultants, the high demand for contractors and consultants, and the associated effects on the supply and cost of construction materials. These challenges are ongoing, and we thank our volunteers for your patience as we navigate these significant impacts to deliver these vital projects.

Unit Financial Management Taskforce initiatives

The VICSES Unit Financial Management Taskforce (UFMT) is the consultative group for key finance tasks, issues, and potential new initiatives relating to volunteer unit finance matters, to support VICSES in maintaining appropriate financial records and processes, and meeting compliance and financial governance requirements.

The Taskforce supports and advises VICSES on:

- Unit financial management standards to account for state and community funds.
- Innovation to improve the efficiency and effectiveness of unit financial management.

The Taskforce met four times during 2021-22.

In 2021-22 the Taskforce explored the following:

- Emerging technology to support donation opportunities (e.g., card readers, website donations, workplace giving).
- Financial management training for units expanding the use of online training, and plans for further training videos for self-paced learning.
- Consultation on the introduction of unit 10-year budget plans, feedback on the template, and developing a consistent approach.
- Process improvements, challenges, and support options for unit balances collection requirements, and unit financial management compliance.

Assets

Assets has once again had a busy year leading and supporting a number of projects across the organisation, with the Assets team members demonstrating adaptability to still support the business despite the enduring pandemic.

The Assets team continues to be hampered by the impacts of COVID-19 recovery, as the automotive industry continues to be significantly impacted by COVID-19. This has resulted in major delays in the delivery of vehicles.

Critical Assets 2021-22

In 2021-22, VICSES planned the procurement and delivery of the following assets through the annual Critical Assets Program:

- 5 Heavy Rescue Trucks.
- 7 Medium Rescue Trucks, with 3 new trucks to new VICSES units.
- 12 road rescue kits, including 4 kits from the battery powered technology.
- 1 Rescue Boat.
- 1 POD trailer.
- 40 cross rams to further enhance road rescue capability.
- 48 Medium Rescue winch kits.

Truck builds and delivery have been severely impacted by worldwide supply chain issues and the requirements associated with a re-design of both configurations.

Personal Protective Clothing Re-Design Project

The Personal Protective Clothing (PPC) Re-Design Project progressed with further volunteer consultation via one regional workshop and three technical workshops, where specialist activities and environmental conditions requires consideration of alternative PPC.

Participation from more than 55 volunteers representing 35 units from across the state has provided valuable insight and feedback into the future PPC requirements. Despite the COVID-19 restrictions, a fast-tracked roll-out of a new interim range of 'female fit' PPC was completed, with over 750 sets of clothing manufactured and distributed to eligible members between October 2021 and April 2022.

Interim Female Fit Personal Protective Clothing (v2)*



Version 2.0 15-10-2021
*subject to change



Volunteer Emergency Services Equipment Program (VESEP)

The list of successful fleet grants for 2021-22 included:

- 14 Twin Cab Support Vehicles
- 3 Light Rescue Vehicles
- 1 Medium Rescue Trucks
- 2 Heavy Rescues Trucks
- 2 Car Trailers
- 1 Lighting and Generator Trail
- 1 Snow Mobile
- 1 Ultra Terrain Vehicle

Fleet Rectification Project

Due to various fleet issues ongoing in early 2022, a project team was established to ensure prioritisation of fleet rectification.

The Fleet Rectification Project includes the following project streams:

Heavy Rescue Truck rectification

An issue was identified through regular maintenance arrangements in early 2022 that indicated a manufacturing and design flaw in the Heavy Rescue Trucks (HRTs). To date, 70 HRTs have been removed from service to ensure the safety of members.

The Fleet Rectification Project team has been working closely with external specialist engineers, builders, and the National Heavy Vehicle Regulator to identify and implement a rectification package enabling the return to service of HRTs.

Interim Medium Rescue Trucks

In support of the HRT rectification works, 12 Interim Medium Rescue Trucks (MRTs) are to be manufactured. These general rescue vehicles will provide additional capability to VICSES for the expected severe weather conditions.

Light Rescue Vehicle rectification

A capacity issue with Light Rescue Vehicles (LRVs) was identified, and led to the occupancy restriction of the majority of LRVs in service.

The FRP team has identified two possible pathways to increase the LRVs capacity.

These pathways are being thoroughly investigated and it is expected there will be a significant volume of engineering work required to achieve the results.

Mobile Command Vehicle rectification

A capacity and design issue was identified with both Mobile Command Vehicles (MCV) in late 2021. This led to both vehicles being removed from service whilst rectification options were assessed.

Due to the complexity of the MCV design and remaining useful life, an effective solution was not available without significant and prohibitive expense.

The decision was made to decommission both vehicles in favour of full replacement

Initial capability assessments are underway to ensure the future MCV meets the modern needs of VICSES and partner agencies.

Media and Communications

The Media and Communications team vision is for every Victorian to understand the role of VICSES, ensuring our VICSES volunteers are widely celebrated, with unanimous community understanding of who we are and what we do. Ultimately, the work that the Media and Communications team does is to increase brand recognition and role awareness, leading to increased trust, desired community actions, volunteerism, and funding opportunities for VICSES. This ties into key initiative 3.1 in the [VICSES Strategic Plan 2018- 2022](#), to 'promote our brand, our role and our volunteers to community, partners and government'. It is part of one of our fundamental goals to 'work with and empower the community to build confidence and resilience'.

The media and communications team completed a number of projects in 2021-22 that aided this objective for the business.

Annual campaigns and events

Each year, the VICSES Media and Communications lead a number of events and campaigns to showcase the organisation, including:

- ***Wear Orange Wednesday (May)***

- VICSES celebrated *Wear Orange Wednesday* (WOW Day) in May, which is a national day of thanks for the thousands of SES volunteers who serve the Victorian community 24 hours a day, seven days a week, through storm, flood, road crash rescues, and more. Kimba Wall from the VICSES Chelsea Unit who has Down Syndrome was the face of the campaign this year, which celebrated our diversity and reflected one of the busiest periods in our operational history. Landmarks across Victoria were again lit up in orange, while messages of thanks boosted reach and engagement on social media.

- ***International Women's Day (IWD) (March)***

- At VICSES, we have many amazing women who contribute significantly to our organisation and their communities. Each IWD, VICSES celebrates women across the organisation with profiles on the website, in the media and social media, and attendances at sector events.

- ***Your family, Our family (November)***

- *Your family, our family* is a campaign designed to highlight the sacrifices family members and friends and employers make to ensure VICSES volunteers are able to support their community. During the weekend of November 13 – 14 in 2021, the *Your family, our family* social campaign aimed to highlight the incredible people that love and support the VICSES volunteers who are the backbone of our service.

- ***Driver Reviver (Long weekends)***

- VICSES volunteers operate Driver Reviver sites around Victoria on holiday weekends and peak traffic days. VICSES volunteers offer free coffee, tea, and snacks at roadside locations to encourage drivers to stop, rest and refresh, in an effort to ensure they can arrive safely at their destination.

- ***Neighbour Day (March)***

- Neighbour Day is an annual campaign run by Relationships Australia, which celebrates community connections and aims to foster strong personal connections that last the whole year-round. Research shows those who have strong relationships within their communities and with their neighbours are more likely to help one another and have better outcomes when faced with emergencies. This aligns with the VICSES Vision of *Safer Communities – Together*.

■ ***Pride March and Carnival (February)***

- VICSES is a proud annual supporter and participant in the Midsumma Pride March and Carnival events.

■ ***Women in Rescue (March)***

- Women in Rescue is a training event that is designed to provide women with the opportunity to get hands-on with equipment, build on rescue skills, and have fun in a safe and supportive environment. The event was first founded by VICSES Sunbury Unit. On 19 March 2022, we held our first ever state-wide WIR event across all six regions. The event was a huge success, with fantastic feedback from participants and plans for a bigger 2023 event.

Media coverage

VICSES aims to provide timely and accurate responses to reactive media requests. Some highlights from the 2021-22 financial year included:

September Earthquake

In September, the 5.9 magnitude earthquake that hit the state on the 22nd of the month led to significant media coverage, reach and engagement. All major outlets reported on the earthquake and the VICSES' response to over 150 calls for help in relation to building, chimney and facade damage.

A press conference was held at the SCC with VICSES COO, Tim Wiebusch and Emergency Management Commissioner Andrew Crisp, with prominent coverage across all major platforms as well as several other live TV and radio crosses with VICSES spokespeople.

All earthquake-related social media posts gained an incredible total of 4,428,295 impressions (views), with the initial "we felt it too" tweet on Twitter setting the agency up well to communicate throughout the day as the control agency for earthquake. It was also the busiest day in our website's history, with over 130,000 page views and the average user spending over three minutes on the earthquake content.

October storm event

In late October 2021, a severe weather event caused widespread damage and over 8,000 RFAs state-wide. Media were constantly reporting on this figure (as more calls for help came through and challenges at ESTA in managing 132 500), along with vision of our volunteers responding to incidents. All major networks across the state reported on this weather event, with interview requests and constant reporting on the changing severe weather situation.

VICSES contingent deployed to NSW

In March, there was extensive media coverage across all the major networks regarding several VICSES deployments into northern NSW. Several regional outlets also covered local regional volunteers as they were deployed.

Women in Rescue

From March 15-19, communications focused on International Women's Day events. Women in Rescue was particularly highlighted this year, with ABC News reporting on Sunbury's WIR event, filming the road crash rescue simulation, as well as interviewing several women participating in the event, and CEO Stephen Griffin.

Driver Reviver, Easter 2022

In April, VICSES promoted Driver Reviver in preparation for the Easter long weekend with two different media launches with State Government Ministers held for metro media networks. This promotion increased media exposure for those active Driver Reviver sites across the state during the Easter period.

Wear Orange Wednesday, May 2022

In 2022, the Media and Communications team worked hard to ensure exposure for this day which is the biggest in the campaign calendar. A media conference with Kimba Wall and her father Phil from the VICSES Chelsea Unit received extensive coverage in the lead up to the day. This was coupled with landmark light up locations, thank you messages to our volunteers on social media, banner flags in prominent CBD locations, and a number of local celebratory events.

Media engagement in 2021-22

	Radio mentions	Online/ print mentions	TV mentions	Total advertising revenue value (\$millions)	Total website visits (ses.vic.gov.au)	Facebook total engagements	Twitter total engagements
Jul-21	47	88	9	768,000	22,921	142,413	5,151
Aug-21	203	93	11	447,000	22,891	29,119	2,245
Sep-21	415	199	99	3,022,000	126,973	442,263	55,816
Oct-21	773	271	113	3,288,000	97,091	239,892	34,617
Nov-21	1,160	217	121	2,800,000	84,191	156,928	12,307
Dec-21	160	74	21	450,000	33,680	78,680	6,362
Jan-22	966	245	63	2,164,000	36,228	178,682	21,291
Feb-22	165	88	16	1,310,000	36,228	72,593	5,098
Mar-22	207	162	22	916,000	38,537	58,014	2,412
Apr-22	331	192	32	1,419,000	43,144	22,635	2,191
May-22	156	151	44	1,447,000	27,315	88,159	4,706
Jun-22	97	92	11	1,365,000	23,123	72,220	2,372
Total 21-22	4,680	1,872	562	\$19,396,000	592,322	1,581,598	154,568

Website redesign

In July 2021, the redesigned VICSES public website was launched, with the timing aligning shortly after the June 2021 storms – resulting in greater visitation to the VICSES website. In an effort to roll-out a new modern look and feel, the new site now includes less text and more visually engaging graphics and images. Becoming a volunteer, where to find emergency information, and how to plan and prepare for emergencies is now clearly visible on the homepage for the community to access.

Other significant updates include a new Local Flood Guide search box, and information in other languages has also been redesigned to make it easier for people of non-English backgrounds to quickly find emergency information, with 33 languages covered.

Publications and content

VICSES produces a number of publications each year about emergency management and the organisation itself. In 2021-22, the team continued to deliver corporate communications that engage with our members and stakeholders, demonstrating the work of the business to the wider community.

Some of the key publications and content created in the 2021-22 include:

Community Matters quarterly publication

Each quarter, a 32-page magazine is produced featuring content written by members of VICSES and edited by the Media and Communications team. This asset is then shared on both the public website and the intranet,

with physical copies delivered to all VICSES units and offices. In June 2022, edition 19 was launched, with plans for a celebratory edition for edition 20.

The Bulletin

A digital newsletter sent via email to all volunteers and staff, and features a welcome message from the CEO followed by important VICSES news and updates on business unit activities.

Campaign and events digital toolkits

To support the extensive calendar of campaigns and events across the year (including *Wear Orange Wednesday*, *Your family, our family* etc.), a range of digital toolkits has been developed to assist volunteers with promoting their work via web, social media and other channels. This includes, social tiles, banners, posters, and more.

Video content

A number of video production projects were delivered to demonstrate the brand in a contemporary manner. These high-quality videos were used across social media and website, and showcased some business highlights, including:

- Media coverage show reel
- Women in Rescue
- Rescue Boat training

Additionally, the team supported the wider business to ensure all VICSES publications and materials, whether intended for internal or external audiences, complied with the VICSES Design Style Guide and VICSES Writing Style Guide, ensuring a distinct and recognisable look and feel for the VICSES brand. Templates are readily available on the VICSES intranet, *The Hub*.

Key messages document and supporting collateral

In 2020-21, the Media and Communications team undertook a review of the '[Key Messages for VICSES Hazards](#)' document. The document contains a key message library authorised for use immediately before (hazard expected/forecasted/general preparedness), during and immediately after (initial relief phase) emergencies, for which VICSES is the control agency.

To support the document, a selection of key messages were transferred across to social media tiles, with imagery and copy designed in our templated format for use. These were shared across the business (and wider emergency management sector e.g., EMV) and are authorised for use immediately before, during and immediately after emergencies for which VICSES is the control agency. The '[guide to social media during operations](#)' document was also updated in 2020-21, to support the wider business in successfully utilising social media to engage with communities.

Acknowledgment of Traditional Owners policy implementation

VICSES recognises the importance of formally acknowledging the traditional custodians of the land and waters in Victoria, the First Nation's people. As such, in 2020-21, VICSES began the implementation of the Acknowledgment of Traditional Owners (ATO) policy, led by the Media and Communications team. A statement of intent was provided to all members, which outlines the proposed plan for the introduction and implementation of the policy, along with templates and suggested wording for integration of the ATO across the business.

Over the past year, we have made some good progress in promoting our awareness of First Nations peoples. Some of the changes we are proud of include:

- As each new unit is formally opened, we are including the name of the Traditional Owners on the unit plaque.
- We have finalised a formal [VICSES Acknowledgement of Traditional Owners \(ATO\) statement](#) and have incorporated this into our emails, communications and all formal documents.
- We have developed a [VICSES Statement of Intent](#), which outlines the work to be done in this area.
- We have implemented an [Acknowledgement of Traditional Owners \(ATO\) policy](#), as prepared by an ATO working group led by the Media and Communications team.

Information Services

Information Services (IS) is accountable for providing technology and information management services to the organisation.

VICSES is committed to deliver a full range of administration and compliance services to ensure network, telecommunication, mobile devices, and computers are available at all times to our members, and to ensure information is managed properly and securely.

Focus for the technology team at VICSES has been on improving services to our members and the governance of our information and procurement – all of these initiatives supported whole-heartedly by our Executive and Board members.

Member support

In the last year the IS support team received 5,500 requests via its Service Desk. The majority of these relate to assisting members with access to, and use of business systems, however approximately 30% relate to increased auto-alerting and monitoring of system performance and availability, including for security notifications received from external suppliers and agencies such as the Department of Premier Cabinet Cyber Security Unit. These enhancements are servicing the ability for the IS team to be more proactively aware of, and minimise business disruptions. Very importantly, our volunteers continue to remain at the forefront of service, and the team continues to look for ways to improve service for them.

Following a successful pilot, the organisation is supporting a new initiative to extend technical support for all volunteers beyond standard business hours – which is when volunteers are most active to receive training and support unit non-operational tasks. This service will be implemented in the next year.

The IS directorate is always seeking ways to provide technology and related services to volunteers, which extends beyond VICSES fiscal capacity. The directorate has been actively working within the organisation, its suppliers, and via state purchase contracts to provide increased technology services and reduce costs. While some suppliers and state purchase contracts do not provide for volunteers to procure and receive their benefits, others have been more accommodating particularly in relation to computers, printers, and some software licenses.

Governance

The IS directorate has made some significant advances regarding technology governance, focusing on two areas in the past year – information security and procurement.

Information Security

In the past year, concerted efforts have been focused on strengthening the information security posture of the organisation, using supporting direction from our Information Security Management Framework roadmap, well-scoped audits performed by VAGO, as well as our independent security specialists. A vast majority of the work has been focused on physical and digital access extending beyond network systems, to facilities access (CCTV and personnel access). Importantly, a new contract for managed services of our network included requirements that have significantly enhanced security and performance monitoring such as the continued, scheduled security and applications updates for servers and clients.

VICSES also continues to provide sound physical and digital records and information management, that includes information privacy and security incident management. Over the next year focus will be on continued strengthening of information management, and in particular a significant program for volunteer units for their digital records management.

Procurement

VICSES is pleased to be classified as an expansion agency by the Victorian Government Purchasing Board (VGPB), which has a mature and robust system to leverage from.

VICSES' current procurement governance framework was based on VGPB, however the recent increased governance requirements of the VGPB have necessitated an extensive review which commenced last year. As the review continues, a plan has been developed and is guided by VGPB. Naturally as opportunities have arisen, VICSES has moved procurement activities to align with VGPB, especially in relation to significant technology procurement tender processes. Contract and service renewals are being moved to government contracts. Procurements are transitioning to use of VGPB state purchase contracts and supply registers as a standard.

Glossary

Assist agency	VICSES may be asked by a control agency to support the response to an emergency by providing essential services, personnel (volunteers or staff), or material that may contribute to the management of the emergency.
AFAC	Australasian Fire and Emergency Service Authorities Council
AMAF	Asset Management Assessment Framework
AusCERT	National not-for-profit Cyber Emergency Response Team
BNHCRC	Bushfire and Natural Hazard Cooperative Research Centre
Board	Victoria State Emergency Service Authority Board
BOM	Bureau of Meteorology
CEO	Chief Executive Officer
CERA	Community Emergency Risk Assessments
CFA	Country Fire Authority
COO	Chief Officer Operations
CSBA	Community Safety Building Authority
Control agency	A control agency is the primary agency responsible for responding to a specified type of emergency. VICSES is the control agency for flood, storm, tsunami, earthquake, and landslide emergencies.
DCP	Divisional Control Point
Declared operations	Declared operations are significant events requiring the allocation of resources and personnel for sustained periods to support a response in either a control or support capacity. They are declared by the VICSES Chief Officer Operations.
DELWP	Department of Environment, Land, Water and Planning
DHHS	Department of Health and Human Services
DJCS	Department of Justice & Community Safety
DPC	Department of Premier and Cabinet
EMV	Emergency Management Victoria
ESRF	Emergency Services Refurbishment Fund
FOI	Freedom of Information
FFMV	Forest Fire Management Victoria
FRV	Fire Rescue Victoria
ICC	Incident Control Centre
ICP	Incident Control Point
IEM	Introduction to Emergency Management
IMT	Incident Management Team
Incident	An incident is when a VICSES operational member or crew take an action in response to one or more RFAs (relating to an emergency at a unique location)
ISMF	Information Security Management Framework
ISMS	Information Security Management System
IS	Information Services
JSP	Job Safety Planning
LBSWR	Land based swift water rescue

LHQ	Local headquarters
MAV	Municipal Association of Victoria
MEMP	Municipal Emergency Management Plan
MOU	Memorandum of Understanding
MP	Member of parliament
OVIC	Office of the Victorian Information Commissioner
PCG	Project Control Group
PPC&E	Personal protective clothing and equipment
PPRT	Pandemic Preparedness & Response Team
PROV	Public Records Office of Victoria
RAIR	Road, aircraft, industrial and rail
RCR	Road crash rescue
Rescue RAI	Rail, aircraft, industrial
RFA	Request for assistance
RTO	Registered Training Office
SOI	Safe Operating Instructions
SOP	Standard Operating Procedure
SRC	State Response Controller
SWP	Safe Work Procedures
TAC	Transport Accident Commission
TLE	Tsunami, landslide, and earthquake
VESEP	Volunteer Emergency Services Equipment Program
VGPB	Victorian Government Purchasing Board
VHO	Victoria State Emergency Service Victorian Head Office
VICSES	Victoria State Emergency Service
VMIA	Victorian Managed Insurance Authority
VPDSS	Victorian Protective Data Security Standards
VUS	Volunteer Unit Subsidy
WADO	Warnings and Advice Duty Officer
WHS	Wellbeing, Health and Safety

VICSES financial statements for the year ended 30 June 2022

How this report is structured

The Victoria State Emergency Service Authority (Authority) has presented its audited general purpose financial statements for the financial year ended 30 June 2021 in the following structure to provide users with the information about the Authority's stewardship of resources entrusted to it.

- **Chairperson's, Accountable Officer's and Chief Finance and Accounting Officer's Declaration**
- **Independent Auditor's Report**
- **Financial statements**
 - **Comprehensive operating statement**
 - **Balance sheet**
 - **Statement of changes in equity**
 - **Cash flow statement**

Notes to the financial statements

1. About this report

The basis on which the financial statements have been prepared and compliance with reporting regulations

2. Funding delivery of our services

Income and revenue recognised from taxes, grants, sales of goods and services and other sources

- 2.1 Summary of revenue and income that funds the delivery of our services
- 2.2 Income and revenue from transactions

3. The cost of delivering services

- 3.1 Expenses incurred in delivery of services
- 3.2 Other operating expenses

4. Key assets available to support output delivery

- 4.1 Property, plant, and equipment
- 4.2 Investments and other financial assets

5. Other assets and liabilities

- 5.1 Receivables
- 5.2 Payables
- 5.3 Other non-financial assets

6. Financing our operations

- 6.1 Borrowings
- 6.2 Leases
- 6.3 Cash flow information and balances
- 6.4 Commitments for expenditure
- 6.5 Assets pledged as security

7. Risks, contingencies, and valuation judgements

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination

8. Other disclosures

- 8.1 Ex-gratia expenses
- 8.2 Other economic flows included in net result
- 8.3 Reserves

- 8.4 Responsible persons
- 8.5 Remuneration of executives
- 8.6 Related parties
- 8.7 Remuneration of auditors
- 8.8 Subsequent events
- 8.9 Other accounting policies
- 8.10 Australian Accounting Standards issued that are not yet effective
- 8.11 Glossary of technical terms
- 8.12 Style conventions

9. Disclosure index

10. Legislation

Chairperson's, Accountable Officer's and Chief Finance and Accounting Officer's Declaration

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

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

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

We authorise the attached financial statements for issue on 30 November 2022.



Greg Wilson
Chairperson
Victoria State Emergency Service Authority
Melbourne
30 November 2022



Stephen Griffin
Chief Executive Officer
Victoria State Emergency Service Authority
Melbourne
30 November 2022



Martin Phillips
Manager Finance
Chief Finance and Accounting Officer
Victoria State Emergency Service Authority
Melbourne
30 November 2022

Independent Auditor's Report

To the Board of the Victoria State Emergency Service Authority

Opinion	<p>I have audited the financial report of the Victoria State Emergency Service Authority (the Authority) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2022 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • declaration in the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2022 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
The Board's responsibilities for the financial report	<p>The Board of the Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>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:</p> <ul style="list-style-type: none"> • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board. • conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. <p>I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
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MELBOURNE
8 December 2022


 Janaka Kumara
as delegate for the Auditor-General of Victoria

Comprehensive operating statement for the financial year ended 30 June 2022^(a)

	Notes	2022	2021
Continuing operations			
Revenue and income from transactions			
Grants	2.2.1	76,792	67,762
Fair value of assets and services received free of charge or for nominal consideration	2.2.2	215	1,918
Other income	2.2.3	1,483	1,037
Total revenue and income from transactions		78,490	70,717
Expenses from transactions			
Employee expenses	3.1.1	(30,188)	(28,366)
Depreciation and amortisation	4.1.1	(10,952)	(9,045)
Interest expense	6.1	(400)	(468)
Other operating expenses	3.2	(32,254)	(31,593)
Total expenses from transactions		(73,794)	(69,472)
Net result from transactions (net operating balance)		4,696	1,245
Other economic flows included in net result			
Net gain/(loss) on non-financial assets		1,168	295
Other gains/(losses) from other economic flows		(145)	208
Total other economic flows included in net result		1,023	503
Net result		5,719	1,748
Other economic flows – other comprehensive income:			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus ^(c)	8.3	-	2,655
Total other economic flows – other comprehensive income		-	2,655
Comprehensive result		5,719	4,403

The accompanying notes form part of these financial statements.

Notes:

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

Balance sheet as at 30 June 2022^(a)

	Notes	2022	2021
Assets			
Financial assets			
Cash and deposits	6.3	67,431	68,240
Receivables	5.1	7,803	6,611
Investments and other financial assets	4.2	7,391	7,184
Total financial assets		82,625	82,035
Non-financial assets			
Property, plant and equipment	4.1	134,840	118,118
Other non-financial assets	5.3	74,041	83,757
Total non-financial assets		208,881	201,875
Total assets		291,506	283,910
Liabilities			
Payables	5.2	4,762	6,103
Contract liabilities	5.2.1	4,938	4,550
Borrowings	6.1	8,879	9,853
Employee related provisions	3.1.2	7,434	6,929
Total liabilities		26,013	27,435
Net assets		265,493	256,475
Equity			
Accumulated surplus/(deficit)		90,464	84,745
Physical asset revaluation surplus	8.3	14,458	14,458
Contributed capital		160,571	157,272
Net worth		265,493	256,475

Notes:

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

Statement of changes in equity for the financial year ended 30 June 2021^(a)

Notes	Physical asset revaluation surplus	Accumulated surplus	Contributions by owner	Total
Balance at 1 July 2020	11,803	82,997	87,425	182,225
Net result for the year	-	1,748	-	1,748
Other comprehensive income for the year	2,655	-	-	2,655
Capital appropriations	-	-	69,847	69,847
Balance at 30 June 2021	14,458	84,745	157,272	256,475
Balance at 1 July 2021	14,458	84,745	157,272	256,475
Net result for the year	-	5,719	-	5,719
Capital appropriations	-	-	3,299	3,299
Balance at 30 June 2022	14,458	90,464	160,571	265,493

Notes:

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

Cash flow statement for the financial year ended 30 June 2021^(a)

	Notes	2022	2021
Cash flows from operating activities			
Receipts			
Receipts from government		59,171	64,178
Receipts from other entities		3,570	4,080
Interest received		153	167
Goods and services tax recovered from the ATO ^(b)		3,984	2,906
Other receipts		9,921	2,935
Total receipts		76,799	74,266
Payments			
Payments to suppliers and employees		(65,103)	(59,908)
Interest and other costs of finance paid		(398)	(475)
Other payments		-	(35)
Total payments		(65,501)	(60,418)
Net cash flows from/(used in) operating activities	6.3.1	11,298	13,848
Cash flows from investing activities			
Payments for investments		(7,391)	(7,184)
Proceeds from sale of investments		7,184	6,700
Purchases of non-financial assets		(14,760)	(9,230)
Sales of non-financial assets		1,409	575
Net cash flows from/(used in) investing activities		(13,558)	(9,139)
Cash flows from financing activities			
Owner contributions by State Government – appropriation for capital expenditure purposes		2,600	4,963
Repayment of finance leases		(1,149)	(1,940)
Net cash flows from/(used in) financing activities		1,451	3,023
Net increase/(decrease) in cash and cash equivalents		(810)	7,732
Cash and cash equivalents at beginning of financial year		68,240	60,508
Cash and cash equivalents at end of financial year	6.3	67,431	68,240

Notes:

- (a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.
(b) GST recovered from the Australian Taxation Office is presented on a net basis.

1. ABOUT THIS REPORT

The Victoria State Emergency Service Authority (the Authority) is a government Authority of the State of Victoria established under the *Victoria State Emergency Service Act 2005* (Vic).

Its principal address is:

Victoria State Emergency Service Authority
168 Sturt Street
Southbank VIC 3006

A description of the nature of its operations and its principal activities is included in Part one: About the Victorian State Emergency Service and Part two: Our work, which does not form part of these financial statements.

Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid, except for volunteer units.

Incorporation of VICSES volunteer units

- The financial statements incorporate financial transactions of the 143 operational VICSES volunteer units on a cash basis. Management have not recognised any accruals on the basis that it is not material to the financial report.
- The volunteer unit financial transactions incorporated by VICSES include:
 - Cash and investment balances.
 - Net movement in cash balances between financial years as either revenue or an expense.
- Transactions between the volunteer units and the Authority are eliminated.
- All VICSES volunteer unit property, plant, and equipment over \$5,000 are purchased by the Authority and recorded in the accounts of the Authority. Volunteer units do not record these items separately.
- Revenue and expenditure balances of the Authority have not been grossed up to incorporate volunteer unit transaction with third parties.

Consistent with the requirements of AASB 1004 Contributions, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Authority.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

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

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying

1. ABOUT THIS REPORT (continued)

AAS that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates'.

These financial statements cover the Victoria State Emergency Service Authority as an individual reporting entity and include all the controlled activities of the Authority, including VICSES volunteer units. The financial statements include cash balances, investments, and property, plant, and equipment of individual VICSES volunteer units.

Where control of an entity is obtained during the financial period, its results are included in the comprehensive operating statement from the date on which control commenced. Where control ceases during a financial period, the entity's results are included for that part of the period in which control existed. Where entities adopt dissimilar accounting policies and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

All amounts in the financial statements (including the notes) have been rounded to the nearest \$1,000 unless otherwise stated.

Compliance information

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

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

The Victoria State Emergency Service Authority's (the Authority) overall objectives are to provide emergency management, planning, auditing of municipal management plans, emergency response to floods, earthquakes, tsunami, storms and landslides, rescue services and support to other emergency agencies, and to assist with rescue operations on land and water.

To enable the Authority to fulfil its objectives, it receives income (predominantly parliamentary grants). The grants are received by the Authority from the Department of Justice and Community Service. The Authority also receives gifts, donations, project grants and sponsorship.

Structure

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

2.2 Income from transactions

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

	Notes	2022	2021
Grants	2.2.1	76,792	67,762
Fair value of assets and services received free of charge	2.2.2	215	1,918
Other income	2.2.3	1,483	1,037
Total revenue and income from transactions		78,490	70,717

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

2. FUNDING DELIVERY OF OUR SERVICES (continued)

2.2 Income from transactions

2.2.1 Grants

	2022	2021
General Purpose:		
Department of Justice and Community Service		
- Operating grant income	60,972	57,235
- Volunteer Emergency Service Equipment Program (VESEP)	1,430	860
- Valuing Volunteer Program (VVP)	280	280
- Other	4,661	2,270
- Major Incident Funding	2,758	1,143
- Special Appropriation Volunteer WorkCover	646	917
Other State Government entities/agencies		
- Melbourne Water	138	479
- Transport Accident Commission	4,760	4,081
- Emergency Services Telecommunications Authority	597	-
- Country Fire Authority	474	462
Commonwealth Departments		
- Department of Social Services	7	-
Other	69	35
Total grants	76,792	67,762

	2022	2021
Income recognised as income of not-for-profit entities		
General purpose	75,286	66,587
Specific purpose grants for on-passing	76	280
Other specific purpose grants	-	35
Income recognised as revenue from contract with customers		
Specific purpose grants	1,430	860
Total grants	76,792	67,762

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in the contract with the customer.

Revenue is recognised when, or as, the performance obligations for the transfer of services to the customer are satisfied. Income from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the services as it is provided. Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 5.2.1). Where the performance obligations are satisfied but not yet billed, a contract asset is recorded.

2. FUNDING DELIVERY OF OUR SERVICES (continued)

2.2 Income from transactions (continued)

Termination for convenience

A Termination for Convenience (TFC) clause is a contractual clause which allows one or both parties to terminate an agreement without cause. In contrast to termination clauses that may be triggered by default or breach of contract, TFC clauses can be invoked at the convenience of the triggering party, often by giving a limited period of written notice to the counterparty. A number of the contracts under which the Authority receives funding contain TFC clauses.

The accounting for TFC clauses is subject to judgment due to different interpretations of the relevant accounting standards existing. The Authority is of the view that TFC clauses are protective in nature, noting that there is no obligation to repay funds received except in the event that such a clause is triggered. As such, the Authority does not recognise a liability in respect of TFC clauses within funding contracts unless such a clause is triggered.

The Authority has reviewed the status of material funding contracts containing TFC clauses and estimates that, if a liability were to be recognised for unspent funds subject to TFC clauses that are not already recognised as a contract liability, the liability would approximate \$0 as at 30 June 2022.

The authority has determined that all grant income is recognised as income of not-for-profit entities in accordance with AASB 1058, except for grants that are enforceable and with sufficiently specific performance obligations and accounted for as revenue from contracts with customers in accordance with AASB 15 Revenue from Contract with Customers.

Grants recognised under AASB 1058

The Authority has determined that the grant income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

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

- Contributions by owners, in accordance with AASB 1004
- Revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15
- Lease liability in accordance with AASB 16 Leases
- A financial instrument, in accordance with AASB 9 Financial Instruments
- A provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

Income received for specific purpose grants for on-passing is recognised simultaneously as the funds are immediately on-passed to the relevant recipient entities on behalf of the Commonwealth Government.

2. FUNDING DELIVERY OF OUR SERVICES (continued)

2.2 Income from transactions (continued)

Income from grants to construct the Authorities assets recognised progressively as the asset is constructed. This aligns with the Authority's obligation to construct the asset. The progressive percentage costs incurred is used to recognise income because this most closely reflects the construction progress as costs are incurred as the works are done.

Grants recognised under AASB 15

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

2.2.2 Fair value of assets received free of charge

	2022	2021
Assets		
Land and buildings at fair value	215	1,918
Total fair value of assets and services received free of charge or for nominal consideration	215	1,918

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

Land and buildings are transferred at fair value from Victoria Municipal Councils and where the Authority has been appointed as committee of management under section 14(2) of the *Crown Land (Reserves) Act 1978*.

Voluntary Services: Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated. Although the Authority relies on significant volunteer services, the fair value of these services cannot be reliably determined and thus is not recognised.

2.2.3 Other income

	2022	2021
Sponsorship	441	440
Donations	124	295
Interest income	165	167
Other income	753	135
Total other income	1,483	1,037

Sponsorship income is recognised when the Authority is entitled to the economic benefit from the sponsorship.

Donations and other income included in the table above are transaction that the authority has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

2. FUNDING DELIVERY OF OUR SERVICES (continued)

2.2 Income from transactions (continued)

2.2.3 Other income (continued)

Interest income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

Sale of services included in the table above are transaction that the Authority has determined to be classified as revenue from contracts with customers in accordance with AASB 15. The Authority recognises revenue when the performance obligations for the transfer of services to the customer are satisfied.

The net result of VICSES volunteer units is calculated by determining the movement in cash balances and eliminating transactions between the Authority and volunteer units (refer to Note 3.2).

3. THE COST OF DELIVERING SERVICES

Introduction

This section provides an account of the expenses incurred by the Victoria State Emergency Service Authority (the Authority) in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed, and in this note the costs associated with provision of services are recorded.

Structure

- 3.1 Expenses incurred in delivery of services
- 3.2 Other operating expenses

3.1 Expenses incurred in delivery of services

	Notes	2022	2021
Employee benefit expenses	3.1.1	30,188	28,366
Other operating expenses	3.2	32,254	31,593
Total expenses incurred in delivery of services		62,442	59,959

3.1.1 Employee benefits in the comprehensive operating statement

	2022	2021
Defined contribution superannuation expense	1,028	943
Defined benefit superannuation expense	43	64
Other superannuation expense	1,307	966
Termination benefits	11	34
Salaries and wages, annual leave and long service leave	27,799	26,359
Total employee expenses	30,188	28,366

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

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

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

3. THE COST OF DELIVERING SERVICES (continued)

3.1 Expenses incurred in delivery of services (continued)

3.1.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) and time-in-lieu for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	2022	2021
Current provisions:		
Annual leave ^(a)		
Unconditional and expected to settle within 12 months	2,574	2,334
Unconditional and expected to settle after 12 months	162	154
Long service leave		
Unconditional and expected to settle within 12 months	395	339
Unconditional and expected to settle after 12 months	2,487	2,442
Provisions for on-costs		
Unconditional and expected to settle within 12 months	871	796
Unconditional and expected to settle after 12 months	498	413
Total current provisions for employee benefits	6,987	6,478
Non-current provisions:		
Employee benefits ^(b)	379	386
On-costs	68	65
Total non-current provisions for employee benefits	447	451
Total provisions for employee benefits	7,434	6,929

Notes:

(a) Annual leave includes annual leave and time-in-lieu entitlements.

(b) Provision for employee benefits consist of amounts for annual leave, time-in-lieu, long service leave and enterprise bargaining agreement accrued by employees. On-costs such as payroll tax and workers' compensation insurance are recognised as a separate provision.

Reconciliation of movement in on-cost provision

	2022	2021
Opening balance	1,274	1,249
Additional provisions recognised	523	390
Reductions arising from payments/other sacrifices of future economic benefits	(360)	(365)
Closing balance	1,437	1,274
Current	1,369	1,209
Non-current	68	65

Wages and salaries, annual leave and time-in-lieu: Liabilities for wages and salaries (including non-monetary benefits, annual leave, time-in-lieu and on-costs) are recognised as part of the employee benefit provision as current liabilities, because the Authority does not have an unconditional right to defer settlements of these liabilities.

3. THE COST OF DELIVERING SERVICES (continued)

3.1 Expenses incurred in delivery of services (continued)

3.1.2 Employee benefits in the balance sheet (continued)

The liability for salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date. As the Authority expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave and time-in-lieu liabilities are classified as current liabilities and measured at the undiscounted amount expected to be paid, as the Authority does not have an unconditional right to defer settlement of the liabilities for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Unconditional LSL is disclosed as a current liability, even where the Authority does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at either:

- Undiscounted value – if the Authority expects to wholly settle within 12 months
- Present value – if the Authority does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is a conditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

3.1.3 Superannuation contributions

Employees of the Authority are entitled to receive superannuation benefits and the Authority contributes to both defined benefit and defined contribution plans. The defined benefit plans provide benefits based on years of service and final average salary.

As noted before, the defined benefit liability is recognised in the Authority as an administered liability. However, superannuation contributions paid or payable for the reporting period are included as part of employee expenses in the comprehensive operating statement of the Authority.

3. THE COST OF DELIVERING SERVICES (continued)

3.1 Expenses incurred in delivery of services (continued)

3.1.3 Superannuation contributions (continued)

	Paid contribution for the year		Contribution outstanding at year-end ^(b)	
	2022	2021	2022	2021
Defined benefit plans				
State Superannuation Fund- Revised and New ^(a)	39	64	5	1
Defined contribution plans				
VicSuper	916	950	112	6
Other	1,164	976	143	1
Total	2,119	1,990	260	8

Notes:

- (a) The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.
- (b) All outstanding contributions at year end relate to accrued salary and wages.

3.2 Other operating expenses

	2022	2021
Supplies and services:		
- Contractors and professional services	6,134	5,819
- Building service and maintenance expenses	1,689	1,609
- Travel and associated costs	666	540
- Printing, stationery and other office expenses	446	700
- Postage and communication expenses	8,762	8,296
- Vehicle expenses	1,796	1,755
- Technology services costs	4,918	4,788
- Protective clothing	1,523	1,374
- Emergency rescue equipment	2,198	2,594
- Training (volunteers and staff)	1,606	1,143
- Other	493	1,081
Short-term leases	848	526
Net result of VICSES volunteer units	1,175	1,368
Total other operating expenses	32,254	31,593

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

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

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

- Short-term leases – leases with a term 12 months or less.
- Low value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10,000.

Variable lease payments that are not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate and which are not, in substance fixed), such as those based on performance or usage of the underlying asset, are recognised in the Comprehensive Operating Statement

(except for payments which have been included in the carrying amount of another asset) in the period in which the event or condition that triggers those payments occur.

3. THE COST OF DELIVERING SERVICES (continued)

3.2 Other operating expenses (continued)

The **net result of VICSES volunteer units** is calculated by determining the movement in cash balances and eliminating transactions between the Authority and volunteer units (refer to Note 1 and 2.2.3).

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

The Victoria State Emergency Service Authority (the Authority) controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the Authority to be utilised for delivery of those outputs.

Structure

- 4.1 Property, plant, and equipment
- 4.2 Investments and other financial assets

4.1 Property, plant, and equipment^(a)

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2022	2021	2022	2021	2022	2021
Crown land at fair value	23,519	23,519	-	-	23,519	23,519
Buildings and leasehold improvement at fair value	53,327	38,688	(10,860)	(8,481)	42,476	30,207
Plant, equipment and vehicles at fair value	90,710	88,217	(52,350)	(46,207)	38,360	42,010
Assets under construction at cost	30,494	22,382	-	-	30,494	22,382
Total property, plant and equipment	198,050	172,806	(63,210)	(54,688)	134,840	118,118

Notes:

- (a) Property, plant and equipment are classified primarily by the 'purpose' for which the assets are used, according to one of six purpose groups based upon government purpose classifications. All assets in a purpose group are further sub-categorised according to the asset's 'nature' (e.g. buildings, plant), with each sub-category being classified as a separate class of asset for financial reporting purposes.

Revised Useful Life

In April 2022, VICSES commenced the removal of 70 Heavy Rescue Trucks (HRT) from service due to a suspected manufacturing and design flaw in the vehicle body. There have been no significant incidents or injuries due to this fault. The issue was detected through regular maintenance arrangements. Testing by VICSES has shown that there are viable solutions to repair trucks and return them to service for period of approximately 24 months.

As a result, the expected useful life of the HRTs has been reduced to a remaining period of 2 years. This has resulted in a higher depreciation expense for the year ended 30 June 2022 of \$1,482,885 and will result in a similarly higher annual depreciation charge until the year ending 30 June 2024.

Repair costs to bring the HRTs back into service will be recognised as an expense as incurred.

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY (continued)

4.1 Property, plant, and equipment (continued)

4.1.1 Total right-of-use assets: buildings, plant, equipment, and vehicles

	Gross carrying amount	Accumulated depreciation	Net carrying Amount	Gross carrying amount	Accumulated depreciation	Net carrying amount
	2022	2022	2022	2021	2021	2021
Buildings at fair value	9,841	(2,610)	7,231	9,821	(1,689)	8,132
Plant, equipment and vehicles at fair value	2,613	(1,577)	1,036	2,842	(1,553)	1,289
Net carrying amount	12,454	(4,187)	8,267	12,663	(3,242)	9,421

Initial recognition: Items of property, plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or a nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount.

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

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

Subsequent measurement: Property, plant and equipment (PPE) as well as right-of-use assets under leases are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised below by asset category. In addition, for right-of-use assets, the net present value of the remaining lease payments is often the appropriate proxy for fair value of relevant right-of-use assets.

During last year, the Authority undertook an independent revaluation of its property, plant and equipment in line with the five-year revaluation cycle based on the assets' COFOG classification. Independent valuers are used to conduct the scheduled revaluation.

Non-specialised land is valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

Specialised buildings: For the Authority's specialised buildings the current replacement cost method is used, and adjusted for the associated depreciations.

Leasehold improvements are valued using the current replacement cost method. This cost generally represents the replacement cost of the asset after applying depreciation rates on a useful life basis.

Vehicles are valued using the current replacement cost method. The Authority acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY (continued)

4.1 Property, plant and equipment (continued)

market is managed by experienced fleet managers in the Authority who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Fair value for plant and equipment that are specialised in use (such that they rarely sold other than as part of a going concern) is determined using the current replacement cost method.

Refer to Note 7.3.2 for additional information on fair value determination of property, plant and equipment
Right-of-use asset acquired by lessees – Initial measurement.

Right-of-use asset acquired by lessees – Initial measurement

The Authority recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- Any lease payments made at or before the commencement date.
- Any initial direct costs incurred.
- An estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

Right-of-use asset – Subsequent measurement

The Authority depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to revaluation.

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

Specialised buildings: For the Authority's specialised buildings the current replacement cost method is used, adjusted for the associated depreciations and for the community service obligation (CSO) to reflect the specialised nature of the building being valued.

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

Leasehold improvements are valued using the current replacement cost method. This cost generally represents the replacement cost of the asset after applying depreciation rates on a useful life basis.

Impairment of property, plant, and equipment

The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY (continued)

4.1 Property, plant and equipment (continued)

4.1.2 Depreciation and impairment

Charge for the period

	2022	2021
Buildings and leasehold improvement	(2,379)	(1,935)
Plant, equipment and vehicles	(7,556)	(6,073)
Leased vehicles	(1,017)	(1,037)
Total depreciation and amortisation	(10,952)	(9,045)

All property, plant and equipment and other non-financial physical assets that have finite useful lives are depreciated. The exceptions to this rule include items under operating leases, assets held for sale, land and investment properties.

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

Asset	Useful life
Buildings	3 - 50 years
Leasehold improvements	2 - 40 years
Plant, equipment and vehicles	3 - 15 years
Leased vehicles	3 - 10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where the Authority obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the Authority will exercise a purchase option, the Authority depreciates the right-of-use asset over its useful life.

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

Indefinite life assets: Land, which are considered to have an indefinite life, is not depreciated. Depreciation is not recognised in respect of land as its service potential has not, in any material sense, been consumed during the reporting period.

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY (continued)

4.1 Property, plant and equipment (continued)

4.1.3 Reconciliation of movements in carrying amount of property, plant, and equipment ^(a)

	Land at fair value		Building at fair value		Plant, equipment and vehicles at fair value		Assets under construction		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	23,519	21,381	30,207	28,094	42,010	44,210	22,382	5,000	118,118	98,685
Fair value of assets provided free of charge or for nominal considerations	-	1,821	-	97	-	-	-	-	-	1,918
Additions	-	762	5,251	850	4,358	3,765	18,357	18,814	27,966	24,191
Disposals	-	-	-	-	(292)	(287)	-	-	(292)	(287)
Transfer in/(out) of assets under construction	-	-	9,388	-	857	1,432	(10,245)	(1,432)	-	-
Revaluation of PPE	-	(445)	-	3,101	-	-	-	-	-	2,656
Depreciation and amortisation	-	-	(2,379)	(1,935)	(8,573)	(7,110)	-	-	(10,952)	(9,045)
Closing balance	23,519	23,519	42,467	30,207	38,360	42,010	30,494	22,382	134,840	118,118

Notes:

(a) A scheduled full revaluation for this purpose group was conducted in 2021, with material movements in value recorded.

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY (continued)

4.2 Investments and other financial assets

	2022	2021
Current investments and other financial assets^(a)		
Term deposits: ^(b)		
Australian dollar term deposits > three months	6,722	6,781
Total current investments and other financial assets	6,722	6,781
Non-current investments and other financial assets^(a)		
Term deposits: ^(b)		
Australian dollar term deposits > 12 months	669	403
Total non-current investments and other financial assets	669	403
Total investments and other financial assets	7,391	7,184

Notes:

- (a) All investments relate to volunteer units. Volunteer units have discretion over how volunteer unit funds are spent subject to VICSES policies and procedures, including but not limited to financial delegations and the Volunteer Unit Finance Management Manual.
- (b) Term deposits under the 'investments and other financial assets' class include only term deposits with maturity greater than 90 days.

5. OTHER ASSETS AND LIABILITIES

Introduction

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

Structure

- 5.1 Receivables
- 5.2 Payables
- 5.3 Other non-financial assets

5.1 Receivables

	2022	2021
Contractual		
Other receivables	7,121	6,188
GST recoverable (net)	682	423
Total receivables	7,803	6,611
<i>Represented by:</i>		
Current receivables	7,803	6,611

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

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments for disclosure purposes. The Authority applies AASB 9 for initial measurement of the statutory receivables and, as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Details about the Authority's impairment policies, the Authority's exposure to credit risk and the calculation of the loss allowance are set out in Note 7.1.3.

5. OTHER ASSETS AND LIABILITIES (continued)

5.2 Payables

	2022	2021
Contractual		
Supplies and services	4,330	5,758
Statutory		
Other taxes payable	432	345
Total payables	4,762	6,103
<i>Represented by:</i>		
Current payables	4,762	6,103

Payables consist of:

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

Payables for supplies and services have an average credit period of 30 days.

5.2.1 Contract liabilities

	2022	2021
Contract liabilities		
Opening balance brought forward	4,550	1,648
Add: Grant consideration for sufficiently specific performance obligations received during the year	2,356	3,677
Less: Grant revenue for sufficiently specific performance obligations works recognised consistent with the performance obligations met during the year	(1,968)	(775)
Total contract liabilities	4,938	4,550
<i>Represented by</i>		
Current contract liabilities	4,938	4,550

Contract liabilities relate to consideration received in advance where the Authority is yet to satisfy the performance obligations in an enforceable contract that contains sufficiently specific performance obligations.

Grant funding was received from the State Government as part of the Volunteer Emergency Services Equipment Program (VESEP) to acquire or construct recognisable non-financial assets for volunteer units.

5. OTHER ASSETS AND LIABILITIES (continued)

5.2 Payables (continued)

Maturity analysis of contractual payables ^(a)

Maturity dates 2022	Carrying amount	Nominal amount	Less than 1 month	1-3 months	3 months–1 year	1-5 years	5+ years
Supplies and services	4,330	4,330	4,330	-	-	-	-
Total	4,330	4,330	4,330	-	-	-	-

2021							
Supplies and services	5,758	5,758	5,758	-	-	-	-
Total	5,758	5,758	5,758	-	-	-	-

Notes:

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

5.3 Other non-financial assets ^(a)

	2022	2021
Current other assets		
Prepayments	43,447	17,380
Total current other assets	43,447	17,380
Non-current other assets		
Prepayments	30,594	66,377
Total non-current other assets	30,594	66,377
Total other assets	74,041	83,757

Notes:

(a) Balance at June 30 2022 includes \$70,324 million paid to the Emergency Services Infrastructure Authority for the construction of new Volunteer Unit Headquarters.

Other non-financial assets include prepayments, which represent payments in advance of receipt of goods or services or the payments covering a term extending beyond that financial accounting period.

6. HOW WE FINANCED OUR OPERATIONS

Introduction

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

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

Structure

- 6.1 Borrowings
- 6.2 Leases
- 6.3 Cash flow information and balances
- 6.4 Commitments for expenditure
- 6.5 Assets pledged as security

6.1 Borrowings

	2022	2021
Current borrowings		
Lease liabilities ^(a)	1,473	1,670
Total current borrowings	1,473	1,670
Non-current borrowings		
Lease liabilities ^(a)	7,406	8,183
Total non-current borrowings	7,406	8,183
Total borrowings	8,879	9,853

Notes:

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

'Borrowings' refer to interest-bearing liabilities mainly raised from finance leases and/or other interest-bearing arrangements.

Borrowings are classified as financial instruments. The measurement basis depends on whether the Authority has categorised its interest-bearing liabilities as either 'financial liabilities designated at fair value through net result', or financial liabilities at 'amortised cost'. The classification depends on the nature and purpose of the interest-bearing liabilities. The Authority determines the classification of its interest-bearing liabilities at initial recognition.

All interest-bearing borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

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

6. HOW WE FINANCED OUR OPERATIONS (continued)

6.1 Borrowings (continued)

Maturity analysis of borrowings^(a)

Maturity dates 2022	Carrying amount	Nominal amount	Less than 1 month	3 months	3 months – 1 year	1–5 years	5+ years
Lease liabilities	8,879	12,194	190	362	1,232	3,079	7,330
Total	8,879	12,194	190	362	1,232	3,079	7,330
2021							
Lease liabilities	9,853	13,434	184	545	1,289	3,511	7,906
Total	9,853	13,434	184	545	1,289	3,511	7,906

Notes:

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

Interest expense

	2022	2021
Interest on leases liabilities	400	468
Total interest expense	400	468

'Interest expense' includes costs incurred in connection with the borrowing of funds and includes the interest component of lease repayments.

The Authority recognises borrowing costs immediately as an expense, even where they are directly attributable to the acquisition, construction, or production of a qualifying asset.

Interest expense is recognised in the period in which it is incurred.

6.2 Leases

Information about leases for which the Authority is a lessee is presented below.

The Authority's leasing activities

The Authority leases various properties, equipment, and motor vehicles. The lease contracts are typically made for fixed periods of 1-10 years and may include an option to renew the lease after that date. Lease payments are renegotiated in accordance with contract terms.

The Authority leases IT equipment with contract terms of one to three years. These leases are short-term and or/leases of low value items. The Authority has elected not to recognise right-of-use assets and lease liabilities for these leases.

Leases at significantly below-market terms and conditions

6. HOW WE FINANCED OUR OPERATIONS (continued)

6.2 Leases (continued)

The Authority is party to below-market or 'peppercorn' leases with municipal councils and state government entities in respect of volunteer unit premises.

6.2.1 Right-of-use Assets

Right-of-use assets are presented in Note 4.1(a).

6.2.2 Amounts recognised in the Statement of Comprehensive Statement

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

	2022	2021
Interest expense on lease liabilities	400	468
Expenses relating to short term leases	848	526
Total amount recognised in the comprehensive operating statement	1,248	994

6.2.3 Amounts recognised in the Statement of Cashflows

The following amounts are recognised in the Statement of Cashflow for the year ending 30 June 2021 relating to leases:

	2022	2021
Total cash outflow for leases	2,262	2,371

For any new contracts entered into, the Authority considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Authority assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Authority and for which the supplier does not have substantive substitution rights;
- The Authority has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and the Authority has the right to direct the use of the identified asset throughout the period of use; and
- The Authority has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

6. HOW WE FINANCED OUR OPERATIONS (continued)

6.2 Leases (continued)

6.2.3 Leases (continued)

Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

Recognition and measurement of leases as a lessee

Lease Liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the Authority's incremental borrowing rate.

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

- Fixed payments (including in-substance fixed payments) less any lease incentive receivable.
- Variable payments based on an index or rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under a residual value guarantee.
- Payments arising from purchase and termination options reasonably certain to be exercised.

Lease Liability – subsequent measurement

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

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

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

Short-term leases and leases of low value assets

The Authority has elected to account for short-term leases and leases of low value assets using the practical expedients presented in note 3.2 and 6.2.1. Instead of recognising a right of use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Below market/Peppercorn lease

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

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

6. HOW WE FINANCED OUR OPERATIONS (continued)

6.2 Leases (continued)

6.2.3 Leases (continued)

estimated useful lives of the assets.

Presentation of right-of-use assets and lease liabilities

The Authority presents right-of-use assets as 'property plant equipment' in the balance sheet. Lease liabilities are presented as 'borrowings' in the balance sheet.

6.3 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, volunteer unit cash, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for purposes of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as current borrowings on the balance sheet, as indicated in the reconciliation below.

	2022	2021
Total cash and deposits disclosed in the balance sheet held by the Authority	47,677	49,999
Total cash and deposits disclosed in the balance sheet held volunteer units ^(a)	19,754	18,241
Balance as per cash flow statement	67,431	68,240

Notes:

(a) Volunteer units have discretion over how volunteer unit funds are spent subject to VICSES policies and procedures including but not limited to financial delegations and the Volunteer Unit Finance Management Manual.

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

	2022	2021
Net result for the period	5,719	1,748
Non-cash movements		
(Gain)/loss on sale or disposal of non-current assets	(1,168)	(295)
Depreciation and amortisation of non-current assets	10,952	9,046
Resources provided free of charge or for nominal consideration	(215)	(1,918)
Movements in assets and liabilities, net of non-cash financing activities		
Decrease/(Increase) in receivables	(1,192)	313
Decrease/(Increase) in other non-financial assets	(2,350)	(266)
Increase/(Decrease) in payables	(1,341)	2,458
Decrease/(Increase) in contract liabilities	388	2,902
Increase/(Decrease) in provisions	505	(140)
Net cash flows from/(used in) operating activities	11,298	13,848

6. HOW WE FINANCED OUR OPERATIONS (continued)

6.4 Commitments for expenditure

Commitments for future expenditure include capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

6.4.1 Total commitments payable

Nominal amounts 2022	Less than 1 year	1–5 years	5+ years	Total
Capital expenditure commitments payable	9,192	-	-	9,192
Other commitments payable ⁽ⁱ⁾	3,139	573	-	3,712
Total commitments (inclusive of GST)	12,331	573	-	12,904
Less GST recoverable				(1,173)
Total commitments (exclusive of GST)				11,731

Nominal amounts 2021	Less than 1 year	1–5 years	5+ years	Total
Capital expenditure commitments payable	4,539	26	-	4,565
Other commitments payable ^(a)	6,892	944	-	7,836
Total commitments (inclusive of GST)	11,431	970	-	12,401
Less GST recoverable from the Australian Tax Office				(1,127)
Total commitments (exclusive of GST)				11,274

Notes:

(a) Future finance lease and non-cancellable operating lease payments are recognised on the balance sheet.

6.5 Assets pledged as security

The Authority has secured the leased assets against the related finance lease liabilities. In the event of default, the rights to the leased assets will revert to the lessor.

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

The Victoria State Emergency Service Authority (the Authority) is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which related mainly to fair value determination for the Authority.

Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination

7.1 Financial instruments specific disclosures

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Authority's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such financial assets and financial liabilities do not meet the definition of financial instruments in *AASB 132 Financial Instruments: Presentation*.

Categories of financial assets

Financial assets at amortised cost

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

- The assets are held by the Authority to collect the contractual cash flows.
- The assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

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

The Authority recognises the following assets in this category:

- Cash and deposits.
- Receivables (excluding statutory receivables).
- Term deposits with maturity greater than three months.

Categories of financial liabilities

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

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

- Payables (excluding statutory payables)
- Borrowings (including lease liabilities).

Reclassification of financial instruments: Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when the Authority's business model for managing its financial assets has changed such that its previous model would no longer apply.

However, the Authority is generally unable to change its business model because it is determined by the Performance Management Framework (PMF) and all Victorian government departments are required to apply the PMF under the Standing Directions 2018 under the FMA.

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

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

7.1.1 Financial instruments: Categorisation

2022	Cash and deposits	Financial assets at amortised cost (AC)	Financial liabilities at amortised cost (AC)	Total
Contractual financial assets				
Cash and deposits	67,431	-	-	67,431
Receivables ^(a)				
Other receivables	-	7,121	-	7,121
Investments and other contractual financial assets				
Term deposits	-	7,391	-	7,391
Total contractual financial assets	67,431	14,512	-	81,943
Contractual financial liabilities				
Payables ^(a)				
Supplies and services	-	-	4,330	4,330
Borrowings				
Lease liabilities	-	-	8,879	8,879
Total contractual financial liabilities	-	-	13,209	13,209

Note: (a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

2021	Cash and deposits	Financial assets at amortised cost (AC)	Financial liabilities at amortised cost (AC)	Total
Contractual financial assets				
Cash and deposits	68,240	-	-	68,240
Receivables ^(a)				
Other receivables	-	6,188	-	6,188
Investments and other contractual financial assets				
Term deposits	-	7,184	-	7,184
Total contractual financial assets	68,240	13,372	-	81,612
Contractual financial liabilities				
Payables ^(a)				
Supplies and services	-	-	5,758	5,758
Borrowings				
Lease liabilities	-	-	9,853	9,853
Total contractual financial liabilities	-	-	15,611	15,611

Note: (a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

7.1.2 Financial instruments – Net holdings gain/(loss) on financial instruments by category

2022	Total interest income/ (expense)	Impairment loss	Total
Contractual financial assets			
Financial assets - cash and deposits	165	-	165
Total contractual financial assets	165	-	165
Contractual financial liabilities			
Financial liabilities at amortised cost	(400)	-	(400)
Total contractual financial liabilities	(400)	-	(400)

2021	Total interest income/ (expense)	Impairment loss	Total
Contractual financial assets			
Financial assets – cash and deposits	167	-	167
Total contractual financial assets	167	-	167
Contractual financial liabilities			
Financial liabilities at amortised cost	(468)	-	(468)
Total contractual financial liabilities	(468)	-	(468)

Notes: Amounts disclosed in this table exclude holding gains and losses related to statutory financial assets and liabilities.

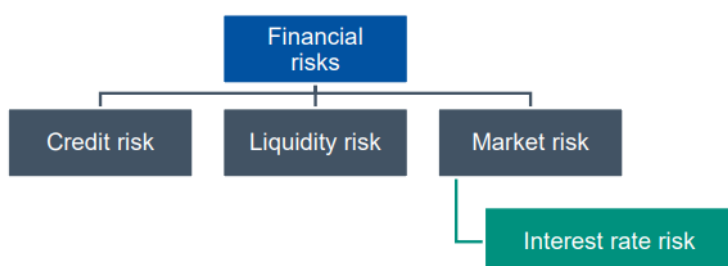
The net holding gains or losses disclosed above are determined as follows:

- For cash and cash equivalents, financial assets at amortised cost and debt instruments that are classified as financial assets at fair value through other comprehensive income, the net gain or loss is calculated by taking the movement in the fair value of the asset, the interest income, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result.
- For financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost.
- For financial asset and liabilities that are mandatorily measured at or designated at fair value through net result, the net gain or loss is calculated by taking the movement in the fair value of the financial asset or liability.

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

7.1.3 Financial risk management objectives and policies



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

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

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

The Authority's main financial risks include credit risk, liquidity risk and interest rate risk. The Authority manages these financial risks in accordance with its financial risk management policy.

The Authority uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Board.

Financial instruments: Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The Authority's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the Authority. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Authority's contractual financial assets is minimal because the main debtor are the State Government.

In addition, the Authority does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, the Authority's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Authority will not be able to collect a receivable. Objective evidence includes financial difficulties of the

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

7.1.3 Financial risk management objectives and policies (continued)

debtor, default payments, debts which are more than 60 days overdue, and change in debtor credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents the Authority's maximum exposure to credit risk without taking account of the value of any collateral obtained. Currently the Authority does not hold any collateral as security, nor credit enhancements relating to any of its financial assets.

There has been no material change to the Authority's credit risk profile in 2021-22.

Credit quality of financial assets

2022	Government agencies (triple-A credit rating)	Financial institution (AA credit rating)	Total
Financial assets			
Financial assets with loss allowance measured at 12-month expected credit loss			
Cash and deposits	-	67,431	67,431
Statutory receivables (with no impairment loss recognised)	682	-	682
Term deposits measured at amortised cost	-	7,391	7,391
Financial assets with loss allowance measured at lifetime expected credit loss:			
Contractual receivables applying the simplified approach for impairment	7,121	-	7,121
Total financial assets	7,803	74,822	82,625

Credit quality of contractual financial assets that are neither past due nor impaired

2021	Government agencies (triple-A credit rating)	Financial institution (AA credit rating)	Total
Financial assets			
Financial assets with loss allowance measured at 12-month expected credit loss			
Cash and deposits (not assessed for impairment due to materiality)	-	68,240	68,240
Statutory receivables (with no impairment loss recognised)	423	-	423
Term deposits measured at amortised cost	-	7,184	7,184
Financial assets with loss allowance measured at lifetime expected credit loss:			
Contractual receivables applying the simplified approach for impairment	6,188	-	6,188
Total financial assets	6,611	75,424	82,035

Impairment of financial assets under AASB 9

The Authority records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include the Authority's contractual receivables, statutory receivables and its investment in term deposits.

Contractual receivables at amortised cost

The Authority applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. The Authority has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on the Authority's past history, existing market conditions, as well as forward looking estimates at the end of the financial year.

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

30 June 2021	Current	Less than 1 month	1–3 months	3 months – 1 year	1–5 years	Total
Expected loss rate (%)	-	-	-	-	-	-
Gross carrying amount of contractual receivables	5,990	-	168	30	-	6,188
Loss allowance	-	-	-	-	-	-

30 June 2022	Current	Less than 1 month	1–3 months	3 months – 1 year	1–5 years	Total
Expected loss rate (%)	-	-	-	-	-	-
Gross carrying amount of contractual receivables	6,595	522	2	2	-	7,121
Loss allowance	-	-	-	-	-	-

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

7.1.3 Financial risk management objectives and policies (continued)

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

There has been no provision for doubtful debts recognised in the history of the Authority and no bad debts are written off in the annual accounts to this date.

Statutory receivables and debt investments at amortised cost

The Authority's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

The Authority also has investments in term deposits.

Both the statutory receivables and investments in term deposits are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months of expected losses. No loss allowance has been recognised.

Financial instruments: Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. The Authority operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The Authority is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet. The Authority manages its liquidity risk by:

- Close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements
- Maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations
- Careful maturity planning of its financial obligations based on forecasts of future cash flows
- A high credit rating for the State of Victoria (Moody's Investor Services and Standard & Poor's triple-A, which assists in accessing debt market at a lower interest rate).

The Authority's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The carrying amount of contractual financial liabilities recorded in the financial statements represents the Authority's maximum exposure to liquidity risk.

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

7.1.3 Financial risk management objectives and policies (continued)

Financial instruments: Market risk

The Authority's exposure to market risk is primarily through interest rate risk. Objectives, policies and processes used to manage each of these risks are disclosed below.

Sensitivity disclosure analysis and assumptions

The Authority's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period, with all variables other than the primary risk variable held constant. Sensitivity analyses shown are for illustrative purposes only. The following movements are 'reasonably possible' over the next 12 months:

- A movement of 50 basis points up and down (2021: 50 basis points up and down) in market interest rates (AUD).

The tables that follow show the impact on the Authority's net result and equity for each category of financial instrument held by the Authority at the end of the reporting period, if the above movements were to occur.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Authority does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Authority has minimal exposure to cash flow interest rate risks through cash and deposits that are at floating rate.

The Authority manages this risk by mainly undertaking fixed rate or non-interest-bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate.

Management has concluded for cash at bank and bank overdraft, as financial assets that can be left at floating rate without necessarily exposing the Authority to significant bad risk. Management monitors movements in interest rates as investments approach maturity.

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

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

7.1.3 Financial risk management objectives and policies (continued)

Interest rate exposure of financial instruments

2022	Weighted average interest rate (%)	Carrying amount	Fixed interest rate	Variable interest rate	Non-interest bearing
Financial assets					
Cash and deposits ^(a)	0.30%	67,431	46,446	20,982	3
Receivables ^(b)					
Other receivables		7,121	-	-	7,121
Investments and other contractual financial assets					
Term deposits		7,391	7,391	-	-
Total financial assets		81,943	53,837	20,982	7,124
Financial liabilities					
Payables ^(b)					
Supplies and services		4,330	-	-	4,330
Borrowings					
Lease liabilities	3.17%	8,879	8,879	-	-
Total financial liabilities		13,209	8,879	-	4,330

2021	Weighted average interest rate (%)	Carrying amount	Fixed interest rate	Variable interest rate	Non-interest bearing
Financial assets					
Cash and deposits ^(a)	0.33%	68,240	46,757	21,480	3
Receivables ^(b)					
Other receivables		6,188	-	-	6,188
Investments and other contractual financial assets					
Term deposits		7,184	7,184	-	-
Total financial assets		81,612	53,941	21,480	6,191
Financial liabilities Payables ^(b)					
Supplies and services		5,758	-	-	5,758
Borrowings					
Lease liabilities	3.69%	9,853	9,853	-	-
Total financial liabilities		15,611	9,853	-	5,758

Notes:

- (a) Weighted average effective interest rate does not include cash and deposits held by volunteer units.
- (b) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

7.1.3 Financial risk management objectives and policies (continued)

Interest rate risk sensitivity

2022	-50 basis points			+50 basis points	
	Carrying amount	Net result	Fair value through OCI revaluation reserve	Net result	Fair value through OCI revaluation reserve
Contractual financial assets					
Cash and deposits ^(a)	67,431	(337)	-	337	-
Investments and other contractual financial assets	7,391	(37)	-	37	-
Total impact	74,822	(374)	-	374	-
Contractual financial liabilities					
Borrowings ^(b)	8,879	(44)	-	44	-
Total impact	8,879	(44)	-	44	-

2021	-50 basis points			+50 basis points	
	Carrying amount	Net result	Fair value through OCI revaluation reserve	Net result	Fair value through OCI revaluation reserve
Contractual financial assets					
Cash and deposits ^(a)	68,240	(341)	-	341	-
Investments and other contractual financial assets	7,184	(36)	-	36	-
Total impact	75,424	(377)	-	377	-
Contractual financial liabilities					
Borrowings ^(b)	9,853	(49)	-	49	-
Total impact	9,853	(49)	-	49	-

Notes:

- (a) Cash and deposits includes a deposit of \$62,946 thousand (2021: \$63,594 thousand) that is exposed to floating rate movements. Sensitivities to these movements are calculated as follows:
2022: \$62,946 thousand x -0.005 = -\$315 thousand; and \$62,946 thousand x 0.005 = \$315 thousand
2021: \$63,594 thousand x -0.005 = -\$318 thousand; and \$63,594 thousand x 0.005 = \$318 thousand
- (b) Borrowings include nil (2021: nil) that are exposed to floating rate movements.

7.2 Contingent assets and contingent liabilities

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

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

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.2 Contingent assets and contingent liabilities (continued)

Contingent assets

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

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

There were no contingent assets as at 30 June 2022 (2021: Nil).

Contingent liabilities

Contingent liabilities are:

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

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

There were no contingent liabilities as at 30 June 2022 (2021: Nil).

7.3 Fair value determination

This section sets out information on how the Authority determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- Land
- Buildings
- Infrastructure
- Plant
- Equipment

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

The Authority determines the policies and procedures for determining fair values for both financial and nonfinancial assets and liabilities as required.

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.3 Fair value determination (continued)

Fair value hierarchy

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

The levels are as follows:

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

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

The Valuer-General Victoria (VGV) is the Authority's independent valuation agency.

The Authority, in conjunction with VGV, monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

How this section is structured

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

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

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

7.3.1 Fair value determination of financial assets and liabilities

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

- Level 1 – the fair value of financial instruments with standard terms and conditions, and traded in active liquid markets, are determined with reference to quoted market prices.
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly.

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.3 Fair value determination (continued)

7.3.1 Fair value determination of financial assets and liabilities (continued)

- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The Authority currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2020-21 reporting period.

These financial instruments include:

Financial assets	Financial liabilities
Cash and deposits Receivables:	Payables:
■ Accrued investment income	■ Supplies and services
■ Other receivables	Borrowings:
Investments and other contractual financial assets:	■ Lease liabilities
■ Term deposits	

All financial instrument assets and liabilities are classified as Level 2.

There have been no transfers between levels during the period.

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.3 Fair value determination (continued)

7.3.2 Fair value determination: Non-financial physical assets

Fair value measurement hierarchy

	Carrying amount 2022 as at 30 June 2022	Fair value measurement at end of reporting period using:		
		Level 1 ⁽ⁱ⁾	Level 2 ⁽ⁱ⁾	Level 3 ⁽ⁱ⁾
Crown land at fair value				
Non-specialised land	23,518	-	23,518	-
Total of land at fair value	23,518	-	23,518	-
Buildings and leasehold improvements at fair value				
Specialised buildings	34,582	-	-	34,582
Leasehold improvements	7,885	-	-	7,885
Total of buildings at fair value	42,467	-	-	42,467
Plant, equipment and vehicles at fair value				
Vehicles	26,548	-	-	26,548
Plant and equipment	11,814	-	-	11,814
Total of plant, equipment and vehicles at fair value	38,362	-	-	38,362

	Carrying amount 2021 as at 30 June 2021	Fair value measurement at end of reporting period using:		
		Level 1 ^(a)	Level 2 ^(a)	Level 3 ^(a)
Crown land at fair value				
Non-specialised land	23,519	-	23,519	-
Total of land at fair value	23,519	-	23,519	-
Buildings and leasehold improvements at fair value				
Specialised buildings	21,816	-	-	21,816
Leasehold improvements	8,391	-	-	8,391
Total of buildings at fair value	30,207	-	-	30,207
Plant, equipment and vehicles at fair value				
Vehicles	30,196	-	-	30,196
Plant and equipment	11,814	-	-	11,814
Total of plant, equipment and vehicles at fair value	42,010	-	-	42,010

Notes:

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

There have been no transfers between levels during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate fair value.

Non-specialised land is valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

An independent valuation of the Authority's land was performed by the Valuer-General Victoria to determine the fair value using the market approach. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. Fair value is determined by direct reference to recent market transactions

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.3 Fair value determination (continued)

7.3.2 Fair value determination: Non-financial physical assets (continued)

on arm's length terms for land of comparable size and location to the Authority. The valuation was based on independent assessments, with management recognising that it is difficult to reliably estimate with any degree of certainty the potential impact of COVID 19 on the valuation. The effective date of the valuation is 30 June 2021.

Non-financial physical assets such as land are measured at fair value, with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset are not taken into account until it is virtually certain that the restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these nonfinancial physical assets will be their highest and best use.

To the extent that non-specialised land does not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

Specialised buildings: For the Authority's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciations. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of the Authority's specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the current replacement cost method. The effective date of the valuation is 30 June 2021.

Vehicles are valued using the current replacement cost method. The Authority acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the Authority who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method. For plant, equipment and vehicles, existing depreciated historical cost is generally a reasonable proxy for current replacement cost because of the short lives of the assets concerned.

There were no changes in valuation techniques throughout the period to 30 June 2022.

For all assets measured at fair value, the current use is considered the highest and best use.

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.3 Fair value determination (continued)

7.3.2 Fair value determination: Non-financial physical assets (continued)

Reconciliation of Level 3 fair value movements

2022	Specialised buildings	Leasehold Improvements	Vehicles	Plant and equipment
Opening balance	21,816	8,391	30,196	11,814
Purchases (sales)	14,639	-	2,982	1,944
Transfers in (out) of Level 3	-	-	-	-
Gains or losses recognised in net result:				
Depreciation	(1,873)	(506)	(6,630)	(1,944)
Impairment loss	-	-	-	-
Subtotal	12,766	(506)	(3,648)	-
Gains or losses recognised in other economic flows - other comprehensive income				
Revaluation	-	-	-	-
Subtotal	-	-	-	-
Closing balance	34,582	7,885	26,548	11,814

2021	Specialised buildings	Leasehold Improvements	Vehicles	Plant and equipment
Opening balance	19,096	8,998	33,122	11,087
Purchases (sales)	948	-	2,194	2,718
Transfers in (out) of Level 3	-	-	-	-
Gains or losses recognised in net result				
Depreciation	(1,329)	(607)	(5,120)	(1,991)
Impairment loss	-	-	-	-
Subtotal	(381)	(607)	(2,296)	727
Gains or losses recognised in other economic flows – other comprehensive income				
Revaluation	3,101	-	-	-
Subtotal	3,101	-	-	-
Closing balance	21,816	8,391	30,196	11,814

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.3 Fair value determination (continued)

7.3.2 Fair value determination: Non-financial physical assets (continued)

Description of significant unobservable inputs to Level 3 valuations

2021 and 2022	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Specialised buildings	Current replacement cost	Direct cost per square metre	\$150 - \$5,000/M2 (\$1,600)	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value.
		Useful life of specialised buildings	15 – 50 years (42 years)	Fair value is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Leasehold improvements	Current replacement cost	Cost per unit	\$1,800 - \$1,170,000 per unit (\$79,500)	A significant increase or decrease in direct cost per unit would result in a significantly higher or lower fair value.
		Useful life of leasehold improvements	3 – 40 years (24 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Vehicles	Current replacement cost	Cost per unit	\$6,000 - \$727,000 per unit (\$119,000)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life of vehicles	1 – 15 years (13 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Plant and equipment	Current replacement cost	Cost per unit	\$3,000 - \$223,000 per unit (\$37,000)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life of plant and equipment	4 – 15 years (11 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

Significant unobservable inputs have remained unchanged since June 2021.

8. OTHER DISCLOSURES

Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

- 8.1 Ex-gratia expenses
- 8.2 Other economic flows included in net result
- 8.3 Reserves
- 8.4 Responsible persons
- 8.5 Remuneration of executives
- 8.6 Related parties
- 8.7 Remuneration of auditors
- 8.8 Subsequent events
- 8.9 Other accounting policies
- 8.10 Australian Accounting Standards issued that are not yet effective
- 8.11 Glossary of technical terms
- 8.12 Style conventions

8.1 Ex-gratia expenses

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

There were no ex gratia expenses for both individual items and in aggregate that are greater than or equal to \$5,000 during the financial year ended 30 June 2022 (2021: Nil).

8.2 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains/(losses) from the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

8.3 Reserves

	2022	2021
Physical asset revaluation surplus ^(a)		
Balance at beginning of financial year	14,458	11,803
Revaluation increments/(decrements)	-	2,655
Balance at end of financial year	14,458	14,458
Net changes in reserves	-	2,655

Notes:

(a) The physical assets revaluation surplus arises on the revaluation of land and buildings.

8. OTHER DISCLOSURES (continued)

8.4 Responsible persons

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

Names

The persons who held the positions of Ministers and Accountable Officers in the Authority are as follows:

Minister for Police and Emergency Services

The Hon. Jaclyn Symes, MP 26 June 2021 to 30 June 2022

Accountable Officer

Stephen Griffin 1 July 2021 to 30 June 2022

Members of the board of governance, which includes Board Chairperson

Gregory Wilson Board member	1 July 2021 to 30 June 2022
Bernard Cronin Board member	1 July 2021 to 30 June 2022
Nevenka Brooks Board member	1 July 2021 to 30 August 2021
Lisa Borowick Board member	1 July 2021 to 30 June 2022
Martin Geerings Board member	1 July 2021 to 30 June 2022
Casey Nunn Board member	1 July 2021 to 30 April 2022
Bernadette Northeast Board member	1 July 2021 to 30 June 2022

Remuneration

Amounts relating to ministers are reported in the State's Annual Financial Report.

Remuneration band	2022 No.	2021 No.
\$0 - \$9,999	1	1
\$10,000 - \$19,999	6	6
\$30,000 - \$39,999	-	-
\$40,000 - \$49,999	1	1
\$340,000 - \$349,999	1	-
\$370,000 - \$379,999	-	1
Total numbers	9	9
Total amount	\$486,685	\$531,871

8. OTHER DISCLOSURES (continued)

8.5 Remuneration of executives

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

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

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

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

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

Remuneration of executive officers (including Key Management Personnel disclosed in Note 8.6) ^(a)	Total remuneration	
	2022	2021
Short-term employee benefits	838	1,149
Post-employment benefits	82	107
Other long-term benefits	59	29
Termination benefits	-	26
Total remuneration ^(a)	979	1,311
Total number of executives	4	7
Total annualised employee equivalents ^(b)	4	5

Notes:

- (a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (Note 8.6).
- (b) Annualised employee equivalent is based on the time fraction worked over the reporting period.

8. OTHER DISCLOSURES (continued)

8.6 Related parties

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

The financial statements incorporate financial transactions of the 143 VICSES volunteer units on a cash basis.

Related parties of the Authority and 143 VICSES volunteer units include:

- All key management personnel and their close family members and personal business interests (controlled entities, joint ventures, and entities they have significant influence over).
- All Cabinet Ministers and their close family members.
- All departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Key Management Personnel (KMP) at the authority pursuant to Section 53 (1) (b) of the of the FMA of the Authority's financial statements include:

Key Management Personnel	Position Title	
The Governing Board (refer to note 8.4 for list of Board Members)		
The Hon. Jaclyn Symes, MP	Portfolio Minister	1 July 2021 to 30 June 2022
Mr Stephen Griffin	Chief Executive Officer	1 July 2021 to 30 June 2022
Mr Tim Wiebusch	Chief Officer Operations	1 July 2021 to 30 June 2022
Ms Kate White	Director Corporate Services	1 July 2021 to 30 June 2022

Remuneration of key management personnel

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

Compensation of KMPs ⁽ⁱ⁾	2022	2021
Short-term employee benefits	880	940
Post-employment benefits	78	84
Other long-term benefits	23	24
Total	981	1,048

Notes:

(i) that KMPs are also reported in the disclosure of remuneration of executive officers (Note 8.5).

Significant transactions with government-related entities

During the year, the Authority had the following government-related entity transactions (refer to Note 2 for more detail):

- \$70.71 million received from Department of Justice and Community Service (2021: \$62.70m).
- \$6.08 million received from the other state government-related entities (2021: \$5.06m).

8. OTHER DISCLOSURES (continued)

8.6 Related parties (continued)

Transactions and balances with key management personnel and other related parties

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

Other than the citizen type transactions, there were no related party transactions with the Authority or in relation to the 143 VICSES volunteer units which has been incorporated into the Authority's financial statements, that involve KMPs, their close family members and their personal business interests.

All other transactions that have occurred with KMP and their related parties have not been considered material for disclosure. In this context, transactions are only disclosed when they are considered necessary to draw attention to the possibility that the Authority's financial position and profit or loss may have been affected by the existence of related parties, and by transactions and outstanding balances, including commitments, with such parties.

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

8.7 Remuneration of auditors

	2022	2021
Victorian Auditor-General's Office		
Audit of the financial statements	114	128
Total remuneration of auditors	114	128

8.8 Subsequent events

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

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

On the 6 October 2022, the VICSES Chief Officer Operations declared an emergency operation due to increased storm and riverine flooding risks. The storms and rain resulted in significant flooding in many parts of Victoria and continues as at the time of the signing of these Financial Statements for the year ended 30 June 2022.

8. OTHER DISCLOSURES (continued)

8.8 Subsequent events (continued)

As the responsible agency for Victoria, VICSES has led the flood response. Significant costs are being incurred by VICSES in leading the response including damage to VICSES volunteer unit buildings and equipment, purchase of emergency equipment (i.e. sandbags, sand etc.), construction costs for levees, accommodation and welfare costs and Incident Control Centre operational costs.

The State has confirmed that VICSES will be supported for any cashflow needs that result from the flood response.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of the Authority the results of the operations or the state of affairs of the Authority in the future financial years.

8.9 Other accounting policies

Contribution by owners

Consistent with the requirements of AASB 1004 Contributions, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions, and therefore do not form part of the income and expenses of the Authority.

Additions to net assets that have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

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

Grant funding received for the purchase of assets that has been designated as contribution by owners is treated as contributed capital.

Accounting for goods and services tax (GST)

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

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

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

Commitments and contingent assets or liabilities are also stated inclusive of GST.

8. OTHER DISCLOSURES (continued)

8.10 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2021-22 reporting period. These accounting standards have not been applied to the Financial Statements. The State is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted however the AASB has recently issued AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date to defer the application by one year to periods beginning on or after 1 January 2023. The Authority will not early adopt the Standard.

The Authority is in the process of analysing the impacts of these Standards. However, it is not anticipated to have a material impact.

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

- AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments.
- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates.
- AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards.
- AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections.

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

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an 'other economic flow'.

Borrowings refer to interest-bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, finance leases and other interest-bearing arrangements. Borrowings also include non-interest-bearing advances from government that is acquired for policy purposes.

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

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

Current grants are amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

8. OTHER DISCLOSURES (continued)

8.11 Glossary of technical terms

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

Effective interest method is the method used to calculate the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

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

Financial asset is any asset that is:

- (a) Cash
- (b) An equity instrument of another entity
- (c) A contractual right:
 - To receive cash or another financial asset from another entity, or
 - To exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity, or
- (d) A contract that will or may be settled in the entity's own equity instruments and is:
 - A non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments.
 - A derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial liability is any liability that is:

- A contractual obligation:
 - To deliver cash or another financial asset to another entity, or
 - To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- A contract that will or may be settled in the entity's own equity instruments and is:
 - A non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments, or
 - Derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

8. OTHER DISCLOSURES (continued)

8.11 Glossary of technical terms (continued)

Financial statements comprise:

- A balance sheet as at the end of the period.
- A comprehensive operating statement for the period.
- A statement of changes in equity for the period.
- A cash flow statement for the period.
- Notes, comprising a summary of significant accounting policies and other explanatory information.
- Comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 Presentation of Financial Statements.
- A balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraph 41 of AASB 101.

Grants expenses and other transfers are transactions in which one entity provides goods, services, assets (or extinguishes a liability) or labour to another entity without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

Grants can be paid as general-purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

General government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those which are mainly non-market in nature, those which are largely for collective consumption by the community and those which involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

Interest expense represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of finance lease repayments, and amortisation of discounts or premiums in relation to borrowings.

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

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

8. OTHER DISCLOSURES (continued)

8.11 Glossary of technical terms (continued)

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

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

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

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

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

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

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

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

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

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

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the Authority.

8. OTHER DISCLOSURES (continued)

8.11 Glossary of technical terms (continued)

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows into an entity such as depreciation, where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of government.

8.12 Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

- .. zero, or rounded to zero
- (xxx.x) negative numbers
- 202x year period
- 202x-2x year period

The financial statements and notes are presented based on the illustration for a government Authority in the 2020-21 *Model Report for Victorian Government Authorities*. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of the Authority's annual reports.

9. Disclosure Index

The Annual Report of the Victoria State Emergency Service Authority is prepared in accordance with all relevant Victorian legislations and pronouncements.

This index has been prepared to facilitate identification of the Authority's compliance with statutory disclosure requirements.

Legislation	Requirement	Page Reference	Annual report
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FRD 22H	Manner of establishment and the relevant Ministers	Page	21
FRD 22H	Purpose, functions, powers and duties	Page	4
FRD 22H	Nature and range of services provided	Page	4
Management and structure			
FRD 22H	Organisational structure	Page	23
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FRD 22H	Employment and conduct principles	Page	12
FRD 22H	Occupational health and safety policy	Pages	12, 50
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10. Legislation

- *Freedom of Information Act 1982*
- *Building Act 1993 (Vic)*
- *Protected Disclosure Act 2012 (Vic)*
- *Carers Recognition Act 2012 (Vic)*
- *Disability Act 2006*
- *Local Jobs Act 2003*
- *Victorian Industry Participation Policy Act 2003 (Vic)*
- *Financial Management Act 1994 (Vic)*