



Annual Report 2020 - 2021

Victoria State Emergency Service



This report provides an account of the Victoria State Emergency Service (VICSES) during the 2020-21 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 2020-21 financial year.

This report is available for viewing online:

ses.vic.gov.au

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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 – 2020-21



VICSES at a glance



Who we are

Control agency for:



Flood



Storm



Earthquake



Tsunami



Landslide



150

Units

14

Permanently staffed offices

104

Road rescue providers

Our people in 2020-21



5,088
Volunteers*

33.6% Female

66.2% Male

0.2% Non-binary

Volunteer leadership (Unit Controllers and Deputy Controllers)

28.7% Female 71% Male 0.3% Non-binary

*active & non-active

279
Staff

45% Female

55% Male

Staff leadership (Executive team)

57% Female 43% Male



Our agency in 2020-21



503,427

Volunteer hours



Flood
2,181 incidents
(18,617 hrs)



Storm
28,341 incidents
(408,139 hrs)



Road Crash Rescue
1,366 incidents
(12,022 hrs)



36,396

Requests for assistance



Assisting agency

46,751 hrs across 2,976 incidents



Tsunami, landslide or earthquake

141 Requests for assistance



Rescue (other/RAIR)

882 across 5,647 hours

31.73% increase in hours year on year.

Storm call outs increased by 170%



Safer Communities – Together

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 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 150¹ 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 services 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

¹ This includes 142 stand-alone units, seven regional support units and one state support unit.

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 2020-21 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, I am proud to present this year's Annual Report.

The past 12 months have proven to be some of the most challenging times for our members and the community. Recording our second busiest year with 36,396 requests for assistance, our members have continued to provide support for our communities despite the ongoing COVID-19 pandemic. In June we saw our busiest period on record ever, with severe storms and flooding devastating parts of Victoria. As always, our members stepped up to deliver world-class emergency service assistance, as well as ongoing recovery support. In addition to localised events, our members have also been deployed to support our emergency service colleagues interstate, including Cyclone Seroja in Western Australia, and severe flooding in New South Wales. Overall, the contributions of our members during the last year have been enormous, demonstrating our Vision: Safer Communities – Together.

I would also like to recognise the contributions of my fellow Board members. Last year we welcomed Bernadette Northeast to our VICSES Board, who has provided a wealth of knowledge and expertise. Volunteering with VICSES Warrnambool Unit since 2002, Bernadette is passionate about community and volunteerism, and her years of experience as part of both private and public sector Boards has been a great addition to our organisation.

In my second year as Chair, over the past 12 months I have continued my commitment to the ongoing delivery of the Strategic Plan 2018-22. Alongside the hard work of our Board, Executive team, volunteers, and staff, I am confident that we have, and will continue to deliver on our fundamental goals, to help create a sustainable organisation into the future. The challenges that our members have faced in the last year have proven our ability to work together to help build the resilience of our communities, before, during, and after emergencies, particularly during the ongoing pandemic environment.

I am incredibly proud of the contributions of our members, in particular the dedication of our volunteers, who are the backbone of our organisation and our communities. While there are still many challenges ahead for VICSES, I am confident in Our People to continue to deliver our highly skilled and diverse services across Victoria. I look forward to meeting with more of our members during periods of eased COVID-19 restrictions, to listen to valued feedback and offer my best support.

Once again, thank you to our volunteers, staff, Executive team, and fellow Board members, for your ongoing dedication and service to VICSES and the community.

A handwritten signature in blue ink, appearing to read 'G. Wilson', written in a cursive style.

Greg Wilson, **Board Chair**

Melbourne, October 2021

CEO's report



In what has been an exceptionally challenging year once again, I would like to highlight the achievements and initiatives across the organisation in 2020/21.

Since last year's Annual Report, members have continued to accept the challenges the COVID-19 pandemic has placed before them and delivered an exceptional service to both Victorian and interstate communities when called on to respond to an increasing variety of events. The events facing the state during the pandemic have meant that our members have played an integral role in helping our community prepare and respond in an extremely difficult and challenging work environment.

This, together with our response to the second busiest year on record for Requests For Assistance (RFAs), with 36,396 RFAs, surpasses the 2019-20 financial year records. The storm and flood impacts of the "East Coast Low" event of June 9-11 resulted in around 10,000 RFAs alone. VICSES also provided significant resources into NSW (major flooding) and WA (Ex tropical Cyclone Seroja), which included being agile in our deployment to meet the needs of an evolving COVID-19 environment.

The training and development of our members has been a highlight of the year. Record numbers have been trained in Land Based Swift Water Rescue, and staff and volunteers have participated in state-wide masterclasses. Our media and communications team has celebrated record coverage and exposure for our organisation, and our campaign to highlight flood awareness, "*Bag it, block it, lift it and leave*" secured treasury funding for its promotion.

The delivery of the Supplementary Alerting System (SAS) enjoyed significant uptake by members at 81.2%. This was a purpose-built solution designed by our members. Additionally, significant progress has been made in building new unit facilities across the state. A record investment of \$125m has been made to replace buildings no longer fit for purpose, and a number of new unit facilities in growth municipalities.

During this year, John Casey, our Director - Corporate Services, resigned after 8 years of dedicated service to VICSES. John's loyalty and commitment to VICSES was outstanding and his achievements, particularly in regard to the surety of tenure and support for unit development, was a highlight of his time with us.

We welcomed Bernadette Northeast to the Board. Bernadette brings great expertise and new ideas to an already cohesive and successful board team. I thank all board members for their support to our management. Greg Wilson, the board Chair brings to VICSES his extensive knowledge and experience of the workings of government and his strong relationships with those involved. This leadership has been invaluable in setting the strategic direction and priorities of VICSES. We also farewelled Barbara Yeoh AM from the Board after her initial appointment in 2006. During her 14 years serving the VICSES board, Barbara held various positions including Deputy Chair, Risk & Audit Committee Chair, and Remuneration Committee member. I thank Barbara for her enormous and lasting contribution to VICSES.

I would finally like to acknowledge the work and commitment of all members of VICSES. Your dedication in serving the community is greatly appreciated and acknowledged. Without your support to the community they would not have access to the world class emergency services you deliver. Thank you all for your ongoing commitment to VICSES and demonstration of our vision - *Safer Communities - Together*.

Kind regards,

A handwritten signature in black ink, appearing to read "S. Griffin". The signature is fluid and cursive.

Stephen Griffin, **Chief Executive Officer**

Melbourne, November 2021

Our history

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

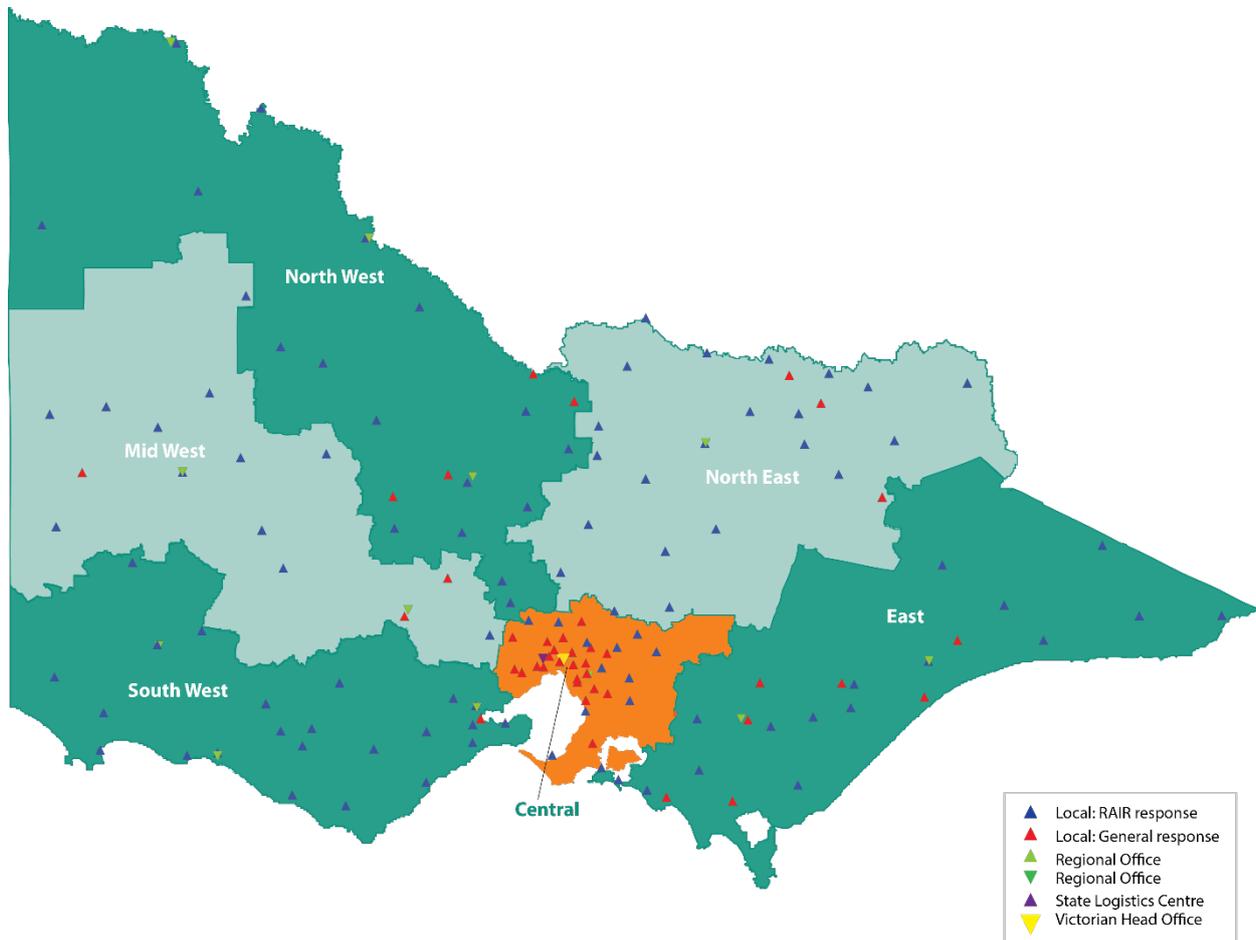


2015



Where we work

VICSES operates 14 permanently staffed offices, including the Victorian Head Office based in Southbank. We also operate 150² units across Victoria, which are divided into six regions.



² This includes 142 operational units, seven regional support units and one state support unit.

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

The Victoria State Emergency Service (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 per cent 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 services organisation 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

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

Table: Excerpt from [VICSES Strategic Plan 2018 - 2022](#)

Volunteer experience

VICSES actively embraces volunteerism and is committed to providing a volunteer experience that meets family and work needs. We strive to be 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 over the next 10 years 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 for all 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 2020-21, VICSES commenced the Gender Equality Project including appointing Gender Equality Champions and conducting an independent gender review - auditing the business to assess where we are at when it comes to gender equality, to ensure compliance with the Victorian Gender Equality Act (as noted in the People and Organisation Development section). Across our volunteer workforce, we have growing female representation, with women making up 33 per cent of our volunteer group, with 147 females within the Unit leadership team (28 per cent).

The gender equality comes from the top, with VICSES CEO Stephen Griffin a passionate advocate for the advancement of gender equality and cultural diversity within VICSES. Stephen is a member of the Fire and Emergency Male Champions of Change, which aims to develop inclusive cultures and achieve significant and sustainable improvements in the representation of women in the emergency management sector.

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 is being implemented across the business into the next financial year (as noted in the Media and Communications section)

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 work to be done to realise, and deliver, upon the Strategy Renewal to ensure communities are prepared for emergencies.

Within the Strategy Renewal are three strategic objectives – build capacity, increase collaboration, and foster connections (*as below*). 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. VICSES have also brought to life the Strategy Renewal through an ongoing commitment to reporting and accountability measures to track progress for VICSES, partners, the Victorian Government, and other stakeholders.

Strategic Objectives	#1 Build Capacity	#2 Increase Collaboration	#3 Foster Connections
Goals	VICSES builds community knowledge and skills to support communities to prepare for, respond to and recover from emergency events	VICSES has effective partnerships through which we can collaborate and facilitate inclusive participation to enable community led activities and solutions	VICSES is an innovative and influential leader that fosters community connectivity and promotes positive behaviour change
Strategic Outcomes	Individuals, households and businesses believe that preparing for future emergency events is important	Program and service delivery with others is collaborative, integrated and community centred	Better connected communities that are able to adapt for future emergency events

Community resilience strategic objectives

In 2020, VICSES released its Community Resilience Strategy (2016 – 2019) Year Three Outcomes report: [VICSES - Community Resilience Strategy Year Three Outcomes Report 2020](#). Key highlights this year include initiatives undertaken through partnerships to build on the community engagement framework as a step-by-step approach for VICSES community safety programs.

Key initiatives undertaken have included geotargeted *15 to float* campaigns to provide general community awareness for significant wet weather events; a mass media campaign focused on the key how to sandbag message of *'bag it, block it, lift it, and leave'*. This campaign was supported and approved by government and saw general and CALD audiences targeted via social media and radio. The campaign also saw collateral developed to target children in regional and metro Melbourne; it is a campaign developed by community for community. Social research was conducted for the campaign, highlighting VICSES had created a simple and easy to understand animation. Other social research aligned with the measurement and evaluation has been conducted for key performance indicators so that we can continue to progress and refine our approaches.

It has been a big year for all our volunteers, staff, communities and partners – we would like to thank them for their collaboration in community resilience programs.

Municipal Emergency Management Plans

For many years, VICSES has played a vital role as the agency responsible for auditing Municipal Emergency Management Plans (MEMPs) under the Victoria State Emergency Service Act 2005. A key function of VICSES has been to assist Municipal Emergency Management Planning Committees (MEMPs) in relation to the performance and exercise of their duties under the Emergency Management Act 1986. The Emergency Management Legislation Amendment Act (EMLA Act 2018) sees VICSES no longer responsible to conduct the audits, in favour of an assurance model led by Emergency Management Victoria (EMV).

In 2020-21, VICSES undertook a number of activities to ensure the smooth transition of the MEMP audit program in anticipation of the *EMLA Act 2018* coming into effect on 01 December 2020, this included:

- Implementation of MEMP audit plan for 2020 which detailed the activities of VICSES to meet the transition requirements of *EMLA Act 2018*.
- Increased meeting schedule and discussions with MEMPCs to ensure State oversight of progress, and for early identification and rectification of issues.

Further to this, VICSES implemented practices related to COVID-19 in supporting the continued delivery of MEMP audits through the collaborative transition planning with EMV and key stakeholders. To meet legislative dates and in anticipation of a busy spring and summer season, 40 audits were conducted by VICSES in 2020, the final being Hobsons Bay City Council on 27 November 2020.

VICSES continue to work closely with key partners and municipal councils throughout Victoria to contribute to their emergency management plans, providing advice and training.

Emergency Management

We operate under the coordinating agency for emergency management, Emergency Management Victoria (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.

Our Board

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

Greg Wilson, Chair

Greg Wilson was appointed as Victoria State Emergency Service (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 the Country Fire Authority (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, currently the 3rd largest sporting event in the world.

Barbara Yeoh AM

Barbara was appointed to the VICSES Board in June 2006. Barbara held the role of Deputy Chairperson for duration of the 2020-21 financial year, a position held since September 2017. Barbara's term on the board concluded in September 2020.

Barbara has an extensive career in the finance sector, in both the public and private sectors, as well as having broad experience over some 30 years as a director in the finance, health, transport, agricultural and education sectors. She is currently a member of the Australian Health Practitioner Regulation Agency (AHPRA) Management Committee, Principal Associate of PhillipsKPA, specialist advisers to the education sector, and Patron of the HUSH Foundation. More recently, Barbara served as Chair of Monash Health and Deputy Chair of the Civil Aviation Authority Board Audit Committee.

Barbara is a Fellow of the Australian Institute of Company Directors and a Member of the Order of Australia. In 2015, she was inducted into the Victorian Honour Roll of Women and received the CEO Magazine 2015 Chairperson of the Year award.

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)

Casey was appointed to the VICSES Board in February 2020.

Casey has extensive experience in emergency services, having served as a volunteer with Ambulance Victoria for over 18 years and the Country Fire Authority 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.

Martin Geerings

Martin was appointed to the VICSES Board in February 2020.

Martin has been a volunteer with the Victorian Country Fire Authority for 20 years and was awarded the National Emergency Medal for the 2009 Campaign Fires. In 2019 Martin received the National Medal for Service for his work with the CFA and 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

Nina joined the VICSES board in January 2016 and is Deputy Chair of the Risk & Audit Committee and a member of the Remuneration Committee.

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, 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 a graduate of the Australian Institute of Company Directors (AICD).

Our Executive

Stephen Griffin, Chief Executive Officer

Stephen became Chief Executive Officer 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 in December 2017, following 12 years working for VICSES in the roles of Deputy Chief Officer Operations and Deputy Chief Officer Operations (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 Emergency Management Victoria (EMV). He has also played a significant senior operational leadership role in a range of emergency events such as the Black Saturday Bushfires (2009), Victorian floods (2010/2011), Christmas Day hailstorm (2012), the Norwegian Star Incident (2016) and the Great Ocean Road landslides (2016). More recently, Tim has also taken on the role of State Response Controller (Health), stationed at the State Control Centre, during the COVID-19 pandemic across 2020.

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.

Kate White replaced John Casey as Director, Corporate Services in April 2021.

Shelley Cussen, Director - People and Organisation Development

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.

Shelley Cussen replaced Sharon Kelsey as Director, People and Organisation Development in January 2021.

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 5 years, supporting IBAC's organisational objectives through the leadership of its information and communications technology programs. Prior to IBAC, Silvia was CIO for the Financial Ombudsman Service for 6 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 were passed in November 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 Police and Emergency Services. The Board consists of eight 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

Remuneration Committee

The Remuneration Committee monitors and advises on matters relating to:

- VICSES policy and practice for executive remuneration

- Performance and remuneration of the CEO and Executive Management Team
- Succession planning for the CEO and senior management positions

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 2021

Risk and Audit Committee	Remuneration Committee
Lisa Borowick (Chair)	Greg Wilson (Chair)
Barbara Yeoh*	Lisa Borowick
Nina Brooks	Bernie Cronin
Bernie Cronin	Nina Brooks
Casey Nunn	

* Term on RAC concluded September 2020.

Board of directors' attendance at meetings

The below table outlines the number of meetings held by the Board and its committees during the 2020-21 financial year, including attendance by Board directors:

Board		Board sub-committees	
Board Directors	Board Meetings (9)	Risk and Audit Committee (4)	Remuneration Committee (1)
Greg Wilson	9		1
Barbara Yeoh*	3	1	
Bernadette Northeast**	6		
Bernie Cronin***	8	2	1
Casey Nunn****	8	1	
Lisa Borowick	9	4	1
Martin Geerings	9		
Nina Brooks	9	4	1

* Term on board concluded September 2020

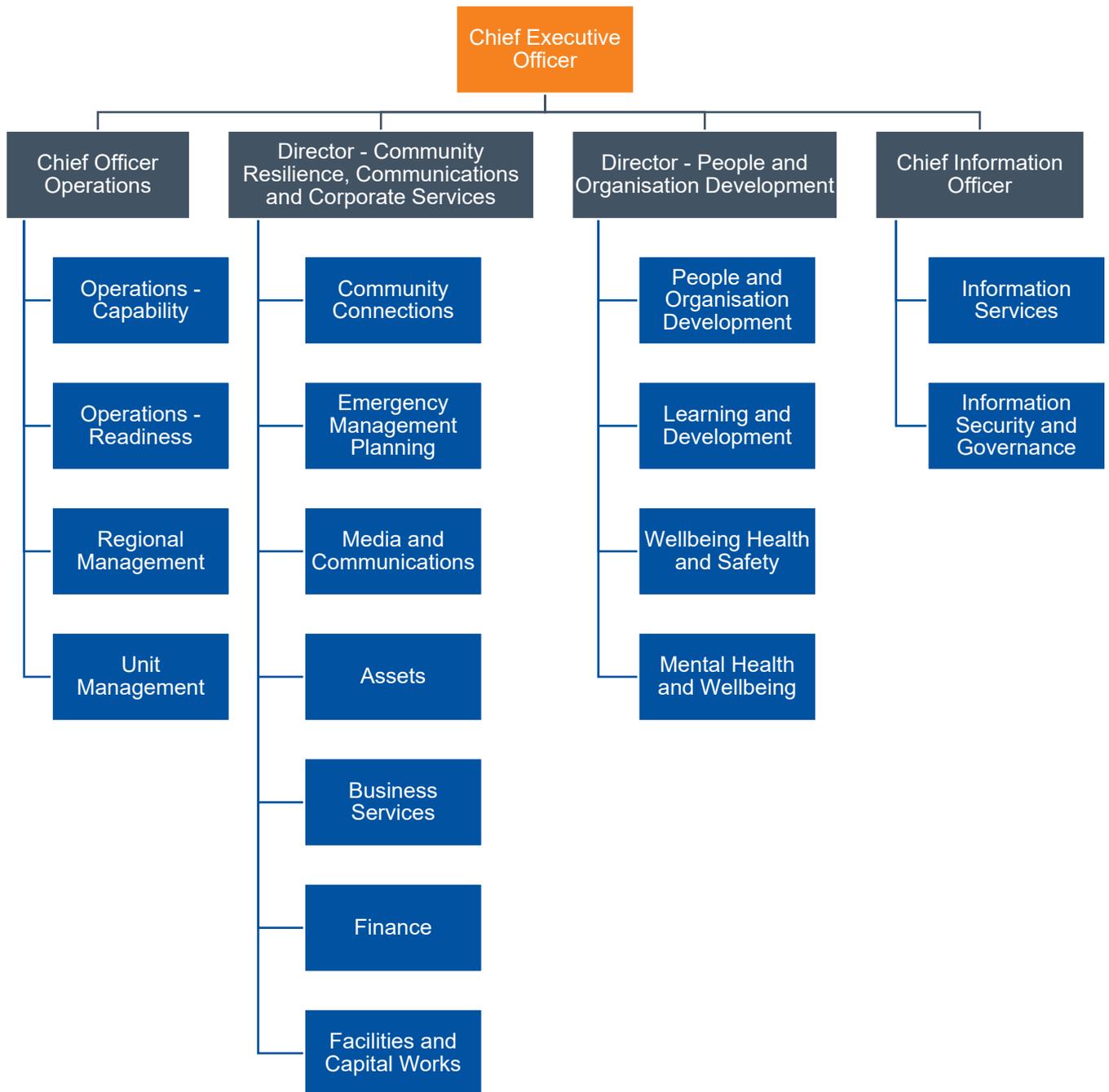
** Term on board commenced September 2020

*** Term on RAC commenced November 2020

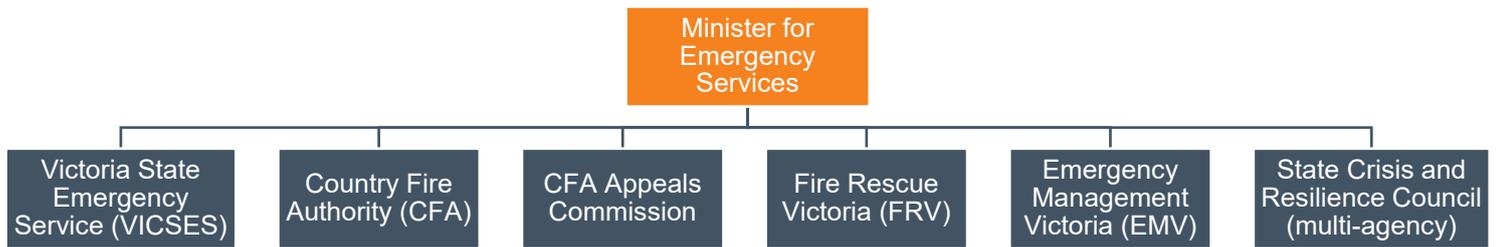
**** Term on RAC commenced May 2021

Organisational charts

VICSES structure



Ministerial reporting



Governing policies

Freedom of Information

VICSES is subject to the *Freedom of Information Act 1982*. During the 2020-21 financial period, VICSES received 25 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 VAGO's *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 were no procurement activities that were required to comply with the Local Jobs First - VIPP category for the 2020-21 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 2020-21 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 completion 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 the Victoria State Emergency Service, certify that the Victoria State Emergency Service has complied with the applicable Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994 and Instructions*.



Greg Wilson, **Board Chair**
Melbourne, November 2021

Consultancies

Consultant	Service	Fees Approved \$	Amount Expended 2020-21 \$	Future Commit- ments \$
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 2020-21 \$	Future Commit- ments \$
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
Total \$m	Total A + B \$m	A \$m	B \$m
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 2021 QTR4 YTD		
			Target	Actual	% Variation
Quantity					
1	Permanent operational staff	number	83	86	4%
2	Permanent support staff	number	116	117	1%
3	Volunteers - operational	number	3,559	3,484	-2%
4	Volunteers – support	number	904	998	10%
Quality					
5	Road crash rescue accredited brigades/units*	number	103	103	0%
6	Level 3 Incident Controller trained staff and volunteers**	number	17	11	-35%
7	Multi agency joint procurements of systems or equipment	number	0	0	0%
Timeliness - Road Accident Rescue					
8	Emergency response times meeting benchmarks	per cent	90%	92.6%	3%
	<i>Emergency response times meeting benchmarks</i>	number	N/A	651	
	<i>Total number of emergency responses</i>	number	N/A	703	

* One road crash rescue unit not formally listed as per this, but now relevant as 104 accredited.

Figure as of 30 June 2021

COVID-19 Impact

COVID-19 overview

On 30th January 2020, the World Health Organisation (WHO) declared the outbreak of COVID-19 a Public Health Emergency of International Concern. On 11 March 2020, WHO officially declared COVID-19 as a pandemic. 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.

Throughout the entirety of the 2020-21 financial year, VICSES delivered comprehensive COVID-19 adaptations to ensure that the organisation could continue to respond to emergencies and provide assistance to affected individuals and communities during the pandemic. The challenges faced as we adapt to a new COVID-19 compliant state have been felt across all of Victoria over the past year. Our VICSES Units and operations teams remained committed to providing emergency assistance when emergencies occur – 24 hours a day, 7 days a week, 365 days a year – no matter the conditions.

Additionally, in accordance with the VICSES Value of '*Safety drives our decisions*', the health and safety of Our People – volunteers and staff - was paramount and the absolute priority of a pandemic plan that guided the businesses approach to the situation. VICSES demonstrated that there was 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.

Together, we have faced many challenges in the way that we work and respond to emergencies during the ongoing COVID-19 pandemic. Although the impacts of COVID-19 have been difficult, it has also highlighted some great accomplishments across our organisation in the way our members have adapted to a new working environment.

One of the biggest changes was the adoption of WebEx, enabling our members to be more connected than ever before. Prior to COVID-19, members still preferred face-to-face meetings and training, with WebEx used only intermittently. With additional training and learning the balance of video conferencing and other communication devices, our members have been able to maintain relationships, connect with each other and undertake training from almost any location.

Timely information regarding the COVID-19 was shared across a number of platforms: via regular Unit Management Team WebEx briefings across all Regions with Chief Executive Officer Stephen Griffin and Chief Officer Operations (COO) Tim Wiebusch; Coronavirus Updates and video messages from our COO; weekly contact with Units to provide support, information and obtain resupply needs; through updates to our enacted COVID-19 Pandemic Plan and COVIDSafe Directions; and through accessible information on the Hub.

While COVID-19 restrictions meant less face-to-face activities and more time spent at home, health and wellbeing at VICSES hasn't taken a back seat. The Wellbeing, Health and Safety team switched to online sessions, holding Healthwatch @ Home, online healthy cooking classes, weekly mindfulness events and more, all through online video conferencing. The team also launched the Mind Fit podcast, aiming to spread the word of good health to our members across the state. The annual *Step It Up* campaign was the biggest yet, with more than 850 participants and 200 million steps logged, proving that our members were keen to keep their fitness up more than ever despite the pandemic.

Another huge change to our working environment was the switch from face-to-face to online training. The Learning and Development team acted quickly to increase the development of online content via the Training Portal, fast-tracking the release of training programs and COVID-19 content to support the VICSES Pandemic Plan.

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.

For the period 12 March 2020 - 18 April 2021, the VICSES Pandemic Plan (versions 1-14) and arrangements were developed and activated. This pandemic plan and arrangements replaced the previous version (pre COVID-19) and was as an appendix to the VICSES Business Continuity Plan (BCP) and specifically set out:

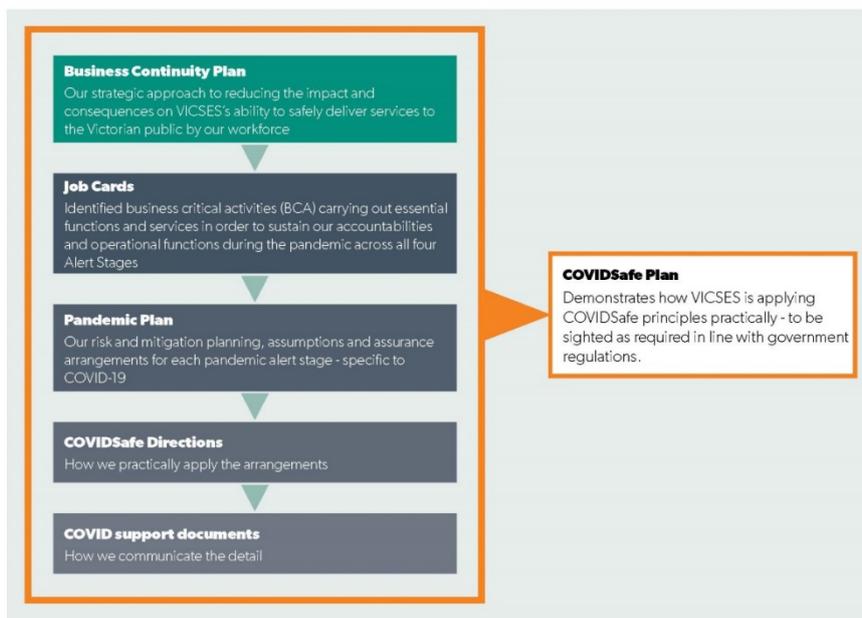
- VICSES arrangements for pandemic planning and response to COVID-19 at each alert stage
- Relevant governance structures
- Key roles and responsibilities
- Arrangements for business and operational functions identified as business critical activities
- Key resources, suppliers, and considerations.

Throughout the entirety of the 2020-21 financial year, VICSES continued to coordinate comprehensive COVID-19 adaptations of the plan 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, and 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. An updated iteration of the VICSES Pandemic Plan (Version 1) was developed and activated for the COVID-19 circuit breaker restrictions introduced by the Victorian State Government as at 11:59pm, 27 May 2021 - VICSES Pandemic Plan (COVID Active - Red) 28 May 2021 (i.e. post period that previous plan was deactivated 18 April 2021), building on the previous VICSES Pandemic Plan (versions 1-14) and arrangements.

The following doctrine hierarchy applied to how VICSES arrangements for COVID-19 were aligned, and implemented:



Further to this, a significant library of new collateral was developed specifically relating to the COVID-19 pandemic (*Figures as of 30 June 2021*):

- Key guidance and resources: 105
- VICSES Pandemic Plan: 14
- COVIDSafe Directions: 30
- VICSES Coronavirus Updates (eDM to all members): 62
- Pandemic (BCP) Job Cards: 38

Specific collateral that underpinned guidance included:

- **VICSES Pandemic Plan** - provided specific updates to the relevant sections of this pandemic plan pursuant to the [Coronavirus \(COVID-19\) roadmap to reopening](#) issued by the Victorian Government.
- **VICSES Statement of Intent** - The high-level reference to guide our decisions.
- **VICSES COVIDSafe Directions** – The guiding principles and directions for all Units, members, staff and/or visitors that aligned with Victorian Government directions.

VICSES Pandemic Plan

The aim of the development and implementation of VICSES's COVID-19 Pandemic Plan was, and continues to be, to:

- Provide an effective response framework to minimise transmission of the COVID-19 virus
- Identify risks that a COVID-19 pandemic poses to VICSES's business and operational functions
- Identify planning and mitigation activities which will reduce the impact of a COVID-19 pandemic on VICSES for the immediate 24-hour period, < 7 days and >7 days impacts and consequences
- Execute a flexible and scalable approach which is proportionate to the level of risk and appropriate to the level of impact the pandemic is likely to have on VICSES's members, their families and the communities it serves
- Align and make use of existing emergency management frameworks within Australia and Victoria
- Alignment with the guidance and/or directions from relevant federal and state government agencies including health authorities

VICSES Statement of intent

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

Statement of Intent – COVID19

This intent is designed to complement the information available via the single source of VICSES information and advice on the VICSES Hub: <https://hub.vicse.vic.gov.au/coronavirus-covid-19/>

 <p>Safety drives our decisions</p>	<p>The health, safety and wellbeing of all our members and their families remains an absolute priority at all times and is a guiding principle of all our decisions and actions.</p> <p>Everyone has a responsibility to act in accordance with VICSES advice and doctrine and that of the Government and Health Authorities.</p> <p>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.</p>
 <p>We are part of our community</p>	<p>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.</p> <p>Our focus is to maintain all operational service delivery.</p> <p>Each member is responsible to make appropriate decisions about the protection of their own health and for following VICSES PPCR advice.</p> <p>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.</p>
 <p>We pride ourselves on our credibility</p>	<p>VICSES Emergency Response activities will continue following our COVID-19 Response Protocols for RFA's. This includes staging RFA responses to attending private premises.</p> <p>We will only attend VICSES activities if we meet the Should Respond criteria.</p> <p>VICSES will provide information to members based on the most up-to-date health advice provided by the State and Federal Government and health authorities.</p>
 <p>Together we are VICSES</p>	<p>I follow the most up-to-date COVIDSafe Directions for guidance on restrictions, responding to RFA's, face-to-face training, volunteer recruitment and ensure all attendance records are completed in case of the need to manage an outbreak or contact tracing.</p> <p>All face-to-face meetings, awards ceremonies and fundraising remains 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.</p> <p>Assets and fleet will continue to provide routine and essential maintenance of vehicles and equipment along with necessity of consumables.</p>
 <p>Focused and adaptable</p>	<p>Our Values have held us in good stead over difficult times and all VICSES members are encouraged to embed all their actions back to Our Values.</p> <p>To support operational service delivery, we must be Focused and Adaptable, adjusting our practices so that VICSES response can continue and in how we support each other and the communities we serve.</p> <p>Leaders within Unit Management Teams are responsible for maintaining current awareness of the movement and status of their respective team members.</p>

Authorised by: Stephen Griffin (Chief Executive Officer) and Jim Weibach (Chief Officer Operations)

VICSES Statement of Intent – COVID-19 – 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 25 June 2021

Version 2

All members - Guiding principles

 Check in via Guest Track App / QR code COMPULSORY	 Face masks	 Hygiene	 Cleaning	 1.5 meters	 Get vaccinated	 Return to office	 Follow Unwell?
---	--	---	--	--	--	--	---

Guest Track Contact Tracing App check in

- VICSES Guest Track Contact Tracing App (QR code) check-in is now **compulsory** for all visits to a unit/facility and **all operational responses**, regardless of the time period.

All members

- Face masks must be worn at all times indoors, in shared vehicles or where you cannot reasonably maintain 1.5m.
- Composite teams from adjoining units are allowed (rostered together in operational response).
- There is no longer a requirement to apply a team based response model in Greater Melbourne.
- Dual members can now respond with both units.
- Maintain distancing based on density requirements (i.e training or ops room). Reinstate room signage around:
 - 1 person per 4sqm (Greater Melbourne)
 - 1 person per 2sqm (Regional Victoria)

Training

- Face-to-face training in groups of a maximum of 30 people, or for larger units (40+ members) a maximum of 75% capacity.
- Density limits apply:
 - 1 person per 4sqm in Greater Melbourne
 - 1 person per 2sqm in Regional Victoria

Public Gatherings

- Public gatherings, recruitment or community engagement events can occur with a **maximum of 50 people**.

General guidance

- Triage using the **COVID-19 Response Protocols**.
- Apply and adhere to the COVIDSafe Plan for **units and/or offices**.
- Consider the Victorian Government guidance at all times.
- Follow **COVID-19 outbreak guidance** and reporting protocols.
- Unit members who may identify in 'at risk groups' should consider their own wellbeing prior to attending any unit activity.
- Ensure correct usage of Personal Protective Clothing and Equipment (PPCE&E) when responding to RFA's as per **COVID-19 Response Protocols**.

Wellbeing

- Look after each other, connect in with others and consider your overall wellbeing.
- Access health and wellbeing resources on [the hub](#).

Office attendance

- Phased return to offices.
- Team rotations for VHO staff no longer required.
- Third party suppliers are now permitted.
- Masks required indoors at all times.

Face masks covering the nose and mouth must be worn when representing VICSES

During all operations where you have close or direct contact with a casualty or COVID-19 confirmed community member:

P2 non-vented (N95, KN95)
P2/N95-vented face masks should be worn for fire support operations involving dense smoke or environments with suspected asbestos.



During all indoor VICSES activities or where you cannot maintain 1.5m (unless an exemption applies):

If you cannot wear a mask and have a mask exemption, you must take a break from responding with VICSES in the short term.


OR


Surgical mask (required) **Reusable mask (required)**

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

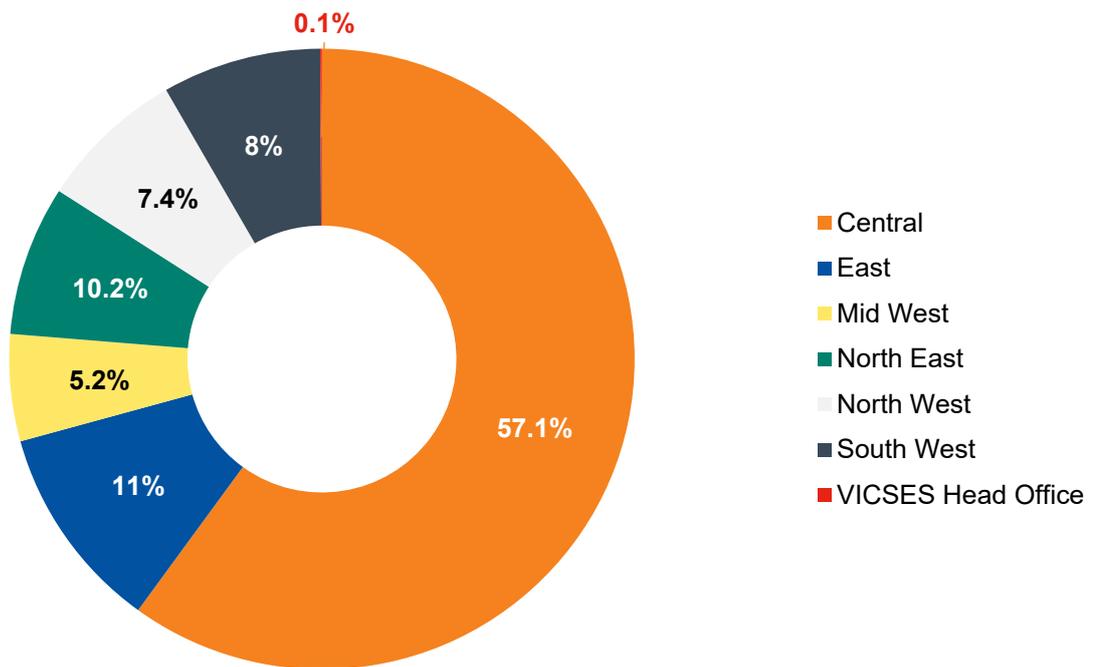
These directions serve as part of the VICSES COVIDSafe plans - available on the Hub if requested by Victorian Government authorities

Operations overview

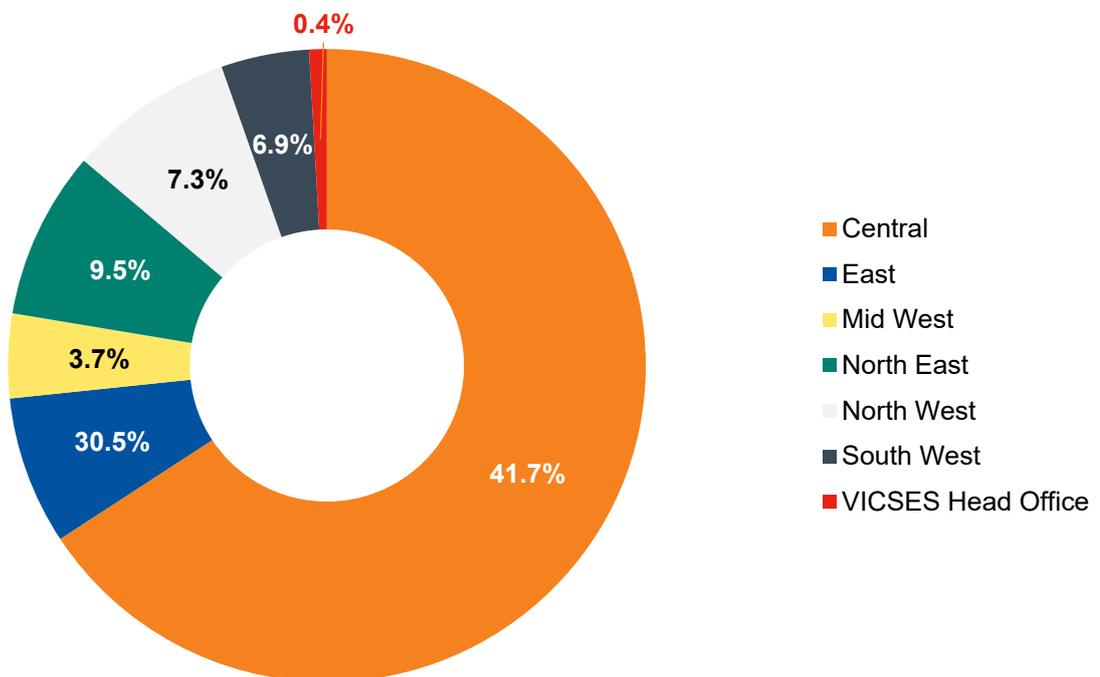
Regional statistics

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

2020 - 21 Incidents by region (per cent)



2020 - 21 Hours by region (per cent)



2020 - 2021 Incidents/Hours

Region	Authorised Activity	Control Agency			Rescue			Support Other	Total
	Non-Ops	Flood	Storm	T L E ³	Rescue Other	Rescue RAIR	Rescue Road	Assist Agency	
Central	218	1,144	18,005	67	464	15	411	1,513	21,837
	4,463	8,283	290,325	388	2,278	128	2,941	22,276	331,082
East	59	283	2,945	33	92	9	192	292	3,905
	1,747	2,430	25,668	401	382	101	2,054	5,320	38,103
Mid West	12	83	1,544	11	50	5	79	242	2,026
	175	257	16,298	115	461	35	738	3,608	21,687
North East	80	111	2,013	9	75	3	234	319	2,844
	2,520	2,466	28,847	84	1,127	9	2,292	5,798	43,143
North West	56	145	2,021	4	54	6	226	250	2,762
	1,039	994	33,366	21	487	72	2,100	4,360	42,439
South West	80	408	1,804	17	100	8	224	349	2,990
	1,009	4,079	9,454	111	506	61	1,897	5,356	22,473
VHO	4	7	9	0	1	0	0	11	32
	178	108	4,181	0	0	0	0	33	4,500
Total	509	2,181	28,341	141	836	46	1,366	2,976	36,396
	11,131	18,617	408,139	1,120	5,241	406	12,022	46,751	503,427

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.

³ TLE stands for Tsunami, Landslide and Earthquake

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 ⁴	Rescue Other	Rescue RAIR	Rescue Road	Assist Agency		
Incidents	2020-21	509	2,181	28,341	141	836	46	1,366	2,976	36,396	7.86% increase in incidents year on year
	2019-20	1,004	2,139	24,926	97	714	58	1,261	3,543	33,742	
Hours	2020-21	11,131	18,617	408,139	1,120	5,241	406	12,022	46,751	503,427	31.73% increase in hours year on year ↑ Storm 170%
	2019-20	51,391	11,501	150,748	980	3,226	1,153	12,162	150,980	382,141	

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.
- **RFA (Request for Assistance):** 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 request for assistance (RFAs) relating to an emergency at a unique location.

⁴ TLE stands for Tsunami, Landslide and Earthquake

- **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, Fire and Ambulance.

Operations of significance

Overview

The 2020-21 financial year again saw a substantial increase in demand for VICSES, with the service recording its second busiest year on record. In 2020-21, VICSES members responded to 36,396 calls for assistance, of which almost 84 per cent related to flood and storm. VICSES participated in **35 declared operations** this financial year.



Significant operations

4 July - 18 July 2020 - Operation Benessere

Over a two-week period from Saturday 4 July 2020, nine government housing high rise towers were identified as potential COVID-19 hot spots in Flemington and North Melbourne. Almost 9,000 residents were immediately placed into police assisted isolation to allow for testing and control of the COVID-19 spread. At the request of DHHS, VICSES undertook a variety of tasks across all sites that included providing lighting, logistics support (including an MCV and a FOV), staging area management, food coordination to tower hubs on scene and planning and coordination of laundry services. IMT support was also provided with VICSES assisting with Incident Control, Relief Coordination, Food Relief Coordination, Logistics, Operations and Intelligence functions.

In one evening alone, approximately 30 VICSES volunteers successfully coordinated the delivery of packaged food, fresh fruit and vegetables and a number of special needs meals. Agencies on scene included DHHS, VICSES, VICPOL, AV, Royal Melbourne Hospital, LSV, Red Cross, Sheriff's Office, LGAs, FFMV, and FRV who together provided hundreds of personnel daily.

Once again VICSES demonstrated that we are part of our community and are focussed and adaptable.

21 August 2020 – Severe Weather

On Friday 21 August the BoM issued a Severe Weather Warning for a cold front that will cross Victoria maintaining a vigorous West to North Westerly airstream across the state, with a second front that would move across Victoria over the weekend.

With damaging West to North Westerly winds anticipated averaging 45 to 60 km/h, with peak gusts of 90 to 100km/h forecasted across elevated parts of North Eastern Victoria on Friday and overnight into Saturday for the Southwest and Bass coasts. This Severe Weather Warning was issued and updated throughout Saturday and was cancelled at 0200hrs on Sunday Morning.

Rain continued to persist across the state throughout the weekend and into Sunday with eight (8) landslide incidents.

VICSES received a total of 361 RFA's from 21 – 23 August with majority of these calls being Storm and Flood related. The breakdown per region was:

- Central receiving 216 RFAs
- South West receiving 46 RFAs
- East receiving 30 RFAs
- Mid West receiving 29 RFAs
- North East receiving 25 RFAs
- North West receiving 14 RFAs

27-29 August 2020 – Severe Weather

On Thursday 27 August the BoM advised VICSES that severe weather for damaging winds associated with a cold front would pass quickly across coastal and elevated areas during Thursday afternoon. Due to higher than forecasted temperatures, the front resulted in much stronger winds and moved further inland than first predicted, resulting in significant damage and power outages.

Damaging winds of the severe criteria resulted in a high number of requests for assistance Thursday afternoon and into Thursday evening. Local government areas of Surf Coast, Colac/Otway, Yarra Ranges, Knox, Casey, Cardina South Gippsland and Baw Baw bore the brunt of the damaging winds.

VICSES crews along with our partner agencies attended to a number of RFAs that had been received throughout Thursday and Friday following the wind event which crossed the state seeing winds of up to 158km/h.

VICSES received a total of 3420 RFA's from 27 – 29 August with majority of these calls being Storm and Flood related. The break down per region was:

- Central receiving 2674 RFAs
- East receiving 387 RFAs
- South West receiving 286 RFAs
- North West receiving 32 RFAs
- North East receiving 26 RFAs
- Mid West receiving 14 RFAs

Over 150,000 properties lost power at the peak of the event and the outer eastern suburbs were without power for multiple days due to power infrastructure having ben severally damaged. Power Outages on the 27 August resulted in Melbourne Waters treatment plant being impacted, and 99 suburbs were required to boil water for up to 48 hours.

3 October 2020 – Severe Weather

A Severe Weather Warning was issued by the BoM on Friday, 2 October advising of damaging winds averaging 50 - 60 km/h, with gusts up to 110 km/h above 400 meters. At 10am Saturday the BoM updated the warning to advise of wind gusts of 110 km/h, for the Alpine Area with wind gusts of 100 km/h, for elevated areas above 400 meters continuing until Saturday evening.

VICSES received a total of 283 RFAs from 3 – 4 October, with majority of these calls being Storm and Flood related, with Central receiving 208 of the 283 RFAs.

3 October 2020 - Dam Incident - Torquay

A privately owned dam with the capacity of 180 mega litres (180,000,000 litres), was found to be leaking from its foundation. Up to 50 houses were at risk if the dam failed, resulting in Police and VICSES evacuating approximately 110 people.

Pumping operations commenced with the use of CFA appliances and high capacity pumps, to take pressure off the dam wall and to allow a Dam Engineer to assess and determine how to repair the wall.

South West Regional Office and Units assisted with:

- Incident Management roles
- Lighting Towers
- Land Based Swift Water Rescue teams
- FOV deployment
- Mitigation works around affected properties

A COVIDSafe virtual Community Meeting was held on Saturday, 3 October.

A Geelong Incident Control Centre was established to manage the incident with an Operations Point located at the dam. Residents returned home late on 4 October.

7 - 11 October 2020 – Severe Weather

Wednesday, 7 October VICSES saw an increase in operational activity across the state. Severe weather resulted in flooding and storm damage in a number of regions, with the bulk of flooding impacts in the South West Region. An Incident Control Point was established at Warrnambool and transferred control to an Incident Management Team at the Warrnambool ICC.

VICSES Warrnambool and Port Fairy units received assistance from other VICSES units, from CFA with sandbagging and pumping and from VICPOL with relocations and doorknocking. Warrnambool received 60.8mm in rainfall, which resulted in a 1 in 20-year flood event around Warrnambool and Port Fairy.

VICSES received 604 RFAs from 7 – 11 October. South West region received 197 RFAs during this time.

11 November 2020 – Severe Weather

A Severe Weather Warning was issued by the BoM on Tuesday, 10 November advising of the risk of damaging winds averaging 50 to 60 km p/hr, with peak gusts of 90 km p/hr above 400m for Wednesday, 11 November. In Addition, The Chief Health Officer issued a high thunderstorm asthma forecast.

VICSES received 232 RFAs from 10 – 12 November with majority of these calls for the Central region.

15 - 16 November 2020 – Severe Weather

A Severe Weather Warning was issued by the BoM on Saturday, 14 November advising of strong northerly winds developing and expected to cross the state late Sunday into Monday morning. The strongest wind gusts recorded on Monday were at both Mount Buller and Mount Hotham recording 120 km/h.

Power outages impacted large parts of the Northern and North Eastern suburbs of Melbourne, with almost 40,000 customer's offline early Monday morning. A number of roads across the Northern and North Eastern suburbs of Melbourne were closed overnight due to trees down, however the majority were able to be re-opened the next morning. Central region received 790 RFAs relating to trees down.

VICSES received a total of 1,645 RFAs from 15 – 17 November with majority of these calls being Storm and Flood related. The breakdown per region was:

- Central receiving 1065 RFAs
- East receiving 213 RFAs
- South West receiving 201 RFAs
- North West receiving 104 RFAs
- North East receiving 47 RFAs
- Mid West receiving 15 RFAs

28 November 2020 – Severe Wind and Fire Weather Warning

A Fire Weather Warning was issued on Friday, 27 November advising of very hot and dry conditions across the north of the State. An extreme Fire Danger was forecasted for the Mallee district and a Severe Fire Danger was forecasted for the Wimmera and Northern Country districts.

In addition, a Severe Weather Warning was issued by the BoM on Friday, 27 November advising of the risk of damaging north-westerly winds, averaging 60 to 70 km/h with peak gusts of around 100 km/h over the Alpine areas for Saturday, 28 November.

During this time VICSES received 152 requests for assistance. The State Control Centre (SCC) was operational at Tier Three (Red). Bendigo, Mildura and Shepparton all opened ICC's in preparedness.

5 December 2020 - State-wide - Severe Weather

A severe weather warning was issued for damaging winds averaging 50 to 70 KMH with peaks of 100 to 110 KMH expected across elevated areas of Western and Central Victoria. The CFA also issued a Total Fire Ban (TFB) for the Wimmera and Mallee districts.

During this period, the total incidents attended state-wide was 492:

- Central attended 321 incidents
- East attended 47 incidents
- North West attended 35 incidents
- North East attended 46 incidents
- South West attended 22 incidents
- Mid West attended 17 incidents

The Whitehorse Unit attended 56 incidents, Manningham Unit attended 25 incidents and the Maroondah Unit attended 21 incidents. 95 VICSES Units attended incidents during this period. VICSES attended 325 incidents relating to trees down.

7 December 2020 - Horsham Tornado

During the very early hours of Monday 7 December, northern parts of Horsham was impacted by a F1 tornado. Initial support was received from within the region with North West and South West regions later supporting. A Level 2 ICC was operational out of the Horsham ICC.

Additional support from members of the Central region departed for Horsham by plane on Tuesday 8 December, to help with relieving local units. During the event, three properties were damaged to the extent of residents requiring relocation.

21 December 2020 - State-wide - Severe Weather

A weather warning was issued for heavy rainfall which may lead to flash flooding in parts of Southern, Western and Central areas from Monday evening through to Tuesday evening. VICSES attended 309 incidents, Frankston Unit attended 25 incidents with 90 units state-wide supporting.

2 - 5 January 2021 – Storms and Floods

In the 24-hour period from Sunday 3 January to Monday 4 January, 194.4 mm was recorded at Mt Sabine which is north east of Apollo Bay. Close by, 119 mm was recorded at Mt Cowley and 86 mm was recorded at Benwerrin. The BoM have advised these are the highest daily rainfall rates recorded in January for that area. At approximately 2300 hrs (Sunday) Lorne, Colac and Torquay Units were called to assist at the Cumberland River Holiday Park for flooding and to assist the community in moving items away from the water. 15 unoccupied vehicles became trapped with the rising flood water.

Meanwhile, another event was unfolding in Geelong which seen a landslide occur on Deviation road, Newtown. VICSES South Barwon and VICSES Geelong Units attended the scene, where a large landslide consisting of dirt and trees was blocking both lanes of the road.

Four homes were inhabitable as a result of storm water overflow. The total incidents attended state-wide during this period was 639:

- Central attended 236 incidents
- East attended 43 incidents
- North West attended 26 incidents
- North East attended 45 incidents
- South West attended 241 incidents
- Warrnambool attended 101 incidents
- Mid West attended 48 incidents
- 111 VICSES units supported during this period.

28 - 31 January 2021 – Thunderstorms

A low-pressure trough combined with an in-feed of tropical moisture from the upper atmosphere crossed Victoria resulting in heavy rainfall and thunderstorms which caused flash-flooding in some locations. In the 24 hours up to 0900 on 30 January significant rain totals were recorded with the highest totals recorded in the North East of the state. 144.4 mm recorded at Moroko Park (Euroa), 135.2 mm recorded at Charnwood and 133.8 mm at Mount Buffalo Chalet.

From 28 – 30 January total incidents attended state-wide was 1221:

- Central attended 670 incidents
- Frankston attended 76 incidents
- East attended 143 incidents
- North West attended 119 incidents
- North East attended 111 incidents
- South West attended 123 incidents
- Mid West attended 52 incidents
- 395 Incidents related to trees down.

20 – 29 March 2021 - New South Wales Floods

VICSES was part of a wider multi-agency interstate deployment to support New South Wales in response to major flooding incidents. A natural disaster was declared by the NSW Government.

Between Sunday 21 March and Monday 29 March VICSES deployed a total of 28 members (staff and volunteers) state-wide. Our members undertook Incident Management Teams (IMT) roles in key operational centres, Divisional Commanders were deployed into the field alongside our FFMV colleagues and Jurisdictional Liaison teams were deployed to work alongside our partner SES's from across Australia.

Volunteers and staff members of NSWSES spoke very highly of VICSES's contribution and support during the operations. Particular praise was given to those members supporting at ICCs and to the Public Information Team.

12 – 28 April 2021 - Western Australia Tropical Cyclone Seroja

VICSES provided support to Western Australia to assist with damages caused by TC Seroja.

A total of 71 (63 volunteers and 8 staff – 25% of those female) members were deployed between 12 April to 27 April. Roles completed during this period were:

- Jurisdictional Liaison Officers (JLO)
- Level 3 Accredited Logistics Officer
- Divisional Commander
- Taskforce Leaders
- Crew Members

A range of VICSES vehicles and equipment were also sent onboard a Royal Australian Air Force, C17A Globemaster to WA towns and areas of Geraldton, Kalbarri, and Perth (DFES State Operations Centre at Cockburn) to support with the ongoing operations.

The WA Commissioner - Darren Klemm expressed his gratitude for the support from VICSES members.

8 June – 8 July 2021 – Central Severe Weather and Gippsland Floods (East Coast Low Event)

Advice was received on 7 June from the Bureau of Meteorology that there were initial indications forecasting 100-150mm of rain based on an East Coast Low potentially impacting parts of Gippsland from 8 June. State, regional and local plans were put in place to manage potential impact from this event, including establishing command and control arrangements and supplementing local response resources with taskforces from South West, Mid West and Central Regions.

A Severe Weather Warning was issued in the late evening of 8 June for damaging and locally destructive winds with possible 'destructive' wind gusts exceeding 125km/h around the central highlands until around dawn Thursday morning. The severe weather that impacted Victoria throughout the night of Wednesday 9 June 2021 and into the following day, which saw large parts of Victoria experience a severe weather event with strong winds and heavy rain, stands as a historic event for our organisation and our communities.

As the single largest event in VICSES' history with over 10,000 requests for assistance (RFAs), our members undertook one of the most challenging response periods that we've ever seen, particularly given the COVID-19 environment as well.

Tragically, the extreme weather event recorded two fatalities (Woodside and Glenfyne). The weather also caused major impacts to critical infrastructure, damage to properties and isolation of multiple communities across Victoria. This weather caused riverine flooding, falling trees, damaged power lines, telecommunication outages and major damage to road networks.

At the height of the storm event, over 320,000 people across the state were without power and a number of communities were isolated from any emergency broadcast communications. Several communities experienced power outages for many days and weeks. By the end of the event, over 2,300 initial impact assessments had been conducted with 135 properties classified as damaged but habitable and 129 properties damaged and uninhabitable.

Although we were prepared for the potential impacts of this event, we could have never predicted the size and scale of what lay ahead of us. The forecast was largely focussed on the east of the state and planning had considered the risk of major riverine flooding. The winds experienced exceeded the forecast across the Central Ranges, into the Dandenong Ranges along with the Strzelecki Ranges and Bass Coast. With tree carnage and building damage spread across the state, particularly in areas such as the Dandenong, Macedon and Strzelecki Ranges, to riverine flooding in Gippsland including Traralgon Creek, the devastation of this event was felt far and wide.

The town of Traralgon was particularly impacted by flooding. At 1000hrs on Thursday 10 June, an 'Evacuate Now' warning was issued for the vicinity of Traralgon and subsequently Traralgon Creek, which continued until Friday 11 June. Residents close to Traralgon Creek needed to be rescued by swift water crews when trapped by flood waters. An Emergency Flood Warning was also put in place for the Yarra River between Coldstream and Warrandyte.

On 12 June, Yallourn power station was evacuated and all but one generator was turned off due to the threat of flooding to the coal mine. A State of Emergency was declared for energy.

In the following days, significant work was undertaken across the state to provide relief, commence clean up and support early recovery. Specialist resources were engaged to clear trees, stabilise roads, repair bridges and undertake other critical work. Power crews cleared multiple areas where trees have taken down powerlines, making repairs, restringing the lines, and testing them for safety.

During operations, 128 of our VICSES units were actively involved in our response and support, both locally and as part of taskforce deployments to some of the hardest hit areas. Our members also provided support across a range of specialist IMT roles in Incident Control Centres, Regional Control Centres, and the State Control Centre.

As always, our members have proven their ability to provide world-class response and recovery efforts in the face of extreme conditions. Some of the busiest units receiving more than a year's worth of RFAs in just 48 hours.

Support was received from our emergency service colleagues, including Country Fire Authority, Fire Rescue Victoria, Forest Fire Management Victoria, Victoria Police, Ambulance Victoria, Australian Defence Force, as well as local government and more. The unity between our services was integral to our response.

Our people

Volunteers

Our volunteers continue to be the backbone of VICSES, serving the Victorian community 24 hours a day, 7 days a week, 365 days a year for more than 40 years. 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 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 best to prepare for emergencies and minimise the impact of emergencies when they occur.

As of June 2021, VICSES comprised of more than 5,000⁵ volunteers.

The tables below provide a breakdown of active and non-active volunteers.

Breakdown of active volunteers (*as at 22 July, 2021)

Operational	Female	Male	Nonbinary / other	Total
Controller	34	112	0	146
Deputy Controller	113	253	2	368
Unit Officer	161	303	0	464
Member Ordinary	743	1,813	1	2557
Subtotal	1,051	2,481	3	3,535*
Non-operational	Female	Male	Nonbinary / other	Total
Associate	168	115		283
Junior	43	67	1	111
Probationary	244	380		624
Subtotal	455	562	1	1018
Total Active	1,506	3,043	4	4,553*

Breakdown of non-active⁶ volunteers

Non-Active	Female	Male	Nonbinary / other	Total
Non-Active	89	142	0	231
Vol On Leave	117	187	0	304
Total Non-Active	206	329	0	535

⁵ Includes active and non-active.

⁶ Not currently on roster.

Staff

Across the 2020-21 financial year, our committed staff members demonstrated their flexibility by maintaining operations across all six regions of Victoria, whilst the State was in various states of lockdown, due to the COVID-19 pandemic, with many of our staff working from home for lengthy periods of time.

Our 14 strategically located offices throughout the state to support over 5,000⁷ volunteers and provide 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, which were in part moved online throughout the year during the pandemic.

As of June 2021, the VICSES workforce comprised 153 ongoing, 56 fixed-term and 70 casual employees, equalling 279 staff in total.

A breakdown of our staff member count is as follows:

		June 2021		June 2020	
		Headcount	FTE	Headcount	FTE
Ongoing	Full time	144	144	147	147
	Part time	9	5.9	7	4.2
Total		153	149.9	154	151.2
Fixed term		56	52.2	69	54
Casual		70	-		
Total		279	202.1	223	205.2

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

		June 2021				June 2020		
		Ongoing employees		Fixed term contractors	Casuals	Ongoing employees		Fixed term and casual employees
		Total	FTE			Total	FTE	FTE
Gender	Male	86	86	25	47	90	89.8	27.6
	Female	69	65.9	29	23	64	61.4	26.3
Total		155	151.9	54	70	154	151.2	54
Age	Under 25	1	1	1	3	-	-	2.1
	25-34	18	17.6	12	13	21	20.6	14.4
	35-44	41	39.1	24	17	38	36.2	19
	45-54	44	43.4	11	15	44	43.4	8.8
	55-64	42	41.8	6	12	42	42	7.7
	65 and over	9	9	0	10	9	9	2
Total		155.0	151.9	54	70	154	151.2	54
Classification	VPS 1					-	-	-
	VPS 2	15	14.6	5	30	13	12.4	6.2
	VPS 3	32	31.6	16	40	28	27.8	19.2
	VPS 4	54	53	20	0	59	57.9	18.4
	VPS 5	35	33.7	10	0	33	32.1	7.1
	VPS 6	13	13	2	0	15	15	1
	Executive	6	6	1	0	6	6	2
	Other			0	0	-	-	-
Total		155	151.9	54	70	154	151.2	54

**note there has been an executive restructure with Sharon Kelsey listed in the executive numbers.*

Our business

People and Organisation Development

The VICSES People and Organisation Development (POD) business unit is headed up by Shelley Cussen, who came into the role in January 2021.

VICSES developed several projects during the 2010-21 financial year to maximise volunteer abilities and capacities while representing VICSES. These included:

- The launch of the Gender Equity Project and the training of 32 Gender Champions and 23 Leaders to ensure the development of the Gender Equity Action Plan provides input from all areas of the organisation.
- Development and launch of the new volunteer enquiry portal to improve the user experience and assist in the planning, recruitment and training of new volunteers.,
- Negotiation and consultation with Staff and the CPSU on the Victoria State Emergency Service Agreement 2020 to ensure staff are able to support Volunteers during their training and operations.
- Continued focus on our *Child Safety* and Respect and Equity training programs.

Learning and Development

As a Registered Training Organisation, VICSES is committed to meeting the requirements of the Australian Quality Training Framework (AQTF) Essential Conditions and Standards for Continuing Education and the 2016 Victorian Registration and Qualifications Authority (VRQA) Guidelines for Vocational Education and Training (VET) Providers. These regulatory requirements set the standards for nationally consistent training and assessment across vocational education.

Throughout 2020-21, use of digital learning continued to grow with the Learning Management System (LMS) providing a vital link for members to VICSES during periods when face to face training was not possible due to COVID-19 restrictions. New training programs were added to the LMS regularly with correlating significant increases in member logins and program completions. For the period July 2020 to June 2021, 15,146 digital training programs were completed.

VICSES members successfully completed 23,834 individual training events, of which 4,369 resulted in the issuance of a nationally accredited training outcome. The most popular training programs during the financial year by attendance were as follows:

Course	Attendance
Emergency Vehicle Response Driving	1,605
Responding During Coronavirus (COVID-19)	1,531
Maintain Safety at Fire Support Operations	992
Landslide Awareness	946
VICSES Induction for Volunteer Members	928
Child Safety at VICSES	906
Code 1 Emergency Response Driver Assessment	826
Respect & Equity at VICSES	826
Crew Member Supervised – Theory	823
Looking After Yourself During COVID-19	792

Additionally, 2020-21 saw the launch of the Crew Member role pathway training, which was completed during the year. This entry level training for all volunteers who perform temporary repairs and damage mitigation is now delivered using a combination of blended learning and an on-the-job assessment approach. Members achieve endorsement against three Crew Member role statements that support new members integrating with their unit more quickly to address retention issues.

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

WHS Incident Investigation Effectiveness and Efficiency

A significant focus of 2020-21 has been the review of current Incident Investigation processes and procedures and the development of simplified and refined process to provide clarity for all members in the process and procedures required to facilitate incident investigation. This is phase 1 of a 2-year project and some of the milestones achieved include:

- Revision and update of WHS.BR.2.4.3 Incident Investigation and Corrective Actions.
- Modification of the State WHS Committee Agenda to ensure learnings from current investigations are shared.
- Review and update of the ICAM Investigation process in Safegate. This has involved significant work with software developer PAN to modify the Investigation page to match that of the training material provided to members who participate in any of the Safetywise ICAM training courses.
- Implementation of 2 new ICAM courses for members; ICAM Refresher and ICAM Governance.

The aim of this project was to provide a base from which the level of participation in incident investigation capability could grow and facilitate a clear and simplified process. Phase 2 which will occur in 2021-22 will

include a launch of the process and rolling out a training and education program to engage as many members as possible.

WHS Communication and Consultation

A key focus for VICSES in the 2020-21 financial year has been to improve the overall levels of WHS communication and consultation. The aim has been to drive better communication and consultation of WHS activities via elected Health and Safety Representatives (HSR) and Unit WHS Delegates by:

- Development and introduction of a consultation framework for Regional HSRs.
- Development and publication of Role Statements for both HSRs and Unit WHS Delegates.
- Created a list of WHS specific training using a number of delivery methods which was forwarded on to the HSRs for commentary – phase 2 of this project will be conducted in 2021-22 with on-going development and roll out of training materials.

Document Control review also formed part of our improved communication promotion and 2020-21 saw an additional eighteen (18) Business Rules and Policies reviewed, updated, and published on The Hub.

Health and wellbeing

Volunteer workers compensation

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

Injury & illness management

VICSES is committed to assisting the rehabilitation and return to work of any member who has an injury or illness, regardless of whether the injury or illness is work-related or non-work related.

A reference booklet called '*what if I am injured*' was developed to support our volunteers when they are injured. The aim of this booklet has been to provide a reference guide to all the necessary forms and information that a volunteer needs to be aware of and services available to support them through their recovery.

InjuryNet Fitness for Role (FFR)

The purpose of the InjuryNet FFR procedure is to assess fitness for role of members under certain specified circumstances or upon release to return to work following an injury, illness, or medical condition. A significant focus for VICSES in the 2020-21 financial year has been to improve service delivery and assessment turnaround time. The InjuryNet referral process and forms were reviewed and streamlined and fortnightly progress reports implemented from InjuryNet for regions.

There will be continued focus in the 2021-22 financial year to roll out training and collateral to support streamlining the InjuryNet process for members.

VICSES health and wellbeing strategy

The pillars of the VICSES health and wellbeing strategy are:

- Body fit
- Mind fit
- chronic disease prevention

Our programs focus on raising both physical and mental health awareness through lifestyle factors such as nutrition, exercise, managing stress, sleep, and behavioural change to make healthy lifestyle choices.

Health and wellbeing programs continued to be developed and implemented to help all members make healthy lifestyle choices and assist members to assess their physical and psychological capacity to perform VICSES tasks.

Content was strengthened by utilising innovative facilitation techniques, upskilling the wellbeing team and developing measurable outcomes to ensure our members benefit from and feel supported by our HWB programs in order to improve their fitness for role.

Health and wellbeing programs in 2020-21:

- Healthwatch
- *Step It Up* challenge
- Six-week Challenge
- Healthwatch@Home
- Emergency Services Blood Challenge
- Movember

Key achievements of VICSES health and wellbeing programs throughout 2020-21

Healthwatch:

- Healthwatch is a free program for VICSES members which includes confidential health checks and group information sessions providing content on some of the most important health issues we face.
- Chronic disease prevention, health checks and interactive workshops. Topics include Fatigue, Resilience, Movement, Nutrition and Sleep and Mindfulness
- Impacted by COVID-19 restrictions, there was still an opportunity to visit units and engage with 360 Volunteers
- Launched new session on fatigue, training day with Healthwatch team, recruited 5 new team members
- Educational sessions delivered aligned to the needs of the unit/volunteers. 4 Mindfulness sessions, 6 Nutrition for Operations, 16 Movement sessions including injury prevention, functional mobility, back and joint care. Fatigue pilot session.
- The online Healthwatch@Home program continued during the pandemic to provide health and wellbeing support to members during COVID-19.

Step It Up (held over 4 weeks in September – October 2020)

In 2020, *Step It Up* shifted to encompass activities that were designed to support physical and mental wellbeing and opened up to individuals and households as well as teams. Weekly calendar of events with challenges and regular classes in fitness, yoga, mindfulness, nutrition. Extra resources invested in larger prize pool. Participation rewarded.

- 2020 saw VICSES' highest engagement to date, with 65 teams and 850+ members participating (26 per cent increase from 2019).
- 83 Units were represented along with all regional offices.
- Over 200 million steps were recorded – which is the most successful year to date.

- Social media engagement via the [VICSES Health and wellbeing Facebook page](#) increased by over 120%

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

Body fit six-week challenge:

- 43 participants in the six-week challenge, who were all volunteers, who signed up at Healthwatch visits
- Inclusion of weekly movement, nutrition and mindfulness challenges
- Nutrition and movement tele consults were available to all participants

Social engagement:

- The [VICSES Health and wellbeing Facebook page](#) has over 1,000 members (an increase of 26 per cent from last year).

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.

In March 2021, the first VICSES Mental Health and Wellbeing Policy was approved.

In 2020, psychological support for members and their immediate family was primarily delivered via telephone. With government restrictions, there was limited travel across the state. The use of telephone and video conference appointments has been a great addition to face-face support and will continue to be offered as an alternative.

The Mental Health and Wellbeing unit provided a broad range of services, training, resources, and support tools to promote the mental health and wellbeing of all members. This included:

- Confidential access to internal and external mental health professionals for individual and unit based clinical interventions.

- 24-hour access to a Mental Health Duty Officer for telephone support.
- Access to the Peer Support program.
- Access to a variety of webinars and education sessions including:
 - Preparing Mentally for the Bushfire Season
 - Effective Communication
 - Resilience in Lockdown

VICSES also launched the MindFit Podcast to talk about all things wellbeing with various experts, with an episode released monthly. Conversations focus on health, nutrition, science, psychology, wellbeing, performance, resilience, and post-traumatic growth with those, who through their own lived experience, have become experts and industry leaders. Guests included Dr Helena Popovic, Associate Professor Tony Walker, Professor Karen Douglas, Dr David Cunnington and comedian Rachel Berger.

VICSES works with other emergency service agencies and peak bodies to improve knowledge and share resources across the sector. These partners include the Country Fire Authority (CFA), Fire Rescue Victoria (FRV), Emergency Services Foundation (ESF), Australasian Fire and Emergency Services Authorities Council (AFAC), Beyond Blue, and Phoenix Australia.

Peer Support

The VICSES Peer Support Program is made up of 45 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, which was adapted to online throughout year.

During 2020-21, a total of 1,284 contacts were provided by the Peer support and Mental Health team, with 70% of contact related to VICSES activity, predominately critical incident support.

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 operate in silos. Together, we aim to achieve safer communities and more resilient communities.

Government and Emergency Services

Emergency Management Victoria (EMV)

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 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 State Control Centre 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) of which is coordinated by EMV being developed for use by VICSES and other first responders, and the VicEmergency Platforms, which are hosted by EMV yet the warning templates and business rules for VICSES hazards are managed by VICSES.

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

The partnership agreement between VICSES and DELWP in relation to the Victorian Floodplain Management Strategy has now entered its third year. 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.

Melbourne Water

Melbourne Water has been a long-term partner of VICSES. The partnership builds community resilience through community engagement programs. Specifically, the target audience for these programs are households in high risk flood prone areas in the Melbourne Water footprint. An objective of the partnership is to build capacity through increasing understanding of flood risk and community taking protective action to prepare. Emergency preparedness planning and exercises, along with flood plans, have been developed and updated. Local flood guides have been further strengthened through ongoing refinement of localised information. 2020-21 was the last year of the partnership agreement with Melbourne Water.

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 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. During 2019-20, VICSES completed 22 MEMP audits. VICSES also delivers Introduction to Emergency Management (IEM) training to build familiarity and awareness of emergency management arrangements, particularly at the local government level. There have been no IEM courses run in the 2020-2021 financial year.

Transport Accident Commission (TAC)

VICSES signed a renewed partnership agreement with the Transport Accident Commission (TAC) in December 2017, providing for enhanced reporting to TAC, 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. Joint branding initiatives displaying key messages related to driver fatigue were successfully adopted by VICSES units operating driver reviver sites.

Corporate Partners and Sponsors

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. This important work supports the VICSES Community Resilience Strategy Renewal 2019-2022.

Golden milestone for Moe SES unit

By LIAM DURKIN

Moe SES is celebrating a significant milestone this year, with 2021 marking 50 years of dedicated service to the community.

Starting out as the Moe Civil Defence, the SES unit has been a mainstay in the district for half a century, helping countless people requiring assistance.

The Moe Unit's legacy is ensured thanks to the National Road Safety Driver Reviver program.

The Driver Reviver concept started at Moe and was known as 'Operation Coffee Break', before it became a National Road Safety program to help reduce road toll.

Steve Wandmaker thought up the idea, whose father Herb was the first controller for Moe Civil Defence.

Frustrated over the carnage on local highways, Mr Wandmaker sought to have SES be more visible to the travelling public, and so lined the Princes Highway from Moolba to East Gippsland with orange overalls SES volunteers.

From there, things manifested into the Driver Reviver program, where stopover points were established to encourage people to take a break on their journey.

The initiative received strong support from suppliers, who provided tea and coffee.

Moe Unit controller Brad Henry said it was a credit to all involved who had contributed to helping make the unit what it was.

"We are celebrating 50 years of service to the community this year and about to become Road Accident Rescue accredited, which will enhance the service we can provide to our community," he said.

"Our volunteers have worked very hard to undertake all the required technical training for this to happen, and we are very proud of them."

As well as the anniversary, Moe Unit was also the recent recipient of equipment thanks to a contribution from insurance company AAMI.

AAMI has been the principal community partner of VICSES for over 18 years.

The Moe Unit has received equipment with a value close to \$15,000 since 2015 to purchase things such as a defibrillator, remote lighting system, spinal board, flares and pole saw for branch cutting.

"These kinds of items are highly specialised, and ultimately help us to respond to road crash rescues, floods, storms, landslides, search and rescues and more," Mr Henry said.

AAMI head of claims Paul Sofronoff said the company was proud to support local SES units.

"It's really important because we see the impacts that storms and road accidents can cause to a community and we see the value of providing equipment that assists the work done by the volunteers," he said.

"Every year we provide funding so units across the state can select the equipment most useful to that area and activities that they undertake."

In the past 12 months, the Moe Unit has responded to 204 requests for assistance.

With Mr Sofronoff making a visit to Moe, the Moe Unit took the opportunity to demonstrate a road rescue.

WIN TV journalist Danielle Pope acted as dummy for the exercise, as Moe SES crews worked to safely remove car doors and windows.

Interestingly, jaws-of-life is not actually the technical term for the tool often associated with road rescue, as the name is owned by manufacturer Hurst.

Moe SES often performs practice road rescues, with locals donating old cars to the unit.

As the weather becomes more wintry, region manager assistant chief officer for region east Anthony McLean reminded motorists to drive to the conditions.

"Our biggest reminder would be to not drive into water you can't see - if you can't see the bottom of the water, don't drive in," he said.

Those interested in volunteering with VICSES can visit www.ses.vic.gov.au/volunteer



Helping hand: Moe SES, which will celebrate its 50th anniversary this year, has benefited from the AAMI equipment handover program.



Safety first: Moe SES crew, pictured with AAMI head of claims Paul Sofronoff and region manager assistant chief officer region east Anthony McLean, following a road rescue demonstration.



Rescue: Moe SES unit controller Brad Henry demonstrates the jaws of life.



Like cutting through butter: The jaws of life in full effect.



How it's done: Moe SES deputy controller operations Lucas Rogers and deputy controller administration Sarah Collins remove an entire window. photographs liam durkin

Over the 18 years of the partnership, some key highlights have included:

- Annual joint launch events for the AAMI Equipment Handovers across the state.
- 20,197 pieces of equipment distributed as part of the AAMI Equipment Program.

- Launch and delivery of campaigns featuring AAMI including 15 to Float, Bag it, block it, lift it and leave, Safer Communities, our flood and storm preparation campaigns, Neighbour Day and the Driver Reviver program.
- Events for community engagement and volunteer development, both internally and with other agencies.

Jemena

VICSES is excited to partner with Jemena and build upon the innovative work done through digital engagement with communities. Strong foundations, resources, and materials have been created to support the implementation of updated community engagement facilitator training for our volunteers.

Academic Collaborations

Bushfire and Natural Hazards Cooperative Research Centre (BNHCRC)

During 2020-21, VICSES continued its strong collaboration with the Bushfire and Natural Hazards Cooperative Research Centre (BNHCRC) as an end-user of BNHCRC projects, and as a participant in research and utilisation activities across these projects. The research of BNHCRC is interdisciplinary and includes working with communities to improve disaster resilience and reduce the human, social, economic and environmental costs from natural hazards, including flood.

Two key projects with active involvement from VICSES included ongoing investigations in to the use of videos in flood warnings led by the Queensland University of Technology, and an examination of the attitudes and behaviours of the public and emergency services personnel encountering floodwater in vehicles being led by Macquarie University.

La Trobe University

VICSES continued a collaboration with La Trobe University to support their Industry Innovation Challenge subject. The subject provides third year students an opportunity to tackle real world problems, with the theme for the year being “Managing fatigue at VICSES during 24/7 emergency response”. VICSES and La Trobe will continue to explore opportunities to work together and build the partnership given the quality of ideas by the students.

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 2020-21, the Victorian Government committed \$2.35 million in VESEP grant funding to VICSES. These funds resulted in 29 projects, which included 24 vehicles, two trailers and one snow mobile purchased, and two VICSES unit minor refurbishment projects. *More details below.*
- **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 otherwise to meet the administrative expenses of the units. The program, funded by public donation, resulted in 23 projects which included 5 VICSES unit minor refurbishment projects, and 18 equipment projects. *More details below.*

Enterprise Risk Framework

Each year, VICSES conducts its annual risk review in ensuring 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 manage their risks with training and oversight; 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 (BCP) framework and adhering to the AS ISO 22301:2020 standard; assisting the Business Units, Regions and Units manage their BCP with training and support; facilitating yearly Business Impact Analysis (BIA) Reviews, and reporting back to the RMC and RAC.

Highlights for the year include continued activation of the VICSES COVID-19 Pandemic Plan as an appendix to the BCP, launch of new BCP system, reviewing the criticality of business activities and associated resource requirements to ensure operational resilience and continuity of operations; and conducting an EMT/CMT (Executive Management Team/Crisis Management Team) BC exercise.

Facilities and Capital Works

VICSES operates 14 permanently staffed offices, including the Victorian Head Office based in Southbank. We also operate 150 units (this includes 142 operational units, seven regional support units and one state support unit) across Victoria, which are divided into six regions.

Our unit facilities are the local headquarters from which volunteers operate and support their local communities, while support unit facilities provide operational coordination assistance at region and state level during incidents.

Our head office and State Logistics Centre (located in Sunshine) cover a state-wide service delivery footprint, while our regional offices provide localised support and resources.

Highlights for the year include:

- Liaise with the Emergency Services Infrastructure Authority (ESIA) and volunteer units to provide input into site selection, facility design, facility/land procurement and operational readiness for 11 VICSES infrastructure projects committed as part of the 2020-21 State Budget
- Deliver stimulus/ grant funded projects for facility minor capital works, maintenance and repairs obtained through grants and unit-funded projects.
- Execution of the annual building maintenance and minor works schedule for VICSES unit and office facilities.

A key highlight for the year was the delivery of the new Wangaratta Unit. The new VICSES Wangaratta Unit facility at 36 Handley Street was the first start-to-finish build led by the Emergency Services Infrastructure Authority (ESIA) and is the first of the modern designed 'Units of the Future' for VICSES.

Funded by a \$1.6 million allocation to relocate in the 2017-18 State Budget, the move takes the Wangaratta Unit to a new location where they are part of an emergency services precinct. The 'Unit of the Future' design journey started in 2018 with construction commencing in June 2020 and completed in just six months.

Unit Financial Management Taskforce Initiatives

The Victoria State Emergency Service (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 maintain appropriate financial records and processes; and meet compliance and financial governance requirements.

The Taskforce supports and advises VICSES on:

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

The Taskforce met three times during 2020-21.

Unit Accounting System – Reckon One

The implementation of the Reckon accounting system for volunteer units was completed in 2020-21. 140 volunteer units will use Reckon One for their accounting transactions and reporting for the year ended 30 June 2021.

Reckon One, as the standard cloud-based accounting system for VICSES volunteer units, provides the following important benefits to VICSES:

- Ability for volunteers to use the system remotely via the internet
- Consistency of financial reporting and reporting set-up
- Enhanced training and support network
- Automatic management of software updates and system back-ups
- Improved functionality in transaction management
- Improved security and system access
- Ability to obtain consolidated data quickly and without impacting volunteers

Assets

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

In 2020-21, VICSES planned the procurement and delivery of the following assets through the Critical Assets Program:

- 4 medium rescue trucks (delayed due to COVID-19)
- 2 rescue boats (delayed due to COVID-19)
- 13 road rescue kits
- 1 lighting and 1 logistics trailer

As part of the three-year Annual Equipment Maintenance & Replacement Programs:

- 120 road rescue kits were serviced
- Equipment at 47 Units and 2 Regions was replaced

As part of our preventative maintenance program, maintenance was conducted on:

- 49 rescue trucks
- 76 trailers
- 57 boats

Personal Protective Clothing & Equipment (PPC&E) redesign project

In December 2019, VICSES commenced the Personal Protective Clothing & Equipment (PPC&E) redesign project. A key outcome of this project is to modernise and improve the uniform design of personal protective clothing for our volunteers and ensure that it is fit for task.

The Personal Protective Clothing redesign project gained momentum despite the COVID-19 restrictions. Three regional workshops were conducted with participation from more than 35 volunteers representing 32 Units from across the state. Further workshops are planned for early 2021-22 before garment specifications are finalised and released to the market.

Twin Cab Upgrade Program (TCUP)

In November 2019, the Twin Cab Upgrade Program (TCUP) began with an aim to upgrade the capability of 159 Twin Cab support vehicles across Victoria. There have been numerous challenges along the such as the 2019-20 bushfires, COVID-19, interstate deployments and a few technical issues to overcome.

As of May 2021, a total of 147 vehicles have received the upgrades with the remaining 13 vehicles being removed from the program due to age and/or replacement.

New Twin Cab Support Vehicle (TCSV) 2021

Following an extensive consultation and development process, the new 2021 TCSV prototypes have been completed and VESEP 2019-20 builds are now being delivered. These new vehicles feature a suite of custom-built options along with various safety and functionality improvements such as permanent rear vision cameras, run-lock, fridge and drawer systems, ergonomic ladder slides and other small improvements. All new TCSV's come with upgraded suspension, front and rear rated recovery points, underbody protection and SmartBar.

Volunteer Emergency Services Equipment Program (VESEP)

The Volunteer Emergency Services Equipment Program (VESEP) is an ongoing program funded by the Victorian Government and administered by Emergency Management Victoria (EMV). It provides VICSES units across the state with grant funding to replace or acquire new vehicles and buildings, make enhancements to local headquarters (LHQs) and acquire specialist equipment. The maximum grant under the VESEP is \$150,000. The Unit must raise a portion of the funding, with the VESEP contributing \$2 for

every \$1 funded by the Unit. These grant funds are provided with the expectation that they will be expended and works completed within the financial year.

VESEP 2020-21

All Twin Cab builds for VESEP 2020-21 have been ordered and the first builds have commenced. This VESEP round was delayed by the previous year VESEP with additional delays caused by the COVID-19 pandemic affecting supply of cab chassis'. It is expected that all VESEP builds will be completed and delivered prior to December 2021. New rescue trucks were also delayed due to COVID-19 and short supply of cab-chassis, additionally the changes to the Medium Rescue Truck specification following the Fleet Working Group review and the need to re-negotiate the contract have also contributed to delays.

The list of successful grants included:

- 6 Medium Rescue Trucks – delayed
- 3 Light rescue Vehicles – delayed
- 17 twin cab support vehicles – delayed
- 1 snow mobile – delayed
- 2 trailers - delayed

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, volunteerism and funding opportunities for VICSES. This ties into key initiative 3.1 in the [VICSES Strategic Plan 2018- 2022](#) is 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 2020-21 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 Victoria State Emergency Service, including:

- **Wear Orange Wednesday (May)**
 - Each year VICSES celebrates *Wear Orange Wednesday* (WOW Day) in May, which is a national day of thanks for the thousands of VICSES volunteers who serve the Victorian community 24 hours a day, seven days a week through storm, flood, road crash rescue, and much more. Landmarks across Victoria were lit up in orange, whilst celebrity shout-outs and 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 (March 8), VICSES celebrates the female members across the organisation with profiles on the website and in media releases.
- **Your family, Our family (November)**
 - *Your family, Our family* is a campaign designed to highlight the sacrifices family members and friends make to ensure Victoria State Emergency Service (VICSES) volunteers are able to support their community. During the weekend of November 14 – 15 in 2020, the *Your*

family, Our family social campaign aimed to highlight the incredible people that love and support the 5,000+ volunteers who are the backbone of our service.

- **Driver reviver (Long weekends)**
 - Victoria State Emergency Service (VICSES) volunteers operate sites around Victoria on holiday weekends and peak traffic days offering motorists a safe place to stop and refresh. VICSES volunteers will 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)**
- **Pride March (May)**

Media coverage

VICSES aims to provide timely and accurate responses to reactive media requests. Some highlights from the 2020-21 financial year included:

- **International Women's Day in March** – Tying in with Harmony Week and Cultural Diversity Week, VICSES proudly celebrated International Women's Day (IWD) on March 8 in 2021, with Bendigo Deputy Controller Natalie Stanway featured in a story in The Age about women in emergency services. A number of our female members were profiled on our website, telling their unique stories of what it means to be involved with the VICSES, while others attended IWD events across the state.
- **Neighbour Day in March** - An annual celebration of community with the aim of fostering strong personal connections that last the whole year-round, Neighbour Day on March 29th gained national exposure on The Today Show, with one of our VICSES members being recognised for the help he offered to a neighbour during a wild storm that destroyed her house.
- **Driver Reviver, Easter 2021** - In April, VICSES promoted Driver Reviver in preparation for the Easter long weekend with a media launch held for metro media networks. This launch increased media exposure for those active Driver Reviver sites across the state during the Easter period.
- **VICSES contingent deployed to WA in April 2021** - To assist with the Cyclone Seroja relief effort, 63 VICSES volunteers were deployed to Western Australia (WA) to support. A press conference to farewell over 20 VICSES volunteers was held at Melbourne airport with State Agency Commander Josh Gamble and Acting Emergency Management Commissioner, Sharon MacDonnell. This was captured on all the major networks, and across the state days after the press conference.
- **WOW Day in May 2021** - In 2021, 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 rescued teenager Will Callaghan and his mum Penny received extensive coverage in the lead up to the day, as they thanked VICSES and our volunteers for their role in finding Will. This was coupled with celebrity videos thanking our volunteers on social media, banner flags in prominent CBD locations and a number of local celebratory events.
- **June Storm event 2021** - In June, VICSES saw a large increase in media and brand exposure through our storm and flood response to the severe weather event that passed through most of the state from 9 June 2021. The storm event was largely reported across all media platforms. We also saw proactive opportunities from the event, with the proactive media story of 6-year-old Judd. Judd was filmed helping our volunteers with the removal of debris in and around his neighbourhood. He was also filmed advising community members of VICSES safety messaging. This was profiled on Channel 7, along with a meet and greet with our Essendon Unit volunteers. Chief Officer Tim Wiebusch, Deputy Chief Officers and various other regional and unit members were profiled via press conferences and news segments across the three days from June 9. Many of our VICSES volunteers were also highlighted in the media, with several VICSES Lilydale, Emerald and Woodend Unit volunteers used as spokespeople to talk on the severity of the weather event in those areas worst hit.

Media engagement in 2020-21

	Radio mentions	Online/Print mentions	TV mentions	Total advertising revenue value (\$millions)	Total website visits	Facebook total engagements	Twitter total engagements
Jul-20	122	121	38	1.67	26,985	42,095	3,528
Aug-20	351	264	125	2.7	41,841	120,393	5,057
Sep-20	407	303	198	5.8	39,239	97,029	6,072
Oct-20	890	277	149	4.28	45,804	30,720	6,549
Nov-20	282	198	114	1.37	31,335	46,853	7,693
Dec-20	282	198	114	1.37	26,062	44,284	8,024
Jan-21	601	225	136	2.27	29,350	38,060	6,679
Feb-21	210	137	54	1.35	26,346	41,265	2,789
Mar-21	284	150	284	1.48	38,122	45,914	10,780
Apr-21	366	138	80	0.813	34,494	59,720	3,184
May-21	178	105	61	0.85	29,928	22,368	2,640
Jun-21	1626	387	415	5.8	103,394	163,129	22,320
Total 20-21	5,599	2,503	1,768	\$29.75M	472,900	751,830	85,315

Website redesign

Since 2019, the VICSES Media and Communications team have been undertaking a redesign of the VICSES public website, with the site formally launched in July 2021 (delayed due to June 2021 storm activity).

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 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 about the organisation itself. In 2020-21, 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 2020-21 include:

- **Community Matters quarterly publication** – Each quarter, a 28-page magazine is produced featuring content written by members of VICSES and edited by the communications team. This asset is then shared on both the public website and the extranet, with physical copies delivered to all VICSES units and offices.
- **The Bulletin** - a digital newsletter sent via email to all volunteers and staff, and features a video welcome message from the Chief Executive Officer followed by important VICSES news and updates on business unit activities.
- **Campaign and events digital tool kits** – To support the extensive calendar of campaigns and events across the year (including *Wear Orange Wednesday*, *Your family, our family weekend*, has

been developed by the Communications & Community Resilience Directorate to assist you with promoting your work via web, social media and other channels.

- **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:
 - Wear Orange Wednesday (WOW Day) messages of support
 - Road Crash Rescue capability training
 - VICSES Fleet showcase
 - Media coverage show reel

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 extranet, *The Hub*.

Key messages document and supporting collateral

In 2020-21, the 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 Victoria State Emergency Service (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. Further work in this space is planned for the 2021-22 financial year to build on this acknowledgment.

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.

Along with our strong supplier partnerships, IS continues to work with external stakeholders including fellow emergency agencies such as CFA, FRV and EMV as well as other agencies including the Office of the Victorian Information Commissioner (OVIC), the Department of Premier and Cabinet (DPC) Cyber Security team, Public Record Office Victoria (PROV), Victorian Managed Insurance Authority (VMIA), the Victorian Government Purchasing Board (VGPB) and Department of Justice and Community Safety (DJCS).

Flexible and mobile workforce

VICSES provides for a flexible and mobile workforce in normal circumstances. To this end, the organisation has had a cloud-based core network in place since 2013. The vast majority of systems are web-based due to an organisation policy to source cloud-based products wherever practical. Secure remote access has also been in place for well over six years. Over 95 per cent of the staff workforce are equipped with laptops and most have mobile devices.

The majority of the COVID-19 related work for IS has been, with guidance from the VICSES Pandemic Preparedness & Response Team, to support the transition of all individuals to work remotely and flexibly from their homes.

Volunteer focus

The contribution of our volunteers can never be under-estimated. All significant technology projects ensure volunteer representation in Project Control Groups as well as User Groups. Where infrastructure platforms are involved, consideration is given to how volunteers can best leverage from the platform without increased cost and resourcing burdens and potentially providing reductions.

3 key significant technology projects undertaken over the past year demonstrate the benefits for always including our volunteers.

Federated Physical Security Solution

The existing VICSES physical security (Access, CCTV, & related) platform is being transitioned to a federated, cloud-based solution. A Physical Security Information Management (PSIM) will provide for all offices and units to join to it. The PSIM provides for cost effective, centralised administration, monitoring and audit functions to ensure the right standards including security governance are provided for.

Desktop Refresh Project

This initiative involved the replacement of the entire aged, VICSES PC fleet including those supplied to units, Division Command Points, Incident Control Centres and Motor Command Vehicles.

The refresh delivered a number of benefits which had a positive impact to our volunteers:

- All devices which are user-operated are laptops with a standard configuration to allow for interoperability between offices, units and personnel.
- All devices will continue to be kept updated through a centralised management centre to ensure currency of hardware and operating systems, including ability to issue emergency security patches – all managed by the IS team.

- Units will be able to procure additional devices as their needs require it; IS will manage procurement and support lifecycle on behalf of the units.

Multi-Function Device Project

Aging multi-function devices were replaced for all offices and units. The replacement devices for units provide for:

- Service and maintenance of devices are included in usage fees ensuring units pay according to their own usage and receive service and support regardless of the volumes.

The devices procured provide futureproofing related to organisation wide initiatives planned in the future. Specifically, integration capability has been included so that units can be provided centralised recording keeping systems and storage, managed by the IS team. Not only does this mean units can descope local storage functions and costs, but it also improves the information governance of our records.

Information Security & Management

The VICSES executive continues its strong support for the organisation to have the best possible information security management system (ISMS), which encompasses physical and personnel security as well as that required for information and technology.

Security Audits

Over the past year, as part of continued assessment, focus has been on conducting work to strengthen existing systems and practises, utilising the findings and recommendations of independent audits as well as our own internal inspections. We have also leveraged the expertise of the Department of Premier & Cabinet's Cyber Security Unit and the Office of the Victorian Information Commissioner.

The audits have provided beneficial information and insights into the prioritisation of remedial actions to strengthen our security status.

Glossary

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
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
CEO	Chief Executive Officer
CERA	Community Emergency Risk Assessments
CFA	Country Fire 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
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
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
ESIA	Emergency Services Infrastructure Authority
FOI	Freedom of Information
FFMV	Forest Fire Management Victoria
FRV	Fire Rescue Victoria
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
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
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
VGPG	Victorian Government Procurement 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 2021

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.

Independent Auditor's Report

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

Financial statements

Comprehensive operating statement

Balance sheet

Statement of changes in equity

Cash flow statement

Notes to the financial statements

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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

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- 8.2 Other economic flows included in net result
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- 8.10 Australian Accounting Standards issued that are not yet effective
- 8.11 Glossary of technical terms
- 8.12 Style conventions

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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 2021 and financial position of the Authority at 30 June 2021.

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

We authorise the attached financial statements for issue on **15 November 2021**



Greg Wilson
Chairperson
Victoria State Emergency Service Authority

Melbourne
15 November 2021



Stephen Griffin
Chief Executive Officer
Victoria State Emergency Service Authority

Melbourne
15 November 2021



Martin Phillips
Manager Finance
Chief Finance and Accounting Officer
Victoria State Emergency Service Authority

Melbourne
15 November 2021

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 2021 • 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 2021 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 <i>APES 110 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
23 November 2021

Janaka Kumara
as delegate for the Auditor-General of Victoria

Comprehensive operating statement for the financial year ended 30 June 2021^(a)

	Notes	2021 \$'000	2020 \$'000
Continuing operations			
Revenue and income from transactions			
Grants	2.2.1	67,762	65,192
Fair value of assets received free of charge	2.2.2	1,918	1,297
Other income	2.2.3	1,037	1,864
Total revenue and income from transactions		70,717	68,353
Expenses from transactions			
Employee expenses	3.1.1	(28,366)	(29,451)
Depreciation	4.1.1	(9,045)	(8,669)
Interest expense	6.1	(468)	(534)
Other operating expenses	3.2	(31,593)	(29,793)
Total expenses from transactions		(69,472)	(68,447)
Net result from transactions (net operating balance)		1,245	(94)
Other economic flows included in net result			
Net gain on non-financial assets	8.2	295	465
Other gains/(losses) from other economic flows	8.2	208	(74)
Total other economic flows included in net results		503	391
Net result from continuing operations		1,748	297
Other economic flows – other comprehensive income:			
Items that will not be reclassified to net result			
Changes in physical asset revaluation reserve	8.3	2,655	(178)
Total other economic flows – other comprehensive income		2,655	(178)
Comprehensive result		4,403	119

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 2021^(a)

	Notes	2021 \$'000	2020 \$'000
Assets			
Financial assets			
Cash and deposits	6.3	68,240	60,508
Receivables	5.1	6,611	2,704
Investments and other financial assets	4.2	7,184	6,700
Total financial assets		82,035	69,912
Non-financial assets			
Property, plant and equipment	4.1	118,118	98,685
Other non-financial assets	5.3	83,757	36,401
Total non-financial assets		201,875	135,086
Total assets		283,910	204,998
Liabilities			
Payables	5.2	6,103	3,645
Contract liabilities	5.2.1	4,550	1,648
Borrowings	6.1	9,853	10,411
Employee related provisions	3.1.2	6,929	7,069
Total liabilities		27,435	22,773
Net assets		256,475	182,225
Equity			
Accumulated surplus		84,745	82,997
Physical asset revaluation surplus	8.3	14,458	11,803
Contributed capital		157,272	87,425
Net worth		256,475	182,225

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.

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

	Physical asset revaluation surplus	Accumulated surplus	Contributed capital	Total
Notes	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2019^(b)	11,981	82,522	78,617	173,120
Net result for the year	..	297	..	297
Transfer to accumulated surplus	8.3 (178)	178	..	..
Capital appropriations	..	..	8,808	8,808
Balance at 30 June 2020	11,803	82,997	87,425	182,225
Net result for the year	..	1,748	..	1,748
Other comprehensive income for the year	8.3 2,655	..	..	2,655
Capital appropriations	..	..	69,847	69,847
Balance at 30 June 2021	14,458	84,745	157,272	256,475

The accompanying notes form part of these financial statements.

Notes:

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

(b) The 1 July 2019 balance incorporates the initial application of AASB 15.

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

	Notes	2021 \$'000	2020 \$'000
Cash flows from operating activities			
Receipts			
Receipts from government		64,178	56,625
Receipts from other entities		7,015	7,456
Goods and services tax recovered from the ATO ^(b)		2,906	3,363
Interest received		167	360
Total receipts		74,266	67,804
Payments			
Payments to suppliers and employees		(59,908)	(88,146)
Interest and other costs of finance paid		(475)	(534)
Other payments		(35)	(1,636)
Total payments		(60,418)	(90,316)
Net cash flow from/(used in) operating activities	6.3.1	13,848	(22,512)
Cash flows from investing activities			
Payments for investments		(7,184)	(6,700)
Proceeds from sales of investments		6,700	6,308
Purchases of non-financial assets		(9,230)	(7,239)
Sales of non-financial assets		575	1,217
Net cash flows from/(used in) investing activities		(9,139)	(6,414)
Cash flows from financing activities			
Owner contributions by State Government		4,963	7,800
Repayment of finance leases		(1,940)	(1,706)
Net cash flows from/(used in) financing activities		3,023	6,094
Net increase/(decrease) in cash and cash equivalents		7,732	(22,832)
Cash and cash equivalents at the beginning of the financial year		60,508	83,340
Cash and cash equivalents at the end of the financial year	6.3	68,240	60,508

The accompanying notes form part of these financial statements.

Notes:

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

(b) GST 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 150 VICSES volunteer units (142 operational units and 8 support 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 Australian Accounting Standards (AASs) that have significant effects on the financial statements and estimates are disclosed in the notes under the heading "Significant judgements or estimates".

1. ABOUT THIS REPORT (continued)

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 the 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 *Financial Management Act 1994* (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 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, tsunamis, 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⁽ⁱ⁾

	Notes	2021 \$'000	2020 \$'000
Grants	2.2.1	67,762	65,192
Fair value of assets received free of charge	2.2.2	1,918	1,297
Other income	2.2.3	1,037	1,864
Total revenue and income from transactions		70,717	68,353

Note:

(i) The COVID-19 pandemic has had no impact on income during the 2020-21 financial year.

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

	2021 \$'000	2020 \$'000
General purpose:		
Department of Justice and Community Service		
- Operating grant income	57,235	56,307
- Volunteer and other grants	4,553	2,844
- Special Appropriation Volunteer WorkCover	917	625
Other State Government entities/agencies		
- Melbourne Water	479	350
- Transport Accident Commission	4,081	4,038
- Department of Environment, Land, Water and Planning	-	500
- Country Fire Authority	462	451
Other	35	77
Total grants	67,762	65,192

	2021 \$'000	2020 \$'000
Income recognised under AASB 1058:		
General purpose	66,587	63,839
Specific purpose grants for on-passing	280	560
Other specific purpose grants	35	77
Revenue recognised under AASB 15:		
Specific purpose grants	860	716
Total grants	67,762	65,192

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.

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.

2. FUNDING DELIVERY OF OUR SERVICES (continued)

2.2 Income from transactions (continued)

2.2.1 Grants (continued)

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 2021.

2. FUNDING DELIVERY OF OUR SERVICES (continued)

2.2 Income from transactions

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.

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;
- a lease liability in accordance with AASB 16;
- a financial instrument, in accordance with AASB 9; or
- 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.

Income from grants to construct the authorities assets recognised progressively as the assets are 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. FUNDING DELIVERY OF OUR SERVICES (continued)

2.2 Income from transactions

2.2.2 Fair value of assets received free of charge

	2021 \$'000	2020 \$'000
Assets		
Land and buildings at fair value	1,918	1,255
Motor Vehicles	..	42
Total fair value of assets received free of charge	1,918	1,297

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. FUNDING DELIVERY OF OUR SERVICES (continued)

2.2 Income from transactions (continued)

2.2.3 Other income

	2021 \$'000	2020 \$'000
Sponsorship	440	617
Donations	295	82
Interest income	167	306
Sale of services	..	23
Other income	135	836
Total other income	1,037	1,864

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.

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 department 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

		2021 \$'000	2020 \$'000
Employee expenses	3.1.1	28,366	29,451
Other operating expenses	3.2	31,593	29,793
Total expenses incurred in delivery of services		59,959	59,244

3.1.1 Employee benefits in the comprehensive operating statement

	2021 \$'000	2020 \$'000
Defined contribution superannuation plans	1,909	1,917
Defined benefit superannuation expenses	64	65
Termination benefits	34	64
Salaries and wages, annual leave and long service leave	26,359	27,405
Total employee expenses	28,366	29,451

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 Department of Treasury and Finance (DTF) discloses in its Annual Financial Statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when 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 , long service leave (LSL), and time-in-lieu for services rendered and recorded to the reporting date as an expense during the period the services are delivered.

	2021 \$'000	2020 \$'000
Current provisions		
Annual leave ⁽ⁱ⁾		
Unconditional and expected to settle within 12 months	2,334	2,218
Unconditional and expected to settle after 12 months	154	151
Long service leave		
Unconditional and expected to settle within 12 months	339	349
Unconditional and expected to settle after 12 months	2,442	2,636
Provisions for on-costs		
Unconditional and expected to settle within 12 months	796	680
Unconditional and expected to settle after 12 months	413	490
Total current provisions for employee benefits	6,478	6,524
Non-current provisions:		
Employee benefits ⁽ⁱⁱ⁾	386	466
On-costs	65	79
Total non-current provisions for employee benefits	451	545
Total provisions for employee benefits	6,929	7,069

Notes:

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

(ii) 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

	2021 \$'000	2020 \$'000
Opening balance	1,249	1,276
Additional provisions recognised	390	352
Reductions arising from payments/other sacrifices of future economic benefits	(365)	(379)
Closing balance	1,274	1,249
Current	1,209	1,170
Non-current	65	79
Total on-cost provision	1,274	1,249

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 settlement 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 liability 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:

- undiscounted value – if the Authority expects to wholly settle within 12 months, or
- 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. 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 Department of Treasury and Finance 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		Contributions outstanding at year end ⁽ⁱⁱ⁾	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Defined benefits plan				
State Superannuation Fund - Revised and New ⁽ⁱ⁾	64	65	1	..
Defined contribution plans				
VicSuper	950	1,028	6	2
Other	976	922	1	1
Total	1,990	2,015	8	3

Note:

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

(ii) All outstanding contributions at year end relate to accrued salary and wages.

3.2 Other operating expenses

	2021 \$'000	2020 \$'000
Supplies and services:		
- Contractors and professional services	5,819	4,667
- Building service and maintenance expenses	1,609	1,427
- Travel and associated costs	540	498
- Printing, stationery and other office expenses	700	503
- Postage and communication expenses	8,296	7,918
- Vehicle expenses	1,755	2,152
- Technology services costs	4,788	4,867
- Protective clothing	1,374	1,101
- Emergency rescue equipment	2,594	2,035
- Training (volunteers and staff)	1,143	1,370
- Other	1,081	827
Short-term leases	526	690
Low-value leases	..	28
Net result of VICSES volunteer units	1,368	1,710
Total other operating expenses	31,593	29,793

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

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

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

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

3. THE COST OF DELIVERING SERVICES (continued)

3.2 Other operating expenses (continued)

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 has been included in the carrying amount of another asset) in the period in which the event or condition that triggers those payments occur

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 ⁽ⁱ⁾

“Purpose Group” - Public safety and environment⁽ⁱⁱ⁾						
	Gross carrying amounts		Accumulated depreciation		Net carrying amounts	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Nature-based classification						
Crown land at fair value	23,519	21,381	..	..	23,519	21,381
Buildings and leasehold improvements at fair value	38,688	36,461	(8,481)	(8,367)	30,207	28,094
Plant, equipment and vehicles at fair value	88,217	84,565	(46,207)	(40,355)	42,010	44,210
Assets under construction at cost	22,382	5,000	..	..	22,382	5,000
Total property, plant and equipment	172,806	147,407	(54,688)	(48,722)	118,118	98,685

Notes:

- (i) AASB 16 Leases has been applied for the first time from 1 July 2019.
- (ii) 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.

The following tables are subsets of buildings, and plant and equipment by right-of-use assets.

4.1(a) Total right-of-use assets: buildings, plant, equipment and vehicles

	Gross carrying amounts	Accumulated Depreciation	Net carrying amounts
	2021	2021	2021
	\$'000	\$'000	\$'000
Buildings at fair value	9,821	(1,689)	8,132
Plant, equipment and vehicles at fair value	2,842	(1,553)	1,289
Net carrying amount	12,663	(3,242)	9,421

	Gross carrying amounts	Accumulated Depreciation	Net carrying amounts
	2020	2020	2020
	\$'000	\$'000	\$'000
Buildings at fair value	9,045	(823)	8,222
Plant, equipment and vehicles at fair value	2,751	(834)	1,917
Net carrying amount	11,796	(1,657)	10,139

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

4.1 Property, plant and equipment (continued)

	Buildings	Plant, Equipment and Vehicles at fair value
	\$'000	\$'000
Opening balance – 1 July 2020⁽ⁱ⁾	8,222	1,917
Additions	875	507
Disposals	..	(98)
Depreciation	(965)	(1,037)
Closing balance – 30 June 2021	8,132	1,289

	Buildings	Plant, Equipment and Vehicles at fair value
	\$'000	\$'000
Opening balance – 1 July 2019⁽ⁱ⁾	7,525	1,445
Additions	1,520	1,686
Disposals	..	(3)
Depreciation	(823)	(1,211)
Closing balance – 30 June 2020	8,222	1,917

Note:

- (i) This balance represents the initial recognition of right-of-use assets recorded on the balance sheet on 1 July 2019 along with the transfer from finance lease assets (recognised under AASB 117 at 30 June 2019) to right-of-use assets (recognised under AASB 16 at 1 July 2019).

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 leasehold improvements 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 the 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 which are considered to have a nominal value.

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

4.1 Property, plant and equipment (continued)

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 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 are 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

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

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.

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

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.

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

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

4.1 Property, plant and equipment (continued)

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

Fair value for **plant, equipment** that are specialised in use (such that they are 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.

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.

4.1.1 Depreciation and impairment

Charge for the period

	2021 \$'000	2020 \$'000
Buildings and leasehold improvement	(1,935)	(1,744)
Plant, equipment and vehicles	(6,073)	(5,679)
Leased vehicles	(1,037)	(1,246)
Total depreciation	(9,045)	(8,669)

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.

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

4.1 Property, plant and equipment (continued)

4.1.1 Depreciation and impairment (continued)

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

Indefinite life assets: Land, which is considered to have an indefinite life, is not depreciated. Depreciation is not recognised in respect of 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)

4.1.2 Reconciliation of movements in carrying amount of property, plant and equipment ⁽ⁱ⁾

	<i>Land at fair value</i>		<i>Buildings at fair value</i>		<i>Plant, equipment and vehicles at fair value</i>		<i>Assets under construction at cost</i>		<i>Total</i>	
	2021 \$000	2020 \$000	2021 \$000	2020 \$000	2021 \$000	2020 \$000	2021 \$000	2020 \$000	2021 \$000	2020 \$000
Opening balance^(b)	21,381	20,679	28,094	25,172	44,210	42,228	5,000	6,977	98,685	95,056
Fair value of assets received free of charge or for nominal considerations	..	702	..	553	..	..	..	..	..	1,255
Fair value of assets provided free of charge or for nominal considerations	1,821	..	97	..	..	..	..	..	1,918	..
Additions	762	..	850	1,520	3,765	1,686	18,814	8,302	24,191	11,508
Disposals	..	..	..	..	(287)	(465)	..	..	(287)	(465)
Transfer in/out of assets under construction	..	..	..	2,628	1,432	7,651	(1,432)	(10,279)	..	..
Revaluation of property, plant and equipment	(445)	..	3,101	..	..	..	..	..	2,656	..
Depreciation	..	..	(1,935)	(1,779)	(7,110)	(6,890)	..	..	(9,045)	(8,669)
Closing balance	23,519	21,381	30,207	28,094	42,010	44,210	22,382	5,000	118,118	98,685

Notes:

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

(ii) The 2019-20 opening balance represents the initial recognition of right-of-use assets recorded on the balance sheet on 1 July 2019 relating to operating leases.

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

4.2 Investments and other financial assets

	2021 \$'000	2020 \$'000
Current investments and other financial assets ⁽ⁱ⁾		
Term deposits: ⁽ⁱⁱ⁾		
- Australian dollar term deposits > 3 months	6,781	6,275
Total current investments and other financial assets	6,781	6,275
Non-current investments and other financial assets ⁽ⁱ⁾		
Term deposits: ⁽ⁱⁱ⁾		
- Australian dollar term deposits > 12 months	403	425
Total non-current investments and other financial assets	403	425
Total investments and other financial assets	7,184	6,700

Notes:

- (i) 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.
- (ii) 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

	2021 \$'000	2020 \$'000
Current receivables		
Contractual		
Other receivables	6,188	2,341
	6,188	2,341
Statutory		
GST recoverable (net)	423	353
Other receivable	..	10
	423	363
Total current receivables	6,611	2,704
Total receivables	6,611	2,704

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 they are 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

	2021 \$'000	2020 \$'000
Current payables		
Contractual		
Supplies and services	5,758	3,457
	5,758	3,457
Statutory		
Other taxes payable	345	188
	345	188
Total current payables	6,103	3,645
Total payables	6,103	3,645

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.

During the COVID-19 pandemic VICSES followed the direction of the Premier of Victoria and all suppliers were paid on 10 day payment terms, previously payables for supplies and services have an average credit period of 30 days.

5.2.1 Contract liabilities

	2021 \$'000	2020 \$'000
Contract liabilities		
Opening balance brought forward	1,648	..
Add: Grant consideration for sufficiently specific performance obligations received during the year	3,677	2,364
Less: Grant revenue for sufficiently specific performance obligations works recognised consistent with the performance obligations met during the year	(775)	(716)
Total contract liabilities	4,550	1,648
<i>Represented by</i>		
Current contract liabilities	4,550	1,648
Non-current contract liabilities	..	..

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 ⁽ⁱ⁾

	Carrying amount \$'000	Nominal amount \$'000	Maturity dates			
			Less than 1 month \$'000	1- 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000
2021						
Payables						
- Supplies and services	5,758	5,758	5,758	..	..	..
Total	5,758	5,758	5,758	..	..	..
2020						
Payables						
- Supplies and services	3,457	3,457	3,457	..	..	..
Total	3,457	3,457	3,457	..	..	..

Note:

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

5.3 Other non-financial assets ⁽ⁱ⁾

	2021 \$'000	2020 \$'000
Current other assets		
Prepayments	17,380	25,630
Total current other assets	17,380	25,630
Non-current other assets		
Prepayments	66,377	10,771
Total non-current other assets	66,377	10,771
Total other assets	83,757	36,401

Note:

(i) Balance at June 30 2021 includes \$82.390 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

	2021 \$'000	2020 \$'000
Current borrowings		
Lease liabilities ⁽ⁱ⁾	1,670	1,709
Total current borrowings	1,670	1,709
Non-current borrowings		
Lease liabilities ⁽ⁱ⁾	8,183	8,702
Total non-current borrowings	8,183	8,702
Total borrowings	9,853	10,411

Note:

(i) Secured by 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 ⁽ⁱ⁾

	Carrying amount \$'000	Nominal amount \$'000	Maturity dates				
			Less than 1 month \$'000	1- 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	5+ years \$'000
2021							
Borrowings							
- 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
2020							
Borrowings							
- Lease liabilities	10,411	14,211	195	376	1,548	4,214	7,878
Total	10,411	14,211	195	376	1,548	4,214	7,878

Note:

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

Interest expense

	2021 \$'000	2020 \$'000
Interest on lease liabilities	468	534
Total interest expense	468	534

'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. HOW WE FINANCED OUR OPERATIONS (continued)

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

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:

	2021 \$'000	2020 \$'000
Interest expense on lease liabilities	468	534
Expenses relating to short term leases	526	690
Expenses relating to leases of low-value assets	..	28
Total amount recognised in the statement of comprehensive statement	994	1,252

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:

	2021 \$'000	2020 \$'000
Total cash outflow for leases	2,371	2,943

6. HOW WE FINANCED OUR OPERATIONS (continued)

6.2 Leases (continued)

6.2.3 Leases (continued)

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.

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; and
- 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 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.

6. HOW WE FINANCED OUR OPERATIONS (continued)

6.2 Leases (continued)

6.2.3 Leases (continued)

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 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. HOW WE FINANCED OUR OPERATIONS (continued)

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.

	2021 \$'000	2020 \$'000
Total cash and deposits disclosed in the balance sheet held by the Authority	49,999	43,610
Total cash and deposits disclosed in the balance sheet held by volunteer units ⁽ⁱ⁾	18,241	16,898
Balance as per cash flow statement	68,240	60,508

Note:

(i) 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

	Notes	2021 \$'000	2020 \$'000
Net result for the period		1,748	297
Non-cash movements			
- (Gain)/loss on sale or disposal of non-current assets		(295)	(465)
- Depreciation of non-current assets		9,046	8,669
- Resources provided free of charge or for nominal consideration		(1,918)	(1,297)
Movements in assets and liabilities, net of non-cash financing activities			
- (Increase)/decrease in receivables		313	6,603
- (Increase)/decrease in other non-financial assets		(266)	(35,524)
- Increase/(decrease) in payables		2,458	(2,586)
- Increase/(decrease) in contract liabilities		2,902	1,648
- Increase/(decrease) in provisions		(140)	143
Net cash flows from/(used in) operating activities		13,848	(22,512)

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. HOW WE FINANCED OUR OPERATIONS (continued)

6.4 Commitments for expenditure (continued)

6.4.1 Total commitments payable

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 ⁽ⁱ⁾	6,892	944	..	7,836
Total commitments (inclusive of GST)	11,431	970	..	12,401
Less GST recoverable				(1,127)
Total commitments (exclusive of GST)				11,274
2020				
Capital expenditure commitments payable	2,759	..	..	2,759
Other commitments payable ⁽ⁱ⁾	4,902	303	..	5,205
Total commitments (inclusive of GST)	7,661	303	..	7,964
Less GST recoverable				(724)
Total commitments (exclusive of GST)				7,240

Notes:

(i) 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

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of 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; and
- 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); and
- 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 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); and
- borrowings (including lease liabilities).

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

Offsetting financial instruments: Financial instrument assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Authority concerned has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Some master netting arrangements do not result in an offset of balance sheet assets and liabilities. Where the Authority does not have a legally enforceable right to offset recognised amounts – because the right to offset is enforceable only on the occurrence of future events such as default, insolvency or bankruptcy – they are reported on a gross basis.

De-recognition of financial assets: A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when:

- the rights to receive cash flows from the asset have expired; or
- the Authority retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Authority has transferred its rights to receive cash flows from the asset, and either:
 - (a) has transferred substantially all the risks and rewards of the asset, or
 - (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Authority has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Authority's continuing involvement in the asset.

De-recognition of financial liabilities: A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

Reclassification of financial instruments: Subsequent to initial recognition, reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when 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 of the Assistant Treasurer 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

	Cash and deposits		Financial assets at amortised cost (AC)		Financial liabilities at amortised cost (AC)		Total	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Contractual financial assets								
Cash and deposits	68,240	60,508	..	..	..	..	68,240	60,508
Receivables ⁽ⁱ⁾								
- Other receivables	..	..	6,188	2,341	..	..	6,188	2,341
Investments and other contractual financial assets								
- Term deposits	..	..	7,184	6,700	..	..	7,184	6,700
Total contractual financial assets	68,240	60,508	13,372	9,041	..	..	81,612	69,549
Contractual financial liabilities								
Payables ⁽ⁱ⁾								
- Supplies and services	..	..	..	..	5,758	3,457	5,758	3,457
Borrowings								
- Lease liabilities	..	..	..	..	9,853	10,411	9,853	10,411
Total contractual financial liabilities	..	..	..	..	15,611	13,868	15,611	13,868

Note:

(i) The total amounts disclosed here exclude statutory amounts (i.e. amounts owing from Victorian Government, 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 ⁽ⁱ⁾

	Total interest income / (expense) \$'000	Impairment loss \$'000	Total \$'000
2021			
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)
2020			
Contractual financial assets			
Financial assets - cash and deposits	306	..	306
Total contractual financial assets	306	..	306
Contractual financial liabilities			
Financial liabilities at amortised cost	(534)	..	(534)
Total contractual financial liabilities	(534)	..	(534)

Note:

(i) Amounts disclosed in this table exclude holding gains and losses related to statutory financial assets and liabilities.

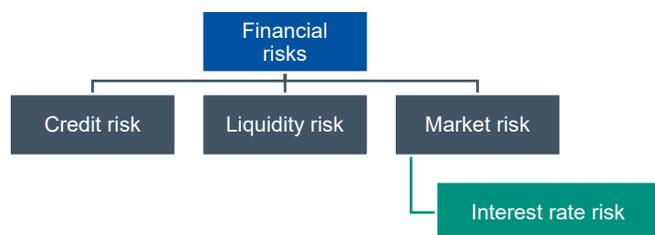
The net holding gains or losses disclosed above are determined as follows:

- 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; and
- 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 debtors are the State and Commonwealth governments.

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 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

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

7.1.3 Financial risk management objectives and policies (continued)

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 2020-21.

Credit quality of financial assets

	Government agencies (AAA credit rating)	Financial Institutions (AA Credit Rating)	Total
	\$'000	\$'000	\$'000
2021			
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

	Government agencies (AAA credit rating)	Financial Institutions (AA Credit Rating)	Total
	\$'000	\$'000	\$'000
2020			
Financial assets			
Financial assets with loss allowance measured at 12-month expected credit loss			
Cash and deposits (not assessed for impairment due to materiality)	..	60,508	60,508
Statutory receivables (with no impairment loss recognised)	362	..	362
Term deposits measured at amortised cost	..	6,700	6,700
Financial assets with loss allowance measured at lifetime expected credit loss:			
Contractual receivables applying the simplified approach for impairment	2,341	..	2,341
Total financial assets	2,703	67,208	69,911

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

7.1.3 Financial risk management objectives and policies (continued)

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 marketing 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:

	Current	Less than 1 month	1-3 months	3 months – 1 year	1-5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2021						
Expected loss rate (%)	0	0	0	0	0	0
Gross carrying amount of contractual receivables	5,990	..	168	30	..	6,188
Loss allowance	..	..	..	..	..	..
30 June 2020						
Expected loss rate (%)	0	0	0	0	0	0
Gross carrying amount of contractual receivables	2,340	..	..	1	..	2,341
Loss allowance	..	..	..	..	..	..

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.

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: credit risk (continued)

Statutory receivables and 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 a result, the loss allowance recognised for these financial assets during the period was limited to 12 months 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, makes 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; and
- 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 this risk 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 (2020: 50 basis points up and down) in market interest rates (AUD).

The table 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 the 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 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 movement in interest rates on a daily basis.

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

	Weighted average effective interest rate %	Carrying amount \$'000	Interest Rate Exposure		
			Fixed interest rate \$'000	Variable interest rate \$'000	Non-interest bearing \$'000
2021					
Financial assets					
Cash and deposits ⁽ⁱ⁾	0.33%	68,240	46,757	21,480	3
Receivables ⁽ⁱⁱ⁾					
- Accrued interest income		..	..	..	..
- 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 ⁽ⁱⁱ⁾					
- 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
2020					
Financial assets					
Cash and deposits ⁽ⁱ⁾	0.60%	60,508	5,293	55,212	3
Receivables ⁽ⁱⁱ⁾					
- Accrued interest income		..	..	..	..
- Other receivables		2,341	..	..	2,341
Investments and other contractual financial assets					
- Term deposits		6,700	6,700	..	..
Total financial assets		69,549	11,993	55,212	2,344
Financial liabilities					
Payables ⁽ⁱⁱ⁾					
- Supplies and services		3,457	..	..	3,457
Borrowings					
- Lease liabilities	5.37%	10,411	10,411	..	..
Total financial liabilities		13,868	10,411	..	3,457

Notes:

(i) Weighted average effective interest rate does not include cash and deposits held by volunteer units.

(ii) 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

	Carrying amount \$'000	Interest rate	
		-50 basis points	+50 basis points
		Net result/accumulated surplus \$'000	Net result/accumulated surplus \$'000
2021			
Contractual financial assets			
Cash and deposits ⁽ⁱ⁾	68,240	(341)	341
Investments and other contractual financial assets	7,184	(36)	36
Total impact	75,424	(377)	377
Contractual financial liabilities			
Borrowings ⁽ⁱⁱ⁾	9,853	(49)	49
Total impact	9,853	(49)	49
2020		-50 basis points	+50 basis points
Contractual financial assets			
Cash and deposits ⁽ⁱ⁾	60,508	(303)	303
Investments and other contractual financial assets	6,700	(33)	33
Total impact	67,208	(336)	336
Contractual financial liabilities			
Borrowings ⁽ⁱⁱ⁾	10,411	(52)	52
Total impact	10,411	(52)	52

Notes:

- (i) Cash and deposits includes a deposit of \$63,594 thousand (2020: \$55,212 thousand) that is exposed to floating rate movements. Sensitivities to these movements are calculated as follows:
- 2021: \$63,594 thousand x -0.005 = -\$318 thousand; and \$63,594 thousand x 0.005 = \$318 thousand
 - 2020: \$55,212 thousand x -0.005 = -\$276 thousand; and \$55,212 thousand x 0.005 = \$276 thousand
- (ii) Borrowings include nil (2020: 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 non-quantifiable.

There were no contingent assets as at 30 June 2021 (2020: 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 2021 (2020: Nil).

7.3 Fair value determination

Significant judgement: fair value measurements of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of the Authority.

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 non-financial assets and liabilities as required.

Fair value hierarchy

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

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.3 Fair value determination (continued)

- 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; and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - a reconciliation of the movements in fair values from the beginning of the year to the end; and
 - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures 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; and
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

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:

<i>Financial assets</i>	<i>Financial liabilities</i>
Cash and deposits	Payables:
Receivables:	<ul style="list-style-type: none">• For supplies and services
<ul style="list-style-type: none">• Accrued interest income• Other receivables	Borrowings:
Investments and other contractual financial assets:	<ul style="list-style-type: none">• Lease liabilities
<ul style="list-style-type: none">• 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

	Carry amount as at 30 June 2021 \$'000	Carry amount as at 30 June 2020 \$'000	Fair value at the end of reporting period using:						
			Level 1 ⁽ⁱ⁾ 2021 \$'000	Level 1 ⁽ⁱ⁾ 2020 \$'000	Level 2 ⁽ⁱ⁾ 2021 \$'000	Level 2 ⁽ⁱ⁾ 2020 \$'000	Level 3 ⁽ⁱ⁾ 2021 \$'000	Level 3 ⁽ⁱ⁾ 2020 \$'000	
Crown land at fair value									
- Non-specialised land	23,519	21,381	..	..	23,519	21,381	..	..	..
Total of land at fair value	23,519	21,381	..	..	23,519	21,381	..	..	..
Buildings and leasehold improvements at fair value									
- Specialised buildings	21,816	19,096	..	..	..	..	21,816	19,096	19,096
- Leasehold improvements	8,391	8,998	..	..	..	..	8,391	8,998	8,998
Total of buildings at fair value	30,207	28,094	..	..	..	..	30,207	28,094	28,094
Plant, equipment and vehicles at fair value									
- Vehicles	30,196	33,122	..	..	..	..	30,196	33,122	33,122
- Plant and equipment	11,814	11,087	..	..	..	..	11,814	11,087	11,087
Total of plant, equipment and vehicles at fair value	42,010	44,209	..	..	..	..	42,010	44,209	44,209

Note:

(i) 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 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

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.3 Fair value determination (continued)

7.3.2 Fair value determination: non-financial physical assets (continued)

that the restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial 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 2021.

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

	Specialised buildings \$'000	Leasehold improvements \$'000	Vehicles \$'000	Plant and equipment \$'000
2021				
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)	(2,926)	727
Gains or losses recognised in other economic flows:				
- Revaluation	3,101	..	..	..
Subtotal	3,101	..	..	..
Closing Balance	21,816	8,391	30,196	11,814
	Specialised buildings \$'000	Leasehold improvements \$'000	Vehicles \$'000	Plant and equipment \$'000
2020				
Opening Balance⁽ⁱ⁾	18,195	6,976	33,089	9,139
Purchases (sales)	2,074	2,628	5,232	3,639
Transfers in (out) of Level 3	..	..	..	..
Gains or losses recognised in net result:				
- Depreciation	(1,173)	(606)	(5,199)	(1,691)
- Impairment loss	..	..	..	..
Subtotal	901	2,022	33	1,948
Closing Balance	19,096	8,998	33,122	11,087

(i) This balance represents the initial recognition of right-of-use assets recorded on the balance sheet on 1 July 2019 along with the transfer from finance lease assets (recognised under AASB 117 at 30 June 2019) to right-of-use assets (recognised under AASB 16 at 1 July 2019).

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 2020	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 Useful life of specialised buildings	\$150 - \$2,600/M ² (\$1,300) 20 – 100 years (51 years)	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value. 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 the estimated useful life of the asset would result in a significantly higher or lower valuation.
Leasehold improvements	Current replacement cost	Cost per unit Useful life of leasehold improvements	\$1,800 - \$1,170,000 per unit (\$81,800) 3 – 40 years (27 years)	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value. A significant increase or decrease the estimated useful life of the asset would result in a significantly higher or lower valuation.
Vehicles	Current replacement cost	Cost per unit Useful life of vehicles	\$6,000 - \$727,000 per unit (\$123,000) 3 – 15 years (11 years)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value. 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 Useful life of plant and equipment	\$3,000 - \$223,000 per unit (\$25,000) 3 – 40 years (9 years)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value. 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 2019.

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 ⁽ⁱ⁾

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.

	2021	2020
	\$'000	\$'000
Compensation for economic loss	..	16
Total ex-gratia expenses	..	16

Note:

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

8.2 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. 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.

	2021	2020
	\$'000	\$'000
Net gain on non-financial assets		
Net gain on disposal of physical assets	295	465
Total net gain/(loss) on non-financial assets	295	465
Other gains/(losses) from other economic flows		
Net gain/(loss) from revaluation of long service leave liability ⁽ⁱ⁾	208	(74)
Total other gains/(losses) from other economic flows	208	(74)

Note:

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

8. OTHER DISCLOSURES (continued)

8.3 Reserves

	2021 \$'000	2020 \$'000
Physical asset revaluation surplus ⁽ⁱ⁾		
Balance at beginning of financial year	11,803	11,981
Revaluation increments/(decrements)	2,655	(178)
Balance at end of financial year	14,458	11,803

Note:

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

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. Lisa Neville, MP 1 July 2020 to 30 June 2021

Acting Minister for Police and Emergency Services

The Hon. James Merlino, MP 8 November 2020 to 10 November 2020

The Hon. Martin Foley, MP 13 February 2021 to 19 February 2021

The Hon. Danny Pearson, MP 20 February 2021 to 25 June 2021

The Hon. Jaclyn Symes, MP 26 June 2021 to 30 June 2021

Accountable Officer

Stephen Griffin 1 July 2020 to 30 June 2021

Members of the board of governance, which includes Board Chairperson

Gregory Wilson Board member 1 July 2020 to 30 June 2021

Barbera Yeoh Board member 1 July 2020 to 26 September 2020

Bernard Cronin Board member 1 July 2020 to 30 June 2021

Nevenka Brooks Board member 1 July 2020 to 30 June 2021

Lisa Borowick Board member 1 July 2020 to 30 June 2021

Mathew Geerings Board member 1 July 2020 to 30 June 2021

Casey Nunn Board member 1 July 2020 to 30 June 2021

Bernadette Northeast Board member 26 September 2020 to 30 June 2021

8. OTHER DISCLOSURES (continued)

8.4 Responsible persons (continued)

Remuneration

	2021	2020
Remuneration band	No.	No.
\$0 - \$9,999	1	3
\$10,000 - \$19,999	6	5
\$30,000 - \$39,999	..	1
\$40,000 - \$49,999	1	..
\$340,000 - \$349,000	..	1
\$370,000 - \$379,999	1	..
Total numbers	9	10
Total amount	\$531,871	\$477,592

Amounts relating to ministers are reported in the financial statements of the Department of Parliamentary Services.

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 executives defined as Key Management Personnel disclosed in Note 8.6)	Total remuneration	
	2021 \$'000	2020 \$'000
Short-term employee benefits	1,149	1,057
Post-employment benefits	107	102
Other long-term benefits	29	34
Termination benefits	26	..
Total remuneration ⁽ⁱ⁾	1,311	1,193
Total number of executives	7	6
Total annualised employee equivalents ⁽ⁱⁱ⁾	5	5

Notes:

(i) The total number of executive officers includes persons who meet the definition of key management personnel of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note on disclosure (Note 8.6).

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

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 150 VICSES volunteer units on a cash basis.

Related parties of the Authority and 150 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; and
- 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.

8. OTHER DISCLOSURES (continued)

8.6 Related parties (continued)

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. Lisa Neville, MP	Portfolio Minister	1 July 2020 to 30 June 2021
Mr Stephen Griffin	Chief Executive Officer	1 July 2020 to 30 June 2021
Mr Tim Wiebusch	Chief Officer Operations	1 July 2020 to 30 June 2021
Mr John Casey	Director Corporate Services	1 July 2020 to 23 April 2021
Ms Kate White	Director Corporate Services	23 April 2021 to 30 June 2021

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.

	2021	2020
Compensation of KMPs	\$'000	\$'000
Short-term employee benefits	940	858
Post-employment benefits	84	78
Other long-term benefits	24	24
Termination benefits	..	..
Total ⁽ⁱ⁾	1,048	960

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):

- \$62.70 million received from Department of Justice and Community Service (2020: \$59.78m).
- \$5.06 million received from the other state government-related entities (2020: \$5.42m).

Note:

(i) Note that KMPs are also reported in the disclosure of remuneration of executive officers (Note 8.6.1).

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.

8. OTHER DISCLOSURES (continued)

8.6 Related parties (continued)

Other than the citizen type transactions, there were no related party transactions with the Authority or in relation to the 150 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

	2021 \$'000	2020 \$'000
Victorian Auditor General's Office		
- Audit of the financial statements	128	79
Total remuneration of auditors	128	79

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.

The COVID-19 pandemic has created unprecedented economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the Authority at the reporting date. As the situation and corresponding responses by government continue to evolve, management recognises that it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on Authority its operations, its future results and financial position. A State of Emergency was declared for COVID-19 in that State of Victoria on 16 March 2020 and has been extended to 15 December 2021.

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. OTHER DISCLOSURES (continued)

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.

8.10 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2020-21 reporting period. These accounting standards are not required to be assessed by the Authority at reporting date, have not been assessed for its impact and have not been applied. The accounting standards include:

AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material

This Standard principally amends AASB 101 *Presentation of Financial Statements* and AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*. It applies to reporting periods beginning on or after 1 January 2020 with earlier application permitted. The Authority has not earlier adopted the Standard.

The amendments refine and clarify the definition of material in AASB 101 and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendments also include some supporting requirements in AASB 101 in the definition to give it more prominence and clarify the explanation accompanying the definition of material.

The Authority is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.

8. OTHER DISCLOSURES (continued)

8.10 Australian Accounting Standards issued that are not yet effective (continued)

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 ED 301 *Classification of Liabilities as Current or Non-Current – Deferral of Effective Date* with the intention to defer the application by 1 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 this Standard. 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 17 *Insurance Contracts*;
- AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (Appendix C)*;
- AASB 2018-6 *Amendments to Australian Accounting Standards – Definition of a Business*;
- AASB 2019-1 *Amendments to Australian Accounting Standards – References to the Conceptual Framework*;
- AASB 2019-3 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform*;
- AASB 2019-5 *Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia*; and
- AASB 2020-2 *Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities*.

8. OTHER DISCLOSURES (continued)

8.11 Glossary of technical terms

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.

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, or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

8. OTHER DISCLOSURES (continued)

8.11 Glossary of technical terms (continued)

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) a contractual obligation:
 - (i) to deliver cash or another financial asset to another entity, or
 - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) a contract that will or may be settled in the entity's own equity instruments and is:
 - (i) 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
 - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements comprise:

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

8. OTHER DISCLOSURES (continued)

8.11 Glossary of technical terms (continued)

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.

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 re-measurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal.

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

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

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

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

8. OTHER DISCLOSURES (continued)

8.11 Glossary of technical terms (continued)

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

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.

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.

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.

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FRD 22H	Organisational structure	Page	24
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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)