



NSW RURAL FIRE SERVICE

NSW RURAL FIRE SERVICE ANNUAL REPORT 2019/20



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Cover photo: A firefighter rests after defending a property near Braidwood from the North Black Range fire.
Photo by Alex Ellinghausen.

Letter to the Minister

The Hon. David Elliott MP
Minister for Police and Emergency Services
Parliament House
Sydney NSW 2000

Dear Minister

I am pleased to submit to you for presentation to Parliament the Annual Report of the NSW Rural Fire Service (NSW RFS) for the year ending 30 June 2020.

This Annual Report has been prepared in accordance with the *Annual Reports (Departments) Act 1985*, the *Annual Reports (Departments) Regulation 2015*, the *Public Finance and Audit Act 1983*, the *Disability Inclusion Act 2014*, the *Government Information (Public Access) Act 2009* and the *Public Interests Disclosures Act 1994*.

Yours sincerely



Rob Rogers AFSM
NSW RFS Commissioner

NSW RFS vision and mission

To provide a world standard of excellence in the provision of a volunteer-based community fire and emergency service.

To protect the community and our environment, we will minimise the impact of fire and other emergencies by providing the highest standards of training, community education, prevention and operational capability.

Values

- Mutual respect
- Adaptability and resourcefulness
- One team, many players, one purpose
- Integrity and trust
- Support, friendship, camaraderie
- Community and environment
- Knowledge and learning

Stakeholders

- Community
- Our members
- Minister for Police and Emergency Services
- Resilience NSW
- Department of Communities and Justice
- Partner emergency services
- Members of Parliament – state and federal
- Local Government NSW and local councils
- Other state and territory governments
- Rural Fire Service Association (RFSA)
- NSW RFS member representative groups
- Australasian Fire and Emergency Service Authorities Council (AFAC)
- Bushfire and Natural Hazards Cooperative Research Centre (BNHCRC)
- NSW RFS/RFSA Consultative committees (Community Engagement, Infrastructure Services, Membership Services, Operations and Young Members Group)
- Bureau of Meteorology
- Emergency service peak groups
- Media
- Insurance industry
- Peak industry groups
- Tourism industry groups
- Non-government organisations and service providers
- Other government authorities
- Employers of volunteers
- Other associations (NSW Farmers' Association, Country Women's Association, etc.)

Commissioner's report

The 2019/20 bush fire season was the toughest and most devastating season we have ever experienced in NSW, setting new records for area burnt, homes destroyed and lives lost.

The season tested the NSW RFS like no season ever before. Fire behaviour was unpredictable and more erratic than in previous seasons and complicated by worsening drought and weather conditions. Not only were individual fires larger and more intense than previously experienced, but the length and intensity of the fire season was itself unprecedented.

A key contributor to the extraordinary nature of the season was the underlying environmental conditions – 2019 was the hottest and driest year on record for Australia. Prior to the start of the season approximately 98 percent of NSW was affected by drought, and the high temperatures exacerbated the effects of drought by adding to water demand, increasing evaporation and further drying the landscape.

The extreme heat and dryness combined with low humidity and high winds to create the highest area-averaged Forest Fire Danger Index (FFDI) levels (a combined measure of temperature, humidity, wind speed and dryness of fuel) on record for NSW and Australia, indicating an unprecedented level of fire risk. For three consecutive months from October to December 2019, FFDI levels were at record highs.

These extreme environmental conditions led to extreme and unpredictable fire behaviour. The size, scale and concurrency of the fires, together with the amount and distance of spotting, was unparalleled. Fires ignited more easily, spread more quickly and widely, burned with increasing intensity and travelled through vegetation (such as wet-sclerophyll forests) not previously considered to be at risk of bush fire. As a result, predicting, suppressing and managing the fires became significantly more complex, challenging and resource intensive than ever before.

From July 2019 to June 2020, there were 13,105 bush and grass fires across the state. Forty-three Section 44 declarations were made and Total Fire Bans were declared on 60 days, including ten days of statewide Total Fire Bans.

Over the course of the fire season, 5.5 million hectares of bush and grass were burnt in NSW – nearly seven percent of the state. In addition to this, 2,476 homes and more than 5,000 other buildings were destroyed. Thanks to the hard

work of NSW RFS members and other firefighting agencies, 14,567 homes and more than 15,000 other buildings were saved. For a more detailed overview and chronology of the 2019/20 fire season, please see the Summary Review of Operations beginning on page 26 of this report.

Sadly, the 2019/20 fire season claimed 26 lives across NSW. Included in this number are four NSW RFS firefighters and three American aircrew who perished in the line of duty:

- Deputy Captain Geoffrey Keaton and Firefighter Andrew O'Dwyer of the Horsley Park Brigade died on 19 December 2019 when their tanker was struck by a tree and rolled during firefighting operations on the Green Wattle Creek fire.
- Firefighter Samuel McPaul of the Morven Brigade sustained fatal injuries working on the Green Valley Talmalmo fireground on 30 December 2019.
- Firefighter Colin Burns of the Belowra Brigade suffered fatal injuries while fighting the Badja Forest Rd, Countegany fire on 31 December 2019.
- Captain Ian McBeth, First Officer Paul Clyde Hudson and Flight Engineer Rick DeMorgan Jr of Coulson Aviation died when their Large Air Tanker collided with terrain during water-bombing operations at the Good Good fire on 23 January 2020.

On behalf of the entire NSW RFS and all members, I thank these individuals for their valued service and extend my sincere condolences to their families and loved ones. The Service will forever remember and honour the sacrifice they made to protect the people and communities of NSW.

The 2019/20 fire season had a devastating impact on many people, businesses and communities, and, of course, the natural environment. The relentless nature of the season also placed a heavy physical and emotional toll on many NSW RFS members, emergency first responders, recovery workers and the general community. The impact could, however, have been much worse were it not for the extraordinary commitment and resilience shown by NSW RFS members and the other agencies who worked alongside them.

Thankfully we did not face these fires alone. The Service gratefully received an extraordinary level

of assistance from state and federal agencies, including Fire and Rescue NSW, National Parks and Wildlife Service, Forestry Corporation NSW, NSW State Emergency Service, NSW Police, NSW Ambulance, the Volunteer Rescue Association, Marine Rescue NSW, Surf Life Saving NSW, the Australian Defence Force and all of our interstate firefighting colleagues from every state and territory in the country. We must also thank Canada, the United States and New Zealand for providing us with international assistance.

The community also played a critical role in limiting the impact of fire through their actions to prepare their own properties, their responsiveness in following directions and acting on warnings and their support of the firefighters in their local areas. It is only as a result of those combined efforts that the statistics quoted above are not considerably worse.

Following the devastating fire season, there are lessons to be learnt for the NSW RFS. This will include the recommendations resulting from the NSW Bushfire Inquiry, the Royal Commission into National Natural Disaster Arrangements and our own After Action Reviews, as we aim to improve our resources and resilience.

This work has been underway for some time, and though fire activity dominated the reporting period for the NSW RFS, progress has been made. Our operational structure has been reorganised from four Regions to seven Areas, with all of our Area Command offices now online. This realignment will ensure a closer relationship between districts and brigades and ensure our brigades and volunteers get the support they need.

In line with our Strategic Direction, we have established nine priorities for the Service for the next 12 months. These priorities focus on the way we respond to incidents, how we can provide the equipment and resources for our members to do their job safely and how we communicate and engage with our people. You can read more about these priorities and the progress made during 2019/20 in the Strategic Direction chapter of this report, beginning on page 41.

Finally, while 2019/20 saw the worst conditions the NSW RFS has ever faced, we also saw the best of our people. I thank the men and women of the NSW RFS, both volunteers and staff, who have given so much. It is their contribution and commitment that is integral to keeping the community of NSW safe from the threat of fire.

I would also like to thank the Hon. David Elliott MP, the Minister for Police and Emergency Services, for his continued support of the Service and our members. I also acknowledge and thank Shane Fitzsimmons for his leadership across the bush fire season, and indeed, during his time as Commissioner of the NSW RFS over the past 13 years.



Rob Rogers AFSM
NSW RFS Commissioner

NSW RFS Areas and Districts

as at 30 June 2020

This map shows the NSW RFS Areas as at 30 June 2020.

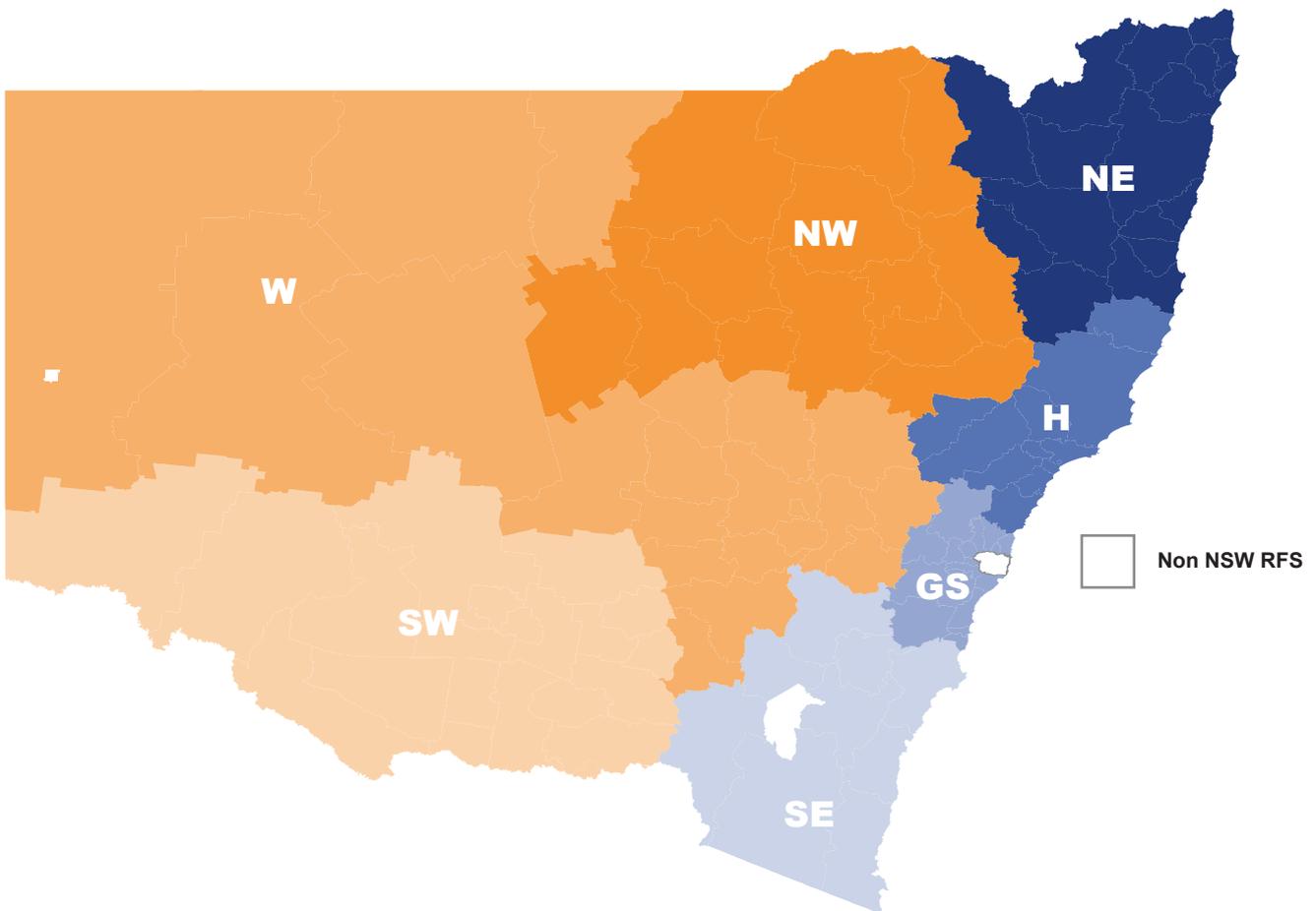
During the reporting year, the NSW RFS established a new Area Management Model with enhanced management structures to better support frontline volunteer firefighters and the NSW communities they serve.

The seven Areas replace the former four Regions and allow a greater focus on localised decision-making and support. To accommodate the changing and flexible nature of the fire season, the NSW RFS staggered the implementation of the Areas. All Area Commands were established by the end of the financial year.

As part of the change, mitigation crews also moved under the Area Command structure, allowing a greater focus on the delivery of local services.

Mitigation crews continue to provide a range of services to Rural Fire Districts and the community, including:

- hazard reduction preparation work and burning assistance
- bush fire hazard mitigation works
- the Assist Infirm Disabled and Elderly Residents (AIDER) program



Headquarters
4 Murray Rose Avenue
Sydney Olympic Park
NSW 2127

Area Western*
3/21 Lovell Street
Young
NSW 2594

Area North Western
Level 1
137 Marius Street
Tamworth
NSW 2340

Area North Eastern
51 Moonee Street
Coffs Harbour
NSW 2450

Area Hunter
1A George Booth Drive
Cameron Park
NSW 2285

Area Greater Sydney
42 Lamb Street
Glendenning
NSW 2142

Area South Western
5/32 Fallon Street
Thurgoona
NSW 2640

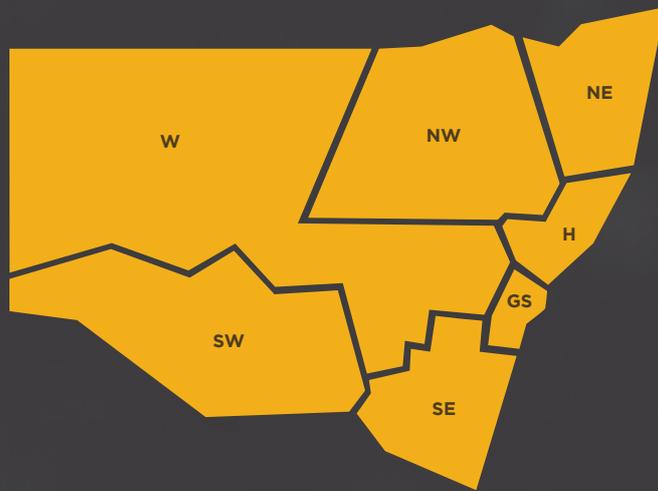
Area South Eastern
7 Kylie Crescent
Batemans Bay
NSW 2536

* The Area Western command office is scheduled to be relocated to Cowra in the 2020/21 financial year

Office hours at all locations: 0900hrs - 1700hrs, Monday to Friday

AREA NAME	DISTRICTS
North Eastern NE	Northern Rivers Far North Coast Clarence Valley Northern Tablelands Mid North Coast Lower North Coast New England
Hunter H	Lower Hunter Hunter Valley Central Coast Mid Coast
Greater Sydney GS	Southern Highlands Illawarra Macarthur Cumberland Hawkesbury Sutherland Hornsby/Ku-ring-gai The Hills Northern Beaches Blue Mountains

AREA NAME	DISTRICTS
South Eastern SE	Monaro Lake George Far South Coast Southern Tablelands Riverina Highlands Shoalhaven
North Western NW	North West Namoi/Gwydir Liverpool Range Castlereagh Tamworth
Western W	Far West Orana Mid Lachlan Valley Canobolas Cudgegong South West Slopes Chifley Lithgow
South Western SW	Lower Western MIA Mid Murray Southern Border Bland Temora Riverina



VOLUNTEERS
76,319

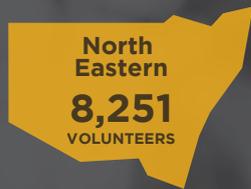


STAFF
998



APPROXIMATELY
58%

OF NSW RFS STAFF ARE ALSO NSW RFS VOLUNTEERS



Note: Dual members in different Area Commands are counted in both Areas, but counted once for calculating the total volunteer figure.

TOTAL INCIDENTS WE ATTENDED

26,523



BUSH/GRASS
FIRES

9,112



STRUCTURE FIRES

1,316



RESCUE

53



FLOOD AND
STORM

128



MOTOR VEHICLE
FIRES

1,659



MOTOR VEHICLE
ACCIDENTS

4,239



ASSIST OTHER
AGENCIES

1,480

TOTAL OPERATIONAL
VEHICLES, BOATS AND AIRCRAFT

6,265



FIREFIGHTING
APPLIANCES

3,883



AIRCRAFT

4



MARINE CRAFT

24



BULK WATER
CARRIERS

53



SUPPORT
VEHICLES

2,301

NSW Rural Fire Service overview

TOTAL NSW RFS EXPENSES BUDGET

\$524.306M

Total members (volunteers and salaried staff)	76,741*
Brigades	1,996
Local Government Areas	110
NSW RFS Districts	45
Area Commands	7
Headquarters	1

*This figure reflects the total number of volunteers and staff, removing duplication of staff who are also volunteers

NUMBER OF NEW AND RENOVATION BUILDS IN 2019/20

BUILDS	NEW	RENOVATION	TOTAL
Fire Control Centres	1	3	4
Brigade stations	36	54	90

INCIDENTS 2019/20

Bush, grass and forest fires attended by NSW RFS	9,112
Structural fires	1,316
Motor vehicle fires	1,659
Motor vehicle accidents	4,239
Investigation	4,126
Refuse fires	592
Spillages	661
Assist other agencies	1,480
Flood and storm	128
Rescue - general land/road/helicopter (bush fire and flood)	53
Other incidents	3,157
TOTAL	26,523

INCIDENTS: FOUR-YEAR VIEW

	2016/17	2017/18	2018/19	2019/20
Bush, grass and forest fires attended by NSW RFS	8,288	10,036	9,675	9,112
Structural fires	1,159	1,283	1,514	1,316
Motor vehicle fires	1,868	1,886	2,137	1,659
Motor vehicle accidents	4,599	4,681	5,496	4,239
Investigation	3,817	3,941	4,499	4,126
Controlled burns/pile burns (RFDs)	2,079	2,623	2,688	2,340
Refuse fires	519	676	659	592
Spillages	843	748	960	661
Assist other agencies	1,250	1,353	1,845	1,480
Flood and storm	78	52	144	128
Rescue	-	5	2	53
Other incidents	2,161	2,242	3,171	3,157
Totals	24,582	26,903	30,102	26,523

NOTES

1. The figure of total bush and grass fires refers to the incidents in which the NSW RFS responded.
2. Controlled burns/pile burns are not included in the total incidents figure.
3. From 2017/18, Rescue incidents are included in total number of incidents.

TOTAL OPERATIONAL VEHICLES, BOATS AND AIRCRAFT

VEHICLES	HUNTER	NORTH EASTERN	NORTH WESTERN	GREATER SYDNEY	SOUTH EASTERN	SOUTH WESTERN	WESTERN	TOTAL
Tankers	377	482	472	388	592	646	861	3,818
Pumpers	22	4	1	22	8	4	4	65
Personnel transport and Command vehicles	109	98	53	264	122	68	139	853
Bulk water carriers	13	2	2	12	6	13	5	53
All general purpose trailers and miscellaneous vehicles	130	92	241	210	114	286	251	1,324
Communications vehicles and dedicated communication trailers	3	2	7	7	6	4	6	35
Catering vehicles and dedicated catering trailers	20	11	3	26	11	12	6	89
Marine craft	6	0	0	16	2	0	0	24
Aircraft	-	-	-	-	-	-	-	4
TOTAL	680	691	779	945	861	1,033	1,272	6,265

**NUMBER OF NEW, SECONDHAND AND REFURBISHED TANKERS
ALLOCATED TO BRIGADES IN 2019/20**

VEHICLES - CATEGORY	STYLE	NEW	SECONDHAND/ REFURBISHED	TOTAL
Category 1 Tanker	Village	36	22	58
Category 1 Tanker	Multipurpose	0	14	14
Category 1 Tanker	Grasslands	17	3	20
Category 6 Tanker	Grasslands	8	0	8
Category 7 Tanker	Grasslands Dual Cab	10	8	18
Category 7 Tanker	Grasslands Single Cab	0	3	3
Category 9	First Response Unit	39	16	55
Category 10	Urban Pumper	4	3	7
Category 13	Bulk Water Carrier	0	0	0
Total		114	69	183

2

MANAGEMENT AND GOVERNANCE



Management and governance

The NSW RFS is the lead combat agency for bush and grass fires in NSW. For over 100 years we have been a significant part of the history and landscape of NSW. Working closely with other agencies we also respond to a range of emergencies, including structure fires, motor vehicle accidents, rescues, floods and storms that occur within rural fire districts, and serve as Community First Responder in some areas.

The NSW RFS is widely acknowledged as the largest volunteer fire service in the world. Members of the NSW RFS are trained to very high levels of competence to ensure they can respond to any emergency. The Service aims to reduce the likelihood and consequence of bush fires occurring. This involves comprehensive risk management programs to reduce bush fire hazards and fire ignitions. It also involves the development of regulations for bush fire prone areas.

Legislation

The management and operational responsibilities of the NSW RFS are set down in the *Rural Fires Act 1997* and can be summarised as follows:

- The provision of rural fire services for NSW, including
 - Services for the prevention, mitigation and suppression of fires in rural districts
 - The protection of people from dangers to their safety and health, and property from destruction or damage arising from fires in rural fire districts
 - Protection of infrastructure and environmental, economic, cultural, agricultural and community assets from destruction or damage by fires in rural fire districts
- Issuing public warnings about bush fire threats
- The provision of advisory services relating to firefighting and other matters to which it has expertise
- Safety and welfare of all NSW RFS volunteers
- Provision of effective training and resources to rural fire brigades
- Provision of emergency assistance to other emergency service organisations

NSW government and ministry

As a department of the NSW government, the NSW RFS comes under the Emergency Services portfolio within the Justice Cluster. The Hon. David Elliott, MP, Member for Baulkham Hills, is the current Minister for Police and Emergency Services.

NSW RFS Commissioner

The Commissioner is responsible for managing and controlling the activities of the Service and has other functions conferred or imposed on him by or under the *Rural Fires Act 1997*. It is the Commissioner who invokes Section 44 of the *Rural Fires Act 1997* in order to declare a bush fire emergency.

NSW RFS Executive

The day-to-day management of the Service is carried out under the direction of the NSW RFS Executive.

The Executive consists of the Commissioner and the Service's Executive Directors and Directors. A profile of each of the Principal Officers can be seen on pages 21, 22 and 23.

Corporate Executive Group

The Corporate Executive Group (CEG) comprises the Executive Directors, Chief Risk Officer, relevant Directors of the Service and representatives of the NSW Rural Fire Service Association (RFSA), which is the representative association of the volunteers and staff of the NSW RFS. Its principal role is to consider and provide advice to the Commissioner on strategic issues affecting the Service. Details of representation and attendance at this Group are set out in Appendix 4.4.

Governance committees

Three bodies are empowered by legislation to assist in the operation of the NSW RFS, they are the:

- Rural Fire Service Advisory Council
- Bush Fire Co-ordinating Committee
- Fire Services Joint Standing Committee

Rural Fire Service Advisory Council

The Rural Fire Service Advisory Council (RFSAC) is established under the provisions of Part 6 of the *Rural Fires Act 1997*. The Council:

- advises and reports to the Minister and the NSW RFS Commissioner on any matters relating to the administration of rural fire services under the Act

- advises the Commissioner on public education programs relating to rural fire matters and training of rural firefighters
- advises the Commissioner on the issue of Service Standards

Details of representation and attendances at RFSAC are set out in Appendix 4.4.

Bush Fire Co-ordinating Committee

The Bush Fire Co-ordinating Committee (BFCC) is established under Part 3, Division 2 of the *Rural Fires Act 1997*. The Committee is chaired by the NSW RFS Commissioner and supported by the Service.

The BFCC is responsible for planning in relation to bush fire prevention and coordinated bush firefighting. It also advises the Commissioner on bush fire prevention, mitigation and coordinated bush fire suppression.

The BFCC constitutes Bush Fire Management Committees (BFMCs) for all rural fire districts and areas with significant risk of bush fire. It also approves Operations Coordination Plans, Bush Fire Risk Management Plans and Fire Access and Fire Trail Plans that are prepared by the BFMCs. Details of representation and attendance at the BFCC are set out in Appendix 4.4.

Fire Services Joint Standing Committee

The *Fire Services Joint Standing Committee Act 1998* provides for the establishment of the Fire Services Joint Standing Committee (FSJSC). The major functions of the Committee are to:

- develop and submit to the Minister for Police and Emergency Services strategic plans for the delivery of comprehensive, balanced and coordinated urban and rural fire services at the interface of fire district boundaries and rural fire district boundaries;
- undertake periodic review of fire district and rural fire district boundaries and, if appropriate, to make recommendations to the Minister concerning those boundaries;
- develop and submit to the Minister implementation strategies to minimise duplication and maximise compatibility between the NSW RFS and Fire and Rescue NSW (FRNSW). The Committee is chaired alternately by the Commissioners of FRNSW and the NSW RFS with particular reference to infrastructure planning, training, equipment design and community education programs.

Details of representation and attendance at this Committee are set out in Appendix 4.4.

Audit and Risk Committee

The Audit and Risk Committee provides assistance to the NSW RFS Commissioner by overseeing and monitoring the governance and accountability requirements of the NSW RFS. The Committee consists of independent members and advises the Commissioner on a range of matters including:

- the effectiveness of the Service's internal audit function;
- legislative compliance;
- the financial statements and financial reporting of the Service;
- risk and control frameworks;
- business continuity and corruption prevention activities.

Details of representation and attendance at this Committee are set out in Appendix 4.4.

Consultative and stakeholder committees

Consultation with our stakeholders and related agencies plays a key role in the governance of the NSW RFS.

NSW RFS/RFSAC Consultative Committees

The Rural Fire Service Association (RFSAC) is a statewide non-partisan member association and a valued partner of the NSW RFS. The NSW RFS Commissioner relies on a number of consultative committees, comprising RFSAC representatives and senior staff of the Service, for advice on NSW RFS operations and management.

The Young Members Group was established as a sub-group of the Membership Services Consultative Committee and provides advice to that Committee on policy and programs, participates in decision making at a state level and makes suggestions and raises ideas relevant to young members.

The committees that met during the reporting period were: Community Engagement, Membership Services (including the Young Members Group), Infrastructure Services and Operations. However, due to the heightened level of operational activity from August 2019 until March 2020, the meeting scheduled for 25 October 2019 did not take place.

Details of representation and attendance at these Committees are set out in Appendix 3.11.

Local Government Liaison Committee

The principal roles of the Local Government Liaison Committee are to discuss and resolve significant issues of a strategic nature that are of mutual interest to local government and the Service.

Details of representation and attendance at this Committee are set out in Appendix 4.4.

Stakeholder liaison and collaboration

The Service is also represented on a number of external organisations and committees:

- Association of Environment Education (NSW)
- AFAC and its various groups
- Australia/New Zealand Emergency Management Committee
- Australian Institute for Disaster Resilience (AIDR)
- Aviation Advisory Committee
- Aviation Industry Reference Group
- Border Liaison Committees
- BNHCRC
- District Emergency Management Committees
- District Rescue Committees
- Emergency Services Communications Working Party
- Emergency Services Industry Reference Group
- Emergency Services Personnel Support Advisory Group
- Emergency Service Organisation Work Health and Safety Consultative Committee
- Environmental Education Officers' Group
- Fire Protection Association
- Fuel Loads Management Working Group
- Museum Education Officers' Group
- National Aerial Firefighting Centre
- National Public Information and Warnings Group
- NSW Health Disaster Management Committee
- Standards Australia - various committees
- State Emergency Management Committee
- State Rescue Board
- The National Bush Fire Arson Prevention Working Group

Governance and ethical standards

Corporate governance

The Service has a Statement of Corporate Governance in place that is consistent with the principles and requirements identified by the Audit Office of NSW Governance Lighthouse framework. During 2019/20 there were significant works undertaken to enhance aspects of our governance arrangements. Key highlights are outlined including their corresponding Governance Lighthouse component reference in brackets:

- **Strategic Planning** (component #1): The NSW RFS updated its Strategic Direction (Our Plan) 2019-2024 and introduced the aligned nine immediate organisational priorities to define an annual plan of works.
- **Diversity** (component #4): The ongoing commitment of the NSW RFS to the Male Champions of Change program in partnership with AFAC.
- **Risk Management Framework** (component #15): A review to update the NSW RFS Risk Management Framework began in the reporting period to enhance and improve the Service's enterprise risk management approach.

Ethical standards

CODE OF CONDUCT AND ETHICS TRAINING

The Professional Standards Unit is responsible for Code of Conduct and Ethics training in the NSW RFS.

This training is designed to ensure all members are aware of their obligation to uphold the values of the NSW RFS and the requirement to meet expected standards of behaviour. It is mandatory for all staff members to participate in Code of Conduct and Ethics training, and while it is not mandatory for volunteers, it is encouraged.

During the reporting period, 13 staff workshops were conducted with 221 participants. Ten volunteer workshops were held with 112 people in attendance, and an additional eight workshops (with 105 participants) were delivered by volunteer trainers.

Continuation of the Train-the-Trainer program saw another workshop held during the reporting period with 15 participants, which brings the total number of trainers competent to deliver training to volunteers to 47.

CRUCIAL CONVERSATIONS

Crucial Conversations is a two-day professional development program designed to educate participants in how to manage difficult conversations in the workplace. The program aims to turn skills gained into behaviours that improve decision-making, productivity and relationships.

The Professional Standards Unit conducted three Crucial Conversations programs during the 2019/20 financial year, with 47 participants.

Matters affecting the Service

Service Standards and Policies

A total of 20 service standards and policies were approved by the Commissioner to be published in 2019/20, including three new documents:

- **Service Standard 1.5.5 Area Management Model Transition** - this new service standard outlines the establishment of the Area Management Model, and provides transition provisions from four Regions and State Mitigation to seven Area Commands in regard to policy documents.

- Service Standard 7.1.3 *Workers Compensation for NSW RFS Volunteers* – NSW RFS volunteers are entitled to workers compensation for injuries or illnesses, and property loss or damage, arising from approved NSW RFS activities. This new service standard was developed to outline the roles and responsibilities of all stakeholders, and the requirements for lodging a workers compensation claim.
- Service Standard 5.3.8 *Inventories* – this new service standard repeals and remakes Policy P4.1.11 *Inventories v1.0*. The Executive determined that the policy should be migrated to become a service standard, as it would apply to volunteer members as well as to staff. A supporting document, Inventory Management Guidelines, is under development to provide detail on the processes. The service standard was published on 30 June 2020, in accordance with the requirements of the Audit Office of NSW.

The following policy documents, which were updated during the reporting period, are of significance:

- Service Standard 1.1.32 *Fraud and Corruption Prevention v1.1* – this service standard was due for review. An added inclusion is the responsibilities of the NSW RFS Chief Financial Officer (CFO) concerning the effectiveness of NSW RFS systems on internal controls for the management of financial information.
- Service Standard 1.4.4 *Volunteer Member and Visitor Access to Network Services and Data v1.1* – this service standard was updated due to the high level of operational activity, creating an increase in the number of requests for volunteer mailboxes, and a need for increases in the size limitations of generic mailboxes.
- Policy P2.1.7 *Headquarters and Sydney Olympic Park Precinct Parking v1.1* – this policy was updated to reflect the arrangements that were put in place during the 2019/20 fire season for parking during major incidents.
- Policy P5.1.2 *Acceptable Use of ICT v2.1* – this policy was reviewed following the release of the NSW Cyber Security Policy (CSP), which mandated that each agency must have an Information Security Management System. The updated policy now includes mandatory incident awareness and reporting information as required under the CSP.
- Policy P7.1.10 *Organisational Risk Management v2.2* – this policy was due for review, and has been updated to reflect the release of AS ISO 31000:2018 Risk Management – Guidelines. The updated policy was reviewed by the Audit and Risk Committee, and the CFO (to confirm alignment with TPP 15-03), prior to publication.

Complaints management

The NSW RFS public complaints management process is outlined in Policy 7.12 *Public Complaints Management*. This process is intended to enable the NSW RFS to respond to complaints made by members of the public in a timely and cost-effective way; boost public confidence in the Service's administrative process; and provide information that can be used to deliver quality improvements in service delivery, assist staff members and improve complaint handling.

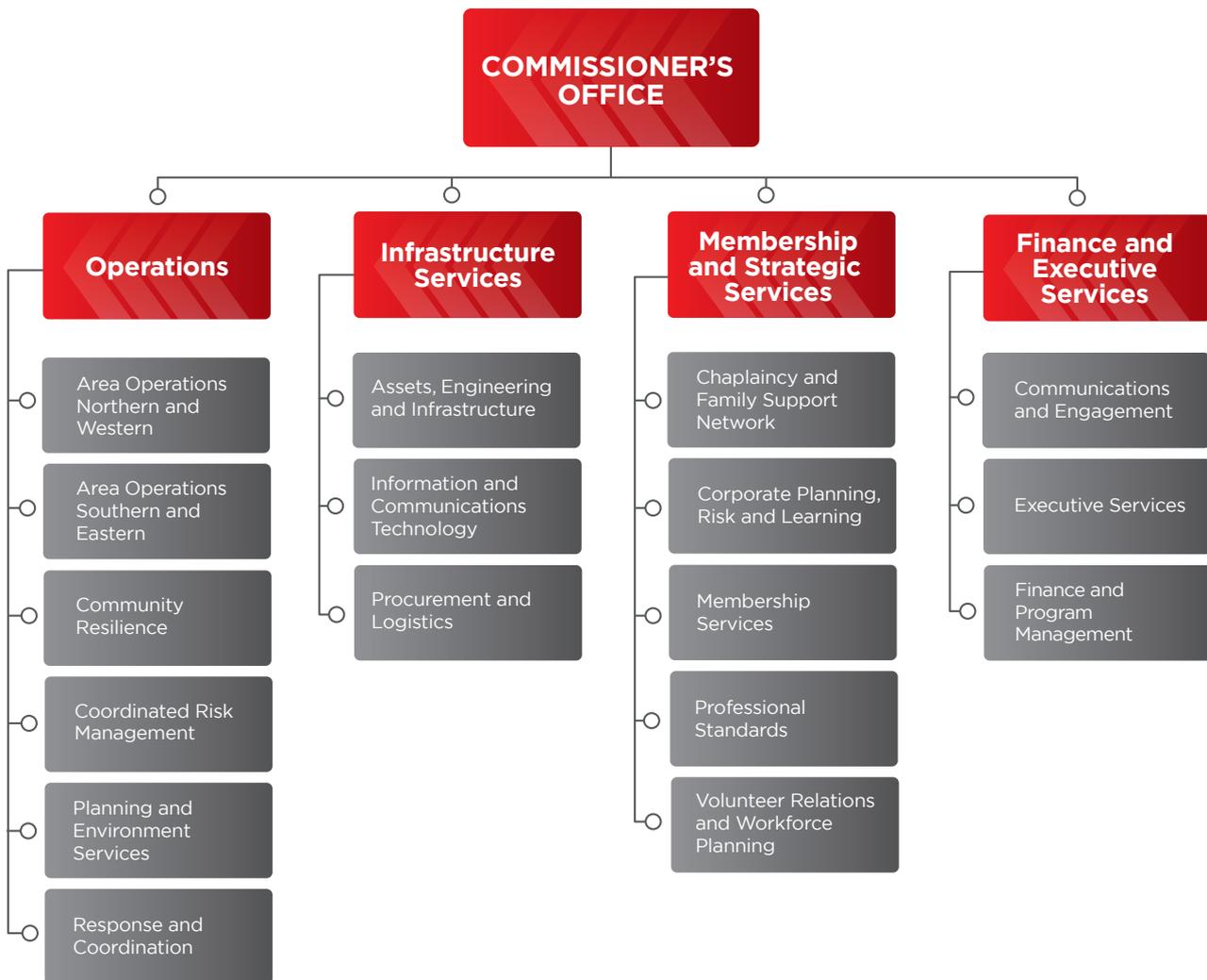
PUBLIC COMPLAINTS RECEIVED 2019/20

ORGANISATIONAL AREA	TOTAL
Greater Sydney	6
Hunter	1
North Eastern	6
North Western	3
South Eastern	6
South Western	2
Western	6
Membership and Strategic Services	1
Finance and Executive Services	1
Total	32

NOTE: Figures captured are public complaints in accordance with NSW RFS Policy Public Complaints Management, reported to Professional Standards Unit and/or Area Operations.

NSW RFS organisational structure 2019/20

As at 30 June 2020



Principal officers

NSW RFS Commissioner

Following the resignation of NSW RFS Commissioner Shane Fitzsimmons on 30 April 2020, Deputy Commissioner Rob Rogers was appointed NSW RFS Commissioner on 1 May 2020 for a period of up to 12 months by Minister for Police and Emergency Services, the Hon. David Elliott, MP.

Rob Rogers AFSM
(from 1 May 2020)

Commissioner Rob Rogers first became involved with the NSW RFS in 1979 as a volunteer member of the Belrose Rural Fire Brigade, before being appointed Deputy Fire Control Officer for the Greater Taree District in 1995.

Mr Rogers has held various executive roles in the NSW RFS since 2001, including responsibility for Regional Management, Community Safety and Operations. In 2011 he was appointed Deputy Commissioner and held that role until 1 May 2020 when he was appointed to the role of Commissioner for a period of up to 12 months.

He represents the NSW RFS on national and state bodies including: Chair of the Australian Fire Danger Ratings Board; Chair of the State Bush Fire Arson Taskforce; Chair of the Aviation Industry Reference Group and Aviation Advisory Committee; Co-chair of the Incident Management Road Safety Working Group; and Co-chair of the Joint Operations Taskforce.

During the most recent devastating fire season, Commissioner Rogers oversaw the statewide response to the fires that burnt more than 5.5 million hectares, destroyed 2,476 homes and tragically took 26 lives.

Commissioner Rogers was awarded the National Medal in 1995 and the Australian Fire Service Medal (AFSM) in 2004.



Commissioner Rob Rogers AFSM

Principal officers

Shane Fitzsimmons AFSM
(to 30 April 2020)

Commissioner Shane Fitzsimmons has more than 35 years' experience with the NSW RFS serving as both a volunteer and salaried officer.

In 1998 he was appointed an Assistant Commissioner with the NSW RFS and has held portfolio responsibilities for Operations, Strategic Development and Regional Management. In 2004 he was appointed the inaugural Australasian Fire Authorities Council (AFAC) Visiting Fellow to the Australian Institute of Police Management for a period of 12 months.

In September 2007 he was appointed Commissioner of the NSW RFS and also the Chair of the NSW RFS Bush Fire Coordinating Committee and the NSW RFS Advisory Council. He is a member of the NSW State Emergency Management Committee and the NSW State Rescue Board, where he was Chair from 2008 to November 2015. In July 2012, he was appointed a Board Member of the NSW Government Telecommunications Authority.

He was appointed a Director of the National Aerial Firefighting Centre (NAFC) in March 2008 and was the Chair of the NAFC Board from 2009 to 2013. He also served as a Director of the Bushfire Cooperative Research Centre from 2009 to 2014.

The Commissioner has been a member of AFAC since 2007 and a member of its Board from November 2016 until April 2020, holding the role of Deputy President.

In January 2016 he was appointed as a Councillor of the Royal Humane Society of NSW Inc, and in 2017 he was named the NSW RFS Male Champion of Change for the Fire and Emergency Male Champions of Change group.

Commissioner Fitzsimmons was awarded the National Medal in 1999 and the AFSM in 2001.

Deputy Commissioner,
Acting Executive Director Operations

Stuart Midgley AFSM
(from 1 May 2020)

Rob Rogers held the position of Deputy Commissioner, Executive Director Operations until his appointment as Commissioner on 1 May 2020 (see previous page). From 1 May 2020 to 30 June 2020, Assistant Commissioner Stuart Midgley acted in the role of Deputy Commissioner, Executive Director Operations.



Commissioner Shane Fitzsimmons AFSM

Principal officers

Executive Director, Membership and Strategic Services

Trina Schmidt

Ms Trina Schmidt was appointed to the Service in March 2019.

Prior to joining the Service, Ms Schmidt had extensive senior management experience in the public sector in NSW and Queensland, largely in transport and logistics and most recently in education. Ms Schmidt's experience is in human resource management, employee relations, transformational change and strategic planning and risk management.

Ms Schmidt holds tertiary qualifications in applied psychology from Griffith University and a Master of Business Administration from the University of New England.

Executive Director, Infrastructure Services

Senior Assistant Commissioner

Bruce McDonald AFSM

Senior Assistant Commissioner Bruce McDonald has been a member of the NSW RFS since joining the Beacon Hill Bush Fire Brigade in 1980. For the following eight years, Mr McDonald held various positions within the brigade, culminating in his appointment as Group Captain for the Warringah-Pittwater area in the mid-1990s.

In 1998, following a 25-year management career in the automotive industry, Mr McDonald joined the NSW RFS in a salaried capacity as Deputy Fire Control Officer for the Warringah-Pittwater District.

Since 2001, Mr McDonald has held various management positions at NSW RFS Headquarters, including State Operations Officer, Manager Operational Communications, Manager Infrastructure Projects and Group Manager, Assets and Infrastructure. In 2014, he was appointed Executive Director Infrastructure Services.

Mr McDonald has been responsible for a number of major infrastructure projects including the relocation of the NSW RFS Headquarters to new premises in Sydney Olympic Park (for which he received a Commissioner's Commendation), a number of new Fire Control Centres and the NSW RFS Training Academy in Dubbo.

Senior Assistant Commissioner McDonald was awarded the AFSM in 2011.

Executive Director, Finance and Executive Services and Chief Financial Officer

Stephen O'Malley

Mr Stephen O'Malley was appointed to the Service in November 2012 as the Chief Financial Officer, and in February 2018 as Executive Director, Finance and Executive Services.

Prior to joining the Service, Mr O'Malley had extensive senior management experience in finance and corporate services in both the NSW and South Australian public sectors, including as the Chief Finance Officer of the Ambulance Service of NSW and Director Corporate Finance of the Legal Aid Commission of NSW. Mr O'Malley's experience includes corporate strategy, financial management, information management, project management, change management and strategic planning and reporting.

Mr O'Malley holds tertiary qualifications in accounting from the University of South Australia, is a Fellow of CPA Australia and a Graduate of the Australian Institute of Company Directors.

Directors at 30 June 2020

OPERATIONS	
Director Coordinated Risk Management	Assistant Commissioner Stuart Midgley AFSM
Director Northern and Western	Assistant Commissioner Peter McKechnie
Director Southern and Eastern	Assistant Commissioner Jason Heffernan
Director Community Resilience	Assistant Commissioner Rebel Talbert
Director Planning and Environment Services	Mr Jeff Lucas
Director Response and Coordination	Chief Superintendent Ben Millington (in an acting capacity from 23 December 2019)
INFRASTRUCTURE SERVICES	
Director Infrastructure and Engineering	Chief Superintendent John Parnaby
Director Information and Communications Technology (ICT)	Assistant Commissioner Kelly Browne AFSM
Director Procurement and Logistics	Assistant Commissioner Steve Yorke AFSM
MEMBERSHIP AND STRATEGIC SERVICES	
Director Membership Services	Ms Lisa Chih
Director Corporate Planning, Risk and Learning	Mr Anthony Bradstreet (in an acting capacity from 29 June 2020)
Director Professional Standards	Ms Narelle Koteff
FINANCE AND EXECUTIVE SERVICES	
Director Communications and Engagement	Mr Anthony Clark
Director Executive Services	Ms Debbie Andreatta
Director Finance and Program Management	Mr Myles Foley

3

SUMMARY REVIEW OF OPERATIONS



Photo: The 'Marie Bashir' LAT dropping retardant on the Long Gully Rd fire
By Ned Dawson

Summary review of operations

The 2019/20 bush fire season was the worst NSW has ever experienced. A combination of one of the worst droughts on record, unprecedented weather conditions and intense fire behaviour resulted in 5.52 million hectares being burnt across the state. Twenty-six lives were lost and 2,476 homes destroyed. The damage to the natural environment and wildlife was extreme.

FIRE SEASON OVERVIEW 2019/20

Area burnt	5,523,033ha
Total Fire Ban declarations	60
Section 44 declarations	43
Aircraft taskings	2,681
Firefighter fatalities	7*

*Includes the three American aircrew of the Large Air Tanker that crashed on 23 January 2020

Fire season overview

The 2019/20 season challenged the NSW RFS and other NSW agencies like never before. Not just because of the scale of the fires, but also because of the length and intensity of the season – a particular feature was the number and size of fires burning simultaneously around the state, including an unprecedented 17 fires at *Emergency Warning* level at the same time on 8 November 2019.

Moreover, fire behaviour was erratic and less predictable than in previous seasons. Among other things, this meant that well-tested firefighting techniques were not always as effective as they had been in the past. These challenges were further compounded by worsening drought conditions and an unprecedented number of fire-initiated thunderstorms.

From 1 July 2019 to the end of the bush fire season on 31 March 2020, there were 11,774 bush and grass fires across NSW. The last declaration under Section 44 of the *Rural Fires Act 1997* was revoked on 4 March 2020, following more than 240 consecutive days of active bush or grass fires across NSW.

The fires burnt 5.52 million hectares of land across NSW, or 6.89 percent of the state – the largest area burnt in a single fire season on record for eastern Australia.

The season tragically claimed 26 lives. This included the lives of two NSW RFS volunteer firefighters who were fatally injured on the Green Wattle Creek fireground on 19 December 2019, one NSW RFS volunteer firefighter who sustained fatal injuries on the Green Valley fireground on 30 December 2019, one NSW RFS volunteer firefighter who sustained fatal injuries at Belowra on 31 December 2019 and three American aircrew who were fatally injured

when their Large Air Tanker collided with terrain during water-bombing operations on 23 January 2020 in southern NSW.

The fires also claimed the lives of 19 civilians across the state: three in October 2019 in Coongbar and Arcadia; five in November 2019 in Wyaliba, Johns River, Willawarrin and South Arm; three in December 2019 in Yarrowitch and Wandella; and eight in January 2020 in Coolagolite, Yatte Yattah, Sussex Inlet, Batlow, Nerrigundah, Bodalla and Cobargo.

The 2019/20 bush fires destroyed 2,476 houses, 284 facilities and 5,559 outbuildings, and damaged 1,034 houses, 196 facilities and 2,017 outbuildings. Across areas assessed by the NSW RFS, firefighting and fire protection measures saved in excess of 14,567 houses, 1,490 facilities and 14,061 outbuildings across NSW. The actual number of properties saved may be greater.

Building impact assessments were conducted on 81 separate fires throughout the season. Assessments were completed from the ground and by drone, helicopter, boat and trail bikes by more than 85 NSW RFS members, assisted by numerous other agency personnel.

Losses experienced by the agricultural community as a result of the bush fires were also grave, with thousands of farms affected and significant loss of livestock, placing further strain on a sector already in difficult times. The same is true for the state's wildlife, with estimates suggesting more than one billion mammals, birds and reptiles were lost.

The water shortages associated with the extreme drought conditions also gave rise to the need for the NSW RFS and other agencies to employ alternative firefighting techniques, such as dry firefighting and the engagement of heavy plant. There was unprecedented use of heavy plant resources in dry firefighting techniques during the 2019/20 fire season, resulting in the NSW RFS receiving more than 46,000 invoices from suppliers.

Additionally, the NSW RFS worked with the NSW Department of Planning, Industry and Environment and Local Land Services to ensure appropriate arrangements were in place to assist with replacing water for livestock and agricultural purposes, if it was taken for firefighting purposes.



NSW RFS members undertook more than 186,000 firefighting shifts during the 2019/20 season.

Fire season chronology

The 2019/20 fire season started early with more than 1,000 bush and grass fires during July 2019, primarily in northern NSW. The Lindfield Park Rd, Port Macquarie fire that started on 18 July became the season's longest running fire – it burned for 209 days before it was finally extinguished on 12 February 2020.

In August 2019, there were approximately 1,800 bush and grass fires, including five active fires still burning from July. August saw a number of fires escalated to *Emergency Warning* level. Four Section 44 declarations were made in August in the local government areas (LGAs) of Kempsey, Nambucca, Clarence Valley, Richmond Valley, Kyogle, Lismore, Mid Coast and Port Macquarie-Hastings.

In September 2019, there were approximately 1,300 bush and grass fires recorded, with 31 active fires still burning from August. From early September, observed fire danger levels across the state were in the extreme and catastrophic categories and fires developed particularly in the Tenterfield, Glen Innes, Armidale and Clarence Valley LGAs and surrounds.

Total Fire Bans first came into effect in September with four declared in the areas of New England, Northern Slopes, North Western, Central Ranges, Far North Coast, North Coast, Greater Hunter and Greater Sydney. Four Section 44 declarations were made including for the LGAs of Armidale, Glen Innes, Inverell, Tenterfield, Uralla, Walcha and parts of Clarence Valley.

In October 2019, large and destructive fires impacted communities in Tenterfield and Richmond Valley, including the villages of Rappville and Ewingar. Throughout October, there were approximately 1,300 bush and grass fires, including 20 active fires still burning from September. Six Section 44 declarations were made, and eight Total Fire Bans issued.

The Long Gully Fire in the Tenterfield region, which started on 5 September, took another significant run in October and claimed the first two lives of the season. A lightning strike caused another fatality in October in Arcadia in northern Sydney when a resident was attending to a fire outside their property. On 26 October, the Gaspers Mountain fire in the Hawkesbury started and it remained active until 10 February 2020, burning 512,626 hectares and accounting for almost 10 percent of the total area burnt across the state.

In November 2019, there were more than 1,900 bush and grass fires across the state, of which 81 were active fires from October. November saw the highest concentration of Section 44 declarations (23) and days of Total Fire Bans (15), including three days of statewide Total Fire Bans. An unprecedented 17 fires were at *Emergency Warning* level on 8 November 2019. A State of Emergency was declared on 11 November 2019, and on 12 November 2019, catastrophic fire danger was experienced for Greater Sydney, Greater Hunter and Illawarra/Shoalhaven. During November there were five fatalities directly associated with the fires.

In December 2019, more than 2,000 bush and grass fires were recorded, making it the most active month of the season, with 120 fires active since November. Five Section 44 declarations were made and there were 22 days of Total Fire Bans, including four days of statewide Total Fire Bans. A second State of Emergency was declared on 19 December ahead of catastrophic fire danger for Greater Sydney, Illawarra/Shoalhaven and Southern Ranges. Seven fatalities were recorded in December, including four NSW RFS volunteer firefighters. New Year's Eve saw significant losses in southern NSW, particularly in the Shoalhaven, Eurobodalla and Bega Valley Shire LGAs.

A third State of Emergency was declared on 2 January 2020. However, only one additional Section 44 declaration was made during the month and there was an overall reduction in the total fires to approximately 1,500 bush and grass fires, with 128 fires active since December. Eleven Total Fire Bans were issued, including three days of statewide Total Fire Bans. January also recorded the highest number of fatalities with 11, including three American aerial firefighting personnel fatally injured during water-bombing operations in southern NSW.

In February 2020, there was one Total Fire Ban and the total number of fires dropped significantly to approximately 350, with 14 active fires since January. There were two active fires from February that burnt into March, but there were no active fires from 2 March 2020, marking the end of more than 240 days of fire activity for NSW.

Resources and assistance

NSW RFS members undertook more than 186,000 firefighting shifts up to the end of March 2020.

The NSW RFS was supported in those efforts by personnel from Fire and Rescue NSW, National



Total Fire Bans were declared
on 60 days during
the season.

Parks and Wildlife Service, Forestry Corporation of NSW, NSW State Emergency Service and NSW Police Force. Many other government and non-government agencies also supported the effort in varied ways.

This year, the magnitude and demands of the season required a highly cooperative, multi-agency as well as multi-jurisdictional approach. The season also saw one of the largest nationally coordinated interstate and international deployments of fire and emergency personnel ever to have been managed within Australia. Those arrangements included:

- More than 5,600 interstate and international firefighting, incident management and aviation personnel deployed into NSW from the Australian Capital Territory, South Australia, Victoria, Western Australia, Queensland, Northern Territory, Tasmania, New Zealand, United States of America and Canada.
- Arrangements were made with the National Resource Sharing Centre to establish an interstate/international liaison unit (ILU) in August 2019, which remained active through the season. Between September 2019 and February 2020, the ILU issued 664 interstate requests for assistance and 18 international requests for assistance.

The NSW RFS has also had long-standing, successful arrangements in place with the Australian Defence Force (ADF). Throughout the season, the NSW RFS requested the ADF to provide more assistance than in previous seasons. In total, 32 requests for assistance were made and each was accepted by the ADF, although the ADF were not directly involved in firefighting operations.

In particular, the ADF assisted with air transport for firefighting crews (with more than 1,700 firefighters transported), helicopters for aviation rescue operations, accommodation for firefighters at ADF bases and logistical support to firefighters and Incident Management Teams.

Throughout the season, the firefighting Large Air Tankers (LATs) were based at RAAF Base Richmond, where the ADF provided aircraft refuelling and airbase support. Additionally, the ADF provided assistance with bush fire recovery arrangements.

Aviation

Aside from human resources and land-based firefighting techniques, aviation played a crucial role.

For the fire season, the NSW RFS owned and operated four aircraft, which included one Light Helicopter (Squirrel), two Medium Helicopters (BK117) and for the very first time, not only in NSW but in Australia, the NSW RFS had its own permanent LAT.

The Service's new LAT, 'Marie Bashir', became operational on 4 August 2019 and was deployed to Queensland on the same day. It flew more than 455 missions and dropped 6.8 million litres of suppressant during the season.

LATs and Very Large Air Tankers (VLATs) undertook 1,708 missions and dropped more than 24 million litres of fire suppressant. There were 2,681 aircraft taskings in total (some for single tasks, some lasting multiple days or weeks) across the state during the season.

Over the season the NSW RFS engaged one VLAT and four LATs (including the NSW RFS owned LAT), which was the largest fleet ever across the country. A second VLAT was engaged late in the season as a result of Commonwealth funding made available.

In addition to the NSW RFS owned aircraft, the Service had access to 325 aircraft and 49 fuel trucks through state-based 'call when needed' and National Aerial Firefighting Centre (NAFC) arrangements. Throughout the fire season, on average 100 aircraft were operating daily across NSW firegrounds.

The NSW RFS also made the decision to charter a fixed-wing passenger aircraft over an eight-week period to facilitate personnel movement. This gave the Service greater control over firefighter movements to critical areas. It was particularly important over the holiday season when seats on commercial aircraft were limited.

Overall increased aviation capacity contributed to the success of aviation rescue operations, which resulted in the rescue of 51 people by helicopter over the course of the season. There were 255 aviation rescue deployments over the season, some with the assistance of the ADF.

Declarations

STATE OF EMERGENCY DECLARATIONS

The NSW Premier, the Hon. Gladys Berejiklian, made three State of Emergency declarations under the provisions of the *State Emergency and Rescue Management Act 1989*. Three State of Emergency declarations in one bush fire season is unprecedented and reflects the extraordinary conditions that the NSW RFS faced as the season progressed – indeed, prior to this season, there had not been a declaration associated with bush fires since October 2013. The details are as follows:

- The first declaration was issued on 11 November 2019 for seven days. It was issued ahead of predicted catastrophic fire danger for the Greater Sydney, Greater Hunter and Illawarra/Shoalhaven areas.
- The second was issued on 19 December 2019 for seven days, due to the hot and dry conditions forecast across NSW over the following week, including catastrophic fire danger for the Greater Sydney, Illawarra/Shoalhaven and Southern Ranges areas.
- The third was issued on 2 January 2020 for nine days, due to the predicted fire spread over the following week.

SECTION 44 DECLARATIONS

The NSW RFS Commissioner made 43 Section 44 declarations during the season. The first was issued in August 2019 in northern NSW and the last was revoked on 4 March 2020 in southern NSW.

TOTAL FIRE BANS

Total Fire Bans were declared on 60 days during the season, including ten days of statewide Total Fire Bans.

VOLUNTEER PROTECTION ORDERS

Over the course of the season, 11 Volunteer Protection Orders were signed by either the NSW Premier or the NSW RFS Commissioner under the *State Emergency and Rescue Management Act 1989*, to protect emergency volunteers from potential employer victimisation while engaged in emergency operations. When compared with the previous history for Volunteer Protection Orders relating to bush fire events, three were issued in 2018, three in 2017 and three in 2013, which is a further indicator of the extraordinary nature of the 2019/20 season.

Public information and warnings

Throughout the fire season, the NSW RFS communicated bush fire danger information and updates to the public through a range of channels such as the Fires Near Me app, the NSW RFS website, the Emergency Alerts telephone warning system, social media and traditional media.

The Fires Near Me app not only provided information about bush fire activity near an individual's location, but also allowed the NSW RFS to communicate with communities via targeted messages, such as information about Total Fire Bans or increased fire danger.

The Fires Near Me app was downloaded more than 2.7 million times throughout the fire season. In November alone, the app was used more than 30 million times to access fire information, with five million of those searches in one day (12 November 2019, when catastrophic fire danger occurred for Greater Sydney, Greater Hunter and Illawarra/Shoalhaven).

The NSW RFS website was another heavily utilised resource throughout the season, with more than 9,000 fire updates published. During this period, the NSW RFS website was accessed by nearly 43 million users, almost six times the level of demand of the previous year. More than 109 million page views were recorded, and on 12 November 2019 alone there were more than seven million page views.

Additionally, the NSW RFS issued an unprecedented 430 Emergency Alert campaigns over the bush fire season, involving 340,529 voice messages and more than 2.14 million text messages.

Social media also allowed the NSW RFS to reach large numbers of people. Over the bush fire season from 1 July 2019 to 31 March 2020, 2,492 NSW RFS Facebook posts reached more than 300 million unique Facebook users, while 2,351 tweets on the NSW RFS Twitter account earned more than 140 million impressions.

Prior to and throughout the season, the NSW RFS ran public advertising campaigns to emphasise the need for members of the public to have a bush fire survival plan, as well as awareness campaigns on careless and illegal fires. As the season progressed, the NSW RFS issued stronger communications on the need for individuals to make their own fire preparations and warned against relying on a fire truck attending each fire-affected property, given the spread and severity of the fires.

In response to the evolving nature of the season and the public's increasing thirst for information, the NSW RFS also developed new and innovative ways of informing the public. Perhaps most notably, this included the public release of Fire Spread Prediction Maps to pre-emptively and visually communicate the risk posed by predicted fire runs.

Twelve maps were shared on eight days throughout the season, many of which indicated potential ember attack areas. While the NSW RFS has been using Fire Spread Prediction Maps for internal and briefing purposes for many years, this was the first time they had been released to the public in this way and the map product evolved throughout the season based on the learnings of each release.

Also for the first time, the NSW RFS developed Leave Zones and Tourist Leave Zones for five areas in southern NSW on 3 January 2020 in the lead up to the expected severe fire conditions for the following day. This was another way in which practices evolved during the course of the season in response to the need to provide clear and unequivocal direction to the community – in this case, tourists holidaying on the South Coast and Far South Coast.

The demand for information put strain on systems and the NSW RFS has made a number of improvements to further strengthen these products for future fire seasons.

Preparing and protecting the community

The NSW RFS took proactive steps to be ready for a heightened 2019/20 fire season, including early pre-season briefings, early commencement of bush fire danger periods and steps to ensure additional resources would be available when needed.

Despite this, the early start to the 2019/20 season shortened other preparations – in particular hazard reduction, mitigation activities and training.

Pre-season preparation

In recognition of the likely early start to the 2019/20 fire season, regional and statewide pre-season multi-agency briefings were brought forward from August to July 2019, and an aviation pre-season briefing was held in August 2019.

Bush fire danger periods (BFDP) indicate a period of heightened risk and are typically aligned with the commencement of the bush fire season. By statute, the BFDP generally runs from 1 October to 31 March, but may be varied in local areas based on an assessment of risk by local Bush Fire Management Committees (BFMCs) on recommendation to the NSW RFS Commissioner.

In light of the prevailing drought conditions across the state and on the recommendation of the local BFMCs, the BFDP was brought forward for 21 LGAs to commence in August 2019; and to 1 September 2019 for an additional 53 LGAs.

The early commencement of BFDPs across the state brought with it a number of changes, such as the requirement for individuals to obtain a fire permit in order to light open fires in some circumstances.

In light of the prevailing and forecast conditions, districts maintained ongoing engagement with brigades to ensure appropriate levels of preparedness, in addition to various operational briefs circulated to members. The NSW RFS also undertook a review of heavy plant resources given alternate firefighting strategies would likely be required given water availability limitations.

Hazard reduction

To make greatest use of all available windows of opportunity to undertake hazard reduction burns, the NSW RFS and land management agencies conduct strategic preparatory work to ensure maximum readiness when the weather is favourable. However in 2019/20 the combination of an unusually warm and dry pre-season, and the early start to the fire season, gave rise to significant challenges in carrying out pre-season hazard reduction activities.

The pre-season conditions, particularly the prolonged drought which led to a stressed and dry environment, caused a number of difficulties for additional pre-season hazard reduction including the following:

- The early start to the season had the effect of shortening the safe weather window to conduct hazard reduction burning. As a result, there were fewer opportunities to complete hazard reduction burns during 2019 than in previous pre-season periods.
- Windy conditions in the pre-season also impacted opportunities for hazard reduction burns due to, among other things, the health impact of smoke on the community.
- Dry conditions also created their own hazard reduction challenges. With almost all of NSW in drought during the pre-season, water availability was at critical levels in some parts of the state. The unusually dry conditions also meant that when hazard reduction burns were conducted, they sometimes behaved in unexpected ways, creating further challenges for crews.

Despite the challenges listed above, from 1 July 2019 to 30 June 2020, the NSW RFS and partner agencies successfully treated more than 54,290 hectares and protected more than 110,277 properties in NSW.

Bush Fire Mitigation and Resilience Program

The Bush Fire Mitigation and Resilience Program assists public land owners/managers and rural fire brigades to carry out bush fire mitigation works throughout the state.

Over the reporting period, more than 520 bush fire mitigation projects funded through the NSW RFS were completed. This program saw an allocation of just under \$18 million across NSW for the 2019/20

financial year. Of the total allocation, approximately \$4.4 million was spent on fire trail works. A further \$1.6 million was used to support hazard reduction works, with \$2 million allocated for resilience projects that increase the bush fire protection and readiness of NSW communities.

Neighbourhood Safer Places and Community Protection Plans

The NSW RFS continued to work with communities regarding Neighbourhood Safer Places (NSPs) and Community Protection Plans (CPPs).

Throughout 2019/20, the NSW RFS increased the number of NSPs within NSW to 1,022 sites across 112 LGAs. The NSW RFS conducted inspections of all sites and facilitated works to improve the resilience of a number of these NSPs.

CPPs are also for communities at risk of bush fire across NSW. There are currently 149 CPPs that have been completed and approved by BFMCS, with a further 40 in progress.

Arson prevention

As a result of the combined efforts of NSW RFS fire investigators and the NSW Police Force, 415 fire investigations were conducted with several people apprehended for arson-related offences.

Improved information sharing between agencies was made possible by the Arson Trend Analysis System, with analysis undertaken by the NSW RFS Fire Investigation and Arson Intelligence unit.

As a consequence of greater powers to issue fines for careless ignitions by landholders, a total of 421 warning letters and penalty notices were issued for illegal fires.

Legislation introduced in 2015 that allowed for infringement notices to be issued for those who discard lit cigarettes saw 2,034 warning letters and penalty notices issued during the reporting period.

The Penalty Notice and Legal Process policies continue to be reviewed and updated to ensure arrangements remain appropriate and protect the community.

Rapid Aerial Response Teams, Remote Area Firefighting Teams and Trail Bike Units

The NSW RFS continues to expand its Remote Area Firefighting capability by training 86 additional volunteers and establishing one new district team at Clarence Valley, bringing the total number of remote area firefighters to over 700.

The 2019/20 season saw the Rapid Aerial Response Teams (RART) respond to 22 incidents, keeping 90 percent of the fires they attended contained to less than 10 hectares. The teams were on standby 27 times during the bush fire danger period.

RART also conducted aviation rescue operations over the 2019/20 fire season, being on standby 220 times and responding to 255 taskings, rescuing 51 people by helicopter. For the first time, this included NSW RFS volunteers being deployed in ADF helicopters to undertake aviation rescue operations.

The NSW RFS Trail Bike Units continue to expand with 12 new operators accredited and one additional unit established in the Cumberland District. There are eight Operational Trail Bike Units based in the Monaro, Cudgegong, Northern Tablelands, Macarthur, Hunter Valley, Blue Mountains and Cumberland Districts.

Predictive Services

The 2019/20 fire season had the highest level of activity in the history of the Predictive Services Unit. During the season, the Predictive Services Unit and Fire Behaviour Analysis (FBAn) personnel:

- provided 158 days of continuous support to Operations
- produced more than 4,529 fire behaviour predictions – ten times the yearly average
- triaged Incident Weather Forecasts on 105 days
- coordinated 201 meteorologist shifts
- supported 28 FBAns on 687 shifts in IMTs
- coordinated 85 atmospheric sounding launches (six times the number launched in the previous season), and
- coordinated the deployment of 26 Portable Automatic Weather Stations

The Unit routinely provided advice on smoke-related issues for hazard reduction burning. The significant smoke generated during the 2019/20 season saw this advice extend into the fire season, commencing with the Lindfield Park Rd fire at Port Macquarie and the many bush and grass fires that followed.

Predictive Services also developed new products such as the pyrocumulonimbus, or fire-induced thunderstorm, warnings. These warnings were released to IMTs to improve firefighter safety. In combination with the products and services routinely issued by the Unit, these warnings significantly improved fire management during the season.

During 2019/20, the Predictive Services Unit continued to build capacity by running an intermediate level training course and accrediting an additional four personnel in the Fire Behaviour Analyst competency. This increases the state capacity to 20 accredited FBAns. The unit also inducted and trained 25 interstate and six international FBAns to assist with operational activity during the season.



NSW RFS volunteer numbers increased by almost 8,500 people in 2019/20.

Public awareness

Each year the NSW RFS delivers the 'Prepare Act Survive' public awareness campaign, to educate and engage the community on fire preparation and planning.

The campaign delivered its strongest results ever, peaking at 81 percent of people having some form of plan for what to do during a fire. The results were clearly prompted by the extreme fire risk across the state, and the support of the media industry which provided more than \$4 million of additional advertising space and airtime to support community preparedness.

The Service will update its campaign for the 2020/21 season, to reflect on the events of the past year.

A key part of the initiative was improving the integration with key community engagement activities, including the annual Get Ready Weekend. More than 500 community events were held as part of Get Ready Weekend, and an additional 'Get Ready Day' was held by brigades in the period after widespread catastrophic fire danger. Some of these events were attended by many hundreds of people, highlighting the increased interest in fire preparedness due to the fire activity.

Community engagement

The NSW RFS has continued its implementation of the Strategic Directions for community engagement.

There has been a number of new initiatives developed and delivered, including the Supporting Preparedness in At-Risk Communities (SPARC) program which has been rolled out in all seven NSW RFS Areas, and the Community Field Liaison program which aims to deliver clear information to people during emergency events or planned burning activities.

The Service also officially launched its Project Firestorm schools project during the reporting period, in partnership with the Department of Education.

During the reporting period a number of community engagement events were rescheduled, including the annual Australian Community Engagement and Fire Awareness Conference, due to the fire season and COVID-19 pandemic.

Developing our capability

As a primarily rural-based organisation, the NSW RFS ensures volunteers and staff have access to equipment, training and resources to provide effective service delivery. During the reporting period, the Service continued to improve its capacity to respond effectively to incidents and activities by developing these resources.

Brigade stations and fire control centres

Infrastructure Services, in conjunction with Area Operations (formerly Regional Services), continues to refine and implement the ten-year Brigade Station and Fire Control Centre (FCC) Strategy.

In 2019/20 construction commenced on the South West Slopes FCC at Harden and construction was completed on the Chifley/Lithgow Mitigation, District Store and Support Brigade facility, complementing all works at the Chifley/Lithgow FCC.

During the reporting period, 36 new brigade stations were constructed with a further 54 receiving upgrades. These enhancements were aimed at improving the facilities available to members and included new toilets, kitchens, hard stands and solar power.

Rescue capability

The NSW RFS has one General Land Rescue unit at Mungindi and two Road Crash Rescue Units at Ellerstou and Moulamein. In the reporting period, Howes Valley Rural Fire Brigade has undertaken training and been endorsed by the State Rescue Board for pre-accreditation in road crash rescue.

The NSW RFS will continue to develop a road crash rescue capability in remote parts of NSW identified by the State Rescue Board Review, with another three brigades identified for training over the next year. The introduction of this capability will see casualties of road crash trauma receive a faster rescue response.

Improving skills

In 2019/20 the NSW RFS continued to offer its members a range of learning opportunities. This included internal qualifications that focused on developing members in areas related to operational capability. Our training is designed to support members through learning pathways which range

from foundational courses through to command and strategic level qualifications. Many of our training courses are underpinned by nationally recognised qualifications and units of competency, as the NSW RFS operates as a Registered Training Organisation (RTO).

During the reporting period, the NSW RFS prepared for the scheduled transition of courses to the updated Public Safety Training Package (PUA). This required the Service to review its learning and assessment resources and training processes to ensure compliance against the new training package for 62 courses currently on scope. The NSW RFS also continued to operate its Professional Development Committee.

Volunteer Rescue Association Partnership

The NSW RFS and the Volunteer Rescue Association (VRA) continued to work closely together during the reporting period.

A Service Agreement is in place formalising the partnership between the two agencies and supporting the governance arrangements related to this partnership. Work with the VRA is undertaken through a number of focused working groups which include Learning and Development and Membership Services, ICT Services, Operational Communications and Infrastructure Services.

Commencing in the 2019/20 period, the NSW RFS is now hosting the NSW VRA Learning and Development section at the NSW RFS Training Academy. This helps facilitate collaboration between the agencies as we prepare for the PUA transition requirements. This involves reviewing relevant training materials and making changes to our systems to support ongoing compliance across the agencies.

Building for the future

In line with the 2019/20 restructure from four Regions to seven Area Commands (see page 8 for more information), facilities were identified and secured for the Area Command structure. This included the identification of office and warehousing space, as well as design and implementation of fit-out works for the South Western Area Command facility located at Albury. Planning for the refurbishment of the Lake Macquarie FCC to home the Hunter Area Command is well advanced, and detailed site planning for the Western Area Command, located at Cowra Airport, is underway in conjunction with Cowra Council.

Another of the key projects undertaken during this period was the completion of the NSW RFS Training Academy, located at the Dubbo City Regional Airport. This facility comprises classrooms, a large auditorium, lecture theatres, indoor and outdoor training areas, a gym, catering services with commercial kitchen and three accommodation blocks which will house 97 people.

Building Services continued to support the Headquarters business units, particularly during the fire season and transition through the COVID-19 pandemic with additional cleaning and catering requirements as well as refinement of building management in line with the new facility.

Procurement and logistics

The organisational restructure of the Operations and Infrastructure directorates during 2019/20 resulted in the establishment of a Director, Procurement and Logistics and the appointment of a Manager Logistics, who, along with the existing Manager Procurement, reports to the Director. The outcome of the restructure was a greater focus and oversight of the Service's procurement practices, contractual governance and logistical functions.

As a part of this focus, in October 2019, the Procurement section implemented its new electronic procurement platform, known as Quote to Contract (Q2C). Since then, 453 suppliers have logged into the secure supplier portal and created their own records, which were seamlessly electronically validated and registered. The Procurement section has also created more than 200 new contracts and 480 procurement activities of varying value and complexity in Q2C, which provides streamlined and transparent processes.

During the fire season, the Procurement section successfully integrated our travel partner, FCM, into our emergency logistics operations and as a result booked more than 7,666 airfares and 7,896 accommodation bookings for NSW RFS members and firefighters.

Similarly, the 2019/20 bush fire season presented significant challenges for the Logistics section and Mitigation crews. Some noteworthy achievements include:

- The delivery, replenishment, re-supply, cleaning and stowing of seven base camps throughout NSW
- The deployment of more than 50 Portable Automatic Weather Stations and Weather Balloon sounding solutions
- More than 250 transport trips (totalling 130,000km) and 25,839 warehouse movements in direct support of Section 44 incidents, which included procurement of an additional 6.5 tonnes of snack packs, 5,300 tonnes of aviation retardant and more than 5,650 drums of firefighting foam.

The NSW RFS warehouse operated for extended durations for a period of 187 days during the reporting year, which included a continuous operating period of 75 days. During this time, the warehouse received 64,312 items and dispatched 141,502 items, including 14,401 pieces of Personal Protective Clothing (PPC). Despite the intense bush fire season, the Logistics team continued to maintain day-to-day activities including support of the 'Stuff Your Chopper' challenge and the operationalisation of 31 additional bush fire tankers that were required in the field.

The unprecedented demand on the Logistics team and function over the last fire season identified several core focus areas that the Logistics team will continue to work on in preparation of the coming fire season. These include organisational structure and staffing, management of fatigue and mental health and the streamlining and automation of warehousing activities.

The Procurement and Logistics team also coordinated the Emergency Logistics desk in the State Operations Centre, providing ongoing support to State Operations throughout the fire season. This included the raising and issuing of 20,190 purchase orders, totalling more than \$66 million. These purchase orders included booking of aircraft charters and flights, accommodation, establishing base camps, hiring buses and cars, catering and the ordering and processing of 5,391 purchase orders for Heavy Plant.

Improving technology

The NSW RFS ICT teams facilitated the implementation and integration of numerous applications and products during the reporting period, supporting organisational projects and priorities. The introduction of the Area Management Model necessitated a program of ICT work to deliver a number of supporting business and corporate system and data changes.

Ongoing works improved the scalability of core ICT applications and services, improving our ability to manage the extraordinary systems load resulting from the 2019/20 fire season. The increase in volume was both internal – driven by unprecedented levels of fire activity – and external, as the public need for and consumption of information was relentless.

The deployment of Office 365, including the Microsoft Teams solution and other tools to support remote working, were expedited to enable enhanced communications and business continuity through the unexpected requirement for a remote workforce during the COVID-19 pandemic.

SAP Analytics Cloud was implemented as an all-in-one cloud platform through software as a service for business intelligence and planning. Predictive analytics provided data discovery, data visualisation, planning, simulation, what-if, forecasting and many other capabilities. During the reporting period, reports were developed for the key business areas of Finance and Procurement and further work commenced to rollout Membership reporting in the 2020/21 financial year.

The NSW RFS continued construction of its new website to help volunteers and staff access key information and systems. The One NSW RFS website will replace both the current intranet and MyRFS applications with a single solution. The project is a key priority for the Service with delivery anticipated by Q1 2020.

Work on a Member Availability application progressed during 2019/20 with scoping, market testing and tendering all complete and contract negotiations in progress. This member-facing solution provides visibility of available resources for brigades during operations as well as general activities. Implementation is due in the 2020/21 financial year.

During the reporting period, work on Q2C was completed, with the system going live in October 2019.

Work on phase 2 of the Inventory Management solution was completed in June 2020. Inventory management was introduced and processes refined to better manage inventory across the Service's district and regional locations. These items are managed in accordance with the Australian Accounting Standards Board definitions. This, coupled with recent structural changes, provides a foundation for the implementation of the operational logistics capability.

Continual and progressive improvements were also delivered to our core operational systems, Incident Control Online (ICON) and GUARDIAN, to ensure they are fit-for-purpose and providing improved integration between core ICT systems and records.

Equipping our members

Fleet and equipment

During 2019/20 Engineering Services facilitated a program of locally-based servicing of the Service's 5,600 Automated External Defibrillators, with more than 4,000 units serviced during this reporting period.

A Request for Tender was released for Personal Protective Clothing (PPC) and Personal Protective Equipment (PPE) in the reporting period. It is expected that this will see the implementation of new bush fire helmets as well as a revised approach to managing respiratory hazards. Other items among these tenders include goggles, gloves, boots, clothing and other associated articles of equipment personally issued to firefighters.

To further enhance operational capability, the reporting period saw more than \$32m allocated for the construction of 114 new fire appliances as well as the targeted refurbishment of a further 69 appliances.

A new 8.5-metre fire boat powered by twin engines and capable of carrying six firefighters and two crew was designed, constructed, commissioned and achieved relevant marine survey certifications. This style of firefighting vessel enables access to water-locked locations normally not accessible by road, and has been designed to manage both smooth and open water situations. This standard design Medium Vessel will be utilised for future fire boat builds and brings our marine fleet to 24 vessels.

Engineering Services also went to tender for the supply and delivery of the range of firefighting foams and chemicals suitable for all firefighting scenarios, including aviation. These foams are required to be environmentally friendly and free of Per- and Polyfluoroalkyl substances (PFAS).

Radio communications

The NSW RFS continues to work closely with the NSW Telco Authority (Telco) on the Critical Communication Enhancement Program (CCEP). The CCEP both expands and upgrades the existing Government Radio Network (GRN), with the North Coast upgrade expected to go live in 2021. Telco intends to progressively deliver an integrated public safety radio network across NSW by 2024.

The Service is in the final stages of delivering the Radio Terminal Replacement Program, with more than 10,000 radio terminals installed in appliances and FCC locations around NSW. Supplementary to the radio program, more than 2,500 status panels were installed during the reporting year with the rollout to continue across the NSW RFS fleet.

Building upon last year's successful trial, the Automatic Vehicle Location (AVL) service has been developed and is available in NSW RFS operational systems. The next steps for this project are to work with partner agencies on sharing cross-agency AVL data to further enhance all agency response and situational awareness capability.

ICT continue to manage the fixed network of 489 radio and paging sites across NSW to ensure reliable and ongoing communications to meet operational requirements.

Cyber security

On 1 February 2019, the NSW government introduced the NSW Cyber Security Policy (CSP). In compliance with this Policy, all NSW Public Service Agencies are required to implement an Information Security Management System (ISMS) and report annually on the maturity levels against CSP mandatory requirements. NSW RFS has an ISMS, however the level of rigour mandated across the state in compliance with the CSP has significantly increased. The revised ISMS must cover the agency's critical ICT and Industrial Automation and Control Systems assets, aligned with the ISO/IEC 27001 Standard.

In 2019 a comprehensive ISMS Audit was conducted, which provided a baseline of the organisation's maturity levels. This audit highlighted a more complex and significant program of works. ICT undertook a comprehensive review of its ISMS Audit outcomes in conjunction with the Annual CSP Audit framework and the ISO27001 international standards to develop the 2019 baseline maturity levels. The remediation activities were grouped into programs of work achievable over a three-year period and a risk assessment was then conducted on the remediation activities. The activities in the high-risk area formed the focus of the first work package, due to commence in July 2020.

Library services

During the 2019/20 fire season and the ongoing COVID-19 pandemic, the NSW RFS library service,

while closed to external visitors for these periods, continued to provide services to members, other emergency services and the wider community.

Throughout the season, the library received numerous requests for information on the fires from members of the public, media outlets nationally and internationally, film companies, schools and cultural institutions across the world and international organisations such as Blue Shield and the Red Cross.

During the COVID-19 pandemic, the library established remote online access for NSW RFS staff to numerous databases and online journals and provided online literacy training to assist those working or studying remotely. It also worked with other agencies to assist those in emergency services whose own libraries were temporarily closed.

The library, receiving almost 3,300 queries during the year, assisted our own members with providing references for an extensive range of research subjects. The library lent out nearly 700 books and provided more than 800 journal articles. Our eBook usage doubled while our online magazines were read by members more than 1,000 times.

Our members

Our members (volunteer and salaried staff) work together to deliver community-based fire and emergency services across NSW. Our volunteer numbers have increased from previous years due to almost 8,500 people stepping forward to become new volunteer members of the NSW RFS, largely in response to the unprecedented bush fire emergency of 2019/20.

Youth participation in the NSW RFS

In 2019/20 the NSW RFS continued to focus on engagement with young people through a range of youth development programs and initiatives, despite the significant challenges of the fire season and COVID-19 restrictions.

SECONDARY SCHOOL CADET PROGRAM

The Secondary School Cadet Program is one of the Service's longest-running and most successful youth programs, in which local brigades partner with schools to deliver practical skills and an appreciation of emergency service volunteering through a structured training program. In 2019/20, COVID-19 caused cancellation of a number of programs, with no programs being delivered in school terms one and two of 2020. During the year, 28 programs were delivered across NSW to a total of 420 students.

YOUTH AWARDS AND RECOGNITION

Although the annual Young People in Emergency Services Awards ceremony was cancelled due to COVID-19, the NSW RFS Cadet of the Year and Young Volunteer of the Year awards were presented locally and the winners publicly recognised online and through social media.



In 2019/20, the NSW RFS accepted 2,600 new female volunteer members, the highest intake on record.

Awards were presented to:

- **Cadet of the Year:** Ms Zara El-Khodr from Kingswood High School in the Cumberland District
- **Young Volunteer of the Year (16-25 years):** Mr Douglas Simpson from Belrose Brigade in the Northern Beaches District
- **Young Volunteer of the Year (12-15 years):** Ms Neve Rapsey from Berowra Waters Brigade in the Hornsby/Ku-ring-gai District

NSW RFS YOUNG LEADER SCHOLARSHIP

The Young Leader Scholarship recognises and develops the leadership and communication skills of our emerging young leaders through participation in an 11-day voyage aboard the STS Young Endeavour sailing ship. The winners of the 2020 NSW RFS Young Leader Scholarship were Shauna Cassidy of Narrabri Brigade in the Namoi/Gwydir District and Alex Schofield of Kundabung Brigade in the Lower North Coast District. Shauna and Alex will embark on their journey once Young Endeavour voyages resume.

NSW RFS YOUNG MEMBERS GROUP

The Young Members Group (YMG) was established in 2010 as an advisory group for young members of the NSW RFS. The YMG is made up of ten members aged between 18 and 25 years. The Group plays an important role in the Service's consultative process and has provided valuable input on a broad range of policies and issues from a youth perspective. In March 2020 a new intake of young members commenced their two-year term in the YMG.

Volunteer surveys

Entry and Exit Surveys continued to be distributed to volunteers who joined or left brigades in the reporting period, to gain a better understanding of how the NSW RFS could attract and retain volunteer members more effectively. In 2019/20, 772 new member surveys and 117 exit surveys were submitted. The NSW RFS has commissioned researchers from the University of Western Australia to undertake a comprehensive analysis of the survey data collected over three years and report annually on implications and recommendations. In October 2019 the second of the three reports was delivered, with the final report due in 2020.

Supportive Employers Program

The NSW RFS Supportive Employers Program recognises businesses who grant volunteers leave

to attend emergency incidents during work hours without financial disadvantage, and who also implement measures such as specialised leave or who promote volunteering achievements.

This year, 71 organisations were nominated to receive recognition as employers that support volunteers, the highest number of nominations since the program was introduced.

Workforce diversity and inclusion

The NSW RFS seeks to increase the diversity of both our staff and volunteer workforce through inclusive and flexible membership practices. The Service has implemented or progressed several workforce diversity initiatives in 2019/20, including:

MARDI GRAS

March 2020 marked 12 years of NSW RFS participation in the Sydney Gay and Lesbian Mardi Gras Parade. A contingent of members marched in the Parade to promote the NSW RFS as an organisation that accepts people from all walks of life and to support, encourage and celebrate diversity within our membership.

MALE CHAMPIONS OF CHANGE - FIRE AND EMERGENCY SERVICES

The Fire and Emergency Male Champions of Change group was established in April 2017 with support from the Australasian Fire and Emergency Services Authorities Council (AFAC). During the year Commissioner Rob Rogers succeeded previous Commissioner Shane Fitzsimmons as the NSW RFS Male Champion of Change, demonstrating a commitment to gender equality in the NSW RFS.

During 2019/20, the NSW RFS contributed to the NSW public sector project to develop a gender pay gap analysis of senior executive roles, and members of the senior leadership team conducted virtual 'listen and learn' sessions with female representatives of staff and volunteer members.

In 2019/20 NSW RFS accepted 2,600 new female volunteer members, the highest intake of female volunteers on record.

MULTICULTURAL POLICIES AND SERVICES PROGRAM (MPSP)

Since 2012 the NSW RFS has offered all new volunteer members the option to complete a personal diversity profile during the application process, including ethnic background, languages spoken and disability status.

Reporting in June 2020 indicates that the majority (more than 96 percent) of new members take the opportunity to complete the diversity profile, and the percentage of members who now have a diversity profile in their membership record has reached 33 percent.

A comprehensive workforce profile report which includes staff and volunteer diversity data is collated annually for the Executive and relevant members.

INCREASE IN DIVERSITY PROFILE REPORTING FROM 2019 TO 2020

	2019	2020
Total members (staff and volunteer)	72,170	76,741
Percentage of all members with a diversity profile	28%	33%
Total respondents to diversity survey	17,557	24,112
Response rate	95.7%	96.5%
Member is from a racial, ethnic or ethno-religious minority*	7.33%	8.02%
Member speaks language other than English at home*	2.00%	2.19%

* Categories matched to Public Service Commission Workforce Profile data collection

For 2019/20, the MPSP themes were:

1. Response to COVID-19 - NSW RFS members have continued to provide protection to the community from fires and other emergencies throughout the pandemic.
2. Increase the proportion of women from culturally and linguistically diverse (CALD) backgrounds in leadership positions - at 30 June 2020, 14 percent of women in leadership roles (NSW RFS Level 10/11 and above) identified themselves as being of CALD background.

Outcomes achieved in 2019/20 include:

- The need for timely and accurate public information and warnings reached unprecedented levels during the 2019/20 bush fire emergency. NSW RFS used translation services and existing community connections to reach at-risk communities with language difficulties.
- While some promotion and engagement activities were hampered by the bush fire season and COVID-19 restrictions in 2019/20, promotion of cultural diversity continued through the existing channels of social media, the intranet, the public website and publications.

- Continued participation in the Refugee Employment Champions network.

Strategies and activities planned for 2020/21 include:

- With assistance from Multicultural NSW, develop a multicultural community liaison officer role as part of a targeted engagement strategy for at-risk communities.
- Further support tools and guidance for local workforce planning to enable districts and brigades to understand the cultural diversity of their communities and develop volunteer recruitment strategies to support diversity.

DISABILITY PLAN

The NSW RFS Disability Plan supports the overall vision and objectives of the NSW Disability Inclusion Plan to address barriers within government departments and local communities for people with a disability. The actions within the Plan focus on the programs, policies and service standards associated with employment and participation, and service delivery for people with a disability.

In 2019/20, the NSW RFS continued to roll out the Person-Centred Emergency Preparedness toolkit, designed to increase the resilience of people with disability to disaster and natural hazard emergencies.

ABORIGINAL SERVICES

The two indigenous mitigation crews established in Bourke and Brewarrina during 2019 continued to work with aboriginal communities across western NSW, and also participated in NAIDOC Week.

Throughout the year, the NSW RFS also continued to support the growth of cultural fire knowledge through collaborations with Firesticks and provision of firefighter training and mentorship. The Service appointed an Aboriginal Programs Coordinator in May 2020 to lead projects, programs and other initiatives which promote and improve partnerships between the NSW RFS and Aboriginal communities across NSW.

Industrial relations policies and practices

In 2017, the Public Service Association of New South Wales (PSA) filed an application in the NSW Industrial Relations Commission (IRC) to vary the *Crown Employees (Rural Fire Service) Award* (RFS Award). Following this, the NSW RFS invited the PSA to enter into discussions outside of the IRC arbitration process, to which the PSA agreed. Regular report-backs inform the IRC of progress.

During the 2019/20 reporting period, the NSW RFS undertook cost and scenario modelling of principles discussed between the parties to establish potential options in accordance with the NSW Public Sector Wages Policy. Ongoing discussions continue with the objective of establishing a viable option for consideration by the NSW Government Wages Policy Taskforce and extended consultation with NSW RFS staff members.

The RFS Award also underwent a review in accordance with section 19 of the *Industrial Relations Act 1996*. The changes were of an administrative nature, and also involved incorporation of provisions specified in the *Crown Employees (Rural Fire Service Major Incident Condition 2011) Interim Award*. The revised RFS Award was made and the *Crown Employees (Rural Fire Service Major Incident Condition 2011) Interim Award* was rescinded by the IRC on 29 August 2019.

Statement setting out WHS performance

Further development of the NSW RFS Health and Safety Management System and implementation of key programs and initiatives for members occurred during the reporting period.

The following Your Health Matters (YHM) program activities were completed:

- Member virtual health check sessions were conducted on 16 days post fire season, which included the addition of a mental wellbeing check to measure non-specific psychological distress levels.
- Release of quarterly YHM packs to members with health promotion posters and injury prevention smart cards.
- A health challenge was conducted for members with a focus on nutrition, exercise, sleep and training.
- In response to the COVID-19 pandemic, fact sheets, webinars and live wellbeing sessions were uploaded to the NSW RFS Connect webpage concentrating on mental wellbeing, physical wellbeing, supporting children and families and working remotely.

During the reporting period, more than 3,300 members received care and assistance from Mental Wellbeing Support Services. The enhanced Member Assistance Program was also made available to all

members (volunteers and staff) and their immediate families throughout the 2019/20 fire season and ongoing.

As part of the recovery strategy post fire season, brigade Captain After Action Review Forums were conducted with psychosocial support given to members. During the COVID-19 pandemic, this transitioned to a psychoeducational component distributed to districts and brigade Captains. All District Managers and brigade Captains (where there was higher frequency of fire activity) were contacted by Peer Support Officers, Chaplains and Family Support workers, and were offered higher level mental health care provided by psychologists.

Following the completion and findings of the Beyond Blue National Police and Emergency Services Survey, the NSW RFS participated in the transition to knowledge phase in order to review against the existing NSW RFS Mental Health Plan and Framework. The reporting period also saw the establishment of the NSW RFS Work Health and Safety Committee, with the first meeting held in May 2020.

Service Standard 7.1.6 *Health and Safety Management System* was finalised after a 12-month review period, and the new Service Standard 7.1.3 *Workers Compensation for NSW RFS Volunteers* was released to members.

Detailed monitoring, investigation and analysis of WHS incidents was completed to inform future WHS programs and initiatives. Reported injuries and registered workers compensation claims are detailed in Appendix 3.6.

Bushfire and Natural Hazards Cooperative Research Centre

During 2019/20 the NSW RFS continued its partnership with the Bushfire and Natural Hazards Cooperative Research Centre (BNHCRC), contributing to, and participating in, the national research agenda.

This partnership focused on three research areas:

- bush fire and natural hazard risks
- resilient people, infrastructure and institutions
- economics, policy and decision making

The NSW RFS was represented and presented at a series of research advisory forums (RAFTs) focused on the utilisation of research conducted in partnership with the BNHCRC. The 2019/20 RAFTs covered the following themes:

- Fire predictive services – understanding and measuring the risk and behaviour of fires across the landscape
- Thought leadership – economics, policy and planning
- Improving outcomes for people – communications, community engagements and recovery
- Extreme weather – predicting, modelling and managing its impacts

The NSW RFS continues to be well represented in BNHCRC research activities including projects relating to community preparedness, development of bush fire education kits, alerts and warnings and fire danger ratings.

During the reporting year, the NSW RFS commissioned the BNHCRC to conduct research to gather an understanding of community attitudes and perceptions in relation to the bush fires that occurred throughout NSW during the 2019/20 fire season. The findings of this research will assist the NSW RFS to understand the suitability and effectiveness of its communications, and inform the future development of emergency management responses, community education and public safety initiatives.

Australasian Fire and Emergency Services Authorities Council

The NSW RFS is an active member of the Australasian Fire and Emergency Services Authorities Council (AFAC), the peak body for public sector fire, land management and emergency service organisations in Australia and New Zealand. This partnership is represented at the highest level, with NSW RFS Commissioner Shane Fitzsimmons a member of the AFAC Council and Board from October 2016 until his resignation from the NSW RFS in April 2020. Commissioner Rob Rogers will continue this representation on behalf of the NSW RFS.

The Service is represented on 28 of AFAC's 33 collaborative groups, with this representation occurring at a senior level. As part of these groups, the NSW RFS benefits from multi-agency collaboration on shared initiatives and challenges across the emergency services sector. Examples include the development of the community engagement and disaster risk reduction doctrine, a nationally consistent warnings and public information framework and the Australian Fire Danger Ratings System.

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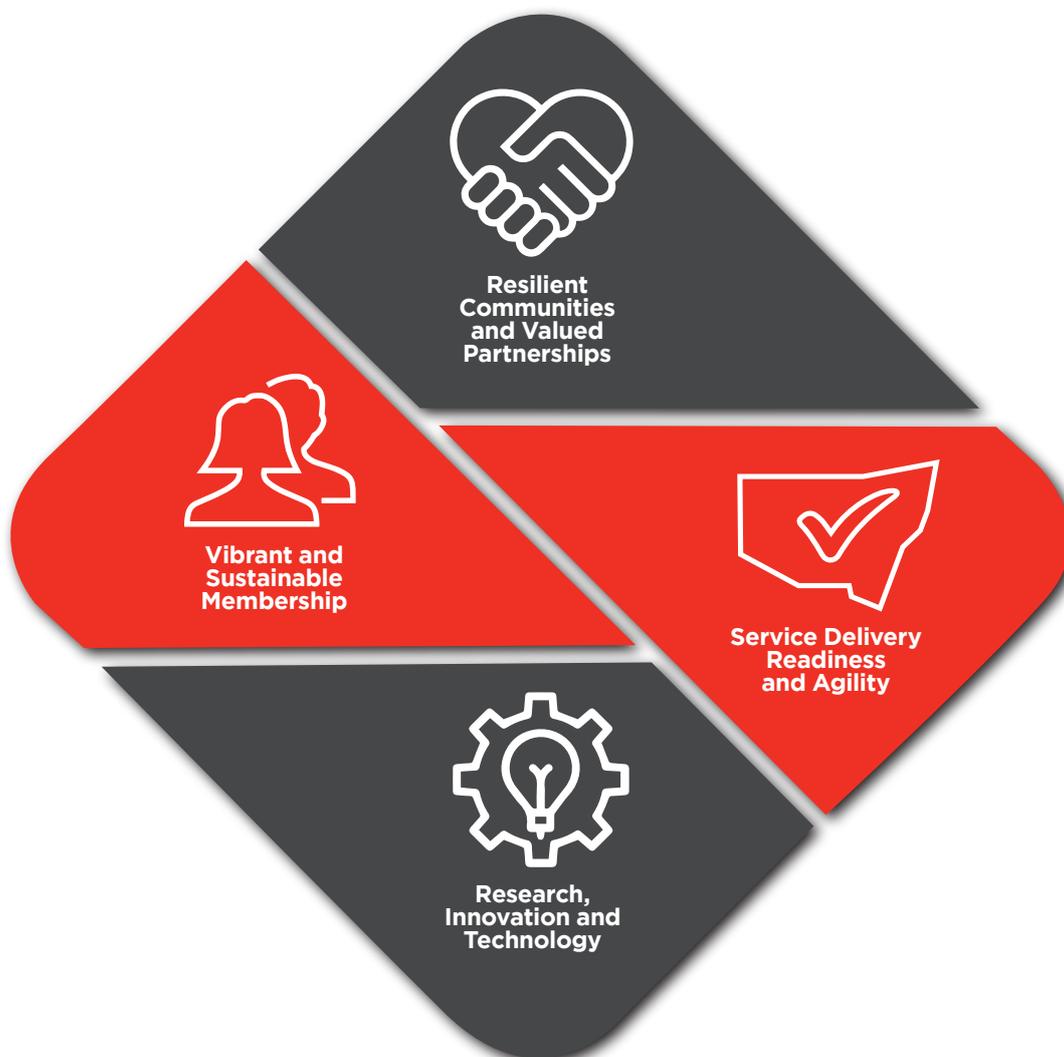
STRATEGIC DIRECTION 2019-2024

Our Plan

Developed after extensive consultation, collaboration and feedback from NSW RFS leaders and other stakeholders, the NSW RFS Strategic Direction 2019-2024—more fittingly named ‘Our Plan’—was launched in September 2019.

Our Plan provides a clear direction for the NSW RFS, enabling us to achieve our vision: “to provide a world standard of excellence in the provision of a volunteer-based community fire and emergency service.”

Our Plan includes four key pillars that will guide us to get our capability right.



Our priorities

In May 2020, Commissioner Rogers announced nine immediate priorities for the NSW RFS for the next 12 months. These priorities are aligned with the four pillars of Our Plan and focus on the things that will make a real difference to NSW RFS members – allowing them to operate safely and effectively, connect with each other and work together to best serve the community.

Following the announcement of the nine priorities in May 2020, work commenced on each of the priorities during the reporting period and is outlined on the following pages.



Personal Protective Equipment - head protection



Personal Protective Equipment - respiratory protection



Member availability and response system



Mobile Data Terminals for firefighting vehicles



Integrated dispatch system



Design of fire appliances



One NSW RFS member website



Electronic membership application system



Farm fire unit integration



Personal Protective Equipment - head protection and respiratory protection

Safety of our members is paramount and we understand that, when it comes to firefighting, personal protective equipment is not only imperative – it’s personal. We have heard from our volunteers that it is time to reconsider head and respiratory PPE provided by the NSW RFS for use during firefighting, and we agree. We will determine and make available the most suitable face masks, goggles and flash hoods to volunteers.

How will we know we’ve succeeded?

Head and respiratory PPE provided to NSW RFS members will be: evidence-based; fit-for-purpose; member supported.

Progress:

The Service released a Request for Tender from vendors who are able to supply head protection equipment (including helmets, goggles and flash hoods). The tender has closed and the Service is in the final stages of evaluation. Selection of a vendor to provide helmets is expected in the second half of 2020. The Service also engaged an Occupational Hygienist to conduct a review of existing research, including consideration for what equipment is used by other fire and emergency services across the country. A survey of more than 2,000 members was also conducted to gather experiences of the recent fire season and further inform respiratory protection considerations.



Member availability and response system

Our shared purpose is to protect the community and our environment by minimising the impact of fire and other emergencies. To achieve this, operational response through effective support systems is vital. With more than 70,000 members and nearly 2,000 brigades, we know that a common system for members to signal their availability to attend an incident, be called upon to attend an incident and accept the call to attend would be of great benefit. We will ensure that members have access to a standard availability and response system (where mobile phone coverage exists) that assists with seamless response to emergencies.

How will we know we’ve succeeded?

A member availability and response system that is: standard and accessible by all members (mobile phone app to support the paging system); live

and dynamic – giving timely information on the availability and response of members to incidents; easy to use for rapid response; member supported.

Progress:

The Service is finalising procurement with a preferred vendor. Once finalised, full timelines for implementation will be developed with the vendor.



Mobile Data Terminals for firefighting vehicles

Mobile Data Terminals (MDTs) in firefighting vehicles will be implemented to support members in operational response. Members will be able to jump in a vehicle and use a mounted MDT device to display the job they are attending, and they will have access to road and routing information. Information from the member availability and response system will show members allocated to attend, and job information in the system will automatically populate for completion of brigade incident reporting (BIRS).

How will we know we’ve succeeded?

Pilot MDTs in NSW RFS firefighting vehicles, establish a rollout plan to the rest of the fleet and provide MDTs that: are live and dynamic – linking information on calls, people, routing and in-field fire reporting; are easy to use for rapid response; reduce administrative burden on brigades; improve capture of member attendance at fires; are member supported.

Progress:

The Service has reviewed a number of solutions and is working to finalise requirements. A stakeholder group will be engaged to inform these requirements. A small number of trial units will be rolled out in the next financial year to test connectivity.



Integrated dispatch system

We operate in a multi-agency emergency response environment in NSW, involving coordinated dispatch. Currently there are multiple dispatch systems across fire and emergency services agencies, and within the NSW RFS we store information across multiple systems to dispatch crews to emergencies. There is a real and pressing opportunity to integrate these systems for more simplified and transparent dispatch and reporting. We will implement a dispatch system that integrates with other fire agency systems and pushes data across to our internal support systems (ICON, MDTs, BIRS).

How will we know we've succeeded?

Implementation of a dispatch system which: provides seamless and automated interoperability between agencies, in particular Fire and Rescue NSW; consolidates multiple internal dispatch systems for automated information flow; provides system efficiencies able to bring more districts onto centralised dispatch; is fit-for-purpose.

Progress:

This project is currently in the planning stage, to help establish a way forward on how to integrate the dispatch system with other key systems, such as the availability app and Mobile Data Terminals.



Design of fire appliances

Given the unprecedented circumstances of last fire season, in particular the tragic loss of our members and the number of vehicles badly damaged, we need to ensure the design of our fire appliances is fit-for-purpose for the future. In particular, we need to consider cabin ability to withstand tree strikes, high pressure low volume pumps, tanker protection systems and the viability and feasibility of lighter material.

How will we know we've succeeded?

Fire appliance redesign that is: evidence-based; fit-for-purpose; member supported.

Progress:

The NSW RFS met with the University of Wollongong to commence this work, including identification of potential solutions for Falling Object Protection Systems. Members will be engaged on this project as it progresses.



One NSW RFS member website

Now more than ever, it is apparent that timely access to information and new ways of staying connected are needed. We recognise that our members want access to relevant and up-to-date information to support them to deliver the best service to the community. We will deliver a NSW RFS member website that does just that – supports our members.

How will we know we've succeeded?

Member website that is: accessible and easy to navigate; relevant, up-to-date and informative; member supported (accessed and favoured).

Progress:

The website platform has been developed, with the replacement for the existing staff intranet to be rolled

out initially in Q1 2020. This will allow the site to be tested and refined before a full launch to volunteers in late 2020.



Electronic membership application system

At the heart of our Service are our members – and the first experience many of our volunteers have with us is when they look to join a brigade. We know we need a better solution to support new members to become volunteers with us and existing members to change their membership status (i.e. transfer, dual) – and which helps brigades, districts and the Service manage volunteer applications in a timely and effective manner.

How will we know we've succeeded?

eMembership application system that: provides a positive volunteer experience; streamlines the application process; allows for more timely decision making; gives better insights into applications for the brigade, the district and the Service.

Progress:

Online workshops were held with volunteer members, brigade officers and district officers to determine product requirements for new member joins and membership changes, such as transfer and dual membership. The Service is looking at a technology solution that will allow members to access the site on a range of devices.



Farm fire unit integration

Farmers are a critical part of the firefighting effort, and an important partner in managing and responding to the threat of fire across our landscape. We will work together to ensure farming communities are well prepared and will strengthen response communication with farm fire units to prioritise and protect important agricultural assets.

How will we know we've succeeded?

Strengthened farm fire unit integration with: good take-up of the Farm Fire Plan; shared understanding of response capabilities and priorities of farmers and farm fire units; shared in-field communication devices which better direct operational response efforts.

Progress:

The Service has met with the NSW Farmers' Association to discuss the joint development and implementation of this priority. Guidelines are to be jointly developed for use by farmers and NSW RFS members for preparation and response activities.

Outcomes

- ✓ Strong member engagement and sense of belonging
- ✓ Demonstrable commitment by all to a safe, respectful and inclusive workplace
- ✓ Depth of leadership talent and high confidence in leadership
- ✓ Membership capacity and capability aligned to Service needs
- ✓ Diverse membership reflective of the communities we serve
- ✓ Increasing levels of community resilience across key demographics and locations
- ✓ Increased collaboration and cooperation with the community and allied partners
- ✓ Strong corporate reputation and community confidence in service delivery
- ✓ Robust operational readiness and continuous improvement in operational performance
- ✓ Right number of resources, with the right capabilities, at the right times, at the right places
- ✓ Agile service delivery responsive to changing external influences
- ✓ Alignment of technologies to current and future services
- ✓ Technology enables better field-based capability and dynamic information and communication
- ✓ Technology enables more efficient and effective business practices
- ✓ Continuous improvement from applied research, science and business intelligence



5

ANNUAL FINANCIAL
STATEMENTS 2019/20

Photo: Green Wattle Creek fire 2019
By Sharon Quandt

ANNUAL FINANCIAL STATEMENTS 2019/20

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Previously, the NSW RFS Annual Report had included the audited financial statements of the Bush Fire Co-ordinating Committee. For the 2019/20 financial year, under the *COVID-19 Legislation Amendment (Emergency Measures - Treasurer) Act 2020*, the *Public Finance and Audit Regulation 2015* was amended to exempt certain departments and statutory bodies from *Public Finance and Audit Act 1983* financial reporting requirements. Under this amendment, the Bush Fire Co-ordinating Committee was granted an exemption for 2019/20 financial year.

As such, financial statements for 2019/20 for the Bush Fire Co-ordinating Committee are not presented in this year's Annual Report.



INDEPENDENT AUDITOR'S REPORT

New South Wales Rural Fire Service

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the New South Wales Rural Fire Service (the Service), which comprise the Statement of comprehensive income for the year ended 30 June 2020, the Statement of financial position as at 30 June 2020, the Statement of changes in equity and the Statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Service as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Service in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

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

Other Information

The Service's annual report for the year ended 30 June 2020 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Commissioner of the Service is responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprises the Statement by the Commissioner.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Commissioner's Responsibilities for the Financial Statements

The Commissioner is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Commissioner determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Commissioner is responsible for assessing the Service's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Service carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Lawrissa Chan
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

22 September 2020
SYDNEY



NSW RURAL FIRE SERVICE

NSW RURAL FIRE SERVICE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Statement by the Commissioner

Pursuant to section 45F of the *Public Finance and Audit Act 1983* I state that:

- (a) The accompanying financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the Financial Reporting Code for NSW General Government Sector Entities, the applicable clauses of the *Public Finance and Audit Regulation 2015* and the Treasurer's Directions;
- (b) The financial statements exhibit a true and fair view of the financial position and financial performance of the Service for the year ended 30 June 2020; and
- (c) At the date of this statement there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

Rob Rogers AFSM
Commissioner

22 September 2020

This page is unaudited

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Statement of comprehensive income for the year ended 30 June 2020

	Notes	Actual 2020 \$'000	Budget 2020 \$'000	Actual 2019 \$'000
Expenses excluding losses				
Employee related expenses	2(a)	121,695	127,713	123,466
Operating expenses	2(b)	84,693	105,987	79,812
Depreciation and amortisation	2(c)	19,075	21,013	11,081
Grants and subsidies	2(d)	588,569	243,192	200,749
Finance costs	2(e)	1,273	3,552	-
Other expenses	2(f)	54,229	22,849	137,642
Total Expenses excluding losses		869,534	524,306	552,750
Revenue				
Sale of goods and services	3(b)	2,379	652	108
Sale of goods and services from contracts with customers	3(b)	28,649	-	-
Investment revenue	3(c)	1,048	755	2,768
Grants and contributions	3(d)	929,705	458,227	490,896
Acceptance by the Crown Entity of employee benefits	3(e)	459	759	566
Other income	3(f)	26,011	14,879	26,010
Total Revenue		988,251	475,272	520,348
Operating Result		118,717	(49,034)	(32,402)
Gain / (loss) on disposal	4	857	-	327
Net Result		119,574	(49,034)	(32,075)
Other comprehensive income				
<i>Items that will not be reclassified to net result in subsequent periods</i>				
Fair value gain / (loss) on hedging instruments	5	(647)	-	643
Total other comprehensive income		(647)	-	643
TOTAL COMPREHENSIVE INCOME		118,927	(49,034)	(31,432)

The accompanying notes form part of these financial statements.

NSW RURAL FIRE SERVICE

Statement of financial position as at 30 June 2020

	Notes	Actual 2020 \$'000	Budget 2020 \$'000	Actual 2019 \$'000
ASSETS				
Current Assets				
Cash and cash equivalents	6	98,666	48,911	92,544
Receivables	7	98,283	27,460	54,888
Contract assets	8	906	-	-
Inventories	9	63,545	13,913	21,260
Total Current Assets		261,400	90,284	168,692
Non-Current Assets				
Property, plant and equipment	10			
- Land and buildings		20,630	19,756	20,345
- Plant and equipment		61,990	63,876	37,198
- Infrastructure systems		7,130	10,275	4,672
Total property, plant and equipment		89,750	93,907	62,215
Right-of-use assets	11	48,411	95,429	-
Intangible assets	12	9,894	2,914	9,590
Total Non-Current Assets		148,055	192,250	71,805
Total Assets		409,455	282,534	240,497
LIABILITIES				
Current Liabilities				
Payables	15	41,209	26,987	48,028
Borrowings	16	5,337	2,839	-
Provisions	17	43,023	43,093	40,151
Other	18	-	-	75
Total Current Liabilities		89,569	72,919	88,254
Non-Current Liabilities				
Borrowings	16	45,990	95,975	-
Provisions	17	4,198	1,240	1,441
Other	18	-	-	31
Total Non-Current Liabilities		50,188	97,215	1,472
Total Liabilities		139,757	170,134	89,726
Net Assets		269,698	112,400	150,771
EQUITY				
Cash flow hedge reserve	5	(4)	-	643
Accumulated funds		269,702	112,400	150,128
Total Equity		269,698	112,400	150,771

The accompanying notes form part of these financial statements.

NSW RURAL FIRE SERVICE

Statement of changes in equity for the year ended 30 June 2020

	Notes	Cash Flow Hedge Reserve \$'000	Accumulated Funds \$'000	Total \$'000
Balance at 1 July 2019		643	150,128	150,771
Net result for the year		-	119,574	119,574
Other comprehensive income for the year				
Fair value gain / (loss) on hedging instruments	5	(647)	-	(647)
Total comprehensive income for the year		(647)	119,574	118,927
Balance at 30 June 2020		(4)	269,702	269,698
Balance at 1 July 2018		-	199,937	199,937
Correction of errors		-	(17,734)	(17,734)
Restated balance at 1 July 2018		-	182,203	182,203
Net result for the year		-	(32,075)	(32,075)
Other comprehensive income for the year				
Fair value gain / (loss) on hedging instruments	5	643	-	643
Total comprehensive income for the year		643	(32,075)	(31,432)
Balance at 30 June 2019		643	150,128	150,771

The accompanying notes form part of these financial statements.

NSW RURAL FIRE SERVICE

Statement of cash flows for the year ended 30 June 2020

	Notes	Actual 2020 \$'000	Budget 2020 \$'000	Actual 2019 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(117,877)	(124,491)	(121,223)
Grants and subsidies		(588,569)	(243,192)	(200,749)
Finance costs		(1,201)	(3,552)	-
Suppliers for goods and services		(285,384)	(140,831)	(263,150)
Total Payments		(993,031)	(512,066)	(585,122)
Receipts				
Sale of goods and services		31,028	652	108
Interest received		1,048	755	2,768
Grants and contributions		872,470	458,227	506,528
GST receipts		109,929	-	29,303
Other		27,418	21,322	16,044
Total Receipts		1,041,893	480,956	554,751
NET CASH FLOWS FROM OPERATING ACTIVITIES	24	48,862	(31,110)	(30,371)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of plant and equipment		2,103	2,000	1,634
Purchases of plant and equipment		(39,674)	(16,419)	(41,914)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(37,571)	(14,419)	(40,280)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of principal portion of lease liabilities		(5,169)	(2,631)	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		(5,169)	(2,631)	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		6,122	(48,160)	(70,651)
Opening cash and cash equivalents		92,544	97,071	163,195
CLOSING CASH AND CASH EQUIVALENTS	6	98,666	48,911	92,544

The accompanying notes form part of these financial statements.

1. Summary of Significant Accounting Policies

(a) Reporting Entity

The NSW Rural Fire Service (the Service) is a NSW government entity and is controlled by the State of New South Wales, which is the ultimate parent. The Service is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

The NSW Rural Fire Service is a reporting entity and has no controlled entities.

These financial statements for the period 30 June 2020 have been authorised for issue by the Commissioner on 22 September 2020.

(b) Basis of Preparation

The Service's financial statements are general purpose financial statements which have been prepared on a going concern basis, an accruals basis and in accordance with:

- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
- the requirements of the *Public Finance and Audit Act 1983* (the Act) and *Public Finance and Audit Regulation 2015*; and
- Treasurer's Directions issued under the Act.

Property, Plant and equipment and certain financial assets are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the Service's presentation and functional currency.

(c) Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that:

- the amount of GST incurred by the Service as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

(e) Foreign Currency Translation

Transactions in foreign currencies are recorded using the spot rate at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the end of the reporting date.

Differences arising on settlement or translation of monetary items are recognised in net result except for exchange differences on transactions related to hedging of foreign currency risks. Refer to Note 5.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (ie translation differences on items whose fair value gain or loss is recognised in other comprehensive income or net results are also recognised in other comprehensive income or net results, respectively).

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

(f) Comparative Information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

(g) Changes in Accounting Policy, including New or Revised Australian Accounting Standards

(i) Effective for the first time in 2019-20

The Service applied AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-Profit Entities*, and AASB 16 *Leases* for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in 2019-20, but do not have an impact on the financial statements of the Service.

AASB 15 Revenue from Contracts with Customers

AASB 15 supersedes AASB 111 *Construction Contracts*, AASB 118 *Revenue* and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. AASB 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which the Service expects to be entitled in exchange for transferring goods or services to a customer.

AASB 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires relevant disclosures.

In accordance with the transition provisions in AASB 15, the Service has adopted AASB 15 retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application, i.e. 1 July 2019. The Service has used the transitional practical expedient permitted by the standard to reflect the aggregate effect of all of the modifications that occur before 1 July 2018 when:

- identifying the satisfied and unsatisfied performance obligations
- determining the transaction price
- allocating the transaction price to the satisfied and unsatisfied performance obligations.

The impact of applying the above practical expedients is not expected to significantly affect the financial statements.

The adoption of AASB 15 did not have an impact on Other Comprehensive Income and the Statement of Cash Flows for the financial year.

AASB 1058 Income of Not-for-Profit Entities

AASB 1058 replaces most of the existing requirements in AASB 1004 *Contributions*. The scope of AASB 1004 is now limited mainly to contributions by owners (including parliamentary appropriations that satisfy the definition of a contribution by owners), administrative arrangements and liabilities of government departments assumed by other entities.

AASB 1058 applies to income with a donation component, i.e. transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not-for-profit Service to further its objectives; and volunteer services. AASB 1058 adopts a residual approach, meaning that entities first apply other applicable Australian Accounting Standards (e.g. AASB 1004, AASB 15, AASB 16, AASB 9, AASB 137) to a transaction before recognising income.

Not-for-profit entities need to determine whether a transaction is/contains a donation (accounted for under AASB 1058) or a contract with a customer (accounted for under AASB 15).

AASB 1058 requires recognition of receipt of an asset, after the recognition of any related amounts in accordance with other Australian Accounting Standards, as income:

- when the obligations under the transfer is satisfied, for transfers to enable the Service to acquire or construct a recognisable non-financial asset that will be controlled by the Service.
- immediately, for all other income within the scope of AASB 1058.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

In accordance with the transition provisions in AASB 1058, the Service has adopted AASB 1058 retrospectively with the cumulative effect of initially applying the standard at the date of initial application, i.e. 1 July 2019.

The adoption of AASB 1058 did not have an impact on Other Comprehensive Income and the Statement of Cash Flows for the financial year.

AASB 16 Leases

AASB 16 supersedes AASB 117 *Leases*, Interpretation 4 *Determining whether an Arrangement contains a Lease*, Interpretation 115 *Operating Leases – Incentives* and Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessee accounting

AASB 16 requires the Service to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under AASB 117. As the lessee, the Service recognises a lease liability and right-of-use asset at the inception of the lease. The lease liability is measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease, or the lessee's incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined. The corresponding right-of-use asset is measured at the value of the lease liability adjusted for lease payments before inception, lease incentives, initial direct costs and estimates of costs for dismantling and removing the asset or restoring the site on which it is located.

The Service has adopted the partial retrospective option in AASB 16, where the cumulative effect of initially applying AASB 16 is recognised on 1 July 2019 and the comparatives for the year ended 30 June 2019 are not restated.

In relation to leases that had previously been classified as 'operating leases' under AASB 117, a lease liability is recognised at 1 July 2019 at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 July 2019 was 2.41%.

The corresponding right-of-use asset is initially recorded on transition at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 30 June 2019. The exception is right-of-use assets that are subject to accelerated depreciation. These assets are measured at their fair value at 1 July 2019.

The Service elected to use the practical expedient to expense lease payments for lease contracts that, at their commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is valued at \$10,000 or under when new (low-value assets).

In applying AASB 16 for the first time, the Service has used the following practical expedients permitted by the standard:

- not reassess whether a contract is, or contains, a lease at 1 July 2019, for those contracts previously assessed under AASB 117 and Interpretation 4.
- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on its previous assessment on whether leases are onerous immediately before the date of initial application as an alternative to performing an impairment review
- not recognise a lease liability and right-of-use-asset for short-term leases that end within 12 months of the date of initial application
- excluding the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- using hindsight in determining the lease term where the contract contained options to extend or terminate the lease

The effect of adoption AASB 16 as at 1 July 2019 (increase/ (decrease) is, as follows:

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

	\$'000
Assets	
Right-of-use assets	53,283
Total assets	53,283
Liabilities	
Borrowings	53,283
Total liabilities	53,283
Equity	
Accumulated Funds	-
Total Equity	-

The lease liabilities as at 1 July 2019 can be reconciled to the operating lease commitments as of 30 June 2019, as follows:

	\$'000
Operating lease commitments as at 30 June 2019 (GST included)	82,112
Less: GST included in operating lease commitments	(7,465)
Operating lease commitments as at 30 June 2019 (GST excluded)	74,647
Weighted average incremental borrowing rate as at 1 July 2019	2.41%
Discounted Operating lease commitments as at 1 July 2019	63,417
Less: Management fees and outgoings included in commitments and not included in lease liability	(9,459)
Less: commitments relating to short-term leases	(62)
	53,896
Add: Lease payments relating to renewal periods not included in operating lease commitments as at 30 June 2019	6,313
	60,209
Add/(less): adjustments relating to changes in the index or rate affecting variable payments	(6,926)
Lease liabilities as at 1 July 2019	53,283

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new AAS, unless Treasury determines otherwise.

The following new AAS have not been applied and are not yet effective:

- AASB 17 *Insurance Contracts*
- AASB 1059 *Service Concession Arrangements: Grantors*
- AASB 2018-5 *Amendments to Australian Accounting Standards – Deferral of AASB 1059*
- AASB 2018-6 *Amendments to Australian Accounting Standards – Definition of a Business*
- AASB 2018-7 *Amendments to Australian Accounting Standards – Definition of Material*
- AASB 2019-1 *Amendments to Australian Accounting Standards – References to the Conceptual Framework*
- AASB 2019-2 *Amendments to Australian Accounting Standards – Implementation of AASB 1059*
- AASB 2019-3 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform*
- AASB 2019-7 *Amendments to Australian Accounting Standards – Disclosure of GSF Measures of Key Fiscal Aggregates and GAAP/GSF Reconciliations*

The initial application of these Standards will have no known material impact on the financial statements.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

2. Expenses Excluding Losses

	2020	2019
	\$'000	\$'000
(a) Employee related expenses		
Salaries and wages (including annual leave)	100,651	92,558
Superannuation – defined benefit plans (Refer Note 26)	1,069	1,330
Superannuation – defined contribution plans	7,966	7,587
Long service leave	1,441	2,400
Workers' compensation insurance - staff	1,491	2,879
Workers' compensation insurance - staff (presumptive legislation)	3,180	10,888
Payroll tax	5,778	5,773
Fringe benefit tax	119	51
	<u>121,695</u>	<u>123,466</u>

The amount of employee related costs that have been capitalised, in particular property, plant and equipment or intangible asset accounts, and therefore excluded from the above is \$NIL (2019: \$NIL)

Recognition and Measurement

Workers' compensation insurance

With the exception of insurance coverage for volunteers, the Service's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past claims experience.

Presumptive Legislation

On 27 September 2018, the NSW Government announced amendments to the workers' compensation legislation to reverse the onus of proof for NSW firefighters who are diagnosed with one of twelve prescribed cancers and meet minimum qualifying service periods. Firefighters diagnosed post that date are entitled to the presumption.

The *Workers Compensation Legislation Amendment (Firefighters) Act 2018* (known as the 'presumptive legislation') was assented to on 28 November 2018 to give effect to the commitment.

Under the presumptive legislation both employed and volunteer firefighters will be entitled to a presumption that any of the twelve prescribed cancers diagnosed post 27 September 2018 is a work related injury where the firefighter has met the minimum qualifying service period detailed in the Act for that type of cancer.

Premiums for insurance under both the workers' compensation policy maintained through the TMF (for staff), and the Bush Fire Fighters Compensation Fund managed by iCare (for volunteers), have increased to accommodate the anticipated volume and value of claims from eligible firefighters.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

	2020 \$'000	2019 \$'000
(b) Other operating expenses include the following:		
Advertising	1,424	2,624
Audit Fees – Internal	32	174
Auditor's remuneration		
- audit of financial statements	149	145
Buildings - all outgoings	1,160	1,340
Computer software	1,659	710
Consultants	-	-
Consumables	1,646	452
Contractors	7,697	8,011
Electricity	313	439
Equipment – Computer	9,172	7,808
Equipment – General	22,959	20,461
Operating lease rental expense - minimum lease payments	1,420	7,038
Fees for service	15,000	10,735
Legal Fees	2,344	956
Maintenance *	273	495
Other Expenses	6,507	3,039
Printing and stationery	1,316	1,263
Staff training	1,471	1,891
Telephony	3,232	3,112
Travel	2,011	4,573
Vehicle operation	4,908	4,546
	84,693	79,812
<i>*Reconciliation – Total maintenance</i>		
Maintenance expense – contracted labour and other (non-employee related), as above	273	495
Employee related maintenance expense included in Note 2(a)	-	-
Total maintenance expenses included in Note 2(a) + 2(b)	273	495

Recognition and Measurement

Maintenance expense

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement or an enhancement of a part or component of an asset, in which case the costs are capitalised and depreciated.

Lease expense (up to 30 June 2019)

Operating leases

Up to 30 June 2019, operating lease payments are recognised as an operating expense in the Statement of Comprehensive Income on a straight-line basis over the lease term. An operating lease is a lease other than a finance lease.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

Lease expense (from 1 July 2019)

From 1 July 2019, the Service recognises the lease payments associated with the following types of leases as an expense on a straight-line basis:

- Leases that meet the definition of short-term. i.e. where the lease term at commencement of the lease is 12 months or less. This excludes leases with a purchase option.
- Leases of assets that are valued at \$10,000 or under when new.

Variable lease payments 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, initially measured using the index or rate as at the commencement date). These payments are recognised in the period in which the event or condition that triggers those payments occurs.

	2020	2019
	\$'000	\$'000
(c) Depreciation and amortisation expense		
Depreciation		
Infrastructure systems	2,122	2,061
Plant and equipment	6,526	5,247
Land and buildings	2,544	3,109
Right-of-use assets	5,948	-
	<u>17,140</u>	<u>10,417</u>
Amortisation		
Intangibles	1,935	664
	<u>19,075</u>	<u>11,081</u>

Refer to Note 10, 11 and 12 for recognition and measurement policies on depreciation and amortisation.

(d) Grants and subsidies

	2020	2019
	\$'000	\$'000
Fire mitigation works	5,427	8,793
Payments for Council costs associated with rural fire fighting activities and equipment	115,920	126,754
Other grants, subsidies and donations	10,572	3,868
	<u>131,919</u>	<u>139,415</u>
Overtime/Temporary staff	22,467	7,579
Aircraft hire	255,510	42,553
Fuel	2,486	129
Machinery and equipment hire	3,849	545
Heavy plant	73,074	3,171
Meals and accommodation	26,407	2,182
Other natural disaster related expenses	72,857	5,175
Emergency fund – natural disasters	456,650	61,334
	<u>588,569</u>	<u>200,749</u>

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

Recognition and Measurement

Rural Fire Fighting Equipment

The ownership of all fire fighting equipment purchased by the Rural Fire Fighting Fund is vested in the relevant local government council. The cost of such equipment is therefore expensed by the Service in the year of purchase.

The exception to this is fire fighting equipment purchased for the State Mitigation Service which is recorded on the Service's asset register and equipment that is in the nature of inventory or property, plant and equipment as described in Notes 9 and 10.

(e) Finance Costs

	2020 \$'000	2019 \$'000
Interest expense from lease liabilities	1,201	-
Total Interest expense	1,201	-
Unwinding of discount and effect of changes in discount rate on provisions	72	-
	<u>1,273</u>	<u>-</u>

Recognition and Measurement

Finance costs consist of interest and other costs incurred in connection with lease liabilities. Interest expenses are recognised as expenses in the period in which they are incurred, in accordance with Treasury's Mandate to not-for-profit NSW General Government Sector entities.

	2020 \$'000	2019 \$'000
(f) Other expenses		
Workers' compensation insurance – volunteers	3,431	4,967
Workers' compensation insurance – volunteers (presumptive legislation)	11,472	90,859
Public liability and other insurance	4,414	4,692
Impairment right-of-use assets	2,027	-
Aerial support	32,885	37,124
	<u>54,229</u>	<u>137,642</u>

Recognition and Measurement

Insurance

With the exception of insurance coverage for volunteers, the Service's insurance activities are conducted through the NSW Treasury Managed Fund (TMF) Scheme of self-insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past claims experience. Insurance coverage for volunteers is provided through the Bush Fire Fighters Compensation Fund managed by Insurance and Care NSW (iCare), with an annual premium paid.

Presumptive Legislation

Details of the presumptive legislation are explained in Note 2(a).

3. Revenue

Recognition and measurement

Until 30 June 2019, income is recognised in accordance with AASB 111 *Construction Contracts*, AASB 118 *Revenue* and AASB 1004 *Contributions*.

From 1 July 2019, income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer defined by AASB 15 *Revenue from Contracts with Customers*. Comments regarding the accounting policies for the recognition of income are discussed below.

(a) Appropriations and Transfers to the Crown Entity

Movement of Section 4.7 GSF Act - deemed appropriations:	2020 \$'000	2019 \$'000
Opening balance	13	-
Add: additions of deemed appropriations	59,494	18,920
Less: expenditure charged against deemed appropriations	(53,152)	(18,907)
Closing balance	<u>6,355</u>	<u>13</u>

Note: 'Expenditure' refers to cash payments. The term 'expenditure' has been used for payments for consistency with AASB 1058 *Income of Not-for-Profit Entities*.

Recognition and measurement

Deemed appropriations

Deemed appropriations is a new concept introduced by the GSF Act. Deemed appropriation money is government money that a GSF agency receives or recovers (including from the Commonwealth or another entity) of a kind prescribed by the regulations that:

- (i) forms part of the Consolidated Fund, and
- (ii) is not appropriated under the authority of an Act.

The accounting policies which outline how revenue items are recognised and measured are contained in Note 3, expenditure items are outlined in Note 2.

Impact of the Delayed 2020-21 NSW State Budget on the Consideration of Going Concern

The Service receives its funding under appropriations from the grant funding received from the Department of Communities and Justice which receives appropriations from the Consolidated Fund. Appropriations for each financial year are set out in the Appropriation Act for that year. Due to COVID-19, the State Budget and related 2020-21 Appropriation Bill has been delayed and is anticipated to be tabled in Parliament in November/December 2020. However, pursuant to section 4.10 of the GSF Act, the Treasurer has authorised Ministers to spend specified amounts from Consolidated Fund. This authorisation is current from 1 July 2020 until the earlier of 31 December 2020 (or another day prescribed by the regulations) or enactment of the 2020-21 annual Appropriations Act.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

	2020 \$'000	2019 \$'000
(b) Sale of goods and services from contracts with customers / Sale of goods and services		
Sale of goods	2,379	108
Aviation – use of contract by other agencies	28,649	-
	31,028	108

Recognition and Measurement

Until 30 June 2019

Sale of goods

Revenue from the sale of goods is recognised as revenue when the Service transfers the significant risks and rewards of ownership of the goods, which is usually on delivery of the goods

Rendering of services

Revenue from rendering services is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

From 1 July 2019

Sale of goods

Revenue from sale of goods is recognised as the Service satisfies a performance obligation by transferring the promised goods. The Service provides firefighting materials to other jurisdictions and recovers the direct cost of this. The Service typically satisfies its performance obligations when the goods are supplied. The payments are typically due immediately following supply when the cost is known with certainty.

Revenue from these sales is recognised based on the price specified in the contract, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as the sales are made with a short credit term. No volume discount or warranty is provided on the sale.

Rendering of services

Revenue from rendering of services is recognised when the Service satisfies the performance obligation by transferring the promised services. The Service provides firefighting services to other jurisdictions and recovers the direct cost of this. The Service typically satisfies its performance obligations when the service is provided. The payments are typically due immediately following supply.

The revenue is measured at the transaction price agreed under the contract. No element of financing is deemed present as payments are due when service is provided.

	2020 \$'000	2019 \$'000
(c) Investment revenue		
Interest income	1,048	2,768
	1,048	2,768

Recognition and Measurement

Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For financial assets that become credit impaired, the effective interest rate is applied to the amortised cost of the financial asset (ie after deducting the loss allowance for expected credit losses).

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

	2020 \$'000	2019 \$'000
(d) Grants and contributions		
Grants to acquire/construct a recognisable non-financial asset to be controlled by the entity		
Department of Justice capital grants	24,505	
Grants without sufficiently specific performance obligations		
Natural disaster relief contributions	425,978	
Other Commonwealth and State Government grants	4,609	
Department of Justice grants:		
Recurrent grant	463,655	
Capital grant	10,958	
Natural disaster relief contributions		39,819
Other Commonwealth and State Government grants		8,015
Department of Justice grants:		
Recurrent grant		428,856
Capital grant		14,206
	929,705	490,896

Recognition and measurement

Until 30 June 2019

Income from grants (other than contributions by owners) is recognised when the Service obtains control over the contribution. The Service is deemed to have assumed control when the grant is received or receivable.

Contributions are recognised at their fair value. Contributions of services are recognised when and only when a fair value of those services can be reliably determined and the services would be purchased if not donated. Refer to Note 20 with respect to recognition of volunteer services.

From 1 July 2019

Income from grants to acquire/construct a recognisable non-financial asset to be controlled by the Service is recognised when the Service satisfies its obligations under the transfer. The Service satisfies the performance obligations under the transfer to construct assets over time as the non-financial assets are being constructed. The percentage of cost incurred is used to recognise income, because this most closely reflects the progress to completion as the Services manages credit risk in supply contracts by scheduling payments to reflect milestones achieved but at the same time does not wish to place a cash flow burden on suppliers.

Natural disaster relief contributions

Revenue from grants with sufficiently specific performance obligations is recognised as when the Service satisfies a performance obligation by transferring the promised goods. This includes Natural disaster relief contributions that consist of reimbursements from the Crown Disaster Relief Account for expenses incurred in relation to declared natural disasters. Natural disaster relief contributions are recognised on an accrual basis.

Rural Fire Fighting Fund contributions

Income from grants without sufficiently specific performance obligations is recognised when the Service obtains control over the granted assets (e.g. cash).

From 1 July 2017, the NSW Government is the sole contributor to the Rural Fire Fighting Fund (the contributory funding scheme in the *Rural Fires Act 1997*) via grants from the Department of Justice. Relevant councils and insurers continue to contribute towards the costs of the NSW Rural Fire Service through contributions imposed by the amended *Rural Fires Act 1997* (for councils) or the *Emergency Services Levy Act 2017* (for insurers). Contributions are based upon a 'rural fire brigade funding target' which largely replicates the previous Rural Fire

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

Fighting Fund calculation, and the contribution percentages are unchanged at 11.7% for Local Government and 73.7% for insurers. These contributions are now be paid to the Office of State Revenue.

In accordance with the Rural Fires Act 1997, any unspent grants and contributions made towards estimated rural fire brigades expenditure are to remain within the Rural Fire Fighting Fund, and adjustments are made in future years to return the funds to contributors after allowing for commitments made for future expenditure. At the reporting date there is no reliable estimate to indicate a return of funds to contributors. The Service also received volunteer services. Refer to Note 20.

(e) Acceptance by the Crown Entity of employee benefits

The following liabilities and/or expenses have been assumed by the Crown Entity:

	2020 \$'000	2019 \$'000
Superannuation – defined benefit	459	566
	459	566

(f) Other income

Sale of equipment	462	931
Comcover – protection of Commonwealth property	70	512
Aviation – use of contract by other agencies	-	6,576
Natural disaster recoups (interstate and overseas deployments)	1,408	13,163
TMF hindsight premium receipts	-	280
Workers' compensation receipts	640	609
Insurance claims proceeds	8,220	2,247
Development applications	499	587
Donations	13,622	29
Other	1,090	1,076
	26,011	26,010

Recognition and Measurement

Sale of equipment

In accordance with section 119(4)(b) of the *Rural Fires Act 1997*, distribution of proceeds from the sale by Councils of fire fighting equipment is allocated between the Service and the Councils in the same proportion as each party's contribution to the purchase of the equipment. The Service's share of such proceeds totalled \$0.462m in 2019-20 (\$0.931m in 2018-19).

Aviation – use of contract by other agencies

From 1 July 2019, this income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* and is disclosed under Sale of goods and services from contracts with customers / Sale of goods and services (refer note 3(b)).

Donations

Donations are recognised when cash is received and in accordance with the requirements of AASB1058 *Income of not-for-profit entities*. Volunteer services are excluded from donations (refer note 20).

Insurance claims proceeds

Insurance claims were in relation to fire fighting vehicles the majority of which are held by local councils and insured by the Service through the Treasury Managed Fund (TMF). In 2019-20 there was an increase in claims due to the intense and protracted level of fire fighting.

4. Gain / (Loss) on Disposal

	2020 \$'000	2019 \$'000
Gain / (Loss) on disposal of plant and equipment		
Proceeds from disposal	2,103	1,634
Written down value of assets disposed	(1,246)	(1,307)
	857	327

5. Hedge accounting

The Service has entered into an arrangement with TCorp to deliver US dollars at a future date in order to purchase a large air tanker and two lead planes and two helicopters.

The purpose of the hedge is to eliminate the foreign currency risk associated with the transaction, and ensure that the Australian dollar price of the transaction is known from the date that NSW Government approved the purchase.

Recognition and Measurement

In accordance with AASB 9's transition provisions for hedge accounting, the Service has applied the AASB 9 hedge accounting requirements prospectively from the date of initial application on 1 July 2018. However, the Service had no hedges in place as at 1 July 2018. No rebalancing of any of the hedging relationships was necessary on 1 July 2018. As the critical terms of the hedging instruments match those of their corresponding hedged items, all hedging relationships are effective under AASB 9's effectiveness assessment requirements. The Service has also not designated any hedging relationships under AASB 9 that would not have met the qualifying hedge accounting criteria under AASB 139 *Financial Instruments: Recognition and Measurement*.

The Service designates certain derivatives as hedging instruments in respect of foreign currency risk in cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Service documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Service documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Service actually hedges and the quantity of the hedging instrument that the Service actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Service adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

The Service designates the full change in the fair value of a forward contract (i.e. including the forward elements) as the hedging instrument for all of its hedging relationships involving forward contracts.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the 'other gains and losses' line item.

When the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. Furthermore, if the Service expects that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

The Service discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in cash flow hedge reserve is reclassified immediately to profit or loss.

Cash flow hedge reserve

The cash flow hedge reserve represents the cumulative amount of gains and losses on hedging instruments deemed effective in cash flow hedges. The cumulative deferred gain or loss on the hedging instrument is recognised in profit or loss only when the hedged transaction impacts the profit or loss, or is included directly in the initial cost or other carrying amount of the hedged non-financial items (basis adjustment).

Refer to Note 25 for details regarding credit risk, liquidity risk, market risk and foreign currency risk arising from financial instruments.

6. Current Assets – Cash and Cash Equivalents

	2020 \$'000	2019 \$'000
Cash at bank and on hand	98,666	92,544
	<u>98,666</u>	<u>92,544</u>

For the purpose of the Statement of Cash Flows, cash and cash equivalents include cash at bank, cash on hand, short-term deposits and bank overdraft.

Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of financial year to the statement of cash flows as follows:

	2020 \$'000	2019 \$'000
Cash and cash equivalents (per statement of financial position)	98,666	92,544
Closing cash and cash equivalents (per statement of cash flows)	<u>98,666</u>	<u>92,544</u>

Refer to Note 25 for details regarding credit risk, liquidity risk, market risk and foreign currency risk arising from financial instruments, and Note 14 regarding restrictions upon cash.

7. Current Assets – Receivables

	2020 \$'000	2019 \$'000
Sale of goods and services	12,821	14,927
Less: Allowance for expected credit losses*	(40)	(22)
Other receivables	77,330	21,643
GST receivable	3,401	14,330
Prepayments	4,771	4,010
	98,283	54,888
*Movement in allowance for expected credit losses		
Balance at the beginning of the year	22	31
Amounts written off during the year	(1)	(29)
Amounts recovered during the year	-	-
Increase/(decrease) in allowance recognised in net result	19	20
Balance at 30 June 2020	40	22

Details regarding credit risk, liquidity risk, market risk and foreign currency risk, including financial assets that are neither past due nor impaired, are disclosed in Note 25.

Recognition and Measurement

All 'regular way' purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement

The Service holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Impairment

The Service recognises an allowance for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows and the cash flows that the Service expects to receive, discounted at the original effective interest rate.

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

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

8. Contract Assets and Liabilities

	2020	1 July 2019 adjusted for AASB 15
	\$'000	\$'000
Contract assets – current	906	-
	906	-

Recognition and Measurement

Contract assets relate to the Service's right to consideration in exchange for goods transferred to customers/works completed, but not billed at the reporting date in respect of Aviation contracts extended to other jurisdictions. The balance of contract assets at 30 June 2020 was impacted by the seasonal nature and scale of the fire season.

Contract liabilities generally do not arise for the Service as consideration is not received in advance from customers in respect of Aviation contracts.

9. Current Assets – Inventories

	2020	2019
	\$'000	\$'000
<i>Held for distribution</i>		
Fire fighting consumables	46,689	7,211
Personal protective and operational clothing	9,514	5,612
Mobile Radio Handsets	7,342	8,437
	63,545	21,260

The cost of inventories recognised as an expense during the year was \$61.964m (2018-19: \$26.069m).

The amount of write-downs of inventory recognised as an expense during the year was \$0.644m (2018-19: \$0.457m). The major reason for write-ups and write-downs is stocktake variances.

No inventories are pledged as security for liabilities.

Recognition and Measurement

In the financial year ending 30 June 2018, the Service determined that it would make a voluntary change in accounting policy to recognise certain items as inventories in its financial statements. As such, the Service had determined that it would adopt AASB 102 *Inventories* as at 30 June 2018. At that time, selected items stocked by the Service were identified to be in the nature of inventory.

In the current year, the Service has reviewed the application of AASB 102 and expanded the range of items carried that the Service determines to be inventory.

Prior to 30 June 2020, such items were considered to be expensed on acquisition due to the application of section 119(2) of the *Rural Fires Act 1997*. The Service considers that reclassifying these items as inventories provides more reliable and relevant information to users of its financial statements, as it:

- Provides visibility of the value of consumables held with which to combat bush fires and respond to other emergency events;
- Allows for more transparent acquittal of expenses to major events through the systematised issuing of inventories to the event; and
- Removes ambiguity around the application of section 119(2) of the *Rural Fires Act 1997* in respect to consumables that are held centrally for distribution.

It is impracticable to retrospectively apply the expanded change in accounting policy prior to the current financial year, as the Service does not hold information that allows the reliable measurement of inventories at the opening and closing date of prior periods or the period specific effects.

The earliest date practicable from which to prospectively apply the change in accounting policy is 30 June 2020. The impact of the expanded change in accounting policy as at 30 June 2020 is as follows:

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

	Total \$'000
Year ended 30 June 2020	
<u>Statement of comprehensive income</u>	13,342
<u>Statement of financial position</u>	
Inventories	13,342
Current Assets	13,342
Total Assets	13,342
Accumulated Funds	-
Equity	-
<u>Statement of Cash Flows</u>	No change

Inventories held for distribution are stated at cost, adjusted where applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of a current replacement cost that is lower than the carrying amount. Cost is calculated using the weighted average cost method.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost as at the date of acquisition. Current replacement cost is the cost the Service would incur to acquire the asset.

Inventories are classified as current assets as it is considered probable that the inventories held at year end will be distributed within the next twelve months.

10. Property, Plant and Equipment

	Land and Buildings \$'000	Plant and Equipment \$'000	Infrastructure Systems \$'000	Total \$'000
At 1 July 2019– fair value				
Gross carrying amount	24,229	53,416	6,733	84,378
Accumulated depreciation and impairment	(3,884)	(16,218)	(2,061)	(22,163)
Net carrying amount	20,345	37,198	4,672	62,215
At 30 June 2020 – fair value				
Gross carrying amount	27,058	81,703	11,313	120,074
Accumulated depreciation and impairment	(6,428)	(19,713)	(4,183)	(30,324)
Net carrying amount	20,630	61,990	7,130	89,750

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

	Land and Buildings \$'000	Plant and Equipment \$'000	Infrastructure Systems \$'000	Total \$'000
Year Ended 30 June 2020				
Net carrying amount at start of year	20,345	37,198	4,672	62,215
Purchases	2,829	32,564	4,649	40,042
Disposals	-	(1,246)	-	(1,246)
Depreciation expense – asset owned	(2,544)	(6,526)	(2,122)	(11,192)
Reclassification	-	-	(69)	(69)
Net carrying amount at end of year	20,630	61,990	7,130	89,750

	Land and Buildings \$'000	Plant and Equipment \$'000	Infrastructure Systems \$'000	Total \$'000
At 1 July 2018– fair value				
Gross carrying amount	7,395	44,221	13,505	65,121
Accumulated depreciation and impairment	(5,720)	(14,690)	(7,612)	(28,022)
Net carrying amount	1,675	29,531	5,893	37,099

At 30 June 2019 – fair value

Gross carrying amount	24,229	53,416	6,733	84,378
Accumulated depreciation and impairment	(3,884)	(16,218)	(2,061)	(22,163)
Net carrying amount	20,345	37,198	4,672	62,215

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the prior reporting period is set out below:

	Land and Buildings \$'000	Plant and Equipment \$'000	Infrastructure Systems \$'000	Total \$'000
Year ended 30 June 2019				
Net carrying amount at start of year	1,675	29,531	5,893	37,099
Additions	21,808	14,192	840	36,840
Disposals	(29)	(1,278)	-	(1,307)
Depreciation expense	(3,109)	(5,247)	(2,061)	(10,417)
Net carrying amount at end of year	20,345	37,198	4,672	62,215

Land and buildings consists predominantly of leasehold improvements.

Plant and equipment consists predominantly of motor vehicles, office equipment and plant.

Infrastructure systems consists predominantly of information and communications technology equipment.

Recognition and Measurement**Acquisition of property, plant and equipment**

Property, plant and equipment are initially measured at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted over the period of credit.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Capitalisation thresholds

Plant and equipment and intangible assets costing \$5,000 and above individually (or forming a part of a network costing more than \$5,000) are capitalised.

Restoration costs

The present value of the expected cost for the restoration or cost of dismantling of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation of property, plant and equipment

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the NSW Rural Fire Service.

All material identifiable components of assets are depreciated separately over their useful lives.

In accordance with AASB 116, the table below illustrates the useful life of applicable asset categories.

<u>Asset Class</u>	<u>Useful Life</u>
Infrastructure systems	3 – 10 Years
Land and buildings	Period of the Lease
Plant and equipment	3 – 20 Years

Right-of-Use Assets acquired by lessees (under AASB 16 from 1 July 2019)

From 1 July 2019, AASB 16 *Leases* (AASB 16) requires a lessee to recognise a right-of-use asset for most leases. The entity has elected to present right-of-use assets separately in the Statement of Financial Position.

The right-of-use assets arising from these leases are recognised and included in the separate line item, previously these leases were treated as operating leases under AASB 117.

Further information on leases is contained at Note 11.

Revaluation of Property, Plant and Equipment

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP 14-01). This policy adopts fair value in accordance with AASB 13 *Fair Value Measurement*, AASB 116 *Property, Plant and Equipment* and AASB 140 *Investment Property*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by Government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

Fair value of property plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs.

The Service does not revalue assets because the carrying value approximates fair value. The plant and equipment of the Service consists primarily of motor vehicles and ICT equipment, and as non-specialised assets with short useful lives they are measured at depreciated historical cost, which for these assets approximates fair value. The Service has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year.

Impairment of property, plant and equipment

As a not-for-profit Service with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. As plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in the rare circumstances where the costs of disposal are material.

The Service assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Service estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

As a not for profit Service, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset.

After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in net result and is treated as a revaluation increase. However, to the extent that an impairment loss on the same class of asset was previously recognised in net result, a reversal of that impairment loss is also recognised in net result.

11. Leases

(a) Service as a lessee

The Service leases various commercial properties including the Headquarters, the main warehouse at Glendenning and district offices and equipment storage locations. Lease contracts are typically made for fixed periods of 5 to 10 years, but may have extension options. Lease terms are negotiated with Property NSW on an individual basis and contain a wide range of different terms and conditions. The Service also leases commercial property for ICT activity from the NSW Department of Customer Service. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. The Service does not provide residual value guarantees in relation to leases.

Extension and termination options are included in a number of property leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Service and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows of \$87.361m have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee. During the current financial year, there were no revisions to exercising extensions and termination options.

From 1 July 2019, AASB 16 *Leases* (AASB 16) require a lessee to recognise a right-of-use and a corresponding lease liability for most leases.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

Right-of-use assets under leases

The following table presents right-of use assets.

	Land and Buildings \$'000
Balance at 1 July 2019	53,283
Additions	3,103
Depreciation	(5,948)
Impairment	(2,027)
Balance at 30 June 2020	<u>48,411</u>

Lease Liabilities

The following table presents liabilities under leases.

	Lease Liabilities \$'000
Balance at 1 July 2019	53,283
Additions	3,103
Interest Expense	1,201
Payments	(6,260)
Balance at 30 June 2020	<u>51,327</u>

The following amounts were recognised in the statement of comprehensive income for the year ending 30 June 2020 in respect of leases where the Service is the lessee:

	\$'000
Depreciation expense of right-of-use asset	5,948
Interest expense on lease liabilities	1,201
Total Amount recognised in the statement of comprehensive income	<u>7,149</u>

The Service had total cash outflows for leases of \$6.361m in 2019-20.

Future minimum lease payments under non-cancellable leases at 30 June 2019 are, as follows:

	Operating Lease \$'000	Finance Lease* \$'000
Within one year	7,778	-
Later than one year and not later than five years	26,241	-
Later than five years	48,093	-
Total Including GST	<u>82,112</u>	-
Less GST recoverable from the Australian taxation Office	(7,465)	-
Total Excluding GST	<u>74,647</u>	-

* As at 30 June 2019 there were no finance leases.

Recognition and measurement (under AASB 16 from 1 July 2019)

The Service assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Service recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

(i) Right-of-use assets

The Service recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability (refer ii below), adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Right-of-use assets are subsequently measured at cost. They are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land and buildings - 5 to 12 years

If ownership of the leased asset transfers to the Service at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. The Service assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the entity estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the net result.

The COVID-19 outbreak occurring throughout the 2019-20 financial year had an unprecedented effect on the NSW and global economies. COVID-19 significantly impacted the market rent for commercial real estate and therefore the value of some lease right-of-use assets in the Statement of Financial Position.

The Service has therefore undertaken an impairment assessment for the above right-of-use assets, to determine whether the carrying amount exceeded their recoverable amount. Impacted right-of-use assets were written down to their recoverable amounts by reference to the right-of-use asset's fair value less costs of disposal and an impairment loss is recognised.

The Service recognised impairment losses for right-of-use assets during the 2019-20 financial year of \$2.027million. Impairment losses for right-of-use assets are included in Other Expenses in the Operating Result in the Statement of Comprehensive Income.

The right-of-use asset for which an impairment loss has been recognised during the financial year is the leased commercial property located at 4 Murray Rose Avenue, Sydney Olympic Park that is the Headquarters of the Service.

The asset was impaired due to the significant decline in market rent. It has been written down to its recoverable amount of \$40.738 million which is determined by reference to its fair value less costs of disposal. The impairment loss recognised during the financial year is \$2.027million. The valuation technique used in the fair value measurement is classified as level 3 according to AASB 13 fair value hierarchy.

The recoverable amounts of the right-of-use assets for which an impairment loss has been recognised (or reversed) during the financial year, and the level of fair value hierarchy for the right-of-use assets for which the recoverable amounts are determined with reference to their fair value less costs of disposal are:

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

Recoverable Amount	Land and Buildings \$'000
Fair value less costs of disposal:	
Level 1	-
Level 2	-
Level 3	48,411
Subtotal	<u>48,411</u>
Value in use	-
Total	<u><u>48,411</u></u>

The recoverable amounts determined with reference to right-of-use assets' fair value less costs of disposal were computed using the valuation techniques detailed in the following table.

Asset Class	Valuation Technique	Key Assumption	Fair Value Hierarchy
Land and Buildings	The cost approach	Assessment of general market indications of impairment performed by Property NSW that calculates an adjustment index at the reporting date for the metropolitan market giving a revaluation forecast of -4.74%.	Level 3

The discount rate ranges employed in present value technique computations of recoverable amounts is summarised in the below table.

Recoverable Amount	Current Measurement Discount Rates	Previous Measurement Discount Rates
Fair value Less Cost of Disposal – Discounted Cash Flow Technique	For leases up to 5 years 0.78% For leases > 5 years up to 10 years 1.52% For leases > 10 years 2.33%	For leases up to 5 years 1.42% For leases > 5 years up to 10 years 2.00% For leases > 10 years 2.42%

(ii) Lease liabilities

At the commencement date of the lease, the Service recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- exercise price of a purchase options reasonably certain to be exercised by the Service; and
- payments of penalties for terminating the lease, if the lease term reflects the Service exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Service's leases, the lessee's incremental borrowing rate is used, being the rate that the Service would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

The Service's lease liabilities are included in borrowings.

(iii) Short-term leases and leases of low-value assets

The Service applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Recognition and measurement (under AASB 117 until 30 June 2019)

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset (or assets), even if that asset (or those assets) is not explicitly specified in an arrangement.

Until 30 June 2019, a lease was classified at the inception date as a finance lease or an operating lease. A lease that transferred substantially all the risks and rewards incidental to ownership to the Service was classified as a finance lease.

The Service did not recognise any finance leases prior to 1 July 2019.

An operating lease is a lease other than a finance lease. Operating lease payments were recognised as an operating expense in the statement of comprehensive income on a straight-line basis over the lease term.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

12. Intangible Assets

	Software \$'000	Total \$'000
At 1 July 2019		
Cost (gross carrying amount)	10,254	10,254
Accumulated amortisation and impairment	(664)	(664)
Net carrying amount	<u>9,590</u>	<u>9,590</u>
At 30 June 2020		
Cost (gross carrying amount)	12,493	12,493
Accumulated amortisation and impairment	(2,599)	(2,599)
Net carrying amount	<u>9,894</u>	<u>9,894</u>
Year ended 30 June 2020		
Net carrying amount at start of year	9,590	9,590
Additions (acquired separately)	2,170	2,170
Additions (internally developed)	-	-
Disposals	-	-
Amortisation (recognised in 'depreciation and amortisation')	(1,935)	(1,935)
Reclassification	69	69
Net carrying amount at end of year	<u>9,894</u>	<u>9,894</u>
At 1 July 2018		
Cost (gross carrying amount)	8,679	8,679
Accumulated amortisation and impairment	(3,499)	(3,499)
Net carrying amount	<u>5,180</u>	<u>5,180</u>
At 30 June 2019		
Cost (gross carrying amount)	10,254	10,254
Accumulated amortisation and impairment	(664)	(664)
Net carrying amount	<u>9,590</u>	<u>9,590</u>
Year ended 30 June 2019		
Net carrying amount at start of year	5,180	5,180
Additions (acquired separately)	387	387
Additions (internally developed)	4,687	4,687
Disposals	-	-
Amortisation (recognised in 'depreciation and amortisation')	(664)	(664)
Reclassifications	-	-
Net carrying amount at end of year	<u>9,590</u>	<u>9,590</u>

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

Recognition and Measurement

The Service recognises intangible assets only if it is probable that future economic benefits will flow to the Service and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. Following initial recognition, intangible assets are subsequently measured at fair value only if there is an active market. If there is no active market for the Service's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed as finite.

The Service's intangible assets are amortised using the straight line method over their useful lives. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period.

In accordance with AASB 138, the table below illustrates the useful life of applicable asset categories.

<u>Asset Class</u>	<u>Useful Life</u>
Software	3 – 5 Years

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

13. Fair value measurement of non-financial assets

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

A number of the Service's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13 *Fair Value Measurement*, the Service categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- **Level 1** – quoted prices in active markets for identical assets/liabilities that the Service can access at the measurement date.
- **Level 2** – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- **Level 3** – inputs that are not based on observable market data (unobservable inputs).

The Service recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Physical non-current assets measured at depreciated historical cost, which for these assets approximates fair value, do not require fair value hierarchy disclosures under AASB 13 *Fair Value Measurement*. As the Service's property, plant and equipment are non-specialised short lived assets they are valued at depreciated historical cost and not categorised against the fair value hierarchy.

Refer to Note 25 for further disclosures regarding fair value measurements of financial and non-financial assets.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

14. Restricted Assets

	2020 \$'000	2019 \$'000
Cash held as part of the Rural Fire Fighting Fund	98,666	92,544
	98,666	92,544

The Service holds funds that form the NSW Rural Fire Fighting Fund which is a special deposits account established under section 102 of the *Rural Fires Act 1997*. Funds in the Rural Fire Fighting Fund can only be expended for the purposes defined in the Act.

15. Current Liabilities – Payables

	2020 \$'000	2019 \$'000
Accrued salaries, wages and on-costs	1,059	328
Accrued payables	33,180	33,818
Creditors	6,970	13,882
	41,209	48,028

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed in Note 25.

Recognition and Measurement

Payables represent liabilities for goods and services provided to the Service and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Payables are financial liabilities at amortised cost, initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in net result when the liabilities are derecognised as well as through the amortisation process.

16. Current / Non-Current Liabilities - Borrowings

	2020 \$'000	2019 \$'000
Lease liability – current (see Note 11)	5,337	-
Lease liability – non-current (see Note 11)	45,990	-
	51,327	-

Details regarding liquidity risk, including a maturity analysis of the above liabilities are disclosed in Note 25.

From 1 July 2019, lease liabilities are determined in accordance with AASB 16.

Changes in Liabilities arising from finance activities

	Leases \$'000	Total liabilities from financing activities \$'000
Recognised on adoption of AASB 16 1 July 2019 (see Note 11)	53,283	53,283
New leases (see Note 11)	3,103	3,103
Other (interest expense & payments, see Note 11)	(5,059)	(5,059)
30 June 2020	51,327	51,327

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

17. Current / Non-Current Liabilities - Provisions

	2020 \$'000	2019 \$'000
Employee benefits and related on-costs		
Annual leave - short term benefit	8,758	7,638
Annual leave - long term benefit	3,935	3,432
Long service leave	31,394	29,953
Provisions for Fringe Benefits Tax	62	38
	<u>44,149</u>	<u>41,061</u>
Other provisions		
Restoration costs - current	97	76
Restoration costs – non-current	2,975	455
	<u>47,221</u>	<u>41,592</u>
Total provisions		
	<u>47,221</u>	<u>41,592</u>
Aggregate employee benefits and related on-costs		
Provisions - current	42,926	40,075
Provisions - non-current	1,223	986
Accrued salaries, wages and on-costs (Note 15)	1,059	329
	<u>45,208</u>	<u>41,390</u>

Movements in provisions (other than employee benefits)

Movements in each class of provision during the financial year, other than employee benefits are set out below:

	2020 \$'000	2019 \$'000
Other provisions		
Carrying amount at start of year	531	1,523
Additional provisions recognised	2,609	795
Amounts used	-	(1,787)
Unused amounts reversed	(68)	-
Unwinding / change in the discount rate	-	-
Carrying amount at end of year	<u>3,072</u>	<u>531</u>

Recognition and Measurement

Employee benefits and related on-costs

Salaries and wages, annual leave and sick leave

Salaries and wages (including non-monetary benefits) and paid sick leave that are due to be settled wholly within twelve months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amount of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that the use of a nominal approach plus the annual leave on annual leave liability (using 7.9% (2018-19: 7.9%) of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Service has assessed the actuarial advice based on the Service's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the Service does not expect to settle the liability within twelve months as the Service does not have an unconditional right to defer settlement.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

Long service leave and superannuation

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on an annual actuarial review conducted by Mercer and is considered to approximate present value.

The Service's liability for defined benefit superannuation is assumed by the Crown Entity from 1 July 2014. The Service accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown Entity of employee benefits'.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the employee's salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employee's superannuation contributions. Further information is provided in Note 26.

Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

Other provisions

Provisions are recognised when:

- The Service has a present legal or constructive obligation as a result of a past event;
- It is probable that an outflow of resources will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

When the Service expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented net of any reimbursement in the Statement of Comprehensive Income.

Any provisions for restructuring are recognised only when an entity has a detailed formal plan and the Service has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

The effect of the time value of money has been assessed as immaterial.

Restoration provisions

These provisions are calculated based upon historical dismantling costs with respect to leasehold improvements, the expected timing of outflows is at the end of the lease.

18. Current / Non-Current Liabilities – Other liabilities

	2020 \$'000	2019 \$'000
Lease incentive – current	-	75
Lease incentive – non-current	-	31
	<u>-</u>	<u>106</u>

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

19. Equity

Accumulated Funds

The category 'Accumulated Funds' include all current and prior period retained funds.

Reserves

Separate reserve accounts are recognised in the financial statements only if such accounts are required by specific legislation or Australian Accounting Standards.

20. Volunteer Services

The operations of the Service are dependent on the services provided by volunteer firefighters. Their contributions are essential to the provision of a comprehensive, efficient and effective emergency service throughout NSW.

Up to 30 June 2019, AASB 1004 *Contributions* and then from 1 July 2019, AASB 1058 - *Income of Not-for-Profit Entities* contributions of services will be recognised as revenue and expense when the fair value of those services can be reliably measured, and the services would have been purchased if not donated.

The contribution and cost of volunteer services has not been recognised in the financial statements as the services donated would not be purchased. The Service does not currently purchase alternative services when volunteer numbers fluctuate.

21. Commitments

(a) Capital Commitments

Aggregate capital expenditure for the acquisition of plant and equipment and infrastructure systems contracted for at balance date and not provided for:

	2020	2019
	\$'000	\$'000
Not later than one year	4,594	20,246
Later than one year and not later than five years	-	-
Later than five years	-	-
Total (including GST)	<u>4,594</u>	<u>20,246</u>

Capital commitments include goods and services tax credits of \$0.418m in 2019-20 (\$1.84m in 2018-19) that are expected to be recovered from the Australian Taxation Office.

22. Contingent Assets and Contingent Liabilities

Contingent liabilities

The Service has been made aware via preliminary NSW Environment Protection Authority (EPA) soil and water sample tests of potentially elevated readings of perfluorooctane sulfonate (PFOS) and perfluorooctanoic acid (PFOA) at a number of its sites. The Service continues to work with the EPA and is insured for any remediation work that may be required. Accordingly, the Service makes no provision this year.

At balance date the Service was a party to litigation that may result in the payment of minor amounts to settle legal claims. As the Service is insured through the Treasury Managed Fund in respect of the majority of legal claims, any residual amounts are considered to be immaterial. It is not practicable to quantify these amounts due to their nature.

Contingent liabilities associated with the Local Government Superannuation Scheme are disclosed at Note 26(b)(v).

Contingent assets

The Service has no contingent assets.

23. Budget Review

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the financial statements are explained below.

Net result

The actual Net Result was \$168.6m more favourable than budget as the higher level of income (\$513.0m) exceeded the higher level of expenses (\$345.2m). The major factors are:

	\$'000
Employee related expenses are \$6.0m favourable to budget - \$4.6m of the budget reflects contractor costs which have their actual costs reported under the Other operating expenses line. There was also a favourable actuarial adjustment of accrued entitlements of \$1.0m and \$1.1m lower fringe benefit tax. The Service incurred \$7.7m in contractor costs during the year partly driven by delays in filling vacancies during the pandemic lockdown.	6,017
Grants and subsidies expense is over budget by \$345.4m – the Service incurred Natural Disaster expenditure of \$441.6m that was not in the original budget and \$7.1m of unplanned grants and donations to external parties was paid. This was partially offset by spend delays on fire mitigation activities (\$17.9m) and firefighting equipment projects (\$29.1m) due to the unprecedented fire season activity. There was \$0.6m overspend on other items. There are classification differences between the annual financial statements and Treasury budget for Other Operating Expense \$18.4m and Other Expenses (\$75.3m).	(345,377)
Other Expenses are \$31.4m unfavourable to budget – workers' compensation costs were \$60.4m lower driven by the presumptive legislation component, the \$2.0m impairment charge on right-of use asset was unplanned and aerial support was overspent by \$12.6m. There are \$77.1m of classification differences between the annual financial statements and Treasury budget for Other Operating Expense (\$1.8m) and Other Expenses (\$75.3m).	(31,382)
Other operating expenses are below budget by \$21.3m - \$12.2m lower minor equipment spend predominantly due to delay in CCEP radio handset roll-out, offset by \$4.6m overspend in contractor fees, \$1.6m over in legal fees, \$1.6m higher in vehicle operation expenses. There are \$17.1m classification difference between the annual financial statements and Treasury budget for Employee related expenses (\$3.1m), Grants and Subsidies (\$20.2m).	21,297
Finance costs underspend by \$2.3m due to the lease accounting assumptions being revised, in particular the assumption regarding the exercise of lease extension options.	2,279
Depreciation and amortisation was underspend by \$2.0m mainly due to delays with the purchase of helicopters which was partially offset by \$0.9m additional make good provision for leases.	1,937
Incomes are \$513.0m favourable to budget – key drivers are \$426.0m unplanned natural disaster recoupment, \$45.5m cluster grant replenishment for actual and committed spend for the Large Air Tanker acquisition and unfunded 2018-19 presumptive legislation premiums, \$28.0m excess of Service income over budget, and \$13.6m above budget for donations received.	512,979
Gain/Loss on asset disposals are \$0.9m over budget	858
Variation from budgeted Net Result	168,608

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

Assets and liabilities

Net assets exceeded budget by \$157.3m. The major factors are:

	\$'000
Cash and Equivalents is \$49.6m higher than budget mainly due to underspends in the prior reporting period and carry forward commitments.	49,755
Receivables are \$71.7m higher due to a \$43.2m unplanned credit from iCare related to bushfire fighters workers' compensation; unplanned natural disaster recoups of \$32.6m and higher GST receivable due to higher expenditure, which is partially offset by \$7.2m lower other receivables.	71,728
Inventories are \$49.6m higher due to increased essential fire-fighting items such as retardants, and the inclusion of other items in the definition of inventory as described in Note 9.	49,632
Non-current assets are \$44.2m lower mainly due to changes to right-of-use asset assumptions; partially offset by timing of completing large capital projects, which are now scheduled to be completed in 2020-21.	(44,195)
Current Liabilities are \$16.7m higher predominantly due to timing differences (\$14.5m) and higher lease liabilities due to revised lease assumptions.	(16,703)
Non-current liabilities are \$47.1m lower predominantly due to revised lease assumptions.	47,081
Variation from budgeted Net Assets	157,298

Cash-flow statement

The actual Closing Cash and Cash Equivalents exceeded budget by \$49.8m. The major factors are:

	\$'000
Net cash flow from operating activities was an actual inflow against a budgeted outflow – the total variance was \$79.9m – resulting from higher than budgeted revenues as described above and some expenses being carried forward.	79,972
Net cash flows from investing activities are higher than budget by \$23.2m – resulting from carry forward of 2018-19 capital projects such as Large Air Tanker project and post budget date approvals to acquire helicopters.	(23,152)
Net cash outflow from financing activities are \$2.5m lower than budget – resulting from the lease accounting assumptions.	(2,538)
Opening cash and cash equivalents below budget by \$4.5m – represented by less cash than initially budgeted being held at year-end in 2018-19.	(4,527)
Variation from budgeted Closing Cash and Cash Equivalents	49,755

24. Reconciliation of Cash Flows from Operating Activities to Net Result

	2020	2019
	\$'000	\$'000
Net cash from operating activities	48,862	(30,371)
Depreciation and amortisation expense	(19,075)	(11,081)
Decrease/(increase) in provisions	(3,509)	(1,955)
Decrease/(increase) in other liabilities	-	76
Increase/(decrease) in prepayments and other assets	45,357	5,560
Increase/(decrease) in asset impairment	(2,027)	-
Increase/(decrease) in inventory	42,285	6,247
Decrease/(increase) in creditors	6,824	(235)
Net gain/(loss) on sale of plant and equipment	857	327
Decrease/(increase) in derivatives	-	(643)
Net result	<u>119,574</u>	<u>(32,075)</u>

25. Financial Instruments

The Service's principal financial instruments are outlined below. These financial instruments arise directly from the Service's operations or are required to finance the Service's operations. The Service does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Service's main risks arising from financial instruments are outlined below, together with the Service's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

The Commissioner has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Service, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Service on a continuous basis.

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
			2020	2019
			\$'000	\$'000
Class:				
Cash and cash equivalents	6	Amortised cost	98,666	92,544
Receivables ¹	7	Loans and receivables (at amortised cost)	90,111	36,548
	5,7	Fair value through other comprehensive income	(4)	643
Contract Assets ²	8		906	-

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
			2020 \$'000	2019 \$'000
Class:				
Payables ³	15	Financial liabilities measured at amortised cost	39,742	47,339
Borrowings (Lease Liabilities)	16	Financial liabilities measured at amortised cost	51,327	-

Notes

- Excludes statutory receivables and prepayments (ie not within the scope of AASB 7)
- While contract assets are also not financial assets, they are explicitly included in the scope of AASB 7 for the purpose of the credit risk disclosures
- Excludes statutory payables and unearned revenue (ie not within the scope of AASB 7)

The Service determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

Derivatives

The Service only uses derivatives for hedging purposes and not as trading or speculative instruments.

Forward foreign exchange contracts are used to mitigate exchange rate exposure arising from firm commitments for the purchase of goods and services in foreign currency.

All forward foreign exchange contracts have been designated as hedging instruments in cash flow hedges in accordance with AASB 9 *Financial Instruments*. The gain or loss from remeasuring the hedging instruments at fair value is recognised in other comprehensive income and deferred in equity in the hedging reserve, to the extent that the hedge is effective. There was no hedge ineffectiveness in the current year.

Changes in the fair value of derivative instruments that are not designated in a hedge relationship are recognised immediately in profit or loss as part of gain / (loss) in fair value of financial instruments although the Service has not had any hedges with this designation.

The Service held \$Nil (2018-19: \$0.643m) in derivative financial assets and \$0.004m (2019: \$Nil) in derivative financial liabilities.

The following table indicates the periods in which the cash flow associated with cash flow hedges are expected to occur and the carrying amounts of the related hedging instruments.

		Weighted Average Exchange Rate	Contract Value \$'000	No later than 3 months \$'000	Expected Cash flow		Total \$'000
					Later than 3 months and no later than 12 months \$'000	Later than 12 months \$'000	
2020	Denominated in USD	0.6848	2,921	-	2,921	-	2,921
2019	Denominated in USD	0.7262	20,628	16,595	4,033	-	20,628

(b) Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Service transfers its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Service has transferred substantially all the risks and rewards of the asset; or

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

- The Service has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control.

When the Service has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where the Service has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the Service's continuing involvement in the asset. In that case, the Service also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Service has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Service could be required to pay.

A financial liability is derecognised when the obligation specified in the contract is discharged or 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

(c) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(d) Financial risks

(i) Credit risk

Credit risk arises when there is the possibility of the Service's debtors defaulting on their contractual obligations, resulting in a financial loss to the Service. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for credit losses or allowance for impairment).

Credit risk arises from the financial assets of the Service, including cash, receivables, and authority deposits. No collateral is held by the Service. The Service has not granted any financial guarantees.

Cash and cash equivalents

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on the Service's daily bank balances at the NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

Accounting policy for impairment of trade receivables and other financial assets

Receivables – trade receivables

Collectability of trade receivables is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand.

The Service applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables (if applicable, contract assets and lease receivables).

To measure the expected credit losses, trade receivables (if applicable, contract assets and lease receivables) have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on historical observed loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Service has identified the GDP and the unemployment rate to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables (if applicable, contract assets and lease receivables) are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments for a period of greater than twelve months past due.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

The loss allowance for trade receivables as at 30 June 2020 and 30 June 2019 was determined as follows:

	30 June 2020					Total
	Current	<30 days	30-60 days	61-90 days	>91 days	
Expected credit loss rate (%)	-	-	-	-	33.6	
Estimated total gross carrying amount	12,449	-	243	10	119	12,821
Expected credit loss	-	-	-	-	(40)	(40)

	30 June 2019					Total
	Current	<30 days	30-60 days	61-90 days	>91 days	
Expected credit loss rate (%)	-	-	-	-	16.1	
Estimated total gross carrying amount	10,981	2,924	475	410	137	14,927
Expected credit loss	-	-	-	-	(22)	(22)

Notes: The analysis excludes statutory receivables and prepayments as these are not within the scope of AASB 7. Therefore, the 'total' will not reconcile to the sum of the receivables total in Note 7 and the contract assets total in Note 8.

The Service is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2020 and 2019. Most of the Service's debtors have a AAA credit rating.

(ii) Liquidity risk

Liquidity risk is the risk that the Service will be unable to meet its payment obligations when they fall due. The Service continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and other advances.

The Service has a financing facility still required and available through NSW Treasury Corporation to facilitate cash flow until statutory contributions are received. During the year there were no borrowings. The Service has NSW Treasury approval to borrow a maximum of \$30.0m.

A cheque cashing facility of \$0.01m, a credit card facility of \$10.0m and a transaction negotiation authority of \$30.0m are held with the Government's banker, Westpac Banking Corporation, to facilitate routine transactions.

During the current and prior years, there were no defaults on any loans payable. No assets have been pledged as collateral. The Service's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11-12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Head of an authority (or a person appointed by the Head of an authority) may automatically pay the supplier simple interest. The rate of interest applied during the year was 8.89% (2018-19: 9.96%).

No interest was paid to suppliers in 2019-20 (\$Nil 2018-19).

NSW RURAL FIRE SERVICE
Notes to the financial statements for the year ended 30 June 2020

The table below summarises the maturity profile of the Service's financial liabilities, together with the interest rate exposure
Maturity analysis and interest rate exposure of financial liabilities

	Weighted Average Effective Int. Rate	Interest Rate Exposure				Maturity Dates		
		Nominal Amount ¹ \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non- Interest Bearing \$'000	<1 year \$'000	1-5 years \$'000	> 5 years \$'000
2020								
Payables	Nil	39,742	-	-	39,742	39,742	-	-
Lease Liabilities		51,327	-	51,327	-	5,337	45,990	-
		91,069	-	51,327	39,742	45,079	45,990	-
2019								
Payables	Nil	47,700	-	-	47,700	47,700	-	-
		47,700	-	-	47,700	47,700	-	-

Notes:

- The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Service can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to statement of financial position.

Notes to the financial statements for the year ended 30 June 2020

(iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Other than in relation to the purchase of aircraft (refer below and to Note 5), the Service has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Service operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position reporting date. The analysis is performed on the same basis as for 2019. The analysis assumes that all other variables remain constant.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through the Service's interest bearing liabilities. The Service does not account for any fixed rate financial instruments at fair value through profit or loss or as at fair value through other comprehensive income. Therefore for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The following table demonstrates the sensitivity to a reasonably possible change in interest rates.

	Carrying Amount \$'000	-1% Profit \$'000	Equity \$'000	1% Profit \$'000	Equity \$'000
2020					
<i>Financial assets</i>					
Cash and cash equivalents	98,666	(987)	(987)	987	987
Receivables	90,111	(901)	(901)	901	901
<i>Financial liabilities</i>					
Payables	39,742	397	397	(397)	(397)
Borrowings (Lease Liabilities)	51,327	513	513	(513)	(513)
2019					
<i>Financial assets</i>					
Cash and cash equivalents	92,544	(925)	(925)	925	925
Receivables	36,548	(365)	(365)	365	365
<i>Financial liabilities</i>					
Payables	47,700	477	477	(477)	(477)

(iv) Foreign currency risk

Exposure to foreign exchange risk has arisen through the purchase of aircraft denominated in US dollars. The risk is measured using sensitivity analysis and cash flow forecasting.

The Service manages its foreign exchange risk by entering into forward exchange contracts in accordance with risk management policies. The foreign exchange risk related to the principal amount of overseas purchase commitments made, that are dominated in US dollars have been fully hedged using forward contracts that will mature on the same dates as the forecast purchase payments are due. These contracts are designated as cash flow hedges.

The Service's exposure to foreign exchange risk is set out in the table below, with all other variables being held constant. All underlying exposure and related hedges are taken into account. The impact on equity is via

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

other comprehensive income and is due to changes in the fair value of forward exchange contracts designated as cash flow hedges.

A sensitivity of 10% movement in the exchange rates has been selected for use in the sensitivity analysis at the reporting date, as this is considered reasonable, based on the current Australian dollar level and the historical volatility of the Australian dollar against other currencies.

Based on the value of the Australian dollar at the reporting date as compared with the currencies below, adverse or favourable movements in the foreign exchange rates would result in an increase or decrease in the Australian dollar fair value respectively.

		Contract value	10%		-10%	
		\$'000	Net result	Equity	Net result	Equity
		\$'000	\$'000	\$'000	\$'000	\$'000
2020	Denominated in US Dollars	2,921	-	266	-	(325)
2019	Denominated in US Dollars	20,628	-	1,875	-	(2,292)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the period end exposure does not reflect the exposure during the year.

(e) Fair value compared to carrying amount

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value because of the short term nature of many of the financial instruments.

26. Superannuation – Defined Benefit Plans

(a) NSW Government Defined Benefit Superannuation Schemes

The Crown Entity assumed responsibility for the closed NSW public sector superannuation schemes on 1 July 2014. The Service accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown Entity of employee benefits'.

(b) The Local Government Superannuation Scheme

Fund Information

The Service has a number of employees who are members of the Local Government Superannuation Scheme Pool B (the Scheme) as a result of the transfer of local government employees to the Service.

The Scheme consists of three Divisions. Division B and Division C comprise of both a defined benefit component and a defined contribution component, whilst Division D is a defined benefit scheme. All divisions are closed to new members, except for members of eligible entities who can transfer their entitlements into the Scheme.

The Scheme is deemed to be a "multi-employer defined benefit plan" for the purpose of AASB 119 as:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer;
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer;
- Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer; and
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors set out above, each sponsoring employer is exposed to the actuarial risk associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses (to the

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

extent that they are not borne by members). As such, there is insufficient reliable information to allow each sponsoring employer to account for its proportionate share of the defined benefit obligation, sub-group assets and costs associated with the sub-group in the same way as it would for a single employer sponsored defined benefit plan.

As a result, the Service accounts for the Scheme as a defined contribution plan.

(i) Funding arrangements

Pooled employers are required to pay standard employer contributions and additional lump sum contributions to the Scheme.

The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current standard employer contribution rates, which applied to both 2019-20 and 2018-19, are:

- Division B - 1.9 times employee contributions and nil for 180 point members*;
- Division C - 2.5% salaries; and
- Division D - 1.64 times employee contributions.

* For 180 point members, employers are required to contribute 7% of salaries to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The trustees have determined that each pooled employer will contribute additional contributions to fund. The total additional contributions of \$40.0 million per annum are estimated to remain in place until 30 June 2021, are apportioned according to each employer's share of the accrued liabilities as at 30 June 2019. However the Trustee determined in March 2019 that should the funding on both Vested Benefit and Accrued Benefit funding levels exceed 100%, the Fund will suspend the request for past service contributions. This is subject to the outcome of each annual funding update.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials. The last valuation of the Scheme was performed by Mr Richard Boyfield, FIAA on 30 June 2019, relating to the year ending 30 June 2019.

(ii) Liability for other entities obligations

Each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares the associated gains and losses.

However, there is no relief under the Scheme's trust deed for employers to walk away from their obligations. Under limited circumstances an employer may withdraw from the plan (ie when there are no active members and on full payment of outstanding additional contributions). There is no provision for allocation of any surplus which may be present at the date of withdrawal of the entity.

(iii) Allocation of deficit or surplus

There are no specific provisions under the Scheme's trust deed dealing with a deficit or surplus on wind up of the Scheme.

There is no provision for allocation of any surplus which may be present at the date of withdrawal of an employer.

(iv) Expected contributions

The expected standard employer contributions for the next financial year are \$0.520m (2019-20: \$0.631m).

(v) Deficit or surplus of the Scheme

The estimated employer reserves financial position for the pooled employers is:

	30 June 2020		30 June 2019	
	\$'000	Asset Coverage	\$'000	Asset Coverage
Assets	1,695,200	N/A	1,798,700	NA
Past service liabilities	1,773,200	95.6%	1,784,200	100.8%
Vested benefits	1,757,500	96.5%	1,792,000	100.4%

Note: employer reserves only. Excludes member accounts and reserves in both assets and liabilities.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

The key economic long term assumptions used to calculate the present value of accrued benefits are:

	2020	2019
Investment return	5.75% per annum	5.75% per annum
Salary inflation*	3.5% per annum	3.5% per annum
Increase in CPI	2.5% per annum	2.5% per annum

* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however any adjustment to the funding program would be the same for all sponsoring employers in the pooled employers group.

The Service has a contingent liability with respect to the deficit in the Scheme which it needs to continue to pay in future periods, and it is currently estimated at \$0.334m (2018-19: \$0.699m).

(vi) Participation in the Scheme

The Service has an estimated percentage representation of the Scheme at 30 June 2020 of 0.83% (2018-19: 0.89%).

27. Related party disclosures

The Service's key management personnel compensation is as follows:

	2020 \$'000	2019 \$'000
Short-term employee benefits:		
Salaries	1,631	1,606
Other monetary allowances	-	-
Non-monetary benefits	62	67
Other long-term employee benefits	-	-
Post-employment benefits	112	110
Termination benefits	-	-
Total compensation	<u>1,805</u>	<u>1,783</u>

During the year, the Service did not enter into transactions with key management personnel, their close family members or controlled or jointly controlled entities of key management personnel.

During the year, the Service entered into transactions with entities that are controlled or jointly controlled by the Service's ultimate parent, being the NSW Government.

Significant income transactions included grants and contributions from the NSW Department of Justice representing the NSW Government statutory contribution to the Rural Fire Fighting Fund required by the *Rural Fires Act 1997*.

Significant expenditure transactions included payments to the NSW Self Insurance Corporation for insurance premiums, including presumptive legislation premiums 2019-20: \$72.288m (2018-19: \$114.285m), NSW Government Telecommunications Authority for radio network fees 2019-20: \$13.165m (2018-19: \$12.267m) and Government Property NSW for leasehold rent and make good payments 2019-20: \$7.372m (2018-19: \$7.049m).

At 30 June 2020 a receivable was due from Department of Justice amounting to \$32.602m (2018-19: \$17.241m) for expenses recoverable under the Natural Disaster Relief and Recovery Arrangements. Additionally, at 30 June 2020, a receivable was due from iCare amounting to \$43.235m (2018-19: payable \$17.865m) relating to workers' compensation contributions for volunteers.

NSW RURAL FIRE SERVICE

Notes to the financial statements for the year ended 30 June 2020

28. Events after the Reporting Period

A Royal Commission into National Natural Disaster Arrangements was established on 20 February 2020 in response to the extreme bushfire season of 2019-20 which resulted in loss of life, property and wildlife and environmental destruction.

The Royal Commission will examine coordination, preparedness for, response to and recovery from disasters as well as improving resilience and adapting to changing climatic conditions and mitigating the impact of natural disasters. The inquiry will also consider the legal framework for Commonwealth involvement in responding to national emergencies.

The Royal Commission will deliver a final report by the end of August 2020.

The NSW Government has commissioned an independent expert inquiry into the 2019-20 bushfire season to provide input to NSW ahead of the next bushfire season. Dave Owens APM, former Deputy Commissioner of NSW Police, and Professor Mary O'Kane AC, Independent Planning Commission Chair and former NSW Chief Scientist and Engineer, are leading the six-month inquiry, which is reviewing the causes of, preparation for and response to the 2019-20 bushfires

Submissions to the Inquiry opened on 10 February 2020. The deadline for submissions was initially extended from 27 March to 17 April 2020 to allow additional time for people and organisations who may have been affected by the COVID-19 pandemic. The Inquiry further extended the submissions deadline to Friday 22 May 2020 to align with the period of online community consultation.

The Service will examine the findings and recommendations of the Royal Commission and the NSW Inquiry. As at the date of signing the 2019-20 financial statements, these matters have no known material impact on the financial statements of the Service.

The outbreak of the Novel Coronavirus (COVID-19) was declared a global pandemic by the World Health Organisation on 11 March 2020.

In response to the COVID-19 pandemic, the Service has revised operating procedures and procured appropriate supplies and materials based on NSW Health advice. The impact of COVID-19 on the commercial property market has resulted in the Service booking an impairment of the right-of-use asset of \$2.027m as shown in Note 11.

Otherwise, the COVID-19 pandemic has had no material impact on the Financial Statements of the Service.

End of audited financial statements



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APPENDIX 1 – HAZARD REDUCTION

1.1 Bush Fire Community Protection: Properties Protected Report

LOCATION	NUMBER OF WORKS PLANNED	NUMBER OF WORKS COMPLETED	PROPORTION OF WORKS COMPLETED VS PLANNED %	NUMBER OF PROPERTIES COVERED BY COMPLETED WORKS	VALUE OF PROPERTIES COVERED BY COMPLETED WORKS \$M
Total bush fire protection works	18,273	14,303	78.3%	193,825	\$100,287
Total programmed hazard reduction works	9,099	6,485	71.3%	110,277	\$48,521.9
Bush fire hazard complaints	1,950	1,573	80.7%	1,118	\$491.9
Private land hazard reduction certificates	330	308	93.3%	374	\$164.6
Development control assessments	5,396	4,771	88.4%	57,075	\$40,117.0
Community education programs	1,498	1,166	77.8%	24,981	\$10,991.6

NOTES

1. The 'Total programmed hazard reduction works' data set is derived from the Bushfire Risk Information Management System (BRIMS) records as at 2 October 2020.
2. The 'Number of works planned' data set is comprised of activities with a scheduled or completed date occurring during 2019/20.
3. The 'Number of works completed' data set comprises activities with a completion date occurring during 2019/20.
4. The 'Value of properties covered by completed works' uses a standard property value of \$440,000 per property which was sourced from a published paper (McAneney K.J. 2005).
5. The planned works for hazard complaints comprise the complaints received in this reporting period and the carryovers.
6. The planned works for DAs comprise the DAs received in this reporting period and the carryovers.

HAZARD REDUCTION

1.2 Number of properties protected by hazard reduction works

PROPERTIES PROTECTED BY AGENCY

	Number of properties protected
Department of Primary Industries (Crown Lands)	19,011
Local Government Authority	32,720
NSW National Parks and Wildlife Service	22,407
Other	836
Forestry Corporation of NSW	175
Fire and Rescue NSW	1,079
NSW Rural Fire Service	34,049
Total	110,277

COMPLETED HAZARD REDUCTION AREAS SUMMARY BY TENURE AND METHOD

	Burning (ha)	Mechanical (ha)	Other (ha)	Total (ha)
Australian Rail Track Corporation	6.32	62.21	0.00	68.53
Catchment Authority	0.00	0.00	3,055.98	3,055.98
Commonwealth	5.49	2.62	157.00	165.11
Department of Planning, Industry and Environment (Crown Lands)	718.10	2,155.35	1,346.28	4,219.73
Local Government Authority	374.63	5,506.69	1,860.85	7,742.17
NSW National Parks and Wildlife Service	27,086	2,314	0.00	29,400
Other	2,242.48	53.89	1.43	2,297.80
Private	978.05	58.38	4,637.95	5,674.38
RailCorp	0.00	14.54	0.00	14.54
Roads and Maritime Services	0.00	99.29	0.00	99.29
Forestry Corporation of NSW	2,777.75	33.15	0.00	2,810.90
Total	34,188.82	10,300.12	11,059.49	55,548.43

NOTES: The total hazard reduction areas on land tenures exclude 688.13 hectares by grazing means.

The Bush Fire Co-ordinating Committee has resolved to identify hazard reduction works scheduled for treatment but burnt out by bush fires prior to the hazard reduction being able to be carried out. The early months of 2019/20 were exceptionally dry with 95.2 percent of the state being drought affected in August 2019 and 17 percent being in intense drought. By October 2019, NSW was 99.4 percent affected by drought with 33 percent suffering intense drought conditions. These very dry conditions continued until February 2020 when there was significant rainfall across the eastern and central parts of the state. These record drought conditions saw more than 5 million hectares burnt across the state.

The 2019/20 year combined very dry conditions in Spring, where historically 23 percent of hazard reduction works are undertaken, with a very wet Autumn where historically 56 percent of works are undertaken. While a considerable amount of hazard reduction work was scheduled to be undertaken during 2019/20, a large area comprising 134,137 hectares was overrun by the extensive bush fires before being able to be treated. Despite the adverse weather conditions limiting hazard reduction works over the year, some 55,548 hectares were treated.

HAZARD REDUCTION UNDERTAKEN BY THE NSW RFS

While not a land management agency, members of the Service contribute significantly to hazard reduction activities in support of land management agencies and private property owners. During the reporting year, the NSW RFS undertook 392 hazard reduction works comprising approximately 8,453 hectares of hazard reduction work and protecting a total number of 34,049 assets with a value of \$15.0 billion (based on median insurance house and contents value in Sydney 2004 - McAneney K. J. 2005).

HAZARD REDUCTION

HAZARD REDUCTION CERTIFICATES ISSUED

(Streamlined environmental approval of hazard reduction – pursuant to section 100F and 100G)

Certificate issuing agency	Number issued	% of total
Department of Planning, Industry and Environment (Crown Lands)	142	11.90%
Local Government Authority	362	30.34%
NSW National Parks and Wildlife Service	-	-
NSW Rural Fire Service	661	55.41%
Other	28	2.35%
Total	1,193	100%

HAZARD COMPLAINTS RECEIVED

Land tenure	Complaints received	% of total
Private land	971	53.06%
Council land	596	32.57%
State government land	201	10.98%
Commonwealth land	2	0.11%
Australian Rail Track Corporation land	4	0.22%
To be determined	56	3.06%
Total	1,830	100%

INSPECTIONS, FORMAL NOTICES AND ENFORCEMENT WORKS

Number of hazard complaints inspections undertaken	Number of formal notices issued under Section 66 of the Act	Enforcement works undertaken under Section 70 of the Act
1,687	31	2

PERMITS ISSUED UNDER THE RURAL FIRES ACT 1997

Permits issued by	Number issued	% of total
Fire and Rescue NSW	871	6.42%
NSW Rural Fire Service	12,699	93.58%
Total	13,570	100%

NOTE: The number of permits issued by NSW RFS are sourced from BRIMS, while those issued by FRNSW are sourced from the report provided by FRNSW.

APPENDIX 2 - INFRASTRUCTURE SERVICES

2.1 Cyber Security Annual Attestation Statement for the 2019/20 Financial Year for NSW Rural Fire Service (NSW RFS)

I, Commissioner Rob Rogers, am of the opinion that the NSW RFS has managed cyber security risks in a manner consistent with the Mandatory Requirements set out in the NSW Government Cyber Security Policy.

Governance is in place to manage the cyber security maturity and initiatives of the NSW RFS.

Risks to the information and systems of the NSW RFS have been assessed and are managed.

There exists a draft cyber incident response plan for the NSW RFS that is scheduled to be endorsed and tested during the next reporting period.

The NSW RFS has an Information Security Management System (ISMS) in place. The NSW RFS is doing the following to continuously improve the management of cyber security governance and resilience:

- Undertaking annual ISMS internal audits
- Undertaking annual NSW Government Cyber Security Policy maturity assessments
- Undertaking annual internal and external penetration tests
- Implementing risk treatments arising from prior audits and assessments
- Reporting cyber security issues and improvements to our Audit & Risk Committee

This attestation covers the NSW RFS.



Rob Rogers AFSM
Commissioner, NSW RFS

APPENDIX 3 – MEMBERSHIP AND STRATEGIC SERVICES

3.1 Salaried and volunteer members

	2020	2019	2018	2017
Full-time equivalent (FTE) positions*	965	936	911	878
Headcount at Census*	998	965	948	913
Volunteer members	76,319	71,234	72,491	73,223

* This report is based on the Workforce Profile Report submitted to the Public Service Commission.

3.2 Executive remuneration

Senior executives	2020		2019		2018		2017	
	Female	Male	Female	Male	Female	Male	Female	Male
Band 4	0	0	0	0	0	0	0	0
Band 3	0	0	0	1	0	1	0	1
Band 2	1	3	^2	3	1	3	1	4
Band 1	5	*10	5	^11	5	9	4	9
Totals	6	14	7	15	6	13	5	14
	20		22		19		19	

* This figure indicates one PSSE at Band 1 currently on leave pending retirement.

^ These figures indicate one PSSE at Band 1 and one PSSE at Band 2 on leave pending retirement at time of reporting for the 2018/19 Annual Report.

Band	2020 Range	Average Remuneration			
		2020	2019	2018	2017
Band 4	487,051-562,550	-	-	-	-
Band 3	345,551-487,050	403,905	439,015	428,310	417,876
Band 2	274,701-345,550	310,151	310,326	300,270	280,666
Band 1	192,600-274,000	227,952	220,723	213,275	207,552

NOTE: 4.62% of NSW RFS employee-related expenditure in 2020 was related to senior executives, compared with 5.44% in 2019 and 4.74% in 2018.

3.3 Membership applications

	2020	2019	2018	2017
New member applications	8,494	3,701	4,416	4,120
(includes junior member applications)	(795)	(400)	(356)	(363)

3.4 Workforce diversity

Trends in the representation of staff within Workforce Diversity Groups

Workforce Diversity Group	Benchmark/ target	2020	2019	2018
Women	50%	35.7%	34.6%	34%
Aboriginal people and Torres Strait Islanders	3.3%	3.9%	2.9%	1.9%
People whose first language spoken as a child was not English	23.2%	4.9%	5.5%	5.4%
People with a disability	5.6%	5.0%	5.6%	4.4%
People with a disability requiring work-related adjustment	N/A	1.9%	2.2%	2.2%

NOTES

1. The benchmark of 50% for representation of women across the sector is intended to reflect the gender composition of the NSW community.
2. The NSW Public Sector Aboriginal Employment Strategy 2014-17 introduced an aspirational target of 1.8% by 2021 for each of the sector's salary bands. If the aspirational target of 1.8% is achieved in salary bands not currently at or above 1.8%, the cumulative representation of Aboriginal employees in the sector is expected to reach 3.3%.
3. A benchmark from the Australian Bureau of Statistics (ABS) Census of Population and Housing has been included for people whose first language spoken as a child was not English. The ABS Census does not provide information about first language, but does provide information about country of birth. The benchmark of 23.2% is the percentage of the NSW general population born in a country where English is not the predominant language.
4. In December 2017 the NSW government announced the target of doubling the representation of people with a disability in the NSW public sector from an estimated 2.7% to 5.6% by 2027. The benchmark for "people with a disability requiring work-related adjustment" was not updated.

3.4 Workforce diversity (cont.)

Trends in the distribution of staff within Workforce Diversity Groups

Workforce Diversity Group	Benchmark/ target	2020	2019	2018
Women	100	99	96	95
Aboriginal people and Torres Strait Islanders	100	84	83	N/A
People whose first language spoken as a child was not English	100	114	106	106
People with a disability	100	105	102	108
People with a disability requiring work-related adjustment	100	N/A	120	121

NOTES

1. A Distribution Index score of 100 indicates that the distribution of members of the Workforce Diversity group across salary bands is equivalent to that of the rest of the workforce. A score less than 100 means that members of the Workforce Diversity group tend to be more concentrated at lower salary bands than is the case for other staff. The more pronounced this tendency is, the lower the score will be. In some cases, the index may be more than 100, indicating that members of the Workforce Diversity group tend to be more concentrated at higher salary bands than is the case for other staff.
2. The Distribution Index is not calculated when the number of employees in the Workforce Diversity group is less than 20 or when the number of other employees is less than 20.

3.5 Public Interest Disclosures (PID)

The table below provides the information that is mandatory for the NSW RFS to include in the Annual Report in accordance with the *Public Interest Disclosures Act 1994* and the *Public Interest Disclosures Regulation 2011*.

	Made by public officials performing their day to day functions	Under statutory or other legal obligation	All other PIDs
Number of public officials who made PIDS directly	0	0	2
Number of PIDS received	0	0	2
Of PIDs received, number primarily about:			
Corrupt conduct	0	0	2
Maladministration	0	0	0
Serious and substantial waste	0	0	0
Government information contravention	0	0	0
Local government pecuniary interest contravention	0	0	0

Number of PIDs finalised

3

NOTE: PIDs finalised in 2019/20 includes PIDs received in previous financial years.

Additional information	Response
Does NSW RFS have an internal reporting policy?	Yes. NSW RFS Service Standard 1.1.30 <i>Public Interest Disclosures</i> revised and published 19 July 2019.
Has head of agency taken actions to meet staff awareness obligations?	Publication of Service Standard 1.1.30 on the public website, intranet and MyRFS. Public Interest Disclosures is a component of the Code of Conduct and Ethics Training provided to staff and senior volunteers.

3.6 Reported injuries and registered workers compensation claims

Injury type	Reported Injuries			Workers compensation claims	
	Volunteer member	Salaried member	Non RFS personnel	Volunteer member	Salaried member
Allergic reaction	53	24	9	2	2
Breathing difficulties	74	3	10	12	0
Burn - fire related	75	1	19	33	0
Burn - not fire related (e.g. scald)	7	1	6	0	0
Exposure only (no known illness)	12	4	1	0	1
Faint/dizziness/collapse	11	1	1	0	2
Fatality	4	0	3	4	0
Foreign body	45	11	20	0	4
Fracture	26	1	5	31	0
Head injury/concussion	17	1	8	10	4
Heart related	5	0	3	1	0
Heat/hydration issue	76	2	26	0	2
Minor wound (e.g. cuts, grazes, bruising)	221	39	63	55	1
Muscle/tendon strain/dislocation	289	52	36	138	28
Nausea/vomiting/diarrhoea	25	0	10	2	0
Psychological	18	9	3	13	10
Other/multiple injuries	156	17	45	115	2
Cancer (claims lodged)	27	0	0	27	0
TOTAL	1,141	166	268	443	56
GRAND TOTAL	1,575			499	

NOTE: There were no prosecutions under the *Work Health and Safety Act 2011* in the reporting period.

3.7 Learning and Development – NSW RFS training activity by year

Volunteers and their qualifications	2020	2019	2018
Bush Firefighter	2,576	2,223	2,272
Village Firefighter	376	813	847
Advanced Firefighter	435	573	704
Crew Leader	469	610	858
Group Leader	94	66	79
First Aid	821	1,674	1,629
Breathing Apparatus	384	666	605
Chain Saw Operator	651	665	818
Rural Fire Driver	1,035	779	792
Enterprise Skills Trainer	886*	208	156
Enterprise Trainer and Assessor	1,390*	129	39

NOTE: Figures generated by SAP LSO database only cover qualifications generated by electronic databases within each reporting year. Figures are inclusive of newly certified and recertified members.

*Includes existing NSW RFS members converting to new qualification.

3.8 Mental Health, Counselling and Support Services

	Peer Support – including Critical Incident Support Services (CISS)			Member Assistance Program (MAP) and other mental health practitioners	
	Number of activations	Number of personnel assisted	Hours	Staff	Volunteers
2020	537	3,331	25,465	88	122

3.9 Chaplaincy and Family Support Network activity

Chaplaincy activity	Totals – Senior Chaplain and Senior Family Support Chaplain			Totals – Volunteer Fire District Chaplains and Family Support volunteers		
	2020	2019	2018	2020	2019	2018
Visits to RFS Headquarters	63	118	132	15	3	0
Visits to Fire Control Centres	39	24	26	588	410	400
Visits with Fire Control Officers	32	21	23	210	165	180
Visits to Rural Fire Brigades	26	8	13	444	138	129
Regional conferences	1	0	2	0	0	0
State Management conferences	0	1	2	0	0	0
Brigade Captains Meetings	0	0	0	54	40	43
Seminars and conferences	2	3	5	5	29	0
Station openings and dedications	1	9	12	6	12	14
Fire fleet blessings and services	8	8	13	25	28	30
Personal and family counselling	259	78	75	344	235	215
Telephone support and counselling	312	225	229	894	255	236
Home visits – members and family	48	60	43	140	162	140
Hospital visitation – members	32	59	52	71	72	86
Funeral services conducted	8	11	11	8	6	10
Infant christenings/dedications	1	0	0	0	0	0
Service weddings	3	2	1	2	0	2
NSW RFS callouts	7	2	2	75	55	65
Fire and Rescue NSW callouts	0	0	0	0	0	0
National Parks and Wildlife NSW callouts	0	0	0	9	0	0
Respond to suicides/postvention	10	5	4	5	2	1
Championship and field days	4	4	3	2	2	2
Critical Incident Support	68	8	11	458	12	16
Workers compensation and other NSW RFS meetings	23	24	26	0	0	0
Total kilometres travelled	51,777	63,238	54,672	34,814	10,855	10,308

3.10 Bushfire and Natural Hazards Cooperative Research Centre (BNHCRC)

Year	Cash Contribution	In-kind Contribution*	Additional BNHCRC Research Contribution
2020	\$428,482	\$141,149.72	N/A
2019	\$416,000	\$242,194.85	N/A
2018	\$404,000	\$300,000	\$97,500**

* The in-kind contribution is based on a schedule of predetermined values for various levels of contribution towards BNHCRC outcomes or research utilisation. It also includes a component of actual costs incurred by the NSW RFS towards achieving these outcomes, such as travel expenses to attend conferences.

** For the research project into the Reedy Swamp/Tathra fire.

3.11 NSW RFS / RFSA Consultative Committees

RFSA CONSULTATIVE COMMITTEE MEMBERSHIP AND ATTENDANCE FROM JULY 2019 - JUNE 2020

COMMUNITY ENGAGEMENT CONSULTATIVE COMMITTEE

Name	Attendance	Number eligible to attend
Stephen O'Malley (Chair)	2	2
Brian Millar (Deputy Chair)	2	2
Brian Jewell#	1	1
Collin Segelov#	1	1
Daniel Osborne#	1	1
David Harris#	1	1
Irene Hancock	2	2
Leah Ross#	1	1
Susanne Barker#	1	1
Zofie Lahodny-Gecso	2	2
Alistair Breingan*	1	1
Michael Lane*	1	1
Glenda Howell*	1	1
Sue Slowikowski*	1	1
Ken Wade-Farrell*	1	1
Peter Conn AFSM*	1	1

Tenure ceased November 2019

* Tenure commenced February 2020

MEMBERSHIP AND STRATEGIC SERVICES

INFRASTRUCTURE SERVICES CONSULTATIVE COMMITTEE

Name	Attendance	Number eligible to attend
Senior Assistant Commissioner Bruce McDonald AFSM (Chair)	1	2
Brian McDonough (Deputy Chair)+	1	1
Adrian Reynolds#	1	1
Errol Hockley	2	2
Garry Barrett#	0	1
Mark Ross	2	2
Patrick Bradley#	1	1
Steve Jones	2	2
Troy Dowley	2	2
Vikki Bingley	2	2
Steve Robinson^	2	2
Anthony Wade*	1	1
Scott Lawrence*	1	1
James Kirby*	0	1

+ Tenure ceased July 2019 # Tenure ceased November 2019

^ Tenure commenced October 2019 * Tenure commenced March 2020

MEMBERSHIP SERVICES CONSULTATIVE COMMITTEE

Name	Attendance	Number eligible to attend
Trina Schmidt (Chair)	1	2
Scott Campbell (Deputy Chair)	1	2
Bert Clarke	2	2
Bill Elder	2	2
Craig Murphy	2	2
Dennis Hancock#	1	1
Greg Fisher	2	2
Helen Carlos#	1	1
Michael Lane#	1	1
Terry Job	2	2
Peter Bulliman*	1	1
Craig Cropley*	1	1
Leah Ross*	1	1

Tenure ceased November 2019 * Tenure commenced March 2020

OPERATIONS CONSULTATIVE COMMITTEE

Name	Attendance	Number eligible to attend
Deputy Commissioner Rob Rogers AFSM (Chair)	1	2
David Turner (Deputy Chair)	2	2
Andrew McDonald	2	2
Brendon Ede	2	2
Elizabeth Ferris AFSM#	0	1
Geoff Ryan	2	2
Graeme Wilson#	1	1
James Brady#	0	1
Krystaal Hinds	2	2
Les Ayres	2	2
Jason Lewington*	1	1
Peter Burfitt*	1	1
Darin Carter*	1	1

Tenure ceased November 2019 * Tenure commenced March 2020

YOUNG MEMBERS GROUP

Name	Attendance	Number eligible to attend
Nathan Barnden (Chair) #	1	1
Christian Bond (Deputy Chair) #	1	1
David Stimson	2	2
Adrian David#	1	1
Alexander Milgate#	1	1
Ben Albers#	1	1
Cassandra Williams	2	2
James Boyle#	0	1
Jessie McMaster+	2	2
Lewis Drayton+	1	2
Zain Allam#	1	1
Gabriel Tanks*	1	1
Lachlan Page*	1	1
Baladev Dayaram*	1	1
Richard Alley*	1	1
Lachlan Hicks*	1	1
Lachlan Williams*	1	1
Samuel Keogh*	1	1

Tenure ceased November 2019 * Tenure commenced March 2020 + Chair/Deputy Chair from March 2020

Note: The Young Members Group meeting scheduled for July 2019 did not take place due to Group members attending the NSW RFS Leadership Forum in June 2019.

3.12 Awards

Given the unprecedented severity and duration of the 2019/20 fire season, there was diminished capacity to submit nominations for awards during the reporting period. The nomination period for awards relating to the 2019/20 fire season has been extended and additional nominations are currently under consideration. The Service will publish any further awards in the 2020/21 Annual Report.

BRAVERY AND SERVICE AWARDS (INTERNAL)

	Volunteer members	Salaried members	Total
Commissioner's Award for Valour	0	0	0
Commissioner's Commendation for Bravery	5	0	5
Deputy Captain Geoffrey Keaton (posthumous) Horsley Park Rural Fire Brigade, Cumberland, Area Greater Sydney			
Firefighter Samuel McPaul (posthumous) Morven Rural Fire Brigade, Southern Border, Area South Western			
Firefighter Andrew O'Dwyer (posthumous) Horsley Park Rural Fire Brigade, Cumberland, Area Greater Sydney			
Captain William Ross Spencer Rural Fire Brigade, Central Coast, Area Hunter			
Senior Deputy Captain Alison Wade Spencer Rural Fire Brigade, Central Coast, Area Hunter			
Commissioner's Commendation for Service	5	3	8
Flight Engineer Rick A. DeMorgan Jr (posthumous) Coulson Aviation			
First Officer Paul Clyde Hudson (posthumous) Coulson Aviation			
Deputy Captain Geoffrey Keaton (posthumous) Horsley Park Rural Fire Brigade, Cumberland, Area Greater Sydney			
Captain Ian McBeth (posthumous) Coulson Aviation			
Firefighter Samuel McPaul (posthumous) Morven Rural Fire Brigade, Southern Border, Area South Western			
Firefighter Andrew O'Dwyer (posthumous) Horsley Park Rural Fire Brigade, Cumberland, Area Greater Sydney			
Captain Gregory Speed OAM Orchard Hills Rural Fire Brigade, Cumberland, Area Greater Sydney			
Retired Group Captain Warwick Teasdale Killcare/Wagstaff Rural Fire Brigade, Central Coast, Area Hunter			
Commissioner's Certificate of Commendation (Unit)	5	0	5
Captain William Pokarier, Deputy Captain Thomas Stanton and Firefighter Stephen Forrester Goodooga Rural Fire Brigade, Far West, Area Western			
Crescent Head Brigade Lower North Coast, Area North Eastern			
Far North Coast Senior Management Team Far North Coast, Area North Eastern			
Southern Tablelands Zone Strike Team Echo 1 Southern Tablelands, Area South Eastern			
South West Slopes Zone Senior Management Team South West Slopes, Area Western			
Commissioner's Certificate of Commendation (Individual)	0	0	0
Commissioner's Unit Citation for Bravery	0	0	0
Commissioner's Unit Citation for Service	0	0	0
Totals	15	3	18

MEMBERSHIP AND STRATEGIC SERVICES

LONG SERVICE AWARDS (INTERNAL)

Long Service Medal/Clasps	Volunteer members	Salaried members	Totals
10-year Long Service Medal	1,232	31	1,263
20-year Long Service Clasp	419	8	427
30-year Long Service Clasp	254	4	258
40-year Long Service Clasp	194	5	199
50-year Long Service Clasp	144	2	146
60-year Long Service Clasp	58	0	58
70-year Long Service Clasp	10	0	10
Totals	2,311	50	2,361

NATIONAL MEDALS/CLASPS

	Volunteer members	Salaried members	Totals
Medals	137	10	147
Clasps	127	15	142
Totals	264	25	289

AUSTRALIAN FIRE SERVICE MEDALS (AUSTRALIAN HONOURS SYSTEM)

Australian Fire Service Medal	Volunteer members	Salaried members	Totals
Australia Day	6	0	6
Robert Graham Group Captain, Northern Rivers, Area North Eastern			
Raymond Hill Group Captain, Lower Western, Area South Western			
John Stuckings Group Captain, MIA, Area South Western			
Michelle Thornley Captain, Shoalhaven, Area South Eastern			
Owen Tydd Group Captain, Liverpool Range, Area North Western			
Graham Williams Deputy Captain, Shoalhaven, Area South Eastern			
Queen's Birthday	7	1	8
Frank Austin Captain, South West Slopes, Area Western			
Kenneth Eglington Group Captain, Far North Coast, Area North Eastern			
John Foster Deputy Captain, Cumberland, Area Greater Sydney			
Terrence Job Group Captain (retired), Mid Lachlan Valley, Area Western			
Kenneth Hall Former Chief Superintendent/Firefighter, Far South Coast, Area South Eastern			
Peter Miranda Deputy Captain/District Officer, Sutherland, Area Greater Sydney			
Michael Neyland Group Captain, Riverina Highlands, Area South Eastern			
Christopher Sharp Group Captain, Chifley/Lithgow, Area Western			
Totals	13	1	14

APPENDIX 4 – EXECUTIVE SERVICES

4.1 Internal Audit and Risk Management Statement 2019/20



NSW RURAL FIRE SERVICE

Internal Audit and Risk Management Statement for the 2019-2020 Financial Year for the NSW Rural Fire Service

I, Rob Rogers, am of the opinion that the NSW Rural Fire Service has internal audit and risk management processes in operation that are compliant with the eight (8) core requirements set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*, specifically:

Core Requirements	Compliance
1. Risk Management Framework	
1.1. The agency head is ultimately responsible and accountable for risk management in the agency	Compliant
1.2. A risk management framework that is appropriate to the agency has been established and maintained and the framework is consistent with AS/NZS IS) 31000:2009	Compliant
2. Internal Audit Function	
2.1. An internal audit function has been established and maintained	Compliant
2.2. The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing	Compliant
2.3. The agency has an Internal Audit Charter that is consistent with the content of the 'model charter'	Compliant
3. Audit and Risk Committee	
3.1. An independent Audit and Risk Committee with appropriate expertise has been established	Compliant
3.2. The Audit and Risk Committee is an advisory committee providing assistance to the agency head on the agency's governance processes, risk management and control frameworks, and its external accountability obligations	Compliant
3.3. The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'	Compliant

Membership

The chair and members of the Audit and Risk Committee during 2019-2020 were:

- > Mr Garry Dinnie, Independent Chair, appointed for a three year term, commencing 2 October 2018, ending on 1 October 2021
- > Mr David Roden, Independent Member, reappointed for a three year term, commencing 25 February 2020, ending 24 February 2023
- > Ms Marcia Doheny, Independent Member, appointed for a three year term, commencing 13 November 2018, ending 12 November 2021



Rob Rogers AFSM
Commissioner
NSW Rural Fire Service
Date: 3/9/20
Ref: Doc20/122624

4.2 Risk management and insurance

Total deposit premiums (excluding GST) paid	2019/20 \$	2018/19 \$	2017/18 \$	2016/17 \$
Workers compensation – salaried staff	4,671,386	13,767,204	1,059,763	1,182,260
Workers compensation – volunteers	63,202,000	96,859,504	2,500,000	3,000,000
Motor vehicle	1,678,900	1,780,180	2,614,550	3,016,610
Public liability	2,606,000	2,769,560	2,741,900	2,964,320
Property	92,880	103,980	108,050	98,120
Other	36,380	37,890	32,360	23,970
Totals	72,287,546	115,318,318	9,056,623	10,285,280

NOTES

- Insurance coverage is provided by the NSW Treasury Managed Fund for all areas except for workers compensation coverage for volunteers. NSW RFS volunteers are covered by the Bush Firefighters Compensation Fund administered by iCare.
- In September 2018, the NSW government introduced amendments to workers compensation legislation to reverse the onus of proof for NSW firefighters who are diagnosed with one of 12 prescribed cancers and meet the applicable minimum qualifying service periods. This resulted in a significant increases in workers compensation for both staff and volunteers in 2018/19 and subsequent periods, as reflected in the table above.

4.3 Government Information (Public Access) Act 2009 (GIPA Act) statistics for 2019/20

TABLE A: NUMBER OF APPLICATIONS BY TYPE OF APPLICANT AND OUTCOME

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	1	0	0	0	1
Members of Parliament	1	1	0	1	0	0	0	0
Private sector business	9	31	2	7	0	0	0	5
Not-for-profit organisations or community groups	2	1	0	0	0	0	0	0
Members of the public (application by legal representative)	4	8	1	0	0	0	0	2
Members of the public (other)	5	26	4	3	0	1	0	1

TABLE B: NUMBER OF APPLICATIONS BY TYPE OF APPLICATION AND OUTCOME

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications	2	8	0	0	0	0	0	1
Access applications (other than personal information applications)	19	50	7	11	0	1	0	8
Access applications that are partly personal information applications and partly other	0	9	0	1	0	0	0	0

TABLE C: INVALID APPLICATIONS

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the <i>Act</i>)	12
Application is for excluded information of the agency (section 43 of the <i>Act</i>)	0
Application contravenes restraint order (section 110 of the <i>Act</i>)	0
Total number of invalid applications received	12
Invalid applications that subsequently became valid applications	7

TABLE D: CONCLUSIVE PRESUMPTION OF OVERRIDING PUBLIC INTEREST AGAINST DISCLOSURE: MATTERS LISTED IN SCHEDULE 1 TO THE ACT

	Number of times consideration used
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	4
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

TABLE E: OTHER PUBLIC INTEREST CONSIDERATIONS AGAINST DISCLOSURE: MATTERS LISTED IN TABLE TO SECTION 14 OF THE ACT

	Number of occasions when application not successful
Responsible and effective government	5
Law enforcement and security	2
Individual rights, judicial processes and natural justice	3
Business interests of agencies and other persons	1
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

TABLE F: TIMELINESS

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	45
Decided after 35 days (by agreement with applicant)	53
Not decided within time (deemed refusal)	10
Total	108

In 2019/20, the state of NSW underwent a period of unprecedented fire activity. Consequently, the NSW RFS experienced delays in processing applications under the *GIPA Act*, as the Service's resources were predominately deployed towards responding to bush fires. To address these difficulties, the following measures were implemented:

- The NSW RFS posted a notice on its website advising of the delays in processing applications; and
- For most applications, the NSW RFS requested that applicants agree to an extension of the decision period for determining access applications.

The NSW RFS also notified the Information Commissioner of these measures. The Information Commissioner endorsed the approach as appropriate in the circumstances.

The primary cause of applications not being decided within time is where applicants did not agree to extensions requested by the Service. These applications have been, or will be, decided outside of the timeframe.

A review under the *GIPA Act* was conducted in December 2019. The existing program was examined, including consideration of the categories of information already proactively released, as well as other types of information held by the Service. As a result of the review, it was decided that the current program was appropriate and that no further categories of information were suitable for proactive release at that time.

TABLE G: NUMBER OF APPLICATIONS REVIEWED UNDER PART 5 OF THE ACT (BY TYPE OF REVIEW AND OUTCOME)

	Decision varied	Decision upheld	Total
Internal review	0	2	2
Review by Information Commissioner	0	1	1
Internal review following recommendation under Section 93 of the Act	0	0	0
Review by NSW Civil and Administrative Tribunal (NCAT)	0	0	0
Total	0	3	3

TABLE H: APPLICATIONS FOR REVIEW UNDER PART 5 OF THE ACT (BY TYPE OF APPLICANT)

	Number of applications for review
Applications by access applicants	4
Applications by persons to whom information the subject of the access application relates (see section 54 of the Act)	0

TABLE I: APPLICATIONS TRANSFERRED TO OTHER AGENCIES UNDER DIVISION 2 OF PART 4 OF THE ACT (BY TYPE OF TRANSFER)

	Number of applications transferred
Agency-initiated transfers	9
Applicant-initiated transfers	0

STATISTICS REQUIRED BY CLAUSE 7 OF THE GOVERNMENT INFORMATION (PUBLIC ACCESS) REGULATION 2018

Total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications)	141
Total number of access applications received by the agency during the reporting year that the agency refused, either wholly or partly because the application was for the disclosure of information referred to in Schedule 1 to the Act.	4

4.4 Committees

AUDIT AND RISK COMMITTEE (ARC) AND FINANCIAL STATEMENT MEETINGS

The ARC met on seven occasions during the reporting period and attendance was as follows:

Member	Agency	Attended
Mr Garry Dinnie	Independent Chair	6
Mr David Roden	Independent Member	7
Ms Marcia Doheny	Independent Member	6

RURAL FIRE SERVICE ADVISORY COUNCIL (RFSAC)

The RFSAC met on two occasions during the reporting period and attendance was as follows:

Member	Agency	Attended/ Represented
Commissioner Shane Fitzsimmons AFSM (resigned 30/04/20)	NSW Rural Fire Service	1/1
Commissioner Rob Rogers AFSM (appointed 01/05/20)	NSW Rural Fire Service	0/0
Cr Keith Rhoades AFSM	Local Government NSW	2/2
Cr Denise Knight	Local Government NSW	2/2
Mr Christopher Powell AFSM	Rural Fire Service Association	2/2
Mr Russell Perry	Rural Fire Service Association	1/0
Mr Michael Brett	Rural Fire Service Association	1/0
Mr Rob Pallin (resigned 16/07/19)	NSW Nature Conservation Council	0/0
Mr Graham Brown	NSW Farmers' Association	2/2
Mr Nick Wiesener	Insurance Council of Australia	1/0
Mr Robert Conroy (appointed 17/07/19)	NSW Nature Conservation Council	0/2

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BUSH FIRE CO-ORDINATING COMMITTEE (BFCC)

The BFCC met on four occasions during the reporting period and attendance was as follows:

Member	Agency	Attended/ Represented
Commissioner Shane Fitzsimmons AFSM (resigned 30/04/2020)	NSW Rural Fire Service	2/1
Commissioner Rob Rogers AFSM (appointed 01/05/2020)	NSW Rural Fire Service	1/0
Deputy Commissioner Jim Hamilton AFSM	Fire and Rescue NSW	3/1
Mr Simon Oliver	NSW Department of Industry - Primary Industries	2/1
Mr George Schneider	NSW Department of Industry - Crown Lands	4/0
Ms Naomi Stephens	NSW National Parks and Wildlife Service	4/0
Cr Denise Knight	Local Government NSW	1/0
Cr Keith Rhoades AFSM	Local Government NSW	2/0
Mr Gregory Wardle	NSW Rural Fire Service Association	3/0
Deputy Commissioner Jeff Loy APM	NSW Police Force	0/3
Mr Robert Conroy	Representing the Minister for the Environment	4/0
Mr Rob Pallin	NSW Nature Conservation Council	4/0
Mr Graham Brown	NSW Farmers' Association	4/0
Ms Sonya Ramke	Office of Emergency Management (Disaster Welfare Services)	3/0
Dr Ross Dickson	Forestry Corporation	4/0

FIRE SERVICES JOINT STANDING COMMITTEE (FSJSC)

The FSJSC met on three occasions during the reporting period and attendance was as follows:

Member	Agency	Attended/ Represented
Commissioner Shane Fitzsimmons AFSM (resigned 30/04/2020)	NSW Rural Fire Service	0/1
Commissioner Rob Rogers AFSM (appointed 01/05/2020)	NSW Rural Fire Service	1/0
Commissioner Paul Baxter	Fire and Rescue NSW	1/0
Assistant Commissioner Paul McGuiggan AFSM	Fire and Rescue NSW	1/0
Superintendent Paul Jones	NSW Rural Fire Service	1/0
Mr Leighton Drury	Fire Brigade Employees' Union of NSW	2/0
Superintendent Michael Brett	NSW Rural Fire Service Association	1/0

NSW RFS AND LOCAL GOVERNMENT LIAISON COMMITTEE (LGLC)

The LGLC met on three occasions during the reporting period and attendance was as follows:

Member	Agency	Attended/ Represented
Commissioner Shane Fitzsimmons AFSM (resigned 30/04/2020)	NSW Rural Fire Service	2/0
Commissioner Rob Rogers AFSM (appointed 01/05/2020)	NSW Rural Fire Service	0/0
Mr Stephen O'Malley	NSW Rural Fire Service	2/0
Assistant Commissioner Rebel Talbert (resigned 07/04/20)	NSW Rural Fire Service	1/1
Assistant Commissioner Jason Heffernan (appointed 08/04/20)	NSW Rural Fire Service	0/0
Cr Keith Rhoades AFSM	Local Government NSW	2/0
Cr Denise Knight	Local Government NSW	1/0
Mr Steve Robinson	Rural Fire Service Association	1/0

CORPORATE EXECUTIVE GROUP (CEG)

The CEG met on eight occasions during the reporting period and attendance was as follows:

Member and Position	Agency	Attended / Represented
Commissioner Shane Fitzsimmons AFSM (resigned 30/04/2020)	NSW Rural Fire Service	5/1
Commissioner Rob Rogers AFSM (appointed 01/05/2020)	NSW Rural Fire Service	1/0
Deputy Commissioner Rob Rogers AFSM Executive Director, Operations (to 30/04/20)	NSW Rural Fire Service	6/0
Senior Assistant Commissioner Bruce McDonald AFSM Executive Director, Infrastructure Services	NSW Rural Fire Service	3/1
Ms Trina Schmidt Executive Director, Membership and Strategic Services	NSW Rural Fire Service	6/0
Mr Stephen O'Malley Executive Director, Finance and Executive Services; Chief Financial Officer	NSW Rural Fire Service	6/0
Assistant Commissioner Stuart Midgley AFSM Director, Coordinated Risk Management	NSW Rural Fire Service	6/0
Assistant Commissioner Kelly Browne AFSM Director, Chief Information Officer	NSW Rural Fire Service	6/0
Assistant Commissioner Jason Heffernan Director, Area Operations (Southern & Eastern) (appointed 22/12/19)	NSW Rural Fire Service	6/0
Assistant Commissioner Rebel Talbert (resigned 04/2/20)	NSW Rural Fire Service	2/1
Assistant Commissioner Peter McKechnie Director, Area Operations (Northern and Western) (appointed 22/12/19)	NSW Rural Fire Service	6/0
Mr Anthony Clark Director, Corporate Communications and Engagement	NSW Rural Fire Service	6/0
Mr Stephen Glasscock Director, Corporate Planning, Risk and Learning (resigned 26/6/20)	NSW Rural Fire Service	5/2
Chief Superintendent Ken Hall Regional Manager, Region South (resigned 10/9/19)	NSW Rural Fire Service	2/0
Chief Superintendent Jayson McKellar Regional Manager, Region East (resigned 04/2/20)	NSW Rural Fire Service	3/0
Chief Superintendent Brett Condie Regional Manager, Region North (resigned 04/2/20)	NSW Rural Fire Service	0/3
Superintendent Jeff Lucas Acting Regional Manager, Region West (appointed 11/09/19 and resigned 04/2/20)	NSW Rural Fire Service	1/0
Superintendent Andrew Dillon Acting Regional Manager, Region West (resigned 04/2/20)	NSW Rural Fire Service	3/0
Mr Ken Middleton President (resigned 10/09/19)	NSW Rural Fire Service Association	0/1
Mr Brian McDonough Vice President (took on title of President of the RFSA effective 03/07/19)	NSW Rural Fire Service Association	6/1
Chief Superintendent Ben Millington (appointed 04/2/20)	NSW Rural Fire Service	4/0
Mr Anthony Bradstreet Acting Director, Corporate Planning, Risk and Learning (commenced 29/6/20)	NSW Rural Fire Service	0/0

4.5 Minister-approved travel

Overseas travel approvals from 1 July 2019 to 30 June 2020

Date	Location	Officer/s	Trip details
17 to 18 July 2019	Christchurch, New Zealand	Commissioner Shane Fitzsimmons	Attend the AFAC Board meeting.
6 to 13 March 2020*	London, United Kingdom	Commissioner Shane Fitzsimmons	Attend an official dinner as guests of His Royal Highness, The Prince of Wales and represent the NSW RFS at various events as part of the annual Prince's Trust Week and Awards Ceremony.
22 to 26 March 2020*	Reno, Nevada, USA	Assistant Commissioner Rebel Talbert	Attend and present at the 2020 International Association of Fire Chiefs Wildland Urban Interface Conference.
30 March to 10 April 2020*	Wakefield, Virginia, USA	Bethany Slender, Operational Officer	Attend the <i>Women-in-Fire Prescribed Fire Training Exchange</i> . The NSW RFSA sponsored the costs of return airfares, accommodation and training registration.
19 to 29 April 2020*	Gallipoli, Turkey	21 NSW RFS members	Provide support to the Commonwealth Department of Veterans' Affairs with the 2020 ANZAC Day commemorations
20 to 24 April 2020*	North Carolina and California, USA	Dr Simon Heemstra, Manager, Planning and Predictive Services	Attend the 3rd International Smoke Symposium

*Note: This travel was approved during the 2019/20 FY, however did not proceed. The main cause of travel not proceeding during this period was COVID-19 related cancellations or restrictions.

4.6 Annual Report costs

The Organisational Communications team is responsible for the production of the Annual Report. The total external costs incurred in the production of this report were \$0.

The report is accessible on the NSW RFS website www.rfs.nsw.gov.au

Copies may be obtained by emailing: comms@rfs.nsw.gov.au

4.7 Payment Performance

Due to the severity of the 2019/20 bush fire season, the NSW RFS increased procurement to support its volunteer firefighters. This resulted in a significant backlog of unpaid invoices, requiring the deployment of additional resources to resolve.

AGED ANALYSIS AT THE END OF EACH QUARTER 2019/20

Quarter	Current (i.e. within due date) \$'000	Less than 30 days overdue \$'000	Between 30 and 60 days overdue \$'000	Between 61 and 90 days overdue \$'000	More than 90 days overdue \$'000
All suppliers					
September	294	11,919	187	398	154
December	1,966	1,178	1,008	49	417
March	1,758	1,373	1,216	196	160
June	3,227	1,816	151	197	1,576
Small business suppliers					
September	0	0	0	0	0
December	0	0	0	0	0
March	0	0	0	0	0
June	0	0	0	0	0

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ACCOUNTS DUE OR PAID WITHIN EACH QUARTER 2019/20

Measure	Sept 2019	Dec 2019	March 2020	June 2020
All suppliers				
Number of accounts due for payment	8,795	17,619	24,309	10,560
Number of accounts paid on time	6,936	9,205	11,338	8,749
Actual percentage of accounts paid on time (based on number of accounts)	79%	52%	47%	83%
Dollar amount of accounts due for payment \$'000	217,484	214,818	383,014	190,374
Dollar amount of accounts paid on time \$'000	199,092	110,468	151,567	158,987
Actual percentage of accounts paid on time (based on \$)	92%	51%	40%	84%
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts	0	0	0	0
Small business suppliers				
Number of accounts due for payment to small business	895	2,201	2,356	619
Number of accounts due to small businesses paid on time	679	993	1,205	528
Actual percentage of small business accounts paid on time (based on number of accounts)	76%	45%	51%	84%
Dollar amount of accounts due for payment to small businesses \$'000	2,441	16,416	22,217	2,690
Dollar amount of accounts due to small businesses paid on time \$'000	1,958	5,374	7,561	2,197
Actual percentage of small business accounts paid on time (based on \$)	80%	33%	34%	82%
Number of payments to small business for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts	0	0	0	0

4.8 Engagement of consultants

Consultancies equal to or more than \$50,000	Cost (\$)
	Nil
Consultancies less than \$50,000	Cost (\$)
	Nil
Accounting general	Nil
Total consultancies	Nil

4.9 Funds granted to non-government organisations

	Program area	2015/16	2016/17	2017/18	2018/19	2019/20	Nature and purpose
Nature Conservation Council of NSW	Operations	\$124,364	\$134,671	\$139,699	\$146,745	\$154,646	Annual funding to allow the Council to meet its responsibilities under the <i>Rural Fires Act 1997</i> .
Total		\$124,364	\$134,671	\$139,699	\$146,745	\$154,646	

4.10 Privacy statement

The *Privacy and Personal Information Protection Act 1998* (PPIPA) establishes certain principles governing the manner and circumstances in which personal information may be collected and used. The *Health Records and Information Privacy Act 2002* (HRIPA) also stipulates the responsibilities of private organisations and public agencies in dealing with health information.

The NSW RFS Service Standard 1.1.14 *Personal Information and Privacy* sets out the manner in which members of the NSW RFS shall collect and use personal information in carrying out the functions of the NSW RFS, so as to comply with the provisions of the PPIPA and HRIPA. The NSW RFS Privacy Management Plan also forms part of this Service Standard and articulates the responsibilities of the NSW RFS under PPIPA and HRIPA.

An application for internal review under the PPIPA was received by the NSW RFS in the 2019/20 financial year.

On 9 August 2019, the NSW Civil and Administrative Tribunal (NCAT) issued its decision on an application for external review under the PPIPA, following a hearing on 17 December 2018. The NCAT determined to take no further action on the matter.

Glossary

Acronym	Meaning	Acronym	Meaning
AASB	Australian Accounting Standards Board	LAT	Large Air Tanker
AFAC	Australasian Fire and Emergency Service Authorities Council	LGA	Local Government Area
AFSM	Australian Fire Service Medal	MDT	Mobile Data Terminal
AIDER	Assist Infirm, Disabled and Elderly Residents	MP	Member of Parliament
APM	Australian Police Medal	MPSP	Multicultural Policies and Services Program
AVL	Automatic Vehicle Location	MyRFS	www.myrfs.nsw.gov.au (volunteer extranet)
BFCC	Bush Fire Co-ordinating Committee	NAFC	National Aerial Firefighting Centre
BFMC	Bush Fire Management Committee	NAIDOC	National Aborigines and Islanders Day Observance Committee
BIRS	Brigade Incident Reporting System	NSP	Neighbourhood Safer Places
BNHCRC	Bushfire and Natural Hazards Cooperative Research Centre	NSW RFS	NSW Rural Fire Service
CALD	Culturally and Linguistically Diverse	NSW SES	NSW State Emergency Service
CCEP	Critical Communication Enhancement Program	OAM	Medal of the Order of Australia
CEG	Corporate Executive Group	PF&A Act	<i>Public Finance and Audit Act 1983</i>
CFO	Chief Financial Officer	PID	Public Interest Disclosures
CISS	Critical Incident Support Services	PPC	Personal Protective Clothing
CPP	Community Protection Plan	PPE	Personal Protective Equipment
CSP	Cyber Security Policy	PSA	Public Service Association (of NSW)
FBA _n	Fire Behaviour Analyst	PSSE	Public Service Senior Executive
FRNSW	Fire and Rescue NSW	RAF	Research Advisory Forum
FSJSC	Fire Services Joint Standing Committee	RAFT	Remote Area Firefighting Team
GIPA	Government Information (Public Access)	RART	Rapid Aerial Response Team
GRN	Government Radio Network	RFD	Rural Fire District
GSF	Government Sector Finance	RFSA	NSW Rural Fire Service Association
iCare	Insurance and Care NSW	RFSAC	Rural Fire Service Advisory Council
ICON	Incident Control On Line	Section 44	Section 44 of the <i>Rural Fires Act 1997</i> (declaration of major fire emergency)
ICT	Information and Communications Technology	STS	Sail Training Ship
IEC	International Electrotechnical Commission	Telco	NSW Telco Authority
IRC	Industrial Relations Commission	TMF	Treasury Managed Fund
ISMS	Information Security Management System	VRA	Volunteer Rescue Association
ISO	International Organization for Standardization	WHS	Workplace Health and Safety
		YHM	Your Health Matters
		YMG	Young Members Group

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