



Annual Report 2022 - 2023

Victoria State Emergency Service



This report provides an account of the Victoria State Emergency Service (VICSES) during the 2022-23 financial year, as required under the *Financial Management Act 1994*.

It provides a record of events and activities, acknowledges the contribution of VICSES volunteers, staff and supporters, and informs government and the public about VICSES services during the 2022-23 financial year.

This report is available for viewing online:

ses.vic.gov.au

Additional copies may be obtained from:

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

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Year at a glance – VICSES in 2022-23



VICSES at a glance



Who we are

Control agency for:



Flood



Storm



Earthquake



Tsunami



Landslide



150

Units

15

Permanently
staffed offices

104

Road rescue
providers

Our people in 2022-23



4,869
Volunteers*

33.9% Female
65.9% Male
0.2% Other

Volunteer leadership (Unit Controllers and Deputy Controllers)
27% Female 73% Male

*active & non-active

222
Staff

42.8% Female
56.3% Male
0.9% Other

Staff leadership (Executive team)
60% Female 40% Male



Our agency in 2022-23



287,373

Volunteer hours



Flood
8,362 incidents
(99,483 hrs)



Storm
16,927 incidents
(80,284 hrs)



Road Crash Rescue
1,511 incidents
(12,379 hrs)



32,985
Incidents



Assisting agency
35,004 hrs across 3,146 incidents



Tsunami, landslide or earthquake
227 incidents across 1,525 hours



Rescue (other/RAIR)
1,578 incidents across 13,401 hours

Flood incidents for 2022-2023 have increased by over 130%, compared to the last financial year.



Safer Communities – Together

About VICSES

Our Vision

Safer Communities – Together.

Our mission

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

Who we are

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

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

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

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

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

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

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

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

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

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

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

This document provides an overview of the work undertaken by VICSES in the 2022-23 financial year, and aims to highlight our unique strengths and expertise, while addressing our current challenges now and into the future. It demonstrates our strong commitment to advocate for the continued investment in our people, our capabilities, the way we operate, and our technology in order to be a viable and sustainable emergency management service, and realise our vision of *Safer Communities – Together*.

Chair's Forward



Greg Wilson, VICSES Chair

On behalf of the VICSES Board, I am proud to present this year's Annual Report. The past 12 months have seen a significant demand for the services provided by our members, with a total of 33,355 Requests for Assistance (RFAs).

October was our busiest calendar month on record, as VICSES volunteers responded to 13,035 RFAs during this time. The severe flood impacts that devastated many parts of Victoria was one of the most significant flood events in our state's history. As always, our members stepped up for their communities providing much-needed emergency assistance 24 hours a day, seven days a week. Notably, our support extended interstate with members deploying to Western Australia in January and February of 2023, to provide support as part of a multi-agency contingent during the devastating Kimberly flood event.

In October 2022, we launched our new VICSES Operating Model with a renewed organisational structure. Reflecting on the growth of our organisation, the model continues to enhance our ability to better support our volunteers, adapt to changes across the emergency management sector, align to our legislative role, and increase our capabilities to support our communities.

Additionally, the VICSES Board was pleased to endorse the VICSES 2023-2027 Strategic Plan in July 2023, following extensive engagement within our organisation, our sector, and our local communities. Looking towards the future, the plan ensures that we will remain positioned to meet the ongoing needs of our communities and rise to the opportunities presented over the next four years and beyond.

Recognising the contributions of my fellow Board members, in February 2023 we welcomed Jasmine Doak to our VICSES Board. Jasmine has more than 25 years' experience leading legal and human resource functions across various industries within both public and private sectors, and has been a valuable addition to our organisation.

On behalf of the Board, I would like to take this opportunity to thank and acknowledge the CEO, Executive Management Team and our volunteers and staff for their ongoing commitment to VICSES and in keeping our communities safe.

Our members are the backbone of VICSES and I am extremely proud of your unwavering dedication and commitment to the safety of our communities.

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

Greg Wilson, Board Chair
Melbourne, October 2023

CEO's Report



Stephen Griffin, VICSES CEO

As we reflect on the past year, I am pleased to highlight the milestones and success of our organisation during 2022-2023.

The last 12 months has seen some of our busiest and most challenging periods for the Victoria State Emergency Service. The impacts of heavy rainfall in October resulted in one of the most significant flood events in our state's history, with 13,035 requests for assistance in October alone. The tireless contributions of our members during this prolonged event in extremely difficult and challenging conditions, ensured the safety of communities right across the state.

While supporting flood and storm operations throughout the year here in Victoria, we also played a crucial role in supporting our partners and communities interstate. Members deployed to NSW and Perth, Broome, and Fitzroy Crossing in Western Australia alongside our partner emergency service agencies, providing support across a range of Incident Management roles.

Aside from our operational response, the past 12 months saw the launch of two pivotal strategic projects that lay the groundwork for our organisation moving forward. The new VICSES Operating Model Review was implemented in October 2022, strengthening our ability to support our volunteers, increasing our capability in supporting our communities, and continuing to grow our organisation. We also launched our VICSES Strategic Plan 2023-2027 which comprised of a highly collaborative process, engaging volunteers, staff, and other key stakeholders to ensure the future of VICSES, our people, and the delivery of our services to best support the community. It sets a clear strategic direction for the organisation, ensuring we will be a progressive and agile leader in emergency preparedness and response.

In 2022, VICSES invited the Victorian Equal Opportunity and Human Rights Commission (VEOHRC) to support us in strengthening our prevention of and response to bullying, sexual harassment, discrimination, and victimisation. The work undertaken by VEOHRC resulted in the development of a Consultation Paper and proposed Action Plan, identifying key areas for VICSES to further strengthen our organisation and best support volunteers and staff. Ensuring a safe and healthy workplace is a priority and we remain committed to driving the desired culture and standards required across the organisation.

This year has also seen us celebrate the official openings of new units across the state, including Chiltern, Essendon, Emerald, Nillumbik, Heidelberg, Knox, and Chelsea, strengthening the response capabilities of our units now, and into the future.

On a personal note, as I will be stepping down in my role as CEO by the end of the year, I would like to share my heartfelt thanks to our volunteers and staff, the Executive team and the VICSES Board, as well as the team at Emergency Management Victoria and our Minister for Emergency Services, The Hon Jaclyn Symes MP, for your continuing support. It has been my absolute privilege over the past 10 years to lead such a wonderful organisation committed to ensuring the safety of communities across our state – together.

A handwritten signature in black ink, appearing to read 'S. Griffin', written in a cursive style.

Stephen Griffin, Chief Executive Officer
Melbourne, October 2023

Our history

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

Our timeline

1950

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



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



1981

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

1979

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

1975

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

2005

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



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

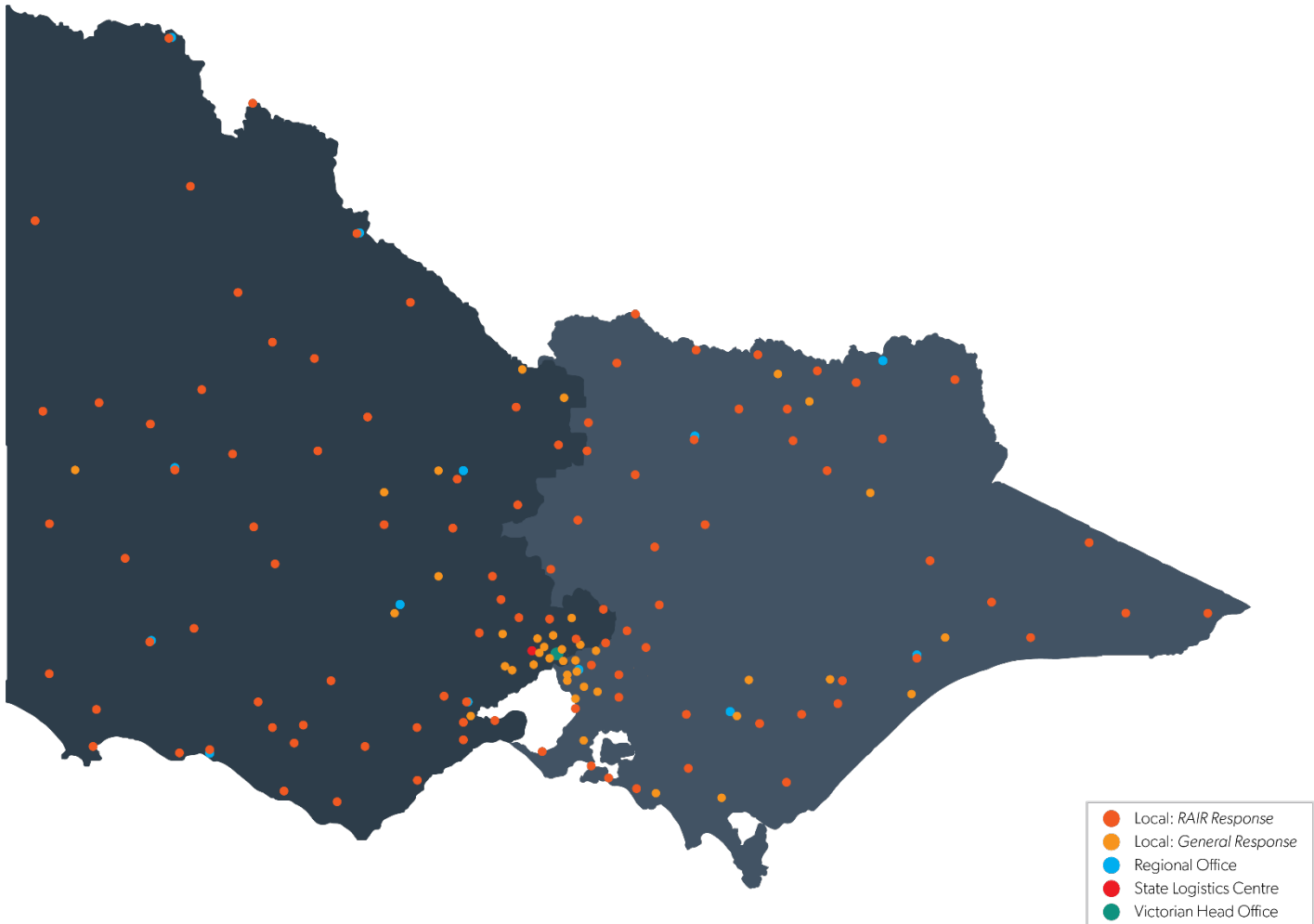


VICSES STRATEGIC PLAN 2018-22



Where we work

VICSES operates 15 permanently staffed offices, including the Victorian Head Office based in Southbank. We also operate 150 units across Victoria, which are divided into two regions – Eastern and Western.



Our Values



We pride ourselves on our credibility

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



We are part of our community

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



Safety drives our decisions

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



Focused and adaptable

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



Together we are VICSES

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

Victoria State Emergency Service value proposition

To Our People

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

To community and government

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

To employers

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

To partners

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

VICSES today

VICSES Operating Model Review

In October 2022, the VICSES Operating Model Review was officially implemented across the organisation. As a key initiative part of our 2018-2022 VICSES Strategic Plan, the renewed organisational structure reflects our growth as an organisation and enhances our ability to better support our volunteers, align to our legislative role, adapt to sector-wide change, and increase our capability to keep our communities safe. This was in consultation and feedback from members and key stakeholders.

One of the key changes as part of the Operating Model Review was the restructure of our VICSES defined regions. Previously operating from six regions across the state (Central, East, Mid West, North East, North West and South West), we now operate from two regions – Eastern and Western.

Key staff updates included a restructure of state and regional teams and roles, recruitment of additional staff, and the implementation of 14 Unit Support Teams, who each support 9-12 designated units to better support our volunteers.



Figure: VICSES Operating Model – New Unit Support Model

OM: Operations Manager, OO-EM: Operations Officer Emergency Management, CRC: Community Resilience Coordinator, VSO: Volunteer Support Officer

Our Fundamental Goals

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

Table: Excerpt from VICSES Strategic Plan 2018-2022

Emergency Management

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

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

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

Rescue of persons from, or endangered by:

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

Supporting:

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

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

Volunteer experience

VICSES actively embraces volunteerism and is committed to providing a volunteer experience that meets family and work needs. The implementation of our new Operating Model reflects a renewed focus on our volunteers, providing an effective structure to improve the volunteer experience through our Unit Support Teams.

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

Service Delivery Strategy

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

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

VICSES Board

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

Greg Wilson

Greg Wilson was appointed as VICSES Chair in February 2020.

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

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

Lisa Borowick CA

Lisa joined the VICSES Board in February 2017. Lisa was positioned as Deputy Chair of the Board until February 2023 when she commenced a new term as a Board member, and has continued her role as Chair of the Risk & Audit Committee.

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

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

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

Bernadette was appointed to the VICSES Board in September 2020, with her current term ending in September 2023.

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

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

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

Bernard (Bernie) Cronin

Bernie joined the VICSES board in October 2014, with his current term ending in September 2023.

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

Jane Foley

Jane was appointed to the VICSES Board in August 2021.

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

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

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

Martin Geerings

Martin was appointed to the VICSES Board in February 2020, and concluded his term as a Board member in February 2023.

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

Casey Nunn ASM

Casey Nunn ASM was appointed to the VICSES Board in February 2020.

Casey has extensive experience in emergency services, having served as a volunteer with Ambulance Victoria for over 18 years and the Country Fire Authority as an operational support volunteer for 13 years. She was awarded an Ambulance Service Medal in the 2011 Australia Day Honours.

In 2012, Casey was awarded an Emergency Services Foundation (ESF) Scholarship and travelled throughout the United States and Canada studying recruiting, retaining, and leading volunteers.

Casey is a former Hume Young Citizen of the Year and a Youth Parliament Participant. In 2012, Casey was elected to Hume City Council and served as Mayor from 2013 - 2014. Casey serves as a board member of the Salvation Army 3064 Advisory Board and is also a Trustee Director for Vision Super.

Casey is a Graduate of the Australian Institute of Company Directors (GAICD) and was inducted into the Victorian Honour Roll of Women in 2019.

Jasmine Doak

Jasmine Doak joined the VICSES board in February 2023 and is Deputy Chair of the Board.

Jasmine Doak has had more than 25 years' experience leading legal and human resource functions across various industries within both public and private sectors.

A passionate, inspired, and dynamic leader, Jasmine is well-regarded for her approach to driving organisational change and transformation, building high-performing teams, and supporting inclusive cultures to thrive. A practising lawyer, human resources professional, and graduate of the Australian Institute of Company Directors, Jasmine's career spans leading organisations, including senior executive positions at Minter Ellison, Mazda Australia, Linfox, AGL, Orica, and Coles Group.

Jasmine is a general board member of the Victorian Managed Insurance Agency (VMIA) and Chair of the Remuneration and Capability Committee. Previously, Jasmine has also served as a board member of the National Safety Council of Australia Foundation and also as President of the Metropolitan Fire and Emergency Services Board.

Committed to living with connection and purpose, Jasmine is regularly engaged as a speaker and storyteller on the topics of people, culture, transformation, gender equity, leadership, and engagement.

VICSES Executive team

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

Stephen Griffin, Chief Executive Officer

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

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

In May 2023 Stephen notified the Board of his resignation after 10 years as CEO, finishing in the role by the end of 2023.

Tim Wiebusch, Chief Officer Operations (ESM)

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

Tim brings a wealth of experience, with a career spanning 25-years in government agencies, in addition to significant long-term secondments at the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) and EMV. He has also played a significant senior operational leadership role in a range of emergency events such as the 2009 Victorian Bushfires, major Victorian flood events (2022 and 2010/2011), Christmas Day hailstorm (2012), the Norwegian Star Incident (2016), and the Great Ocean Road landslides (2016).

Kate White, Executive Director Community and Corporate Services

Kate joined VICSES in 2011, and is currently leading Community and Communications, Finance, Payroll, Strategy, Performance and Risk, Infrastructure and Property, and Assets portfolios.

Kate has extensive experience in emergency management, event management, and finance and banking across the public and corporate sectors.

Shelley Cussen, Executive Director People, Safety and Wellbeing

Shelley Cussen joined VICSES in January 2021, and leads the People, Culture and Development, Workplace Relations, Wellbeing Services, and Health and Safety portfolios. Shelley Cussen joined VICSES after extensive experience within the utility sector as a Senior People and Safety Leader.

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

Silvia Silverii, Chief Information Officer

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

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

Corporate governance

Statutory authority, board, and structure

Responsible Minister

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

Statutory Authority

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

Board responsibilities

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

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

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

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

Board committees

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

Risk and Audit Committee

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

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

People, Culture and Remuneration Committee

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

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

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

Sub-committees at 30 June 2023

Risk and Audit Committee	People, Culture and Remuneration Committee
Lisa Borowick (Chair)	Jasmine Doak (Chair)
Bernie Cronin	Jane Foley
Casey Nunn	Bernadette Northeast

Board of Directors' attendance at meetings

- A total of six meetings were held by the Board and its committees during the 2022-2023 financial year.
- The below table outlines the attendance by Board Directors:

Board		Board sub-committees	
Board Directors	Board Meetings	Risk and Audit Committee	People, Culture and Remuneration Committee
Greg Wilson	6		4
Lisa Borowick	5	3	3
Bernie Cronin	5	2	
Bernadette Northeast	5		4
Casey Nunn	4		
Martin Geerings	3		
Jane Foley	6	2	
Jasmine Doak	2*		

*Total number of attendance due to appointment to the Board mid-way through 2022-23 Financial Year

Governing policies

Freedom of Information

VICSES is subject to the *Freedom of Information Act 1982*. During the 2022-23 financial period, VICSES received 53 Freedom of Information (FOI) applications. In keeping with the spirit of the Freedom of Information Act 1982, VICSES endeavours, where possible, to satisfy requests for information outside of the FOI process. Further information about VICSES' FOI obligations, including VICSES' Part II Statements, can be found at ses.vic.gov.au/freedom-of-information.

Privacy

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

Surveillance

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

DataVic Access Policy

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

Gifts, Benefits and Hospitality

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

Protected Disclosure

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

Local Jobs First – Victorian Industry Participation Policy

The *Victorian Industry Participation Policy Act 2003* requires departments and public sector bodies to report on the implementation of the Local Jobs First – Victorian Industry Participation Policy (Local Jobs First – VIPP). Departments and public sector bodies are required to apply the Local Jobs First – VIPP in all procurement activities valued at \$3 million or more in metropolitan Melbourne and for state-wide projects, or \$1 million or more for procurement activities in regional Victoria. There were no procurement activities that were required to comply with the Local Jobs First - VIPP category for the 2022-23 financial year.

Disclosure of Major Contracts

Departments and public sector bodies are required to disclose, in accordance with the requirements of government policy and accompanying guidelines, all contracts greater than \$10 million in value entered into during the financial year. There were no contracts greater than \$10 million in value for the 2022-2023 financial year.

National Competition Policy

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

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

Compliance with the Carers Recognition Act 2012

VICSES has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012*. These include considering the care relationships principles set out in the act when setting policies and providing services and inclusion of relevant provisions in the VICSES enterprise bargaining agreement. Project Development and *Construction Management Act 1994*.

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

Building Act 1993

VICSES complies with the *Building Act 1993* with respect to alterations and maintenance to the buildings owned by VICSES. VICSES carries out a periodic review of its facilities to identify the condition of facilities under its

control. Possible non-compliance issues with facilities are remediated through a program of works in accordance with regulatory requirements.

Financial Management Compliance Attestation Statement

I, Lisa Borowick, on behalf of the Responsible Body, certify that the Victoria State Emergency Service Authority has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.

A handwritten signature in black ink that reads "L N Borowick". The letters are cursive and fluidly connected.

Lisa Borowick
Melbourne, October 2023

Consultancies

Consultant	Service	Fees Approved \$	Amount Expended 2022-23 \$	Future Commitments \$
Over \$10,000				
ArcBlue	Personal Protective Clothing and Equipment Tender Document Preparation	11,513	11,513	-
Mercer Consulting (Australia) P/L	Executive Remuneration Consulting	21,250	21,250	-
Mercer Consulting (Australia) P/L	Consulting Service for VPSC Grading	14,406	14,406	-
Victorian Equal Opportunity and Human Rights Commission (VEOHRC)	Project establishment and planning under the VICSES and VEOHRC agreement	106,456	106,456	-
Solve Consulting International Pty	New Unit Development Commissioning Project	11,200	11,200	-
Right Lane Consulting Pty Ltd	Consulting services for VICSES 2022 Strategic Plan 2023 -27	108,329	108,329	-
SentientCo	Flood Analysts After Action Review (AAR)	16,800	16,800	-
Total		289,954	289,954	

Consultant	Service	Fees Approved \$	Amount Expended 2022-23 \$	Future Commitments \$
Under \$10,000				
	Various	17,502	17,502	-
Total		17,502	17,502	

Information Communication Technology expenditure

Business as Usual ICT Expenditure	Non BAU	Non BAU Operational	Non BAU Capital
<i>Total \$m</i>	<i>Total A + B \$m</i>	<i>A \$m</i>	<i>B \$m</i>
2.79	0.62	0.62	0

Key performance measures

- VICSES reports on key performance measures to the Victorian Government through the Minister for Emergency Services. We report on:
 - Quantity: The number of members (volunteers and staff).
 - Quality: The number of units and personnel trained and accredited for road rescue and Level 3 Incident Controller.
 - Timeliness: The time it takes units to respond to road rescues.

Key performance measures of VICSES

Major outputs, deliverables and/or performance measures		Unit of measure	June 2023 QTR4 YTD		
			Target	Actual	% Variation
Quantity					
1	Permanent operational staff	Number	83	94.1	13.4
2	Permanent support staff	Number	122	122**	-0.2
3	Volunteers - operational	Number	3600	3,304	-8.2
4	Volunteers – support	Number	800	941	17.6
Quality					
5	Road crash rescue accredited brigades/units	Number	104	104	0.0
6	Level 3 Incident Controller trained staff and volunteers*	Number	10	8	-20.0
Timeliness - Road Accident Rescue					
7	Emergency response times meeting benchmarks	Percent	90%	92%	2.2
	<i>Emergency response times meeting benchmarks</i>	Number	N/A	661	
	<i>Total number of emergency responses</i>	Number	N/A	719	

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

**Total rounded from 121.7

Figure as of 30 June 2023

Operations overview

Regional statistics

Eastern Region



Office locations: Bairnsdale, Benalla, Moe, Mulgrave, Wodonga.

75 operational units

49 accredited road rescue units

4 regional support units

Supported by 7 Unit Support Teams

Western Region



Office locations: Bendigo, Geelong, Horsham, Hamilton, Mildura, Sunshine West, Swan Hill, Warrnambool, Wendouree.

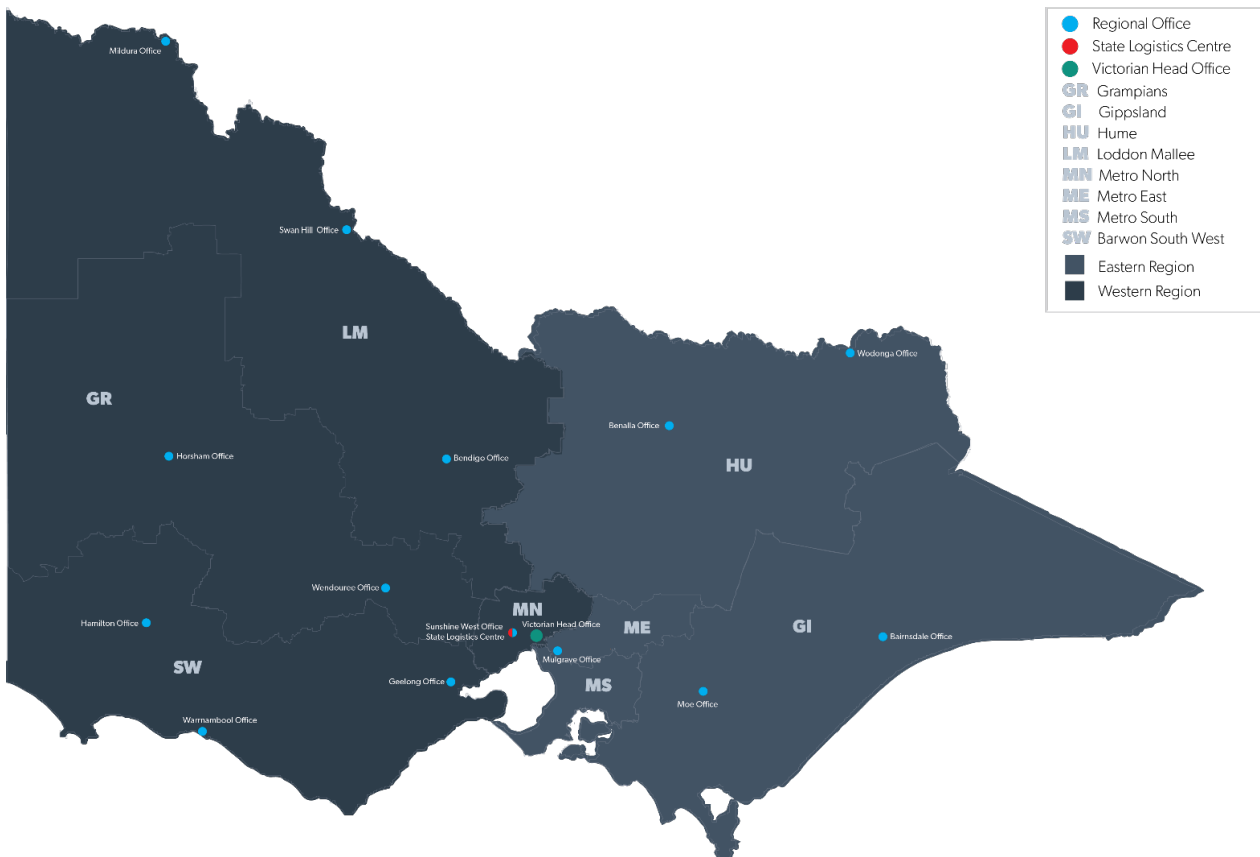
75 operational units

57 accredited road rescue units

4 regional support units

Supported by 7 Unit Support Teams

Our two-region Operating Model structure (Eastern and Western) is also inclusive of Victoria's eight emergency management regions. This includes Barwon South West, Grampians, Gippsland, Hume, Loddon Mallee, Metro East, Metro North, and Metro South (see map below).



2022 - 2023 Incidents/Hours

The following data has been divided by **emergency management region** and our state support unit:

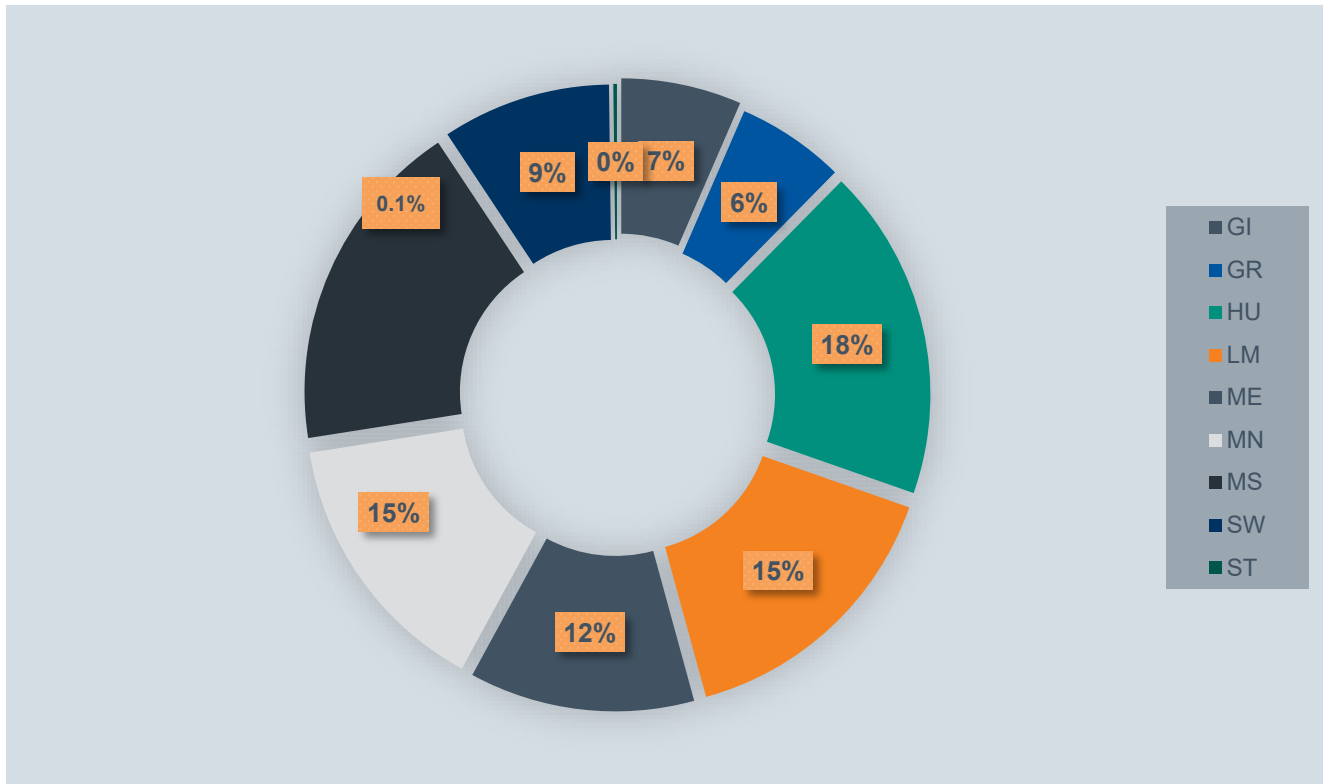
		Authorised Activity	Control Agency			Rescue			Support Other		
Emergency Management Region*		Non-Ops	Flood	Storm	T L E ¹	Rescue Other	Rescue RAIR	Rescue Road	Assist Agency	Total	
Eastern Region	GI	63	195	1,284	10	47	13	214	269	2,095	
		1,755	1,940	4,199	37	203	48	1,676	3,554	13,412	
	HU	260	1,874	2,699	41	340	11	258	438	5,921	
		8,054	31,062	20,011	261	3,688	129	2,814	7,587	73,606	
	ME	91	765	2,566	19	121	12	136	317	4,027	
		3,659	4,806	9,735	44	682	49	904	3,333	23,212	
	MS	262	1,050	3,533	48	239	6	230	622	5,990	
		12,480	8,083	13,979	535	805	23	1,140	6,440	43,485	
	Western Region	GR	21	497	1,009	20	59	8	88	232	1,934
			1,394	5,590	3,687	119	357	81	1,203	3,155	15,586
LM		224	2,344	1,596	23	350	4	232	316	5,089	
		3,927	26,020	6,676	66	3,704	72	1,762	2,943	45,170	
MN		186	984	2,596	45	273	-	103	658	4,845	
		9,471	7,743	12,176	257	2,779	-	793	5,031	38,250	
SW		127	651	1,634	21	87	8	250	269	3,047	
		4,557	8,445	7,985	206	705	76	2,087	2,958	27,019	
ST (State)	-	2	10	-	-	-	-	25	37		
	-	5,794	1,836	-	-	-	-	3	7,633		
Total		1,234	8,362	16,927	227	1,516	62	1,511	3,146	32,985	
		45,297	99,483	80,284	1,525	12,923	478	12,379	35,004	287,373	

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

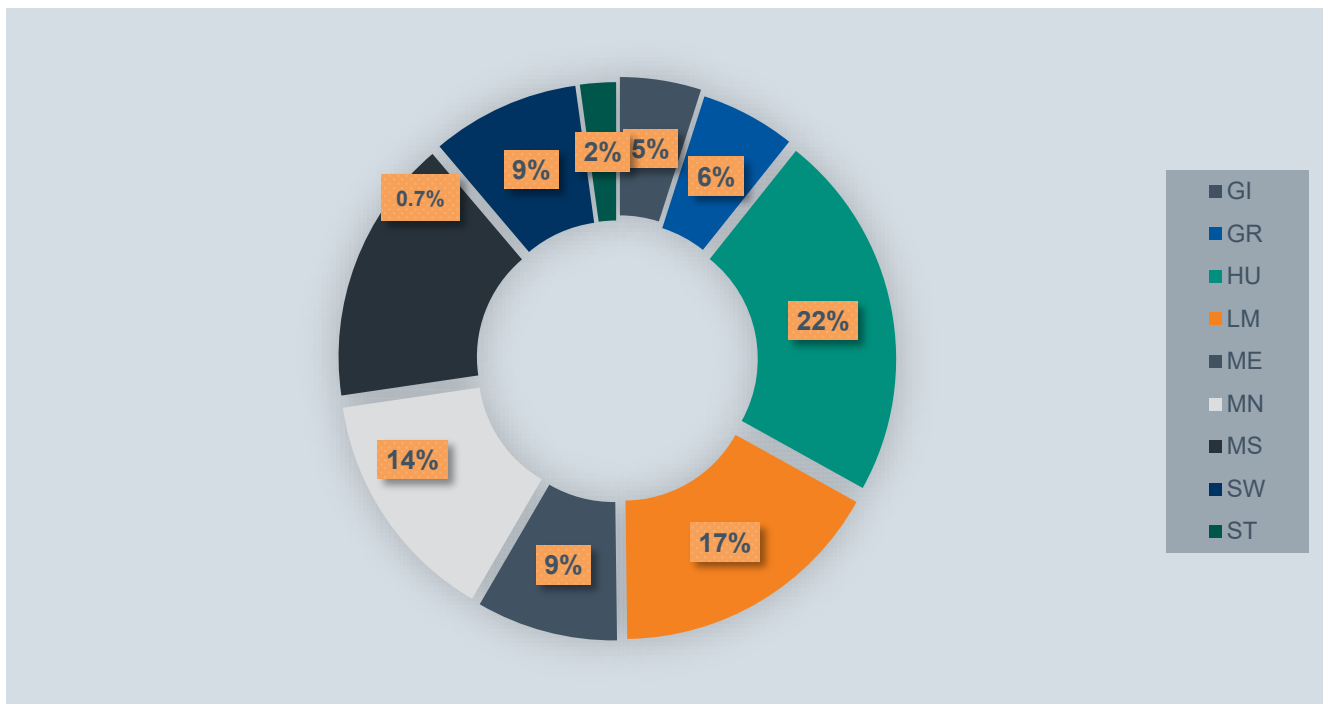
GI: Gippsland, HU: Hume, ME: Metro East, MS: Metro South, GR: Grampians, LM: Loddon Mallee, MN: Metro North, SW: Barwon South West

¹ TLE stands for Tsunami, Landslide and Earthquake

2022-23 Incidents by emergency management region (percent)



2022-23 Hours by emergency management region (percent)



GI: Gippsland, HU: Hume, ME: Metro East, MS: Metro South, GR: Grampians, LM: Loddon Mallee, MN: Metro North, SW: Barwon South West, ST: State.

Comparison between this year and last year's financial year

		Authorised Activity	Control Agency			Rescue			Support Other	Total
		Non-ops	Flood	Storm	T L E	Rescue Other	Rescue RAIR	Rescue Road	Assist Agency	
Incidents	2022-23	1,234	8,362	16,927	227	1,516	62	1,511	3,146	32,985
	2021-22	621	3,563	27,114	315	942	44	1,336	3,040	36,975
Hours	2022-23	45,297	99,483	80,284	1,525	12,923	478	12,379	35,004	287,373
	2021-22	20,873	26,924	200,598	2,559	4,517	560	10,917	38,820	305,768

Operational terms/category descriptions:

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

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

Operations of significance

Overview

In 2022-23, VICSES continued to see high demand for emergency services with members receiving 38,233 requests for assistance (RFAs) resulting in 32,985 unique incidents.

Flooding related incidents attended is over double than any other year in the past decade, with 8,403 flood incidents attended. The demand for our members providing support to other emergency service agencies is also the highest on record with 3,249 incidents attended.

VICSES declared 17 significant operations during the 2022-23 financial year, during which volunteers and staff contributed extensive hours in support of Victorian communities. In addition to member response within Victorian borders, VICSES has played a significant role supporting interstate flood emergencies in NSW and WA.

Significant operations

NSW deployments: July 2022

NSW experienced significant rainfall in July across multiple catchments between the Mid-North Coast and South Coast of NSW, with the most significant impacts being seen in the Sydney Metro, Illawarra, Central Coast, and Hunter regions.

Victorian agencies received a formal request for Incident Management Team personnel to deploy to NSW Incident Control Centres as well as a request to supply flood response crews across multiple task force deployments to assist communities across these flood affected regions.

During this time VICSES deployed 72 members (both staff and volunteers) to support with the Operations in NSW.

Severe Weather: Tuesday 2 August 2022

A strong cold front moved over eastern Victoria bringing damaging north to north westerly winds to the eastern ranges. Approximately 500 RFAs were received during this period, 75% relating to trees down. The busiest units during this period were Emerald, Pakenham, and Upper Yarra.

17,000 AusNet customers in outer eastern suburbs lost power. Minor and Moderate flooding was experienced in the northeast of the state with a small landslide occurring within the area of the Bogong Resort.

Damaging to Destructive wind gusts were recorded during this event, including:

- Mt Hotham - 128 km/hr
- Mt William - 122 km/hr
- Mt Buller - 113 km/hr
- Fawkner Beacon - 104 km/hr
- Kilmore Gap - 91 km/hr

Bus Crash, Western Freeway: 21 September 2022

At around 3:25am on 21 September 2022, Bacchus Marsh and Melton Units attended a collision involving a truck and bus on the Western Freeway, Pentland Hills near Bacchus Marsh. 31 passengers were on board the bus, the majority being children from Loreto College. The bus had flipped onto its roof and travelled down a 20-30m embankment alongside the freeway.

Several passengers of the bus had serious injuries, and some were identified as being trapped. The truck driver was also pinned inside the vehicle. Two rescue sectors were established.

Multiple Road Crash Rescue providers were deployed, with VICSES deploying Bacchus Marsh, FRV Melton and Geelong and CFA Ballan. Additional crews from VICSES Melton were deployed in support of the wider incident scene. Two Ambulance Victoria Helicopters were deployed as were multiple road Ambulances.

A regional command staff member was deployed to the scene in support of our units. At 4:48am the VICSES Commander advised that all patients were at the triage point at the top of the embankment.

Taylors Hill Tornado: 18 September 2022

On 18 September, a small tornado impacted the Taylors Hill area. The Melton Unit received 28 RFAs, mostly building damage with tiles and roofing requiring tarping. Damage did not result in any members of the public needing to be relocated. Volunteer crews from Hobson Bay, Essendon, Brimbank and the Sunbury Unit assisted with the response. An Incident Control Point (ICP) was established at Melton VICSES Unit.

There was no ability to warn for this eventuality. Due to the highly localised and transient nature of these features they are challenging to forecast and warn for, but the BOM are continuously looking for ways to improve their service and the information provided after an event like this will assist the learning process.

Victorian Statewide Flooding Event: October 2022 – January 2023

With the impacts of La Nina and Negative Indian Ocean Dipole, Victoria experienced significant severe weather including heavy to intense rainfall over the period of 12 to 14 October 2023. Many sites had their highest October daily rainfall on record. For Victoria overall, it was the highest rainfall for any month since records began in 1900 and not just the wettest October on record. For a state as a whole, rainfall was more than double 1961-1990 October average of 64.6mm.

Between October 2022 to January 2023 VICSES Declared an operation that became a campaign emergency response for widespread severe weather and associated flash and riverine flooding. This major emergency commenced on Thursday 6 October and was active in response for 89 days closing on Tuesday 3 January 2023, aligning with the last of VICSES members deployed returning home. During this period, VICSES received 20,062 Requests for Assistance. 147 of our 150 VICSES units supported with the operations, with almost all VICSES operational and support staff deployed into an ICC, RCC or SCC during the event. The October flood campaign saw October 2022 recorded as the busiest month in VICSES history with 13,689 RFAs.

Between 12 October and 12 December, a total of 4,447 Storm and Flood related Vic Emergency Warnings were issued, inclusive of over 4,300 for Riverine Flood alone. Throughout this period, the record for the highest number of Vic Emergency Warnings issued in one day was broken, twice.

64 of 79 Local Government Areas were impacted, with 6097 property impact assessments undertaken. 976 properties were deemed uninhabitable, 569 habitable but damaged and 3472 with minor damage. 56 public schools were closed at different times and 4,419km of public roads and 12,230 agricultural properties impacted, as just some of the key consequences of this event.

More than 1500 flood rescues were undertaken in support of Victoria Police as the control agency for water rescue, with VICSES swift water and rescue boat crews being supported by LSV, FRV, Victorian Fisheries, Transport Safety Victoria, and AV helicopter crews.

Record numbers of sandbags were requested during this event. Sandbags were received from interstate, internationally and through the ADF. Over 1.2 million sandbags were deployed by VICSES during this event, in addition to the sandbags already held at units or in communities taking this total to somewhere around 1.5 million.

In addition to the Victorian emergency management organisations, VICSES received interstate support during this event, with personnel deployed from Queensland Fire and Emergency Service, South Australia Country Fire Service, Western Australia Department of Fire and Emergency Services and ACT State Emergency Service. These personnel undertook IMT roles, field-based boating and rescue functions, as well as liaison roles at the SCC.

Western Australia Deployments: January - February 2023

Western Australia, in particular Fitzroy Crossing and Broome, was exposed to significant flooding which commenced on 30 December 2022 influenced by Ex-Tropical Cyclone Ellie. Major flooding was experienced in the Fitzroy River catchments, with flooding impacts among the worst on record for Western Australia.

Victoria and other jurisdictions were requested to provide IMT resources to Western Australia to support with the operations. Eleven staff members and four volunteers which included seven female members headed to Broome and the Fitzroy Crossing on Friday 20 January, deployed as part of a Victorian multi agency contingent working. On Monday 30 January, three more members were deployed in a multi-agency crew to replace the original crew in a two-rotation deployment returning home Sunday 12 February.

Feedback received from a deployed member was very positive, the deployment at Fitzroy Crossing was in a remote location with added complexities not often seen in response within a Victorian event, such as exposure to indigenous culture sensitivities. However, the local elders of the communities were very welcoming and appreciative of the support from VICSES and the other partner agencies also deployed. Members were transported by helicopters from their accommodation to the control point each day due to accessibility restrictions with severe impacts to the Fitzroy River Bridge, which is the only crossing in the local area. The Cross Agency collaborations were effective and a positive working environment, especially considering crews were meeting for the first time at the airport.

Bus Accident Eynesbury: May 2023

At approximately 3:40pm on Tuesday 16 May 2023, a truck collided with a bus in Eynesbury. The bus was carrying 45 children from Exford Primary School, 10 of which needed to be extricated and transported to hospital. 15 members from the Bacchus Marsh Unit attended the scene to provide initial rescue support alongside CFA, FRV, VicPol and AV. Lighting trailers were later supplied by Melton, Wyndham, Sunbury and Bacchus Marsh. Two regional command staff members were deployed along with 20 volunteers in total, including the initial 15 volunteers supporting the rescue.

Emergency services on scene were praised for their fast action response.

Earthquake 4.0 MG: 28 May 2023

On Sunday 28 May at 11:40pm a 3.8-magnitude (later refined after further analysis to a magnitude 4.0) earthquake struck 3km deep in the north-western suburb of Sunbury. This was quickly followed by a 2.6 magnitude earthquake (after shock) nearby at 11:44pm. Only two RFAs for building damage were received, but there were 27,124 felt reports (as at 1 June) from across metro Melbourne, Geelong and Ballarat, and as far as

parts of northern Victoria through to Tasmania. ESTA (Emergency Services Telecommunications Authority) also received 40-50 calls early on for people wondering what had happened and seeking advice.

VICSES activated the State Control Centre just after midnight. Those at the SCC managed public information, warnings, and initial responses to media and engaged with other agencies as per our response plan until it was clear there were no impacts. The SCC stood down at 01:30am.

Regionally the Duty Officer and Regional Agency Commander worked remotely monitoring the situation and the local Sunbury Unit was deployed to undertake reconnaissance given the time of day and lack of people out and about to report impacts.

Learnings from the last Earthquake in 2021 helped streamline processes, including a line in the warning issued on what community members should do based on their situation. With the recent updates to the State Earthquake Sub Plan, it identified the need to update the warnings template, which will be completed by the relevant teams.

There have been two minor earthquakes in Melbourne since the magnitude 4.0:

- 2.3 Magnitude near Croydon on 30 May at 5:03pm
- 2.4 magnitude near Mornington on 3 June at 12:03pm

Our People

Volunteers

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

All of our volunteers are well equipped and trained comprehensively in a wide range of skills to provide on-the-ground support during emergencies - from responding to natural disasters such as flood, storm, earthquake, tsunami, and landslide, to road crash rescue, supporting other emergency service organisations, and assisting their units by undertaking roles such as finance, media, incident management and community education. Volunteers actively engage directly with communities to support them on how to best prepare for emergencies and minimise the impact of emergencies when they occur. As at 30 June 2023, VICSES comprised of more than 5,000* members, as per the below data:

Breakdown of active volunteers (*as at 30 June, 2023)

Operational	Female	Male	Other	Total
Controller	31	99	-	130
Deputy Controller	103	254	-	357
Unit Officer	152	268	1	421
Member ordinary	700	1,627	2	2,329
Subtotal	986	2,248	3	3,237
Non-operational	Female	Male	Other	Total
Associate	128	89	-	217
Junior/Probationary	262	444	5	711
Subtotal	390	533	5	928
Total active	1,376	2,781	8	4,165

Breakdown of non-active volunteers

Non-Active	Female	Male	Other	Total
Non-active	43	80	-	123
Vol on leave/sick leave	233	347	1	581
Total Non-Active	276	427	1	704

* Includes active and non-active volunteers.

Staff

The 2022-23 Financial Year saw staff return to office locations across the state, in line with continued eased COVID-19 restrictions. This includes flexible work arrangements, whereby all staff have the flexibility to work from home and in the office.

In support of the new VICSES Operating Model Review, additional staff have been appointed across our regional and metropolitan office locations. Our 15 strategically located offices throughout the state support over

4,800 volunteers, and provides units with access to vital equipment, training, and other support resources, ensuring all staff and volunteers are able to effectively serve their local communities. Each office supports a variety of state-wide initiatives, including the delivery of workshops and training, emergency management planning and development, and community resilience activities.

As of June 2023, the VICSES workforce comprised 210 ongoing, 57 fixed term, and 65 casual employees, equalling 344 staff in total.

A breakdown of our staff member count is as follows:

	Jun-23*		Jun-22	
	Headcount	FTE	Headcount	FTE
Ongoing Full Time	210	210	157	157
Ongoing Part Time	12	7.14	8	5.07
Total	222	217.14	165	162.07
Fixed Term	57	53.87	61	57.4
Casual	65	0	66	0
Total	344	271.01	292	219.47

* The increase in FTE can be predominantly attributed to a re-alignment of the VICSES FTE counting methods, resulting in a more accurate reflection of the true number of FTE and in part to the introduction of the new VICSES Operating Model.

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

		Ongoing	FTE	Fixed term	Casuals
Gender	Male	125	123.57	31	24
	Female	95	92.20	25	41
	Other	2	0.37	1	0
Total		222	217.14	57	65
Age	Under 25	2	2	2	2
	25-34	31	31.37	11	11
	35-44	53	51.2	16	16
	45-54	54	53.4	13	11
	55-64	45	43.77	9	14
	65 and over	37	35.4	6	11
Total		222	217.14	57	65
Classification	VPS 1	0	0	0	0

	VPS 4	77	76	26	0
	VPS 5	57	57	7	1
	VPS 6	29	28.8	1	0
	Executive	8	8	2	
Total		222	217.14	57	65

Our Business

People, Safety and Wellbeing

The VICSES People, Safety and Wellbeing Directorate is led by Shelley Cussen, and focuses on four main areas to support a safe environment for all members to volunteer and work for, and to assist in developing, maximising, and sustaining the abilities and resources of Our People:

- People, culture, and development
- Health and safety
- Wellbeing services and support
- Workplace relations

People, Culture and Development

The People, Culture and Development activities focuses on supporting the capability, capacity, and culture of VICSES. The goal is to enable the development of a positive workplace where all members can reach their full potential.

A key focus in the past year has been the implementation of a new operating model 'Our People Focused Future'. This significant organisational change focused on placing volunteers at the centre of how we operate. Enhancing core support and introducing a new business partnering model to support a One VICSES approach.

Several projects have also collectively focused on understanding our members experience of our organisational culture to identify strengths we can build on and the opportunities for improvement to enhance the engagement and satisfaction of our members for long term sustainability of the service.

The first all-member Culture & Satisfaction survey was launched in June 2022 with the aim of supporting a more data-driven approach to culture identification and growth. Over 1,800 members participated (35% of the service) providing detailed feedback across the six VICSES cultural attributes. A further 21 focus groups have been conducted with members to gain additional clarity on key survey findings.

The Victorian Equal Opportunity and Human Rights Commission (the Commission) were invited to support VICSES to strengthen its prevention of and response to bullying, sexual harassment, discrimination, and victimisation to ensure VICSES is a safe, inclusive, and respectful place for all members to work and volunteer. The action plan that has resulted from the Commission's consultation with VICSES leaders and members will support ongoing reform efforts to prevent inappropriate and unlawful behaviour across the service. The collective findings from the VICSES Culture and Satisfaction survey and focus groups, and the Commission's review are currently being shared with members across the service and incorporated into improvement plans

Building the capability of our leaders has been identified as key to enable a safe and inclusive culture that values the diversity of our membership and to support the development of highly effective teams. The Enable Leadership program was developed to create leadership training for leaders at all levels of VICSES. Programs that have been developed and delivered under the Enable Leadership program include:

- Frontline Leaders Development Program focuses on building core leadership capabilities and has been delivered to 50 frontline leaders.
- The Volunteer Leadership Program was developed and piloted in December 2022 to build leadership capability in our Unit Management Team members.
- A Senior Leaders Program is in development to build the leadership capability in our senior leaders.

Recognising and rewarding the effort of our members will further strengthen engagement and support the wellbeing of our members. The VICSES Awards program has been revamped with the introduction of a new Unit Life Membership award and a number of new excellence awards to recognise members' efforts across a range of activities.

VICSES has also implemented a Diversity and Inclusion, and Gender Equality action plans, with steady progress made. We have completed or are progressing 53 of the 74 actions identified in these plans to build a more equitable and inclusive service. We have produced and delivered training and resources across the service to support business units to complete Gender Impact Assessments to meet our obligations under the Gender Equity Act 2020, with 7 assessments completed on policies and programs that directly impact our volunteer members.

We have invested in significant system and process review and reform to enhance the experience of our members across their employment and volunteer journey. Improvements to recruitment, onboarding, and contract management processes have introduced greater visibility and efficiencies in the management and experience of these key people processes.

Health and safety

VICSES continues to focus on encouraging a proactive safety culture, ensuring members are equipped to identify safety and wellbeing issues and put in place actions that may prevent injury or illness from occurring. The VICSES Executive Leadership Team is committed to building a high-performance safety culture that will deliver a safer outcome and workplace for all.

Consultation with VICSES volunteer and staff members contributed to the development of the new Safety Drives Our Decisions Roadmap which details a 5-year plan to deliver priority safety initiatives for VICSES. Alignment to VICSES corporate strategy and incorporation of the organisation's values were key drivers for the development of the roadmap.

Endorsed by the Executive Management Team in May 2023, pre-work for Year 1 of the roadmap commenced with a focus on creation of visible safety leadership through Ask, Listen and Act.

Statewide Wellbeing, Health, and Safety Report

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Number of incidents and hazards	355	262	304	354	369	379	459	448
Hazard reporting rate*	2.58	1.28	1.76	1.93	1.91	1.64	2.36	3.69
Incident reporting rate*	4.93	4.31	4.76	5.48	5.92	6.44	8.93	8.07
Number of standard claims	20	27	22	13	29	20	21	7
Number of lost time claims	15	21	20	7	26	16	19	16
Total claims	35	48	42	20	55	36	40	23
Average cost per standard claim**	\$14,481	\$3,786	\$16,838	\$3,812	\$15,406.35	\$9,188.80	\$18,739.43	\$5,318

Average cost per standard mental injury claim**	Data not collected for this period			\$5,363	\$55,157.97	\$52,210.25	\$49,264.06	\$165,924
Claims reporting rate	0.31	0.445	0.43	0.15	0.48	0.32	0.52	0.42
Mental injury claims* reporting rate	Data not collected for this period			0.04	0.1	0.23	0.12	0.03
Fatality claims	0	0	0	0	0	0	0	0

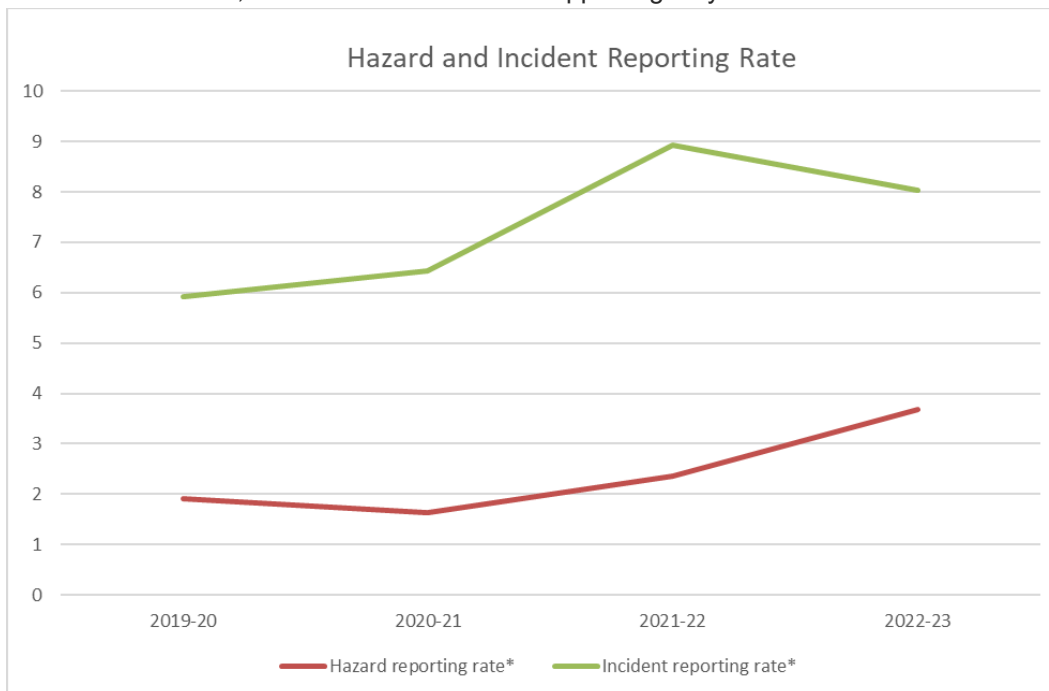
* Agreed Industry Standards. Rate calculated = per 100 staff FTE and Vol Head Count (active).

** Calculated on Actual Cost

Incident Management

Of the 448 incidents and hazards recorded at VICSES during 2022-2023, 307 were incidents and 141 were hazards. While overall reported incidents and hazards were down, the number of hazards reported increased significantly. This increase was expected and is driven increased awareness of hazard reporting and improved timeliness of corrective action.

74% of incidents are volunteer incidents, 22% of incidents are employee incidents, 2% of incidents are contractor incidents, and 1% of incidents are support agency member incidents.



The most significant Declared Operation in 2022-23 was the 2022 Victorian Flood event, which extended over several months. Given the size, scale, and exposure to considerable hazards it is noted that the event led to one injury that resulted in a lost time from work, 13 people required first aid treatment, five required medical treatment.

Resourcing of the safety team

Resourcing levels of the safety team were reviewed in line with the Operating Model Review in 2022 to expertise and the capacity of the team to provide enhanced support across VICSES. Changes included the

creation of Eastern and Western Regional Health and Safety Teams, consisting of a Health and Safety Manager and Health and Safety Advisor to support internal stakeholders.

The restructure provided an opportunity to deliver a business partnering model with regionally based expertise, focus on supporting volunteer units and staff in regional office locations. The regional staff are supported by centrally located Health and Safety roles in Systems Assurance and Health and Rehabilitation. A Technical Support Specialist has joined the team to assist the regions in aligning with functions such as Assets, Fleet, and Infrastructure and Property. The team has increased in size from five to 10 members.

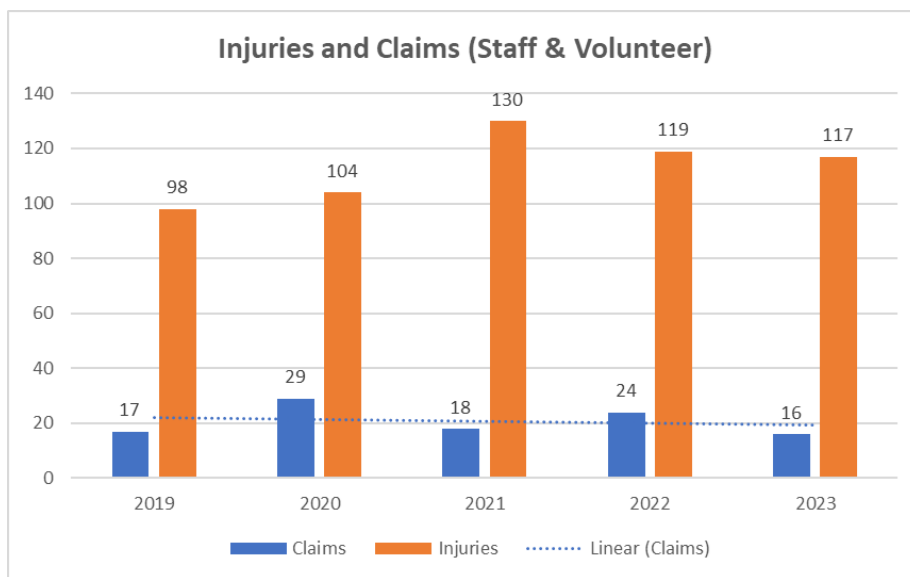
Consultation (Safety Committees)

The introduction of the new Operating Model provided an opportunity to reinvigorate the VICSES consultation framework to provide a greater focus on identifying and resolving things at a local level.

Visible safety leadership has also enabled a greater focus on resolution of big-ticket items, better sharing of health and safety information, and a mechanism to escalate unresolvable issues up the way. This change has been reflected in the increase in staff opting into Health and Safety Representatives (HSR) roles, from four in 2021-2022 to nine HSRs by the end of 2022-2023.

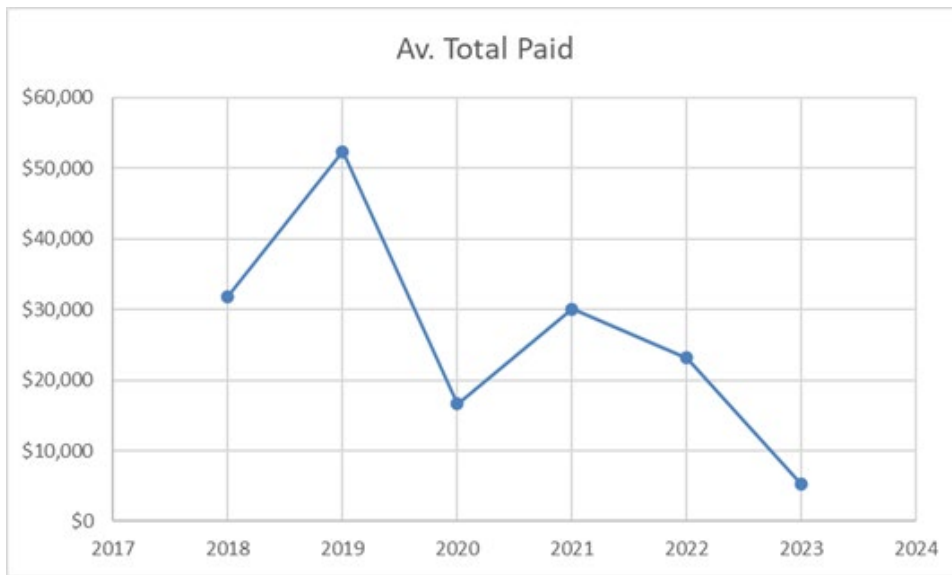
Early intervention

VICSES has continued to provide proactive early intervention and injury support to both volunteers and staff who have been injured. This early supportive approach has seen the number of claims slowly and steadily decrease over the past five years (refer graph A), despite a consistent injury reporting over that period.



Claims costs

The average total paid per standard claim has demonstrated a steady decrease since 2021 (refer to graph below). This is a result of changes to resourcing and injury management practices that have been implemented, as well as a greater focus on addressing health and safety issues and proactive injury management in a timely way.



Wellbeing and Support Services

Our Wellbeing Support and Services team has focused on building sustainable strategies that address the wellbeing of members. A key focus became the development of a Flood Recovery Program after the October 2022 flooding event, across the three levels of Wellbeing Support and Intervention (Protection, Promotion, and Response).

The Flood Recovery Program was designed to provide individual and organisational strategies to support the psychological health and safety of members. The Program comprised multiple initiatives, taking a two-pronged strategic approach, focusing not only on individual wellbeing but the wellbeing of the organisation. The outcome was able to provide on the ground wellbeing support and recognition to members who participated in the flood response, improve mental health literacy through training and psychological health and safety across the organisation, whilst expanding current supports in a sustainable and future focused way.

Individual strategies implemented:

Wellbeing Check-In: By offering opportunities for 1:1 Wellbeing check-ins with a trained psychologist, using a purpose-built tool called AV Smart 2.0. This gives VICSES members an opportunity to increase mental health literacy, identify areas of wellbeing where they may be impacted, and put in place early planning and supports.

Psychological Support: Post significant events, psychological support was provided to individual members after a significant event. This would often take the form of a psychologist attending unit briefings or training.

Resilience Workshops: In person, unit based, interactive workshops delivered to introduce practical resilience skills focused on cognitive flexibility, connectivity, and self-care for members to use in their everyday lives was delivered by our Health Watch team during Unit meetings and training.

Communications Refresh: Ensuring accessibility and visibility of all our wellbeing support systems, there was a physical mail out, sent to all member's homes and a full refresh of the Wellbeing intranet page.

Psychological First Aid (PFA) & The Working Mind First Responder (TWMFR): By providing these two training opportunities to all members we aim to increase understanding regarding mental health and wellbeing. This gives members an opportunity to increase mental health literacy, increase understanding about how to support themselves and others, and reduce stigma.

Organisational strategies implemented:

Psychological Preparedness: Providing integrated training, education and resources that promote positive mental health and appropriate psychological health and safety risk management, will ensure that VICSES members are psychologically prepared for their role/s.

Psychosocial Risk Management: VICSES is working towards establishing an organisation wide sustainable approach to psychological health and safety. This has included the creation of a Steering Committee and Working Groups to drive improvement in psychosocial risk management.

Peer Support Deployment: Our Peer Support team is made up of 52 volunteers. Their role has been to provide support calls and to travel to units impacted by an event to allow for debriefing and face-to-face support.

Flood Recognition Events: To offset the fatigue and stress caused by the lengthy flood response, fun, family, and community orientated events were organised for the volunteers by VICSES. The focus was recognising the volunteers' contribution during difficult times, in a healthy way that encouraged movement and team building. This activity included informal lawn bowls and BBQs across the state. VICSES partnered with Bowls Australia and Henslite Bowls to deliver these events.

Overall, the combined initiatives have prioritised the immediate needs and increased demands to VICSES members, whilst setting up the organisation to be better prepared for future events through the integration of psychological health and safety into business as usual.

Operations Directorate

SEMP Earthquake Sub-plan Edition 2.0

- The State Emergency Management Plan (SEMP) Earthquake Sub-plan Edition 2.0 was published on 12 May 2023, replacing the State Earthquake Sub-plan Version 1.1.
- A full review of the sub-plan was undertaken, including formal consultation with over 20 agencies and departments across government, and was endorsed by the State Emergency Management Planning Committee (SEMPC) and approved for publication by the State Crisis and Resilience Council (SCRC) on Friday 12 May 2023.
- The plan includes provision of current and accurate information relating to:
 - Any VICSES changes in organisation, agency roles and responsibilities
 - Clarification on activation triggers in relation to updated standard operating procedures
 - Operational response in a complex and multi-hazard environment that has impacted Victoria since the previous version
 - Reflects current legislation
 - Alignment with arrangements contained in the current SEMP

Alignment with mechanics of government. Confirmation of arrangements with partner agencies.

Bolstering Command and Control capability: Storm Masterclasses

In May/June 2023 VICSES held two State Masterclass programs. This year's theme was focused on Severe Weather events and the Storm Sub-plan and associated arrangements, with the aim being to improve agency personnel's understanding and capability in working with this hazard.

Learning objectives include - increasing an understanding in requirements of readiness and community preparedness, how to apply relevant IMT processes including triaging of incidents, and how our response levels relate internally and to external agencies/organisations.

Guest speakers included Kevin Parkyn from the Bureau of Meteorology (BOM), our colleagues from ESTA, and external panel members from Vic Pol, CFA and ERV. Dr Greg Moore OAM, Committee Member of Treenet was our dinner guest at Program 1 and gave a captivating talk around the science and behaviour of trees. Participants included guest attendees from NSW SES and National Emergency Management Agency (NEMA).

Agenda topics included Storm Plans, Command and Control, and the Operationalisation of our Doctrine and case studies relating to the Geelong and Benalla 2023 events, with an exercise conducted on day two.

61 participants attended program 1 and 72 at program 2.

Regional Masterclasses

Due to Flood Operations delaying the Regional Masterclasses, VICSES is planning to deliver four Regional Masterclasses in early 2023. Twenty volunteers are listed to participate in the first one-day program in July, with a focus on warnings, storm plans, standard operating procedures and exercising. A further three Regional Masterclasses are planned for Pakenham, Daylesford and Geelong.

Operating Model Review Workshops

'Role and Expectation' workshops were conducted for Eastern and Western Region operational staff as a part of the new operating model change management plan. These workshops were designed to support staff to understand their roles in the new operating model and how they were expected to work together to provide quality customer service to the VICSES volunteer workforce.

In-person workshops were originally planned to commence in October 2022, with all workshops planned to be completed by the end of 2022. Unfortunately, the October 2022 flood response and declared operations pushed the workshops back into January and February 2023. In total, 10 workshops were delivered.

Workshop content was designed to promote a consistent understanding of the focus and goals of the new operating model, while also providing information tailored to the specific roles attending each session. Business partners attended the larger session in February allowing both the Business partners and operations staff to identify workflows to better improve the day-to-day responsibilities of each group.

The workshops allowed staff to come away with a better understanding of their roles and responsibilities and for their managers to identify areas for further development and clarification within their roles.

Technical Rescue Programs

Land Based Swift Water Rescue (LBSWR)

This year saw another successful program delivered for skills acquisition and skills maintenance with 98 new operators attending the skills acquisition courses (x6) and 108 completing the skills maintenance courses (x6), one In Water Safety Officer (IWSO) skills maintenance course was held.

The total number of members now endorsed as LBSWR operators is now 305. VICSES also has 12 members skilled as In Water Safety Officers who assist with training delivery as Safety Officers.

The 2022 floods demonstrated the importance of the LBSWR role. With more than 1,500 water rescue calls received, 206 of these calls were in Rochester where ESTA and Victoria Police were operating a field CAD and

Rescue Coordination program. This program commenced in Shepparton and extended to Epsom ICC during the event.

Steep/High Angle

Alexandra and Marysville are now online responding to rescues in the lower Hume Region. Phillip Island Unit have now received their cache and it is anticipated they will be online from June 2023.

High Angle courses are being run during May – June 2023 to upskill current Marysville/Alexandra members into the High Angle skillset along with members from Monbulk CFA. CFA are still struggling to deliver any Technical Rescue training post the formation of FRV, so being able to cross train members from both agencies ensures that all agencies can still respond with qualified members when required.

ARRO Australasian Rescue Challenge: Adelaide

The annual Australasian Rescue Challenge (ARC) was recently held in Adelaide, South Australia between 30 June and 2 July 2023. VICSES were represented by a composite team made up from members of the Bannockburn and South Barwon Units. Four members of the team had competed previously, with two members experiencing it for the very first time. The team trained hard together for several months prior to the competition, with support provided by Regional and State staff.

Throughout the symposiums, demonstrations, and competition, VICSES, along with 23 other teams from across Australia, Hong Kong and even a team from UK were asked to be challenged, learn, and refine their skills primarily in road crash rescue. Additional learning opportunities in trauma, CPR and industrial rescue activities were also included.

Our VICSES team completed three simulated road crash rescue scenarios - controlled, time critical and entrapped. With each evolution the team increased in confidence which was evident with each patient being extricated from the vehicles. VICSES was one of only a few teams that managed to complete all extrications, meaning all patients removed from the vehicles in the allotted timeframe of 30 minutes.

Strong teamwork and dedication enabled the VICSES team to achieve the desired outcomes of the challenge. VICSES scored the highest points out of the five SES teams from across the nation. As a result, VICSES was presented with the SES Directors Shield in front of their peers.

A development opportunity was also provided to several staff and volunteer members to attend the learning symposium and view a day of competition. These members, along with the competing team members will be provided with opportunities to share their learnings with the wider membership.

Emergency Tree Operations

Development of the Emergency Tree Operations training package has progressed in response to a reasonable number of incidents being recorded involving tree operations between 2018 to 2021.

A working group formed to review capability development for tree operations and identified the need to provide our members with the skills and knowledge to more effectively assess tree operations to identify risks from the compression, tension and torsion forces stored in damaged trees. In addition, it was recognised there is a need to provide members with a system of work to develop, record and implement a work plan for the stabilisation and removal of trees. The result is two training programs that will build on skills gained during Crew Member training and become the role pathway for members undertaking tree operation tasks. It is intended this package will be progressively implemented throughout 2023-2024

Driver Safety Role Pathway

Throughout 2022, the Driver Safety Role pathway program was developed in response to a growing number of minor incidents and near misses involving VICSES vehicles between 2018 and 2021. A working group formed to consider these incidents and identified the need for a standardised approach to how members are inducted to the use of vehicles at VICSES, including the role and use of guides to control vehicle movement. After successful pilots in 2022, two programs are planned to be introduced to the driver role pathway to provide this induction.

Women in Rescue

“Building networks, learning skills, being encouraged to be challenged to try new things” - (VICSES Member, April 2023).

VICSES Sunbury Unit held the first ever Women in Rescue event at their local headquarters in 2018. Each year the event has expanded from an internal unit run event to one that is supported and championed by VICSES. In 2023, VICSES sought to expand the success of the previous WIR 2022 event by being more inclusive and accessible to all members across the State. The WIR 2023 event was held across each of the eight Emergency Management (EM) Regions (Loddon Mallee, Barwon South West, Grampians, Northern Metro, Eastern Metro, Southern Metro, Hume and Gippsland). The objectives of the WIR Working Group are:

1. To build confidence in women and gender diverse members in all roles associated with rescue.
2. To increase familiarity with rescue tools through more ‘hands on tools’ time.
3. To provide a positive, welcoming, and challenging learning environment.
4. To expand the leadership capacity and networking opportunities of women and gender diverse individuals in our emergency services.
5. To celebrate women and gender diverse individuals in the rescue space.

A total of 286 members participated in the WIR events across the EM Regions, making WIR 2023 the largest event to date. Executives, staff, and partner agencies also attended fostering and forging ongoing relationships across the emergency services sector.

Learning and Development

During 2022-23, work continued on expanding the scope and availability of learning beyond traditional technical skills and Incident Management Team training with alignment to national competency standards.

Training review and development of programs during the period included:

- **Fleet training:** development of new online training programs to support fleet including Light Rescue Vehicle (Generation 1) and Heavy Rescue Truck (Return to Service).
- **Use of Guides to Control Vehicle Movement:** development of a training program to address safety concerns when vehicles are being moved in close proximity to people and stationary objects, with standardisation of hand signals and pairing of a guide with the driver to control vehicle movement.
- **Health and Wellbeing:** to support a stronger focus on members health and wellbeing, training was made available to members through the Working Mind First Responder program and Applied Suicide Intervention Skills (ASIST) program.
- **Child Safety at VICSES:** revision to reflect changes to the Victorian Government Child Safety Standards.
- **Trainer/Assessor Induction:** development of a training program to provide a consistent understanding about how VICSES delivers and assesses training, and the responsibilities trainers/assessors have.

Regional Learning and Development structural changes

During 2022-23, implementation of a new operating model has provided enhanced resourcing to strengthen both the delivery and quality assurance of training to our volunteer membership.

The new operating model establishes three functional teams with learning and development accountabilities. One team at the Victorian Head Office to assist with use of accredited training through the Registered Training Organisation status including development and review of training materials and release through a Learning Management System, and two regional Operational Learning and Development teams to provide delivery, validation, and moderation of training.

Support of a broader operating model objective to provide a volunteer focus is also provided through regional resources in a new Unit Support Team model, with development of unit training plans to identify and address volunteer capability needs.

Learning outcomes

Throughout 2022-23, VICSES members engaged in a wide variety of online and face-to-face learning opportunities now available to VICSES members.

VICSES issued 36,401 skills/competencies for the successful completion of a training event, of which 9,002 align to a nationally accredited training outcome. The training programs with highest attendance during the financial year were:

Course	Attendance
Pre Incident Awareness Training (PIAT)	929
First Aid Course	872
Maintain Safety at Storm and Flood Operations	727
VICSES Induction to Volunteer Members	669
Spring Preparedness 2022	667
Crew Member Supervised - Theory	613
Emergency Vehicle Response Driving	516
Crew Member Level 1	505
Child Safety at VICSES	484

Our relationships

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

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

Government and emergency services

Emergency Management Victoria

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

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

Department of Energy, Environment and Climate Action and the Victorian Floodplain Management Strategy

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

Transport Accident Commission

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

Red Cross

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

Local government

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

Corporate Partnerships

AAMI

AAMI has been a proud Co-Principal Partner of VICSES since 2003, and has seen AAMI generously donate over \$9 million in contributions to support the incredible work of our VICSES volunteers. The partnership recently shifted focus to supporting our volunteers to deliver community resilience initiatives via community engagement programs, including the *15 to Float* initiative with an interactive augmented reality app that demonstrates the dangers of driving through floodwaters, and our Community Engagement Facilitator workshops and courses.

A key funding allocation from AAMI in the 2022-2023 financial year was the role of Senior Events Advisor, which is a role within the VICSES Community and Communications team and agreed to in the AAMI and VICSES partnership contract.

In addition, AAMI also funded key campaigns and events, including:

- 'We wear your support' recruitment campaign: Promotion across social media and a large painted mural in Melbourne's CBD.
- Wear Orange Wednesday lapel pins for all VICSES volunteers, to acknowledge their contributions as well as banner flags in various highly prominent locations.

Working on the business

Corporate Services

Volunteer Grant Programs

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

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

In 2022-23, the Victorian Government committed \$2.4 million in VESEP grant funding to VICSES. These funds resulted in 27 projects, which included replacement of twin cab utes, 4WD and all-terrain vehicles for VICSES units as well as road rescue equipment.

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

The UAF was established by VICSES to enable VICSES units to meet the cost of purchasing and maintaining equipment and facilities, providing training and resources, and to meet the administrative expenses of the units. The program, funded by public donation, resulted in 19 projects in 2022-23 to purchase tools and equipment.

Enterprise Risk Framework

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

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

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

Business continuity planning

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

VICSES continued its practice of testing and educating its staff members in business continuity activities during 2022-23, conducting a successful Crisis Management Team exercise and also testing two (2) of its region's continuity plans.

A project to introduce the BCP system to the unit leadership so that units can manage their BCP via a mobile application instead of printed/PDF documents was also completed in 2022-23, improving accessibility and efficiency of the planning process.

Facilities and Capital Works

VICSES operates from over 160 facilities throughout Victoria, including:

- Volunteer units: Local headquarters and satellite facilities.
- Staff offices: 12 regional offices, the State Logistics and State Fleet Centres (both located in Melbourne's West), Incident Control Centres, and the Victorian Head Office based in Southbank.

Continuing from 2021/22 with four projects completed, the ongoing development and delivery of the VICSES High Priority Infrastructure Program, in partnership with the Community Safety Building Authority (CSBA) and volunteer units will see 19 new and upgraded facilities delivered to support the critical work of volunteers across the state.

Major achievements over the last year include:

- Delivery of three projects - including new facilities for the VICSES Fawkner, Cobram, and Chelsea Units.
- Commencement of construction on the VICSES Aintree, Cranbourne, Officer, Point Cook, Wonthaggi and Skye Units, the latter a satellite for the VICSES Frankston Unit.
- Planning and design of two projects including VICSES Corio and Devon Meadows Units.
- Progression of the construction of VICSES Port Fairy, allowing for completion in early 2023 – 2024 Financial Year.
- Land identification for a further six units, including VICSES Bannockburn, Heathcote, Kalkallo, Kilmore, Rochester, and Tarneit Units.

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

Assets

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

The Assets team continues to be hampered by the lingering impacts in material shortages and manufacturing delays caused by COVID-19 recovery in the automotive industry. Additional delays due to port congestion and quarantine issues has resulted in major delays in the delivery of vehicles.

Critical Assets 2022-23

In 2022-23, VICSES planned the procurement and delivery of the following assets through the annual Critical Assets Program:

- 17 Heavy Rescue Trucks
- 7 Medium Rescue Trucks, with 4 new trucks to new VICSES units.
- 12 Road Crash Rescue kits, all battery powered. All delivered.
- 1 POD trailer, with High Angle Rescue kit delivered.
- 40 additional Cross Rams to further enhance Road Crash Rescue capability. All delivered.

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

Volunteer Emergency Services Equipment Program (VESEP)

The list of successful Assets grants for 2022-23 included:

- 17 4wd Twin Cab Support Vehicles
- 1 4wd Transport Vehicle
- 2 Light Rescue Vehicles
- 3 Medium Rescue Trucks
- 1 Snow Mobile
- 2 Ultra Terrain Vehicles
- 1 Road Crash Rescue kit, battery powered.

2022-23 Asset deliveries: Multiple programs

The list of Assets delivered across multiple Assets programs:

- 43 4wd Transport and Support Vehicles
- 4 Light Rescue Vehicles
- 2 Medium Rescue Trucks
- 3 Snow Mobiles
- 12 Road Crash Rescue kits, battery powered.
- 9 Trailers, incl. Cage, Car, Pod, Generator, and Lighting and Generator Trailers

Fleet Rectification Project

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

The Fleet Rectification Project includes the following project streams:

Heavy Rescue Truck rectification

Following routine inspections and maintenance checks on Heavy Rescue Trucks (HRT's) VICSES identified a manufacturing and design flaw in the vehicle body.

As a result of the design flaw all 70 affected HRTs were removed from service. Third party specialists were engaged to investigate the extent of the issue and assist in identifying possible solutions. Specialist engineers worked through various rectification solutions to identify the most suitable solution for return to service (RTS) options.

Various initiatives were implemented to reduce the impact of the removal of these HRTs to our service delivery, including:

- Retrofit and redistribute General Rescue fleet to Road Rescue units
- Recalled, retrofitted, and redistributed ten (10) state storm trailers
- Retrofitted three (3) logistics trucks with general rescue gear to supplement general rescue incidents

- Backfilled units with VICSES twin cabs
- Secured twelve (12) interim medium general rescue trucks
- Developed a road rescue support twin cab

The time criticality in backfilling vehicles was essential in reducing the service delivery impact. A total of 490 vehicle movements have occurred since the start of the program.

45 of the 70 HRTs have been temporarily rectified and returned to service until new heavy rescue trucks can be sourced.

Interim Medium Rescue Trucks

In support of the HRT rectification works, 12 Interim Medium Rescue Trucks (MRTs) have been manufactured. These general rescue vehicles are providing additional capability to VICSES.

Next Generation Rescue Truck

The Assets team has developed and implemented a contemporary procurement strategy to support the ongoing acquisition of rescue trucks. Part of this strategy includes separating rescue truck design services from the build process, with VICSES 'owning' the designs. This methodology enables a panel style procurement method with builders competing for builds and thus enabling VICSES to target builders with immediate capacity to build. It also allows for greater flexibility in continued design improvement and ability to adapt to changing equipment.

To support the new procurement strategy the Assets team has also developed a comprehensive and robust Rescue Truck Procurement process. This process ensures that all products are developed through an efficient and rigorous process, where focus is given to ensuring the final specification and build is entirely tied to the capability requirements. Development of the capability requirements involves significant consultation with VICSES members through workshops, studies into ergonomics, collaboration with partner agencies, and liaising with industry experts.

A Fleet Working Group has been established to develop the design of the next generation Heavy Rescue Truck. The new generation HRT includes a standardised and improved equipment list as well as new improved functionality to meet or exceed the capability requirements. Following completion of the design a prototype will be produced to further process the concept.

Community and Communications

The Community and Communications directorate comprises media and communications and community resilience. The team services our volunteers and staff, external stakeholders, and our communities by leveraging the organisation through our communication pathways, media opportunities, campaigns and events, and community engagement.

Media and communications

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

The media and communications team completed a number of projects in 2022-23 that aided this objective for the business.

Annual campaigns and events

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

- **Wear Orange Wednesday (May)**
 - VICSES celebrated *Wear Orange Wednesday* (WOW Day) in May, which is a national day of thanks for the thousands of SES volunteers who serve the Victorian community 24 hours a day, seven days a week, through flood, storm, road crash rescues, and more. The media launch reunited VICSES Alexandra Unit volunteers and a family who they rescued during the 2022 Victorian Floods, one of the busiest operational periods in the history of our organisation. Victorian landmarks were lit in orange, messages of thanks featured prominently across social media, and for the first-time, campaign banners and digital signs were featured across metro areas and regional Victoria.
- **International Women’s Day (IWD) (March)**
 - At VICSES, we have many amazing women who contribute significantly to our organisation and their communities. Each IWD, VICSES celebrates women across the organisation with profiles on the website, in the media and social media, and attendances at sector events.
- **Driver Reviver (Long weekends)**
 - VICSES volunteers operate Driver Reviver sites around Victoria on holiday weekends and peak traffic days. VICSES volunteers offer free coffee, tea, and snacks at roadside locations to encourage drivers to stop, rest and refresh, in an effort to ensure they can arrive safely at their destination.
- **Neighbour Day (March)**
 - Neighbour Day is an annual campaign run by Relationships Australia, which celebrates community connections and aims to foster strong personal connections that last year-round. Research shows those who have strong relationships within their communities and with their neighbours are more likely to help one another and have better outcomes when faced with emergencies. This aligns with the VICSES Vision of *Safer Communities – Together*.
- **Pride March and Carnival (February)**
 - VICSES is a proud annual supporter and participant in the Midsumma Pride March and Carnival events.
- **Women in Rescue (March)**
 - Women in Rescue is a training event that is designed to provide women with the opportunity to get hands-on with equipment, build on rescue skills, and have fun in a safe and supportive environment. The event was first founded by VICSES Sunbury Unit. In 2023, we held our largest WIR event yet, with eight locations across Victoria hosting the event simultaneously and a 93% increase in uptake this year – almost double the number of participants to last year’s event (2022).

Media coverage

VICSES aims to provide timely and accurate responses to reactive media requests. Some highlights from the 2022-23 financial year included:

2022 Victorian Floods

In October 2022, a low-pressure system travelled east over Australia, bringing heavy rainfall and storms. Already high rivers, creeks, and sodden catchments had little capacity to absorb the rain, which led to one of the most devastating flooding events in Victoria's history.

Since flooding began on 12 October, up until 30 November, VICSES experienced its busiest operational period for a single event on record, with 147 VICSES units from across the state supporting the flood response and recovery efforts. Over 1.3 million sandbags were laid, with 372 emergency warnings issued.

There were more than 16,100 requests for assistance, the majority for flooding impacts, as well as fallen trees, technical and floodwater rescues, and building damage. These statistics demonstrate the immense scale and impact caused by this flood event, and the dedication and tireless work shown by VICSES volunteers and the entire emergency management sector.

October was the busiest calendar month on record for VICSES volunteers, as well being Victoria's wettest October on record.

Accordingly, media reach and engagement was the busiest it has ever been, with a reach of almost 4,500 mentions on TV, radio, online, and in print.

The busiest day in terms of media reach and engagement was recorded on Friday 14 October with 234 mentions on radio, 185 in online and print media, and 86 on television. We owed this expansive coverage to the large number of RFAs received by VICSES volunteers: 3,600 in just one night.

During the October floods, metro outlets (Herald Sun, the Age, Channel 7, Channel 9, Network 10, and ABC), as well as regionally based outlets (WIN News, Prime 7 News, and local print and online publications) worked to deploy their staff to the flood disaster zones. This helped to increase daily media reach, as reporters were reporting directly from the impact zones and daily press conferences held at the SCC, from Thursday 13th October to Tuesday 1st November were attended by the majority of the networks, as well as various paper/online based journalists, and radio reporters. A wide range of spokespersons participated, including representatives from Emergency Recovery Victoria, representatives from the Bureau of Meteorology, VICSES Chief Officer (COO) Tim Wiebusch, Emergency Management Commissioner (EMC) Andrew Crisp, the Minister for Emergency Services, Jaclyn Symes, and the Premier of Victoria, Daniel Andrews. The inclusion of the Premier, and on one occasion the Prime Minister of Australia, served to lift our media reach overall, with increased engagement from national outlets, and on wider social media.

Press conferences were livestreamed to the VicEmergency Facebook page, with over a million views recorded over the 10-day period.

During the Victorian Floods, the agency received the largest media reach and engagement in any 30-day period in its history.

VICSES contingent deployed to WA 2023

In January, there was extensive media coverage across major radio networks regarding several VICSES deployments into northern Western Australia. Several regional outlets also covered local regional volunteers as they were deployed, including ABC South-West Victoria.

On 20 January, Acting Chief Officer Operations Alistair Drayton spoke to state-wide radio on the recent deployment to Western Australia, with VICSES crews heading over to Broome to support the flooding crisis and related recovery.

Pride March 2023

On February 5, VICSES celebrated Pride March, with extensive social media content published to VICSES accounts regarding VICSES' involvement. This also elevated overall media reach with 7 and 9 NEWS both reporting on VICSES' participation in the march, highlighting VICSES Sunbury Unit volunteer, Sarah Brennan-Dunn, as VICSES' first openly transgender member.

Wear Orange Wednesday 2023

To launch WOW Day in 2023, a lead-in press conference was held on Monday 15 May, at URBNSURF in Tullamarine. VICSES spokespeople included Tim Wiebusch VICSES COO, VICSES Alexandra Unit members along with member of public (media case study) they rescued during the October 2022 Floods, Brooke Sheridan. The press conference focused on the story of Brooke and her family, including 5-month-old Ollie. During the October 2022 Floods, they had become isolated due to increasing floodwater, requiring the assistance of the Alexandra Unit members to save them.

Volunteers from the VICSES Essendon and Footscray Units were also in attendance, to assist with a boat water rescue demonstration. The story aired on 7, 9 and 10 NEWS across their respective evening bulletins. As well as this, ABC Breakfast (National TV) interviewed VICSES Sunbury Unit volunteer Jarrod Bell on WOW Day, speaking to volunteering in the emergency services whilst both 7 NEWS Melbourne (Jane Bunn), and 10 NEWS Melbourne (Jayde Cotic) held live weather broadcasts from VICSES unit locations that week (Essendon and Footscray). In addition to this, ABC radio spoke to a range of VICSES volunteers across regional segments throughout the day including Orbost, Gippsland, and Bendigo. WINTV News in Gippsland also held a special segment at the VICSES Bairnsdale Unit, thanking our volunteers for all they do.

This was all coupled with landmark light up locations, thank you messages to our volunteers on social media, banner flags in prominent CBD and regional locations, a McDonalds and Grill'd Burgers partnership, as well as a number of local celebratory events.

Women in Rescue 2023

On 15, 29, and 30 April, VICSES held its annual Women in Rescue (WIR) events, with a media release distributed to local media outlets per region, per event. This was beneficial as it dramatically increased media reach during this time, with many regional online and print publications, including, MirageNews, Bendigo Advertiser, and Ballarat Courier, attending various WIR events across the state. On 20 April, Channel 9 News aired the WIR media exclusive offered to them at the 14 April WIR event in Bangholme. The story was very positive in sentiment and included three VICSES spokespeople; two volunteers and VICSES CEO, Stephen Griffin speaking to the campaign initiatives, highlighting VICSES' focus in the diversity and inclusion space.

Driver Reviver 2023

VICSES' annual Pre-Easter Driver Reviver media opportunity was held at AAMI Park in 2023, and involved VICSES volunteers, a VICSES road crash rescue demonstration and TAC/Lions Club representatives.

The case study for this year's opportunity was road accident survivor, Lisa Constantine, who without the emergency assistance of VICSES Frankston Unit volunteers in 1996, would not be alive today, delivering a very strong road safety message.

Channel 9 and Channel 7 both covered the reunion story, with regional online and print publications also reporting on the Driver Reviver initiative over the Easter long weekend. A state-wide media release was distributed to these regional/local outlets, to meet publication deadlines prior to the launch.

	Radio mentions	Online/print mentions	TV mentions	Total advertising revenue value (\$millions)	Total website visits (ses.vic.gov.au)	Facebook total impressions	Twitter total impressions
Jul-22	166	236	166	1,137,794	25,166	32,261	6,046
Aug-22	41	252	41	1,608,200	34,294	278,026	14,806
Sep-22	59	215	20	1,110,000	29,085	137,964	6,658
Oct-22	1,970	1,920	442	14,913	455,411	561,656	38,852
Nov-22	512	448	58	3,300,000	106,919	87,679	50,018
Dec-22	159	16	21	16,984	66,378	77,929	4,092
Jan-23	69	88	29	884,112	55,131	62,968	6,695
Feb-23	7	39	7	303,500	53,966	74,773	7,273
Mar-23	8	19	63	166,000	58,403	33,169	3,355
Apr-23	114	71	24	390,000	27,094	171,319	8,956
May-23	90	101	21	270,000	70,943	475,142	252,429
Jun-23	135	92	16	1,120,000	55,246	136,280	152,859
Total 22-23	3,330	3,497	908	10,321,503	1,038,036	2,129,166	552,039

Publications and content

VICSES produces a number of publications each year about emergency management and the organisation itself. In 2022-23, the team continued to deliver corporate communications that engage with our members and stakeholders, demonstrating the work of the business to the wider community.

Some of the key publications and content created in the 2022-23 year include:

Community Matters

Each quarter, a 32-page magazine is produced featuring content written by members of VICSES and edited by the Media and Communications team. This asset is then shared on both the public website and the intranet, with physical copies delivered to all VICSES units and offices. In June 2023, edition 23 was launched.

The Bulletin

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

Campaign and events digital toolkits

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

Video content

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

- Media coverage show reel
- Women in Rescue

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

Community Resilience

The [VICSES Community Resilience Strategy Renewal \(2019-22; Strategy Renewal\)](#) was an extension of the foundational doctrine and frameworks found within the seminal [VICSES Community Resilience Strategy 2016-19](#) and provided guidance to Our People on how we can work together to build safer and more resilient communities.

The Strategy Renewal built on the key achievements and lessons learnt during the initial term and provided a road map for the design and development of community resilience activities, and delivery and evaluation of programs and resources. The Strategy Renewal reaffirmed VICSES's commitment to better understand community attitudes, key drivers and barriers, and detailed how we will continue to support communities before, during and after emergency events.

Within the Strategy Renewal were three strategic objectives – build capacity, increase collaboration, and foster connections. Critically, the Strategy Renewal emphasised strong relationships between Victorians and the services, systems, and structures to support communities. The Strategy Renewal also enabled Our People to support communities to better understand the full scale of emergency events, by:

- Building competency in knowing what to do in the future: **Believe they know how to do it.**
- Increasing individual capacity and capability to respond: **Believe they can do it.**
- Increasing awareness of their role, and the role of VICSES and others in the community: **Believe everyone has a role to play.**
- Realising the positive outcomes and relevance of preparing for future emergencies: **Believe it will make a difference.**

Key community resilience initiatives undertaken in 2022-2023 have included:

- **Enhancement of the Local Flood Guides**

Local Flood Guides (LFGs) demonstrate the intent of the 2019-2022 Strategy Renewal by addressing the key aspects of resilience building initiatives undertaken by VICSES members. The primary aim of LFGs is to decrease the impact of disasters while increasing the capacity of community to prepare for flood emergencies. The effectiveness and value of LFGs comes into action when flood events occur, and we can measure engagement via website metrics. Over the life of the strategy, engagement with this key flood information product has increased significantly, particularly online, with over 150 LFGs to date. There is a continuous review cycle for LFGs including ongoing development with up-to-date flood mapping and information from various

government and local water catchment authorities, as well as local councils providing specific and targeted information relevant to communities.

■ **Use of LFGs during the 2022 Victorian Floods**

Throughout the 2022 Victorian flood event in October – December of last year, LFGs became a vital tool for emergency preparedness, with residents visiting the LFG home page on the VICSES website 218,615 times during this period. Information in each LFG features road closures and areas within the municipality that are likely to flood and emergency contact numbers. In preparation for flooding in Shepparton, Maribyrnong, and Rochester during this event, VICSES conducted widespread doorknocking in key municipalities as identified by the relevant Catchment Management Authority to ensure residents were equipped with the right information and prepared. Residents were encouraged to download the Vic Emergency App along with their respective LFGs from the VICSES website.

■ **Flood awareness and community resilience during the 2022 Victorian Floods**

During the 2022 Victorian Floods, VICSES received a \$1 million Treasury Advance to support our flood awareness and community resilience campaigns. A portion of this funding was put towards radio and digital advertising for flood awareness initiatives including our 15 to Float and Bag it, Block it, Lift it and Leave campaigns during the flood event. Another portion of the funding was put towards developing two new flood and storm community resilience campaigns, which will be launched in the 2023-2024 Financial Year.

Community Engagement

■ **Community information sessions: Case study - Elwood**

VICSES held community information sessions in at-risk townships and suburbs to support the community with knowledge, sources of information, and preventative actions. The Port Phillip community information session is an example of bringing the community together to increase knowledge and encourage preparedness. In June 2022, residents living in the seaside suburb of Elwood were invited to attend a community information session on flood preparedness. Residents engaged with members of the VICSES Port Phillip Unit on how to prepare their homes in the event of a flood emergency, particularly those living alongside the Elwood Canal. This included sharing stories of previous flood emergencies and discussing ways to minimise the impacts and disruption when flooding occurs.

VICSES activated displays at a number of community events during the period of this strategy renewal as an important way to foster connections with community and build resilience.

■ **Melbourne Royal Show**

To celebrate Victoria's much loved community event, 500,000 show-goers stormed through the gates of the Melbourne Showgrounds after a two-year hiatus due to the pandemic. Our '15 To Float' message took centre stage in an augmented reality touchscreen, providing the community with an opportunity to test their knowledge of the dangers of driving through floodwaters. This sparked conversations about flood and storm preparedness and response, and informally engaging with the community about VICSES and how we help the community during a flood event.

■ **Cultural And Linguistically Diverse (CALD) communities - Case study: Bendigo**

VICSES has been working with various multicultural groups across the state, engaging directly with communities on flood and emergency preparedness to ensure communities members are equipped with the

right information in the event of a flood. The Dinka, Dari, and Karen communities reside in the Bendigo region. Key VICSES messages about flood preparedness and emergencies have been translated into various languages to support these communities, with the help and support of Bendigo Community Health Services (BCHS). The program is called *'Community Champions'* and provides new immigrants with information on flood preparedness and emergencies. Elders of the communities work closely with VICSES staff to fully understand key messages so they can relay the information back their communities. Resources consist of web materials, video content, and information sessions run by VICSES staff along with a translator.

Information Systems

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

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

The IS directorate has continued its focus on supporting staff and volunteers to perform their work within a stable and safe environment. The provision of technical and information delivery systems to meet the mobile and flexible work arrangements of all members is now well embedded as a standard and has provided further flexibility to support the re-scaling of the organisation through the introduction of the operating model in October 2023.

The IS directorate has also enhanced its information security footprint, by increasing user awareness, strengthening cyber security practices, and working with our partners across industry, federal and state government to strengthen VICSES' security footprint and better safeguard personal information.

Technical Stability

In the last year the IS support team received 10,459 requests via its Service Desk, almost double the volume reported in last year's report (5,500). The increased demand is due to two key situations:

- The transfer of support services for operational application which service our volunteers, into the directorate due to the new operating model implemented in the past year.
- The increase in number of staff due to the new operating model implemented in the past year and subsequently the demand to support them through inductions accessing new systems in various locations.

Of the 10,459 requests, approximately 8.9% related to auto-alerting, monitoring of system performance and availability, whilst 7.5% were security incidents reported by our users.

The VICSES technical platform and service delivery has remained stable due to the continued and consistent application of change management practises to keep existing systems up to date, support for business improvements and projects, continual monitoring of key supplier contract and service agreements, prioritising investment in our team's professional and technical capabilities, and the actioning of findings from any major business disruptions and audits for continued avoidance or mitigation of recurrence. In the past year the organisation experienced 8 significant business disruptions, of those 7 were resolved within four hours.

Member services

Naturally, our volunteer skilled workforce remains a priority focus for the directorate.

The new operating model introduced in October has provided a more effective business partnering and communication model so that units are able to work with the IS directorate directly or through their unit support teams. Coupled together with our service desk being available exclusively to units after standard business hours, this has resulted in increased demand and confidence from our volunteers that we are able to provide consistent support.

The new operating model has provided the capacity to increase availability in attending units on site more often. Since the operating model was introduced, we have seen an increase in visits from an average of one per month to four.

Finally, regarding fiscal support, the team continues to provide user support and services at no cost to our volunteers. Additionally, we continued to engage with VGPB State Purchase Contract owners to have the State Purchase Contracts provide volunteers access to the contracts and leverage from whole of Victorian government buying power to improve our budget constraints.

Governance

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

Information Security

In the past year, concerted efforts have been focused on strengthening the information security posture of the organisation, with a strong focus on best-practice cyber security techniques and practices drawn from the ISO/IEC:27001:2022 standards, the Victorian Protective data Security Standards and the Australian Cyber Security Centre's 'Essential 8' model, as well as our independent security specialists.

The focus has been to update and strengthen the organisation's capability to face the current threat landscape, with equal attention given to people and awareness, as to processes and technology. The net result of these ongoing changes is to reduce VICSES' susceptibility to the risks and impacts of data breaches and attacks by malicious actors.

VICSES also continues to provide sound practice around physical and digital records and information management, including information privacy. Over the next year, focus will be on the continued strengthening of our information security posture, and in particular a significant program to improve digital records management.

Procurement

VICSES has continued to prioritise the strengthening of our contracts and procurement management. The relationship with VGPB personnel and its available resources has provided the guidance, and therefore, the confidence to implement a procurement strategy for our continued transition to comply fully with the VGPB framework.

Through the procurement strategy, the application of goods and services procured through state purchase contracts, accredited suppliers and panels has increased significantly resulting in 90% application of mandatory State Purchase Contracts and an embedded process to transition to government contracts as they become due. Key policy documents, the contract register, and emergency procurement standards have been updated.

Through the leadership roles of the Accountable Officer, the Manager Contracts & Procurement, the Chief Procurement Officer, and with executive support, a centralised governance process is providing the required effectiveness and accountability required to ensure well governed procurement and contracts management.

Glossary

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

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

VICSES financial statements for the year ended 30 June 2022

How this report is structured

The Victoria State Emergency Service Authority (Authority) has presented its audited general purpose financial statements for the financial year ended 30 June 2022 in the following structure to provide users with the information about the Authority's stewardship of resources entrusted to it.

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

Notes to the financial statements

1. About this report

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

2. Funding delivery of our services

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

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

3. The cost of delivering services

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

4. Key assets available to support output delivery

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

5. Other assets and liabilities

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

6. Financing our operations

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

7. Risks, contingencies, and valuation judgements

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities
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8. Other disclosures

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

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

9. Disclosure index

10. Legislation

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

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2023 and financial position of the Authority at 30 June 2023.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate. We authorise the attached financial statements for issue on 5 October 2023.



Greg Wilson
Chairperson
Victoria State Emergency Service Authority
Melbourne
5 October 2022



Stephen Griffin
Chief Executive Officer
Victoria State Emergency Service Authority
Melbourne
5 October 2022



Martin Phillips
Manager Finance
Chief Finance and Accounting Officer
Victoria State Emergency Service Authority
Melbourne
5 October 2022

Independent Auditor’s Report

To the Board of the Victoria State Emergency Service Authority

Opinion	<p>I have audited the financial report of the Victoria State Emergency Service Authority (the Authority) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2023 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • declaration in the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor’s Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 <i>Code of Ethics for Professional Accountants (including Independence Standards)</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
The Board’s responsibilities for the financial report	<p>The Board of the Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the Authority’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

MELBOURNE
11 October 2023



Timothy Maxfield
as delegate for the Auditor-General of Victoria

Comprehensive Operating Statement (a)

For the financial year ended 30 June 2023

(\$ thousand)

	Notes	2023	2022
Continuing operations			
Revenue and income from transactions			
Grants	2.2.1	115,443	76,792
Fair value of assets received free of charge	2.2.2	1,227	215
Other income	2.2.3	2,513	1,483
Total revenue and income from transactions		119,183	78,490
Expenses from transactions			
Employee benefit expenses	3.1.1	(38,356)	(30,188)
Depreciation	4.1.1	(13,148)	(10,952)
Interest expense	6.1.2	(990)	(400)
Other operating expenses	3.2	(55,699)	(32,254)
Total expenses from transactions		(108,193)	(73,794)
Net result from transactions (net operating balance)		10,990	4,696
Other economic flows included in net result			
Net gain/(loss) on non-financial assets ^(b)		270	1,168
Other gain/(loss) from other economic flow s		-	(145)
Total other economic flow s included in net result		270	1,023
Net result		11,260	5,719
Other economic flows – other comprehensive income:			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	8.3	6,962	-
Total other economic flows – other comprehensive income		6,962	-
Comprehensive result		18,222	5,719

The accompanying notes form part of these financial statements.

Note:

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

(b) 'Net gain/(loss) on non-financial assets' includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.

Balance sheet (a)

As at 30 June 2023

(\$ thousand)

	Notes	2023	2022
Assets			
Financial assets			
Cash and deposits	6.3	92,425	67,431
Receivables	5.1	3,685	7,803
Investments and other financial assets	4.2	8,952	7,391
Total financial assets		105,062	82,625
Non-financial assets			
Property, plant, and equipment	4.1	168,455	134,840
Other non-financial assets	5.3	55,729	74,041
Total non-financial assets		224,184	208,881
Total assets		329,246	291,506
Liabilities			
Payables	5.2	7,503	4,762
Contract liabilities	5.2.1	4,953	4,938
Borrowings	6.1	10,936	8,879
Employee related provision	3.1.2	8,961	7,434
Total liabilities		32,354	26,013
Net assets		296,893	265,493
Equity			
Accumulated surplus / (deficit)		101,724	90,464
Physical asset revaluation reserve surplus	8.3	21,420	14,458
Contributed capital		173,749	160,571
Net worth		296,893	265,493

The accompanying notes form part of these financial statements.

Note:

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

Cash Flow Statement (a)

For the financial year ended 30 June 2023

(\$ thousand)

	Notes	2023	2022
Cash Flows from Operating Activities			
Receipts			
Receipts from government		109,083	59,171
Receipts from other entities		6,169	3,570
Goods and Services Tax recovered from the ATO ^(b)		6,441	3,984
Interest received		1,459	153
Other receipts		4,767	9,921
Total receipts		127,919	76,799
Payments			
Payments to suppliers and employees		(97,859)	(65,103)
Interest and other costs of finance paid		(1,006)	(398)
Total payments		(98,865)	(65,501)
Net cash flow from/ (used in) operating activities	6.3.1	29,054	11,298
Cash flows from investing activities			
Payments for investments		(8,952)	(7,391)
Proceeds from sale of investments		7,391	7,184
Purchases for non-financial assets		(10,554)	(14,760)
Sale of non-financial assets		198	1,409
Net cash flows from/ (used in) investing activities		(11,918)	(13,558)
Cash flows from financing activities			
Owner contributions by State Government		9,216	2,600
Repayment of borrowings and principal portion of lease liabilities		(1,358)	(1,149)
Net cash flows from/ (used in) financing activities		7,858	1,451
Net increase/ (decrease) in cash and cash equivalents		24,994	(809)
Cash and cash equivalents at the beginning of the financial year		67,431	68,240
Cash and cash equivalents at the end of the financial year	6.3	92,425	67,431

The accompanying notes form part of these financial statements.

Notes:

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

(b) GST recovered from the Australian Taxation Office is presented on a net basis.

Statement of changes in equity (a)

For the financial year ended 30 June 2023

(\$ thousand)

	Physical asset revaluation reserve surplus	Accumulated surplus	Contributions by owner	Total
Balance at 1 July 2021	14,458	84,745	157,272	256,475
Net result for the year	-	5,719	-	5,719
Other Comprehensive Income	-	-	-	-
Capital appropriations	-	-	3,299	3,299
Balance at 30 June 2022	14,458	90,464	160,571	265,493
Net result for the year	-	11,260	-	11,260
Other Comprehensive Income	6,962	-	-	6,962
Capital appropriations	-	-	13,178	13,178
Balance at 30 June 2023	21,420	101,724	173,749	296,893

The accompanying notes form part of these financial statement.

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

1. About this report

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

Its principal address is:

Victoria State Emergency Service Authority
168 Sturt Street
Southbank VIC 3006

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

Basis of preparation

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

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

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

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

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

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying AAS that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates'.

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

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

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

Consolidation of VICSES volunteer units

The financial statements incorporate financial transactions of the 143 operational VICSES volunteer units on a cash basis. Management have not recognised any accruals on the basis that it is not material to the financial report.

The volunteer unit financial transactions incorporated by VICSES include:

- Cash and investment balances.
- Net movement in cash balances between financial years as either revenue or an expense.

Transactions between the volunteer units and the Authority are eliminated.

All VICSES volunteer unit property, plant, and equipment over \$5,000 are purchased by the Authority and recorded in the accounts of the Authority. Volunteer units do not record these items separately.

Revenue and expenditure balances of the Authority have not been grossed up to incorporate volunteer unit transaction with third parties.

Compliance information

These general-purpose financial statements have been prepared in accordance with the Financial Management Act 1994 and applicable Australian Accounting Standards (AASs), which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 Whole of Government and General Government Sector Financial Reporting.

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

2. Funding delivery of our services

Introduction

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

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

Structure

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

2.2 Income from transactions

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

		(\$ thousand)	
	Notes	2023	2022
Grants		115,443	76,792
Fair value of assets and services received free of charge or for nominal consideration		1,227	215
Other income		2,513	1,483
Total revenue income from transactions		119,183	78,490

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

2.2 Income from transactions

2.2.1 Grants

	Notes	2023	2022
(\$ thousand)			
Department of Justice and Regulation			
- Operating grant income		74,368	60,972
- Volunteer Emergency Service Equipment Program (VESEP)		2,469	1,430
- Valuing Volunteer Program (VVP)		280	280
- Other		319	4,661
- Major Incident Funding		21,497	2,758
- Fleet Rectification		10,052	-
- Special Appropriation Volunteer WorkCover		448	646
Other State Government Departments & Authorities			
- Melbourne Water		639	138
- Transport Accident Commission		4,977	4,760
- ESTA		197	597
- CFA		-	474
- DSS		-	7
Other		198	69
Total grants		115,443	76,792

	Notes	2023	2022
(\$ thousand)			
Income recognised under AASB 1058			
General purpose		112,776	75,286
Specific purpose grants for on-passing		198	76
Revenue recognised under AASB 15			
Specific purpose grants		2,469	1,430
Total grants		115,443	76,792

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in the contract with the customer. The authority recognises revenue when it transfers control of a good or service to the customer, i.e. when, or as, the performance obligations for the sale of goods, biological assets and services to the customer are satisfied.

Customers obtain control of the supplies and consumables at a point in time when the goods are delivered to and have been accepted at their premises.

Revenue from the sale of goods are recognised when the goods are delivered and have been accepted by the customer at their premises.

Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the services as it is provided.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 5.2.1). Where the performance obligations is satisfied but not yet billed, a contract asset is recorded.

Termination for convenience

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

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

The Authority has reviewed the status of material funding contracts containing TFC clauses and estimates that, if a liability were to be recognised for unspent funds subject to TFC clauses that are not already recognised as a contract liability, the liability would approximate \$0 as at 30 June 2023 (30 June 2022: \$0).

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

Grants recognised under AASB 1058

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

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

Accounting Standards. Related amounts may take the form of:

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

Income received for specific purpose grants for on-passing is recognised simultaneously as the funds are immediately on-passed to the relevant recipient entities on behalf of the Commonwealth Government. Income from grants to construct the Authorities assets recognised progressively as the asset is constructed. This aligns with the Authority's obligation to construct the asset. The progressive percentage costs incurred is used to recognise income because this most closely reflects the construction progress as costs are incurred as the works are done.

Grants recognised under AASB 15

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

2.2.2 Fair value of assets and services received free of charge or for nominal consideration recognised as income

	Notes	2023	2022
(\$ thousand)			
Assets			
Land and buildings at fair value		1,227	215
Total fair value of assets and services received free of charge or for nominal consideration		1,227	215

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

The exception to this would be when the resource is received from another government department (or agency) as a consequence of a restructuring of administrative arrangements, in which case such a transfer will be recognised at its carrying value in the transferring department or agency as a capital contribution transfer.

2.2.3 Other income

	Notes	2023	2022
(\$ thousand)			
Sponsorship		440	441
Donations		92	124
Interest income		1,623	165
Other Income		359	753
Total other income		2,513	1,483

Sponsorship income is recognised when the Authority is entitled to the economic benefit from the sponsorship. Donations and other income included in the table above are transaction that the authority has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

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

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

3. The cost of delivering services

Introduction

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

Structure

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

3.1 Expenses incurred in delivery of services

		(\$ thousand)	
	Notes	2023	2022
Employee benefit expenses	3.1.1	38,356	30,188
Other operating expenses	3.2	55,699	32,254
Total expenses incurred in delivery of services		94,055	62,442

3.1.1 Employee benefits in the comprehensive operating statement

		(\$ thousand)	
	Notes	2023	2022
Defined contribution superannuation expense		854	1,028
Defined benefit superannuation expense		42	43
Other superannuation expense		1,980	1,307
Termination benefits		68	11
Salaries and wages, annual leave and long service leave		35,412	27,799
Total employee expenses		38,356	30,188

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

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

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

3.1.2 Employee benefits in the balance sheet

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

	Notes	(\$ thousand)	
		2023	2022
Current provisions:			
Annual Leave ⁽ⁱ⁾			
Unconditional and expected to be settled within 12 months		2,858	2,574
Unconditional and expected to be settled after 12 months		227	162
Long Service Leave			
Unconditional and expected to be settled within 12 months		609	395
Unconditional and expected to be settled after 12 months		3,037	2,487
Provisions related to employee benefit on-costs			
Unconditional and expected to be settled within 12 months		981	871
Unconditional and expected to be settled after 12 months		645	498
Total current provisions for employee benefits		8,357	6,987
Non-Current Provisions			
Employee benefits ⁽ⁱⁱ⁾		512	379
On-costs		92	68
Total non-current provisions for employee benefits		604	447
Total provisions for employee benefits		8,961	7,434

Notes:

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

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

Reconciliation of movement in on-cost provision

	Notes	(\$ thousand)	
		2023	2022
Opening Balance		1,437	1,274
Additional Provisions Recognised		718	523
Reductions arising from payments/sacrifices of future economic benefits		(437)	(360)
Closing Balance		1,718	1,437
Current		1,626	1,369
Non-current		92	68
Total movement in Provisions		1,718	1,437

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

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

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

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

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

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

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

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

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

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

3.1.3 Superannuation contributions

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

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

	Paid contribution for the year		Contribution outstanding at year-end ^(b)	
	2023	2022	2023	2022
Defined benefit plans				
State Superannuation Fund- Revised and New ^(a)	43	39	-	5
Defined contribution plans				
VicSuper	858	916	4	112
Other	1,990	1,164	10	143
Total	2,890	2,119	14	260

Note:

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

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

3.2 Other operating expenses

	Notes	(\$ thousand)	
		2023	2022
Supplies and services			
Contractors and professional services		7,454	6,134
Building service and professional maintenance		3,262	1,689
Travel and associated costs		5,257	666
Printing, stationery and other office expenses		1,215	446
Postage and communication expenses		8,931	8,762
Vehicle expenses		5,212	1,796
Technology services costs		3,403	4,918
Protective clothing		980	1,523
Emergency rescue equipment		14,973	2,198
Training (volunteers and staff)		1,997	1,606
Other		1,456	493
Short Term Leases		294	848
Net result of VICSES volunteer units		1,266	1,175
Total other operating expenses		55,699	32,254

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

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The following lease payments are recognised on a straight-line basis:

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

Variable lease payments that are not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate and which are not, in substance fixed), such as those based on performance or usage of the underlying asset, are recognised in the Comprehensive Operating Statement (except for payments which have been included in the carrying amount of another asset) in the period in which the event or condition that triggers those payments occur.

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

4. Key assets available to support output delivery

Introduction

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

Structure

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

4.1 Property, plant, and equipment

(\$ thousand)

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2023	2022	2023	2022	2023	2022
Crown land at fair value	23,518	23,518	-	-	23,518	23,518
Buildings and leasehold improvement at fair value	63,964	53,327	(13,601)	(10,860)	50,364	42,467
Plant, equipment and vehicles at fair value	70,704	90,710	(30,805)	(52,350)	39,899	38,360
Assets under construction at cost	54,678	30,494	-	-	54,678	30,494
Total property, plant and equipment	212,864	198,050	(44,406)	(63,210)	168,458	134,840

Note:

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

Revised useful life

In April 2022, VICSES commenced the removal of 70 Heavy Rescue Trucks (HRT) from service due to a suspected manufacturing and design flaw in the vehicle body. There have been no significant incidents or injuries due to this fault.

The issue was detected through regular maintenance arrangements. Testing by VICSES has shown that there are viable solutions to repair trucks and return them to service for period of approximately 24 months.

As a result, the expected useful life of the HRTs has been reduced to a remaining period of 2 year. This has resulted in a higher depreciation expense for the year ended 30 June 2022 of \$1,482,885, the year ended 30 June 2023 of \$2,883,157 and will result in a similarly higher annual depreciation charge until the year ending 30 June 2024.

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

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

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

(\$ thousand)

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2023	2022	2023	2022	2023	2022
Buildings at fair value	12,124	9,841	(3,838)	(2,610)	8,285	7,231
Plant, equipment, and vehicles at fair value	2,947	2,613	(1,283)	(1,577)	1,665	1,035
Net carrying amount	15,071	12,454	(5,121)	(4,187)	9,950	8,266

(\$ thousand)

	Buildings at fair value	Plant, equipment, and vehicles at fair value
Opening Balance - 1 July 2022	7,231	1,035
Additions	2,904	1,787
Disposals	-	(1)
Depreciation	(1,849)	(1,158)
Closing Balance - 30 June 2023	8,285	1,663
Opening Balance - 1 July 2021	8,132	1,289
Additions	20	918
Disposals	-	(155)
Depreciation	(921)	(1,017)
Closing Balance - 30 June 2022	7,231	1,035

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

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

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

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

During 2021, the Authority undertook an independent revaluation of its property, plant and equipment in line with the five year revaluation cycle based on the assets' Classification of the Functions of Government classification. Independent valuers are used to conduct the scheduled revaluation.

During 2023, the Authority conducted a revaluation of its motor vehicle, and plant and equipment in collaboration with the Fleet department of the Authority regarding replacement costs, considering factors such as market conditions and technology advancements. As a result of the fair value assessment, the carrying

amounts of motor vehicle and plant and equipment were adjusted to their respective fair values less accumulated depreciation in alignment with the Authority asset policies.

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

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

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

Vehicles are valued using the current replacement cost method. The Authority acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the Authority who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

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

Refer to Note 7.3.2 for additional information on fair value determination of property, plant and equipment

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

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

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

Right-of-use asset – Subsequent measurement

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

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

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

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

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

Impairment of property, plant, and equipment

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

4.1.2 Depreciation and amortisation

Charge for the period	(\$ thousand)	
	2023	2022
Buildings and leasehold improvements	(3,385)	(2,379)
Plant, equipment, and vehicles	(8,606)	(7,556)
Leased vehicles	(1,157)	(1,017)
Total depreciation and amortisation	(13,148)	(10,952)

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

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

Asset	Useful life
Buildings (including the right-of-use assets)	3 - 50 years
Leasehold improvements	2 - 40 years
Plant, equipment, and vehicles	3 - 15 years
Leased vehicles	3 - 10 years

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

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term.

Where the Authority obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the Authority will exercise a purchase option, the Authority depreciates the right-of-use asset over its useful life.

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

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

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

	Crown land at fair value		Buildings and leasehold improvements at fair value		Plant, equipment, and vehicles at fair value		Assets under construction		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Opening balance	23,518	23,519	42,467	30,207	38,360	42,010	30,494	22,382	134,839	118,118
Additions	-	-	3,373	5,251	4,199	4,358	32,256	18,857	39,827	27,966
Revaluation	-	-	-	-	6,962	-	-	-	6,962	-
Disposals	-	-	-	-	(22)	(292)	-	-	(22)	(292)
Transfer in/(out) of assets under construction	-	-	7,886	9,388	186	857	(8,072)	(10,245)	-	-
Depreciation	-	-	(3,385)	(2,379)	(9,763)	(8,573)	-	-	(13,148)	(10,952)
Closing balance	23,518	23,519	50,314	42,467	39,922	48,360	54,678	30,494	168,458	134,840

Notes:

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

4.2 Investments and other financial assets

	(\$ thousand)	
	2023	2022
Current investments and other financial assets^(a)		
Term deposits: ^(b)		
Australian dollar term deposits > three months	8,256	6,722
Total current investments and other financial assets	8,256	6,722
Non-current investments and other financial assets^(a)		
Term deposits: ^(b)		
Australian dollar term deposits > 12 months	696	669
Total non-current investments and other financial assets	696	669

Notes:

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

(b) Term deposits under the 'investments and other financial assets' class include only term deposits with maturity greater than 90 days.

5. Other assets and liabilities

Introduction

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

Structure

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

5.1 Receivables

	(\$ thousand)	
	2023	2022
Contractual		
Other receivables	2,850	7,121
Statutory		
GST input tax credit recoverable	768	682
Other receivables	68	-
Total receivables	3,685	7,803
<i>Represented by</i>		
Current receivables	3,685	7,803

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

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

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

5.2 Payables

	(\$ thousand)	
	2023	2022
Contractual		
Supplies and services	7,356	4,330
Statutory		
Other taxes payable	147	432
Total payables	7,503	4,762
<i>Represented by</i>		
Current payables	7,503	4,762

Payables consist of:

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

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

5.2.1 Contract liabilities

	(\$ thousand)	
	2023	2022
Contract Liabilities		
Opening balance	4,938	4,550
Add: Payments received for performance obligations yet to be completed during the period	2,484	2,356
Less: Revenue recognised in the reporting period for the completion of a performance obligation	(2,469)	(1,968)
Total Contract Liabilities	4,953	4,938
Represented by		
Current Contract liabilities	4,953	4,938

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

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

Maturity analysis of contractual payables ^(a)

	(\$ thousand)					
2023	Carrying amount	Nominal amount	Less than 1 month	1-3 months	3 months–1 year	1-5 years
Supplies and services	7,356	7,356	7,356	-	-	-
Total	7,356	7,356	7,356	-	-	-
Supplies and services	4,330	4,330	4,330	-	-	-
Total	4,330	4,330	4,330	-	-	-

Notes:

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

5.3 Other non-financial assets ^(a)

	(\$ thousand)	
	2023	2022
Current other assets		
Prepayments	7,515	43,447
Total current other assets	7,515	43,447
Non-current other assets		
Prepayments	48,214	30,594
Total non-current other assets	48,214	30,594
Total other assets	55,729	74,041

Note:

(a) Balance at June 30 2023 includes \$48.165 million paid to the Community Safety Building Authority for the construction of new Volunteer Unit Headquarters.

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

6. How we financed our operations

Introduction

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

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

Structure

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

6.1 Borrowings

	(\$ thousand)	
	2023	2022
Current borrowings		
Lease liabilities ^(a)	1,642	1,473
Total current borrowings	1,642	1,473
Non-current borrowings		
Lease liabilities ^(a)	9,294	7,406
Total non-current borrowings	9,294	7,406
Total borrowings	10,936	8,879

Note:

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

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

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

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

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

Maturity analysis^(a) of borrowings

(\$ thousand)

Maturity dates 2023	Carrying amount	Nominal amount	Less than 1 month	3 months	3 months – 1 year	1–5 years	5+ years
Finance lease liabilities designated at fair value	10,936	15,499	265	484	1,832	4,187	8,731
Total	10,936	15,499	265	484	1,832	4,187	8,731
Maturity dates 2022	Carrying amount	Nominal amount	Less than 1 month	3 months	3 months – 1 year	1–5 years	5+ years
Finance lease liabilities designated at fair value	8,879	12,194	190	362	1,232	3,079	7,330
Total	8,879	12,194	190	362	1,232	3,079	7,330

Interest expense

(\$ thousand)

	2023	2022
Interest on leases	990	400
Total interest expense	990	400

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

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

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

6.2 Leases

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

The Authority's leasing activities

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

The Authority leases IT equipment with contract terms of 1-3 years. These leases are short-term and or/leases of low value items. The Authority has elected not to recognise right-of-use assets and lease liabilities for these leases.

Leases at significantly below-market terms and conditions

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

6.2.1 Right-of-use assets

Right-of-use assets are presented in note 4.1.1.

6.2.2 Amounts recognised in the Comprehensive Operating Statement

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

	(\$ thousand)	
	2023	2022
Interest expense on lease liabilities	990	400
Expenses relating to short term leases	294	848
Total amount recognised in the statement of comprehensive statement	1,284	1,248

6.2.3 Amounts recognised in the statement cashflows

The following amounts are recognised in the Statement of Cashflows for the year ending 30 June 2023 relating to leases.

	(\$ thousand)	
	2023	2022
Total amount recognised in the statement of comprehensive statement	3,377	2,262

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

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

Separation of lease and non-lease components

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

Recognition and measurement of leases as a lessee

Lease Liability – initial measurement

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

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

- fixed payments (including in-substance fixed payments) less any lease incentive receivable

- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee
- payments arising from purchase and termination options reasonably certain to be exercised.

Lease Liability – subsequent measurement

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

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

Short-term leases and leases of low-value assets

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

Below market/Peppercorn lease

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

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

Presentation of right-of-use assets and lease liabilities

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

6.3 Cash flow information and balances

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

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

	(\$ thousand)	
	2023	2022
Total cash and deposits disclosed in the balance sheet held by the authority	72,311	47,677
Total cash and deposits disclosed in the balance sheet held by volunteer units ^(a)	20,114	19,754
Balance as per cash flow statement	92,425	67,431

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

(\$ thousand)

	2023	2022
Net result for the period	11,260	5,719
Non-cash movements		
(Gain)/Loss on sale or disposal of non-current assets	(270)	(1,168)
Depreciation of non-current assets	13,148	10,952
Resources provided free of charge	-	(215)
Movements in assets and liabilities, net of non-cash financing activities		
(Increase)/Decrease in receivables	4,118	(1,192)
(Increase)/Decrease in other non-financial assets	(3,847)	(2,350)
Increase/(Decrease) in payables	3,104	(1,341)
Increase/(Decrease) in contract liabilities	15	388
Increase/(Decrease) in provisions	1,527	505
Net cash flows from/(Used In) operating activities	29,054	11,298

6.4 Commitments for expenditure

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

6.4.1 Total commitments payable

(\$ thousand)

Nominal amounts 2023	Less than 1 year	1-5 years	5+ years	Total
Capital expenditure commitments payable	9,846	225	-	10,070
Operating and lease commitments payable	-	-	-	-
Other commitments payable ^(a)	6,930	397	-	7,326
Total other commitments	16,775	622	-	17,397
Less GST Recoverable				(1,582)
Total commitments (exclusive of GST)				15,815

(\$ thousand)

Nominal amounts 2022	Less than 1 year	1-5 years	5+ years	Total
Capital expenditure commitments payable	9,192	-	-	9,192
Operating and lease commitments payable	-	-	-	-
Other commitments payable ^(a)	3,139	573	-	3,712
Total other commitments	12,331	573	-	12,904
Less GST Recoverable				(1,173)
Total commitments (exclusive of GST)				11,731

Note:

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

6.5 Assets pledged as security

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

7. Risk, contingencies, and valuation judgements

Introduction

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

Structure

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

7.1 Financial instruments specific disclosures

Introduction

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

Categories of financial assets

Financial assets at amortised cost

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

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

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

The Authority recognises the following assets in this category:

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

Categories of financial liabilities

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method. The Authority recognises the following liabilities in this category:

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

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

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

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

7.1.1 Financial instruments: Categorisation

(\$ thousand)

2023	Cash and deposits	Contractual financial assets – loans and receivables	Contractual financial liabilities at amortised cost	Total
Contractual financial assets				
Cash and Deposits	92,425	-	-	92,425
Receivables ^(a)				
- Other receivables	-	2,850	-	2,850
Investments and other contractual financial assets				
Term Deposits	-	8,952	-	8,952
Total contractual financial assets	92,425	11,802	-	104,226
Contractual Financial Liabilities				
Payables ^(a)				
- Supplies and services	-	-	7,356	7,356
Borrowings				
- Lease liabilities	-	-	10,936	10,936
Total contractual financial liabilities	-	-	18,293	18,293

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

Note:

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

7.1.2 Financial instruments – net holding gain/(loss) on financial instruments by category

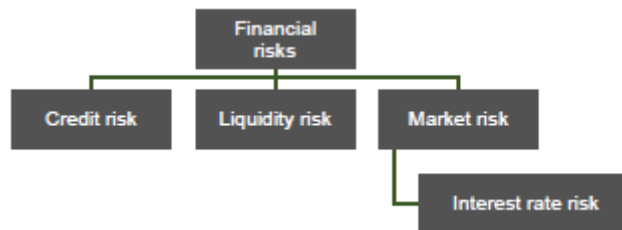
(\$ thousand)			
	Total interest income/ (expense)	Impairment loss	Total
2023			
Contractual financial assets			
Financial assets - cash and deposits	1,623	-	1,623
Total contractual financial assets	1,623	-	1,623
Contractual financial liabilities			
Financial liabilities at amortised cost	(990)	-	(990)
Total contractual financial liabilities	(990)	-	(990)
2022			
Contractual financial assets			
Financial assets - cash and deposits	165	-	165
Total contractual financial assets	165	-	165
Contractual financial liabilities			
Financial liabilities at amortised cost	(400)	-	(400)
Total contractual financial liabilities	(400)	-	(400)

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

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

- For financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost
- For financial asset and liabilities that are mandatorily measured at or designated at fair value through net result, the net gain or loss is calculated by taking the movement in the fair value of the financial asset or liability.

7.1.3 Financial risk management objectives and policies



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

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

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

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

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

Financial instruments: Credit risk

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

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

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

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Authority will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings.

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

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

There has been no material change to the Authority's credit risk profile in 2022-23.

Credit quality of financial assets

(\$ thousand)			
2023	Government agencies (triple-A credit rating)	Financial institution (AA credit rating)	Total
Financial assets			
Financial assets with loss allowance measured at 12-month expected credit loss			
Cash and deposits (not assessed for impairment due to materiality)	-	92,425	92,425
Statutory receivables (with no impairment loss recognised)	836	-	836
Term deposits measured at amortised cost	-	8,952	8,952
Financial assets with loss allowance measured at lifetime expected credit loss:			
Contractual receivables applying the simplified approach for impairment	2,850	-	2,850
Total financial assets	3,685	101,377	105,062

(\$ thousand)			
2022	Government agencies (triple-A credit rating)	Financial institution (AA credit rating)	Total
Financial assets			
Financial assets with loss allowance measured at 12-month expected credit loss			
Cash and deposits (not assessed for impairment due to materiality)	-	67,431	67,431
Statutory receivables (with no impairment loss recognised)	682	-	682
Term deposits measured at amortised cost	-	7,391	7,391
Financial assets with loss allowance measured at lifetime expected credit loss:			
Contractual receivables applying the simplified approach for impairment	7,121	-	7,121
Total financial assets	7,803	74,822	82,625

Impairment of financial assets under AASB 9

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

Contractual receivables at amortised cost

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

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

(\$ thousand)						
30 June 2023	Current	Less than 1 month	1-3 months	3 months - 1 year	1-5 years	Total
Expected loss rate (%)						
Gross carrying amount of contractual receivables	2,828	10	3	9	-	2,850
Loss allowance						

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

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

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

Statutory receivables and debt investments at amortised cost

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

The Authority also has investments in term deposits.

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

Financial instruments: Liquidity risk

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

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

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

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

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

Financial instruments: Market risk

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

Sensitivity disclosure analysis and assumptions

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

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

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

Interest rate risk

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

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

The Authority manages this risk by mainly undertaking fixed rate or non-interest-bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management has concluded for cash at bank and bank overdraft, as financial assets that can be left at floating rate without necessarily exposing the Authority to significant bad risk. Management monitors movements in interest rates as investments approach maturity. The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the Authority's sensitivity to interest rate risk are set out in the table that follows.

Interest rate exposure of financial instruments

(\$ thousand)

2023	Weighted average effective interest rate (%) ^(a)	Carrying amount ^(b)	Fixed interest rate	Variable interest rate	Non-interest bearing
Financial assets					
Cash deposits	3.06%	92,425	5,618	86,803	3
Receivables					
- Other receivables		2,850	-	-	2,850
Investments and other contractual financial assets					
Term deposits		8,952	8,952	-	-
Total financial assets		104,226	14,570	86,803	2,853
Financial liabilities					
Payables					
- Supplies and services		7,356	-	-	7,356
Borrowings					
- Lease liabilities	8.43%	10,936	10,936	-	-
Total financial liabilities		18,293	10,936	-	7,356
2022					
	Weighted average effective interest rate (%) ^(a)	Carrying amount ^(b)	Fixed interest rate	Variable interest rate	Non-interest bearing
Financial assets					
Cash deposits	0.30%	67,431	46,446	20,982	3
Receivables					
- Other receivables		7,121	-	-	7,121
Investments and other contractual financial assets					
Term deposits		7,391	7,391	-	-
Total financial assets		81,943	53,837	20,982	7,124
Financial liabilities					
Payables					
- Supplies and services		4,330	-	-	4,330
Borrowings					
- Lease liabilities	3.17%	8,879	8,879	-	-
Total financial liabilities		13,209	8,879	-	4,330

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

Interest rate risk sensitivity

(\$ thousand)

2023	Carrying amount	- 50 basis points		+ 50 basis points	
		Net result	Fair value through OCI revaluation reserve	Net result	Fair value through OCI revaluation reserve
Contractual financial assets					
Cash and deposits	92,425	(462)	-	462	-
Investments and others financial assets	8,952	(45)	-	45	-
Total impact	101,377	(507)	-	507	-
Contractual financial liabilities					
Borrowings	10,936	(55)	-	55	-
Total impact	10,936	(55)	-	55	-

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

Notes:

Cash and deposits include a deposit of \$85,960 thousand (2022: \$62,946 thousand) that is exposed to floating rate movements. Sensitivities to these movements are calculated as follows:

2023: $\$87,881 \text{ thousand} \times -0.005 = -\439 thousand ; and $\$87,881 \text{ thousand} \times 0.005 = \439 thousand

2022: $\$62,946 \text{ thousand} \times -0.005 = -\315 thousand ; and $\$62,946 \text{ thousand} \times 0.005 = \315 thousand

7.2 Contingent assets and contingent liabilities

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

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

Contingent assets

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

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

There were nil contingent assets of 30 June 2023 (2022: Nil).

Contingent liabilities

Contingent liabilities are:

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

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

There were no contingent liabilities as at 30 June 2023 (2022: Nil).

7.3 Fair value determination

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

The following assets and liabilities are carried at fair value:

- Land
- Buildings
- Infrastructure
- Plant
- Equipment

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

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

Fair value hierarchy

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

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

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

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

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

How this section is structured

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

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

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

7.3.1 Fair value determination of financial assets and liabilities

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

- Level 1: The fair value of financial instruments with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices
- Level 2: The fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly
- Level 3: The fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The Authority currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation to fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2022-23 reporting period.

These financial instruments include:

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

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

There have been no transfers between levels during the period.

7.3.2 Fair value determination: Non-financial physical assets

(\$ thousand)

	Carrying amount as at 30 June 2023	Fair value measurement at end of reporting period using:		
		Level 1 ⁽ⁱ⁾	Level 2 ⁽ⁱ⁾	Level 3 ⁽ⁱ⁾
Crown land at fair value				
Non-specialised land	23,518	-	23,518	-
Total of land at fair value	23,518	-	23,518	-
Buildings and leasehold improvements at fair value				
Specialised buildings	42,877	-	-	42,877
Leasehold improvements	7,487	-	-	7,487
Total of buildings at fair value	50,364	-	-	50,364
Plant, equipment, and vehicles at fair value				
Vehicles	24,422	-	-	24,422
Plant and equipment	15,477	-	-	15,477
Total of plant, equipment, and vehicles at fair value	39,899	-	-	39,899

(\$ thousand)

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

There have been no transfers between levels during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate fair value.

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

An independent valuation of the Authority's land was performed by Valuer-General Victoria to determine fair value using the market approach. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. Fair value is determined by direct reference to recent market transactions on arm's length terms for land of comparable size and location to the Authority. The valuation was performed based on the current replacement cost of the assets. The effective date of the valuation is 30 June 2021.

Non-financial physical assets such as land are measured at fair value, with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset are not taken into account until it is virtually certain that the restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best use. To the extent that non-specialised land does not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

Specialised buildings: For the Authority's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciations. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of the Authority's specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the current replacement cost method. The effective date of the valuation is 30 June 2021.

Vehicles are valued using the current replacement cost method. The Authority acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the Authority who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method. For plant, equipment and vehicles, existing depreciated historical cost is generally a reasonable proxy for current replacement cost because of the short lives of the assets concerned.

There were no changes in valuation techniques throughout the period to 30 June 2023.

For all assets measured at fair value, the current use is considered the highest and best use.

Reconciliation of Level 3 fair value movements

	(\$ thousand)			
2023	Specialised buildings	Leasehold improvements	Vehicles	Plant and equipment
Opening Balance	34,582	7,885	26,548	11,814
Purchases (sales)	11,282	-	2,474	1,864
Depreciation	(2,987)	(398)	(7,879)	(1,884)
Subtotal	8,295	(398)	(5,406)	(20)
Revaluation	-	-	3,279	3,683
Subtotal	-	-	3,279	3,683
Closing Balance	42,877	7,487	24,422	15,477

	(\$ thousand)			
2022	Specialised buildings	Leasehold improvements	Vehicles	Plant and equipment
Opening Balance	21,816	8,391	30,196	11,814
Purchases (sales)	14,639	-	2,982	1,944
Depreciation	(1,873)	(506)	(6,630)	(1,944)
Subtotal	12,766	(506)	(3,648)	(20)
Revaluation	-	-	-	-
Subtotal	-	-	-	-
Closing Balance	34,582	7,885	26,548	11,814

Description of significant unobservable inputs to Level 3 valuations

2022 and 2023	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Specialised buildings	Current replacement cost	Direct cost per square metre	\$147 - \$5,552/M2 (\$1,651)	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value.
		Useful life of specialised buildings	4 – 50 years (41 years)	Fair value is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued. A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Leasehold improvements	Current replacement cost	Cost per unit	\$1,835 - \$1,174,483 per unit (\$79,496)	A significant increase or decrease in direct cost per unit would result in a significantly higher or lower fair value.
		Useful life of leasehold improvements	3 – 40 years (24 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Vehicles	Current replacement cost	Cost per unit	\$6,000 - \$726,889 per unit (\$119,082)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life of vehicles	1 – 15 years (13 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Plant and equipment	Current replacement cost	Cost per unit	\$3,338 - \$223,050 per unit (\$38,723)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life of plant and equipment	4 – 15 years (11 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

8. Other disclosures

Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

- 8.1 Ex gratia expenses
- 8.2 Other economic flows included in net result
- 8.3 Reserves
- 8.4 Responsible persons
- 8.5 Remuneration of executives
- 8.6 Related parties
- 8.7 Remuneration of auditors
- 8.8 Subsequent events
- 8.9 Other accounting policies
- 8.10 Australian Accounting Standards issued that are not yet effective
- 8.11 Glossary of technical terms
- 8.12 Style conventions

8.1 Ex gratia expenses

Ex gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a write off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

There were no ex gratia expenses for both individual items and in aggregate that are greater than or equal to \$5,000 during the financial year ended 30 June 2023 (2022: Nil).

8.2 Other economic flows included in net result

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

Other gains/(losses) from other economic flows include the gains or losses from the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

8.3 Reserves

	(\$ thousand)	
	2023	2022
Physical asset revaluation surplus ^(a)		
Balance at beginning of financial year	14,458	14,458
Revaluation increments / (decrements)	6,962	-
Balance at end of financial year	21,420	14,458
Net changes in reserves	6,962	-

Note:

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

8.4 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994* (FMA), the following disclosures are made regarding responsible persons for the reporting period.

Names

The persons who held the positions of Ministers and Accountable Officers in the Authority are as follows:

Minister for Emergency Services

The Hon. Jaclyn Symes, MP

1 July 2022 to 30 June 2023

Acting Minister for Emergency Services

The Hon. Anthony Richard Carbines, MP

23 September 2022 to 2 October 2022

The Hon. Anthony Richard Carbines, MP

28 December 2022 to 14 January 2023

The Hon. Anthony Richard Carbines, MP

29 April 2023 to 30 April 2023

Accountable Officer

Stephen Griffin

1 July 2022 to 30 June 2023

Members of the board of governance, which includes Board Chairperson

Gregory Wilson

Chairman

1 July 2022 to 30 June 2023

Bernard Cronin

Board member

1 July 2022 to 30 June 2023

Lisa Borowick

Board member

1 July 2022 to 30 June 2023

Casey Nunn

Board member

1 July 2022 to 30 June 2023

Bernadette Northeast

Board member

1 July 2022 to 30 June 2023

Jane Foley

Board member

1 July 2022 to 30 June 2023

Jasmine Doak

Board member

18 February 2023 to 30 June 2023

Martin Geerings

Board member

1 July 2022 to 18 February 2023

Remuneration

The Minister's remuneration and allowances is set by the Parliamentary Salaries and Superannuation Act 1968 and is reported within the State's Annual Financial Report.

Remuneration band	2023	2022
\$0 - \$9,999	1	1
\$10,000 - \$19,999	6	6
\$40,000 - \$49,999	1	1
\$320,000 - \$329,999	1	-
\$340,000 - \$349,999	-	1
Total number of executives ^(a)	9	9
Total remuneration	478,438	486,685

Amounts relating to ministers are reported in the State's Annual Financial Report.

(a) The total number of senior executive service members includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (Note 8.6).

8.5 Remuneration of executives

The number of executive officers, other than Ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits (as defined in AASB 119 Employee Benefits) in all forms of consideration paid, payable or provided by the Authority, or on behalf of the Authority, in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefits or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

Remuneration of executive officers (Including Key Management Personnel disclosed in Note 8.6)	Total remuneration (\$ thousand)	
	2023	2022
Short-term employee benefits	1,763	1,145
Post-employment benefits	176	105
Other long-term benefits	116	59
Termination benefits	-	-
Total remuneration ^(a)	2,054	1,309
Total number of executives	8	5
Total annualised employee equivalents ^(b)	7.75	5

Notes:

(a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (Note 8.6).

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

8.6 Related parties

The Authority is a wholly owned and controlled entity of the State of Victoria.

The financial statements incorporate financial transactions of the 143 operational VICSES volunteer units on a cash basis.

Related parties of the Authority and 143 Operational VICSES volunteer units include:

- All key management personnel and their close family members and personal business interests. (Controlled entities, joint ventures, and entities they have significant influence over)
- All Cabinet Ministers and their close family members; and
- All departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Key Management Personnel (KMP) at the authority pursuant to Section 53 (1) (b) of the of the FMA of the Authority's financial statements include:

Key Management Personnel

Position Title

The Governing Board (refer to note 8.4 for list of Board Members)

The Hon. Jaclyn Symes MP	Portfolio Minister	1 July 2022 to 30 June 2023
Mr Stephen Griffin	Chief Executive Officer	1 July 2022 to 30 June 2023
Mr Tim Wiebusch	Chief Officer Operations	1 July 2022 to 30 June 2023
Ms Kate White	Executive Director Community and Corporate Services	1 July 2022 to 30 June 2023

Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the Parliamentary Salaries and Superannuation Act 1968 and is reported within the State's Annual Financial Report.

	(\$ thousand)	
Compensation of KMPs ⁽ⁱ⁾	2023	2022
Short-term employee benefits	1,093	880
Post-employment benefits	105	78
Other long-term benefits	81	23
Total	1,279	981

Note:

(a) KMPs are also reported in the disclosure of remuneration of executive officers (Note 8.5).

Significant transactions with government-related entities

During the year, the Authority had the following government-related entity transactions (refer to Note 2 for more detail):

- \$109.43 million received from Department of Justice and Community Service (2022: \$70.74m).
- \$6.01 million received from the other state government-related entities (2022: \$6.05m).

Transactions and balances with key management personnel and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g., stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occurs on terms and conditions consistent with the Public Administration Act 2004 and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Purchasing Board requirements.

Other than the citizen type transactions, there were no related party transactions with the Authority or in relation to the 143 VICSES volunteer units which has been incorporated into the Authority's financial statements, that involve KMPs, their close family members and their personal business interests.

All other transactions that have occurred with KMP and their related parties have not been considered material for disclosure. In this context, transactions are only disclosed when they are considered necessary to draw attention to the possibility that the Authority's financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties.

No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

8.7 Remuneration of auditors

(\$ thousand)

	2023	2022
Victorian Auditor-General's Office		
- Audit of the Financial Statements	117	114
Total remuneration of auditors	117	114

8.8 Subsequent events

The policy in connection with recognising subsequent events that are for events that occur between the end of the reporting period and the date when the financial statements are authorised for issue is as follows:

- Adjustments are made to amounts recognised in the financial statements where those events provide information about conditions that existed at the reporting date
- Disclosure is made where the events relate to conditions that arose after the end of the reporting period that are considered to be of material interest.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of the Authority the results of the operations or the state of affairs of the Authority in the future financial years.

8.9 Other accounting policies

Contributions by owners

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

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

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Grant funding received for the purchase of assets that has been designated as contribution by owners is treated as contributed capital.

Accounting for goods and services tax (GST)

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

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

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

Commitments and contingent assets or liabilities are also stated inclusive of GST.

8.10 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2021-22 reporting period. These accounting standards have not been applied to the Financial Statements. The State is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current

This standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted however the AASB has recently issued AASB 2020-6 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date* to defer the application by one year to periods beginning on or after 1 January 2023. The Authority will not early adopt the Standard.

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

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods, but are considered to have limited impact on the Authority's reporting.

- AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments.
- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates.
- AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards.
- AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections.

8.11 Glossary of technical terms

The following is a summary of the major technical terms used in this report.

Amortisation is the expense that results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an 'other economic flow'.

Borrowings refers to interest-bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, lease liabilities, service concession arrangements and other interest-bearing arrangements. Borrowings also include non interest-bearing advances from government that are acquired for policy purposes.

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Comprehensive result is the amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

Current grants are amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

Effective interest method is the method used to calculate the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Ex gratia expenses mean the voluntary payment of money or other non-monetary benefit (e.g. a write off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability or claim against the entity.

Finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

Financial asset is any asset that is either:

- Cash
- An equity instrument of another entity
 - A contractual right to receive cash or another financial asset from another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.
- A financial asset can also be a contract that will or may be settled in the entity's own equity instruments and is either:
 - A non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments
 - A derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial liability is any liability that is either:

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

Financial statements comprise:

- A balance sheet as at the end of the period.
- A comprehensive operating statement for the period.
- A statement of changes in equity for the period.
- A cash flow statement for the period.
- Notes, comprising a summary of significant accounting policies and other explanatory information.
- Comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 *Presentation of Financial Statements*.
- A statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

Grant expenses and other transfers are transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice

of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

Grants can be paid as general-purpose grants, which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants, which are paid for a particular purpose and/or have conditions attached regarding their use.

General government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those that are mainly non-market in nature, those that are largely for collective consumption by the community and those that involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

Interest expense represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of lease repayments, service concession financial liabilities and amortisation of discounts or premiums in relation to borrowings. Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Net operating balance or **net result from transactions** is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains, and expenses (including losses) recognised for the period, excluding those classified as 'other non-owner movements in equity'.

Net worth is calculated as assets less liabilities, which is an economic measure of wealth.

Non-financial assets are all assets that are not financial assets. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, cultural and heritage assets, intangibles, and biological assets such as commercial forests.

Operating result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'. Refer also to 'net result'.

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. In simple terms, other economic flows are changes arising from market remeasurements. They include gains and losses from disposals, revaluations, and impairments of non-current physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal.

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus; share of net movement in revaluation

surplus of associates and joint ventures; and gains and losses on remeasuring available-for-sale financial assets.

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

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

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

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the Authority.

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows into an entity such as depreciation, where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the Government.

8.12 Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

-	zero, or rounded to zero
(xxx.x)	negative numbers
200x	year period
200x-0x	year period

The financial statements and notes are presented based on the illustration for a government department in the *2021-X2 Model Report for Victorian Government Departments*. The presentation of other disclosures is generally consistent with the other disclosure made in earlier publications of the Authority's annual reports.