OBJECTIVE
TO ALLOCATE RESOURCES BASED ON RISK AND ENABLE EXCELLENCE IN EMERGENCY RISK MANAGEMENT

PRIORITIES
- Provide systems, policies and programs to manage human resources effectively
- Recruit, train and develop our professional workforce to ensure service quality
- Conduct disaster planning and joint training exercises with other emergency services
- Improve the health and fitness of staff so they can perform their jobs safely and efficiently
- Maintain fleet and equipment to ensure fast effective protection of communities
- Manage assets and finances to achieve efficient use of resources
- Manage corporate risks effectively in all organisational activities
- Accurately assess NSW emergency risks and allocate resources and services based on risk.

HIGHLIGHTS
- Planned and trained with other agencies to respond effectively to emerging hazards such as drought, pandemic bird flu and transport emergencies
- Completed new fire stations at Arncliffe, Cranebrook, Katoomba, Molong and Tingira Heights; and major renovations at Hamilton, Manly, Toukley, Trangie and Wallsend fire stations
- Further reduced the age of our fleet by replacing older vehicles with modern firefighting resources
- Implemented electronic service delivery through an e-recruitment system for full-time fire officers enabling online applications and more efficient processing
- Increased the number of applications from EEO groups for full-time fire officers through targeted recruitment practices
- Sponsored and participated in the 2006 Australian Women in Firefighting Forum
- Graduated 213 full-time fire officers from the NSWFB State Training College
- Ran 26 Promotional Programs for the ranks of Senior Firefighter, Station Officer and Inspector
- Began reviewing skills acquisition and maintenance programs for retained fire officers
- Implemented the Incident Crew Management System which has proved effective in improving the safety of operational staff at incidents
- Trained staff in first aid, with 1782 fire officers completing WorkCover-approved first aid courses and 1750 fire officers completing advanced first aid training
- Established the NSW Emergency Services OHS and IM Network, providing a forum for emergency services OHS and injury management practitioners across the State
- Produced and distributed 20 Safety Bulletins and nine Operational Bulletins to disseminate information rapidly about emerging safety issues.

FUTURE DIRECTIONS
- Finalise implementation of the Human Resources Division restructure
- Improve our return-to-work performance through improved safety systems and injury case management, and decreased cost and number of workplace injuries
- Produce an integrated learning and development framework across the organisation
- Develop a suite of workforce performance indicators to support workforce planning and enhance workforce capability
- Evaluate our leadership, mentoring and management development programs, consolidating these where necessary to meet the needs of our workforce
- Review the location of our current and proposed training facilities to ensure these meet operational and community objectives
- Continue cooperative inter-agency planning and training to maintain high operational preparedness and interoperability.
## OPERATIONAL PREPAREDNESS

### Capability Development

#### Performance Reporting

<table>
<thead>
<tr>
<th>Intermediate Results</th>
<th>Indicator or Measure</th>
<th>2003/04</th>
<th>2004/05</th>
<th>2005/06</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NSW emergency risks are well assessed</strong></td>
<td>% emergency incidents falling within NSWFB’s role to which we responded</td>
<td>100</td>
<td>100</td>
<td>100</td>
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<tr>
<td><strong>Superior operational preparedness</strong></td>
<td>Number of personnel:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Full-time fire officers</td>
<td>3242</td>
<td>3250</td>
<td>3369</td>
</tr>
<tr>
<td></td>
<td>Retained fire officers</td>
<td>3275</td>
<td>3198</td>
<td>3177</td>
</tr>
<tr>
<td></td>
<td>Support staff</td>
<td>340</td>
<td>365</td>
<td>364</td>
</tr>
<tr>
<td></td>
<td>CFU volunteers</td>
<td>4200</td>
<td>5000</td>
<td>5500</td>
</tr>
<tr>
<td><strong>NSWFB capability enables excellence in emergency risk management</strong></td>
<td>Fire officers receiving WorkCover-approved first aid training</td>
<td>1329</td>
<td>2100</td>
<td>1782</td>
</tr>
<tr>
<td></td>
<td>Fire officers receiving advanced first aid training</td>
<td>411</td>
<td>2462</td>
<td>1750</td>
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<tr>
<td></td>
<td>Fire officers receiving compartment fire behaviour training</td>
<td>1867</td>
<td>372</td>
<td>1273</td>
</tr>
<tr>
<td></td>
<td>Number of recruits trained</td>
<td>227</td>
<td>322</td>
<td>213</td>
</tr>
<tr>
<td></td>
<td>Number of accredited rescue crews</td>
<td>164</td>
<td>165</td>
<td>167</td>
</tr>
<tr>
<td></td>
<td>Number of workers compensation claims</td>
<td>741</td>
<td>752</td>
<td>757</td>
</tr>
</tbody>
</table>
Operational preparedness contributes directly to community confidence in our capability to respond to and contain emergencies and to protect the community and its infrastructure. Operational preparedness is essential to supporting high-quality effective emergency management.

PROVIDE SYSTEMS, POLICIES AND PROGRAMS TO MANAGE HUMAN RESOURCES EFFECTIVELY

HUMAN RESOURCES STRATEGY

To achieve greater workforce engagement through more strategic human resources management, in 2005/06 we started implementing the restructuring of our Human Resources Division. The first stage included extensive consultation between employees, managers and the Public Service Association, with key working parties and project planning teams set up to provide forums for progressing the restructure appropriately and effectively. Key personnel were appointed and specialist areas amalgamated. In 2006/07 we will review, develop and implement these new structures to further improve and enhance business efficiency and service delivery.

WORKFORCE PROJECTS

During 2005/06 we began reviewing a suite of human resources policies including learning and development, workplace conduct, health and safety, recruitment and workers compensation. We extensively evaluated our approach to firefighter recruitment, resulting in modification of our applicant testing process. To increase our ability to evaluate position descriptions for operational and administrative roles, we also conducted training in the two job evaluation methodologies we currently use (Hay and OCR).

<table>
<thead>
<tr>
<th>Year</th>
<th>2001/02</th>
<th>2002/03</th>
<th>2003/04</th>
<th>2004/05</th>
<th>2005/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time fire officers</td>
<td>3090</td>
<td>3214</td>
<td>3242</td>
<td>3250</td>
<td>3369</td>
</tr>
<tr>
<td>Retained fire officers</td>
<td>3198</td>
<td>3249</td>
<td>3275</td>
<td>3198</td>
<td>3177</td>
</tr>
<tr>
<td>Administrative and trades staff</td>
<td>319</td>
<td>331</td>
<td>340</td>
<td>365</td>
<td>364</td>
</tr>
<tr>
<td>Total</td>
<td>6607</td>
<td>6794</td>
<td>6857</td>
<td>6813</td>
<td>6910</td>
</tr>
</tbody>
</table>

Next year we plan to:

- review our health and safety, workers compensation and injury management systems and compliance, and remodel our incident reporting, investigation and analysis processes
- finish implementing the Human Resources Division restructure and undertake a consultative post-implementation review
- redevelop human resources information on the Intranet to make it more accessible and useable for all staff
- review and refine policies and procedures, creating more streamlined, user-friendly and relevant guidance for staff
- review our management development programs and assess how effectively they enhance our workforce capacity and performance
- evaluate our mentoring program to assess its suitability and applicability and determine future directions to meet the needs of staff, and
- develop a suite of workforce performance indicators to support workforce planning and enhance workforce capability.
04 PERFORMANCE

OPERATIONAL PREPAREDNESS
Capability Development

INDUSTRIAL RELATIONS
The Family Provisions Test Case decision, handed down by the Full Bench of the Industrial Relations Commission of NSW (IRC), introduced more flexible leave and employment conditions for employees to perform their personal/carers responsibilities. As a result of that decision, awards covering NSWFB operational, administrative and trades staff were varied to include the more beneficial provisions. These variations came into effect in December 2005.

The Crown Employees (NSW Fire Brigades Firefighting Staff) Award 2005 was varied in April 2006 before the IRC in relation to progression requirements, simplification of allowances, rental subsidies and return to operational duties. These Award changes reflected various agreements made between the NSWFB and the Fire Brigades Employees’ Union (FBEU).

The Crown Employees (NSW Fire Brigades Firefighting Staff Death and Disability) Award 2004 expired in March 2006. The FBEU lodged their Award application on 31 March 2006 and this matter was referred to the IRC for conciliation.

RECRUIT, TRAIN AND DEVELOP OUR PROFESSIONAL WORKFORCE TO ENSURE SERVICE QUALITY

RECRUITMENT
As part of our implementation of electronic service delivery, we recently introduced an e-recruitment system for full-time fire officers. This enables applications to be lodged online and processed more efficiently through the multi-stage selection process, thus reducing administrative costs. We received more than 5400 applications for approximately 160 available positions during our 2006 recruitment campaign for full-time fire officers.

Our Internet site continued to highlight firefighting as a career option for all Equal Employment Opportunity (EEO) target groups. Applicants from these EEO groups were also encouraged through a range of targeted advertising and public relations strategies, such as indigenous cultural events, careers days, and radio interviews.

In preparation for the 2006 campaign, we carried out a marketing program to raise the profile of women in the fire services. This included the publication of articles about women fire officers in major newspapers and magazines. Due to this targeted marketing, the number of applications received from women in our 2006 firefighter recruitment campaign increased, as did the number of women we employed as full-time fire officers during the year.

During 2005/06 we continued to offer a remedial strength training program to help all applicants to prepare for the Physical Aptitude Test. This program particularly benefits women and we will run it again in 2006/07.

To encourage women to consider firefighting as a career option from an early age, the NSWFB advertised in the 2006 Good Jobs Guide. This publication is circulated to all Year 10 students in NSW and is used extensively by Careers Counsellors. We also advertised in a careers guide aimed at women seeking to enter the workforce or to change careers.

In addition, we conducted forums for careers counsellors working in schools with high numbers of indigenous students and students from culturally and linguistically diverse backgrounds.
DISABILITY ACTION PLAN

The main objectives of the NSWFB’s Disability Action Plan reflect our commitment to increase employment opportunities for people in the community with a disability, and to ensure that our services are accessible to, and meet the needs of, these people.

To support this commitment, our Disability Action Plan will be evaluated and reviewed in the coming year, to identify obstructions or barriers that may impede people from gaining access to our services and employment opportunities.

Training And Development Summary By Individuals*

<table>
<thead>
<tr>
<th></th>
<th>2001/02</th>
<th>2002/03</th>
<th>2003/04</th>
<th>2004/05</th>
<th>2005/06</th>
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<tr>
<td>Full-time Recruit Fire Officers Training</td>
<td>141</td>
<td>140</td>
<td>214</td>
<td>102</td>
<td>213</td>
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<tr>
<td>Driver and Aerial Training</td>
<td>828</td>
<td>1128</td>
<td>1676</td>
<td>4384</td>
<td>3573</td>
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<tr>
<td>Breathing Apparatus Training</td>
<td>5600</td>
<td>5900</td>
<td>5554</td>
<td>8257</td>
<td>15 490</td>
</tr>
<tr>
<td>(includes external agencies)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior Firefighters Promotional Program</td>
<td>105</td>
<td>105</td>
<td>185</td>
<td>175</td>
<td>177</td>
</tr>
<tr>
<td>Officers Development Program</td>
<td>-</td>
<td>-</td>
<td>8</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Station Officers Promotional Program</td>
<td>20</td>
<td>61</td>
<td>77</td>
<td>80</td>
<td>81</td>
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<tr>
<td>Inspectors Promotional Program</td>
<td>12</td>
<td>**</td>
<td>18</td>
<td>22</td>
<td>34</td>
</tr>
<tr>
<td>Retained Firefighters Recruit Training</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>363</td>
</tr>
<tr>
<td>External Programs</td>
<td>897</td>
<td>81</td>
<td>86</td>
<td>114</td>
<td>237</td>
</tr>
</tbody>
</table>

* Note that this table does not include all training for re-accreditation purposes
** Program not offered as numbers trained were sufficient to sustain NSWFB needs
TRAINING FACILITIES
Our four regional training centres at Albion Park, Armidale, Deniliquin and Wellington continued to be regularly used for full-time and retained fire officer training, and other agencies on a fee-for-service basis. Dedicated hazmat laundering facilities were installed at these training centres to reduce delays in making protective equipment available, improving our training in hazardous materials incidents. In 2006/07 we will carry out a major strategic review to ensure that we meet our training objectives.

In August 2005 we opened a Vector Training Room at our State Training College. This interactive technology is a valuable learning tool which simulates a range of emergency scenarios on screen and computer laptops, allowing our operational staff to hone their skills in a realistic but safe environment.

RECRUIT TRAINING
During the year 213 full-time recruit fire officers graduated from our State Training College with a Certificate III in Public Safety (Firefighting and Emergency Operations).

We delivered operational competency training to 11 full-time fire officers who had been on extended leave, were working in specialist support positions or were re-appointed to the service. Competency training was also given to two fire officers who started a one-year exchange program from Canadian fire services.

FIRST AID TRAINING
During 2005/06, 942 full-time fire officers and 840 retained fire officers participated in WorkCover-approved first aid courses. 902 full-time fire officers and 848 retained fire officers also received advanced first aid training which included the use of automatic external defibrillators.

A rollout of new defibrillators continued with a further 106 installed in fire stations throughout the State. The upgrade of oxygen resuscitation equipment continued, with 120 new emergency medical treatment packs installed.

RETAINED FIREFIGHTERS TRAINING
Our Retained Firefighters Recruit Training Program incorporates two stages of induction training, completed within six months of the date of employment. Both stages are delivered at one of our regional training centres over a 4-day and 2-day period respectively. Stage 1 training includes occupational health and safety, injury prevention, emergency incidents, basic firefighting equipment, breathing apparatus, and search and rescue. Stage 2 includes hazardous materials incidents, operation of rescue equipment, and the theoretical and practical skills to manage fire and smoke within buildings. 363 retained fire officers completed Retained Firefighters Recruit Training during 2005/06.

Additional instruction for retained fire officers includes refresher training and skills maintenance, delivered by our Senior Instructors. Topics are varied and wide-ranging, and focused this year on hazardous materials incidents, rescue operations and breathing apparatus, along with fundamental firefighting skills, fire engine pump operations and fire behaviour. Retained fire officers are also required to participate in the Station Training Program, a self-paced system covering a suite of topics designed to underpin higher order skills maintenance.

During 2005/06, 1688 retained fire officers were instructed in basic life support and advanced first aid, and 140 Captains and Deputy Captains attended skills maintenance sessions and management conferences.
APPLIANCE TRAINING
During the year, NSWFB fire officers throughout the State successfully completed training and received 3573 qualifications/competencies on specialised vehicles including pumpers, off-road vehicles and aerial ladder platforms.

We continued running the WorkCover Elevated Work Platform (EWP) program with 54 fire officers receiving this nationally-accredited qualification. Three members of our Appliance Training Unit successfully gained WorkCover EWP Assessors accreditation.

Training in use of rescue lines in conjunction with aerial pumps and turntable ladders was conducted at aerial stations across NSW.

In 2005/06 we conducted 109 driving licence upgrades using staff with Roads and Traffic Authority accredited qualifications. We also trained 184 full-time firefighter recruits to drive fire appliances under emergency response conditions.

Kogarah Fire Station’s aerial appliance, a hydraulic platform, was replaced with a new 27m aerial ladder platform, with 24 fire officers trained to operate the new appliance.

Two of our Appliance Instructors trained 22 Vanuatu Fire Service fire officers in driving and pumping operations on two fire appliances which we donated to the people of Vanuatu.

BREATHING APPARATUS AND HAZARDOUS MATERIALS TRAINING
During 2005/06 our staff received training and skills maintenance on breathing apparatus (BA), hazardous materials (hazmat), atmospheric monitoring, and specialised equipment. Recruits were trained to use thermal imaging cameras, atmospheric monitoring, gas detection and self-contained breathing apparatus including extended duration BA. Fire officers participated in annual BA skills maintenance and Sydney fire officers conducted a mass decontamination exercises involving simulated terrorist attacks.

We also delivered training in hazmat awareness and self-contained BA skills maintenance to external agencies such as NSW Police, Ambulance Service of NSW, RailCorp, CareFlight, NSW Department of Health and the Australian Defence Force.

We continued our program to equip every fire station with atmospheric monitoring equipment for the safety of fire officers and the public.

LEADERSHIP DEVELOPMENT
The NSWFB’s formal leadership mentoring program involving executives continued during the year, with the next layer of senior officers participating in the program’s second stage. We will review our leadership, mentoring and management development programs in 2006/07.

Key executives and senior officers participated in development programs through the Australasian Fire Authorities Council, Australian and New Zealand School of Government, Overseas Travel Study program, US National Fire Academy, and various under-graduate and post-graduate university programs. Superintendent Mark Brown won the US Fire Academy’s Outstanding Applied Research Award for a research paper into residential sprinklers, the first time this award has been received by an Australian.

PROFESSIONAL DEVELOPMENT THROUGH PROMOTIONAL PROGRAMS
During 2005/06 we produced and delivered 26 promotional programs for the ranks of Inspector, Station Officer and Senior Firefighter.

We conducted two Inspectors Promotional Programs, with 34 candidates completing the program and becoming eligible for promotion to the rank of Inspector. Graduates were awarded a Graduate Certificate of Social Sciences (Emergency Services) by the University of Western Sydney.

Of the 143 candidates who applied for the Station Officers Promotional Program, with 34 candidates completing the program and becoming eligible for promotion to the rank of Inspector. Graduates were awarded a Graduate Certificate of Social Sciences (Emergency Services) by the University of Western Sydney.

Of the 143 candidates who applied for the Station Officers Promotional Program pre-entry test, 80 were accepted into the program. Discussions are taking place with universities to articulate this course into a bachelor’s degree.

20 Senior Firefighter Promotional Programs were conducted with a total of 177 fire officers participating.
We continue to create and maintain training and development partnerships with a range of public and commercial organisations, enabling us to draw on a broad range of expertise in the delivery of enhanced leadership and management skills. Partners include Sydney University, University of Western Sydney, Charles Sturt University, OTEN, Australian Institute of Police Management and the Australasian Fire Authorities Council.

In 2006/07 we will focus on offering a wide range of opportunities to all staff to enhance their professional development, such as high-quality short-duration public sector programs, customised workshops and access to nationally-recognised qualifications. We will also provide pathways to post-graduate tertiary studies.

QUALITY EDUCATION SUPPORT
During 2005/06 we:

• developed and launched a specialised database (QUaD) which allows us to manage, monitor and audit qualifications information, thereby better identifying career path opportunities
• undertook research to identify the competencies required by operational training staff and re-engineered our training programs to align with national qualifications
• reviewed our training programs for both retained recruits (initial training) and full-time recruits, as well as for captains, deputy captains, station officers, qualified firefighters and senior firefighters
• developed a new learning program and resources for Community Fire Units which can be delivered in an e-learning format, and
• continued to develop e-learning capabilities and successfully piloted two e-learning programs linked to the Qualified Firefighter Program. It is envisaged that e-learning for all NSWFB promotional programs will be expanded in 2006/07.

FIREFIGHTER EXCHANGES AND SECONDMENT
The NSWFB seeks to provide development opportunities for staff, particularly our senior officers, to gain experience in external organisations through a program of exchanges and secondments.

Under the NSWFB’s Firefighter International and Interstate Exchange Program, Qualified Firefighter David Simms exchanged places with Firefighter Chad Fiegehen of the Brampton Fire Service in Ontario, Canada; Senior Firefighter Christopher Benjamin exchanged places with Firefighter Richard Whittome of the Delta Fire and Emergency Service, Canada; and Senior Firefighter Kevin Smith exchanged places with Firefighter Chris Miner of the Ottawa Fire Service, Canada.

Superintendent John Honeybrook continued his secondment to RailCorp as Manager of the Underground Fire and Life Safety Unit. Superintendent John Bedford was seconded to the NSW Police Counter Terrorism Coordination Command.

Superintendent Thomas Milburn is now in his second year of a two-year secondment as Chief of the Solomon Islands Fire Service. Senior Firefighter Michael Johnsen and Firefighter Peter Meier participated in short-term secondments to the Solomon Islands, as part of the Regional Assistance Mission to Solomon Islands (RAMSI) contingent to train Solomon Islands fire officers at Honiara Airport in aviation firefighting.

Inspector Garrick Parkes continued his secondment to NSW Corrective Services, providing advice on fire safety in correctional centres and carrying out inspections.
LIBRARY SERVICES

The NSWFB’s library specialises in resources on firefighting, fire prevention, fire safety engineering, community safety, fire service administration, hazardous materials and rescue. The library catalogue, comprising well over 30,000 records, is searchable via our Intranet, and a monthly Library Update is distributed to publicise new material. The library also offers an electronic awareness service, allowing staff to be automatically notified of new resources in their particular areas of interest.

Our library is a member of networks such as the Government Libraries Information Network in NSW (GLINN) and Australasian Libraries in the Emergency Sector (ALIES). ALIES is a cooperative information network which aims to serve the common interests of emergency management agencies. In 2005/06, the NSWFB Librarian served as Vice Chair of the Executive Committee of ALIES and participated in the ALIES Workshop at the Australian Emergency Management Institute, an annual event that improves resource and information sharing between member organisations.

In 2005/06, the library loaned over 3500 items from its collection to NSWFB staff, supplied over 3000 journal articles and answered over 2500 reference queries. It also worked to give staff greater electronic access to journals, full-text newspapers and legislative information services.

CONDUCT DISASTER PLANNING AND JOINT TRAINING EXERCISES WITH OTHER EMERGENCY SERVICES

During 2005/06, the NSWFB was involved in a range of disaster planning and joint training exercises across the State with other emergency services and support agencies, transport operators, public utilities and industry. These exercises are crucial to constantly rehearse and improve our capability, identify any aspects that need improvement, and increase cooperation and integration with other agencies. They ensure that the NSWFB is prepared for a wide range of possible emergencies, and they give our staff vital knowledge about unfamiliar operating environments and multi-agency protocols. During 2005/06, exercises we participated in included:

- counter terrorism exercises such as the national Exercise Mercury 05 and Exercise Neptune’s Treasure (a major counter-terrorism tactical exercise held in May 2006 on Sydney Harbour)
- Exercise Clean Water held in March 2005 to test a Statement of Joint Intent between the NSWFB and the Sydney Catchment Authority to respond to hazmat incidents
- transport emergency exercises, including emergencies at airports and on underground road and rail (e.g., Exercise Bravo in November 2005 which simulated a car fire in the Sydney Harbour Tunnel, and Exercise Airport Rail Line held in June 2006)
- major infrastructure exercises (such as Exercise Access held at Goulburn Correctional Centre in July 2005, and exercises held at the Australian Nuclear Scientific and Technology Organisation facility at Lucas Heights)
- exercises involving major commercial sites, including high-rise residential blocks, shopping centres, oil refineries and other industrial sites
- joint exercises with Defence (such as an exercise in March 2006 to test response to a fire on a Royal Australian Navy ship at Garden Island)
hazmat exercises (including Exercise Ollie Oil held in Dubbo in March 2006, simulating a transport incident involving hazardous materials), an rescue exercises (eg the multi-agency Wyanbene Cave rescue exercise hosted by the NSWFB in October 2005).

Potential new hazards emerged during the year, requiring joint planning and response arrangements by emergency management agencies. The drought’s impact increased bushfire risks and created water shortages which could potentially affect operation of the State’s fire services. The NSWFB and NSW Rural Fire Service have participated in a State Emergency Management Committee taskforce on emergency supplementation of water supplies to drought-affected towns across NSW, and longer-term plans for coastal areas as well.

**IMPROVE THE HEALTH AND FITNESS OF STAFF SO THEY CAN PERFORM THEIR JOB SAFELY AND EFFECTIVELY**

**IMPROVING SAFETY AT INCIDENTS**

- The Incident Crew Management System (ICMS) was implemented successfully at incidents, and has proved effective in improving safety of operational staff and in tracking the locations and tasks allocated to each person
- ICMS passports were issued to all Community Fire Unit members
- The Dynamic Risk Assessment Guide: The Safe Person Approach was distributed to all operational personnel in July 2005. Risk assessment worksheets were produced which will help our staff to address safety issues at incidents
- During 2005/06 we produced 20 Safety Bulletins and nine Operational Bulletins. These Bulletins are issued to all operational staff and are an effective means of providing timely information about emerging safety issues.

Next year we plan to:

- analyse ICMS functions at large or multi-agency incidents and develop further procedures and guidance
- produce training-specific risk assessment worksheets for implementation at training exercises and drills
- provide a web-based forum to educate personnel in risk management methodology, address operational safety issues, and provide a framework for feedback and reporting safety issues, and
- develop and deliver Safety Officer training to staff in the Station Officers and Inspectors Promotional Programs. We aim to deliver training in a tiered approach to Captains, Senior Firefighters, and Incident Management Teams.
OCCUPATIONAL HEALTH AND SAFETY

During the year, the NSWFB’s Occupational Health and Safety (OHS) and Health and Fitness sections were amalgamated into a new Health and Safety Branch to increase business efficiency and service delivery, through a coordinated holistic approach and improved case management strategies. During 2005/06 our Health and Safety staff:

- implemented the interactive e-learning training package for Safety Representatives
- gave OHS induction training to all operational recruits
- conducted OHS workplace inspections in all our training facilities and approximately half of our fire stations
- designed and delivered specific OHS risk management training for Station Officers and Inspectors
- established the inaugural NSW Emergency Services OHS & Injury Management (OHS and IM) Network, developed terms of reference and conducted a one-day conference
- assisted with risk assessments for operational training exercises and drills, station and equipment hazards, and firefighter activities
- formed a working group to evaluate asbestos management practices and protocols
- set up an electrical hazards working group and commenced a comprehensive risk assessment of electrical hazards in operational activities, and
- trained 20 key personnel in serious incident investigation, to enhance a tiered approach to incident investigation and analysis.

During 2005/06 the NSWFB was the subject of one prosecution brought by WorkCover under the Occupational Health and Safety Act 2000 relating to a silo fire incident which occurred at Rutherford in 1999. This matter is currently before the Industrial Court for determination.

Next year we will:

- carry out a full audit and compliance review of OHS management systems, workers compensation and rehabilitation
- review and refine OHS policies and procedures
- integrate our approach to accident/incident reporting, recording and analysis
- enhance our risk management strategies across all work areas
- aim to achieve targets established by the NSW Government Working Together Strategy, such as reducing the number and cost of workers compensation claims, improving return-to-work performance, and training supervisors and managers
- complete an extensive risk assessment of electrical hazards at all types of operational incidents, and
- develop online training packages in fatigue management, manual handling and OHS awareness.
OPERATIONAL PREPAREDNESS

Capability Development

Health and Safety Performance Indicators

<table>
<thead>
<tr>
<th></th>
<th>2001/02</th>
<th>2002/03</th>
<th>2003/04</th>
<th>2004/05</th>
<th>2005/06</th>
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<tbody>
<tr>
<td>Number of employees</td>
<td>6607</td>
<td>6794</td>
<td>6857</td>
<td>6813</td>
<td>6910</td>
</tr>
<tr>
<td>Total number of incident notifications received</td>
<td>1895</td>
<td>2024</td>
<td>2390</td>
<td>1630</td>
<td>1652</td>
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<tr>
<td>Total number of workers compensation claims</td>
<td>585</td>
<td>644</td>
<td>741</td>
<td>752</td>
<td>757</td>
</tr>
<tr>
<td>Average number of employees participating in rehabilitation per month</td>
<td>135</td>
<td>177</td>
<td>175</td>
<td>15152</td>
<td>144</td>
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<tr>
<td>Total employees returning to full pre-injury duties or redeployed within the NSWFB</td>
<td>90%</td>
<td>86%</td>
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<td>WR 84%</td>
<td>WR 86%</td>
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<td></td>
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<td>NWR = 39</td>
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</tr>
<tr>
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<tr>
<td></td>
<td>NWR = 84</td>
<td>NWR = 86</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

(WR = work-related, NWR = non work-related)

HEALTH AND FITNESS

The NSWFB promotes the health and fitness of its staff to help them meet the occupational requirements of their job, reduce their overall health risk, and decrease the number and cost of illness and injury-related absences from work. During 2005/06 we:

- conducted 257 voluntary health and fitness assessments for staff
- bought and installed exercise equipment in fire stations across NSW
- conducted a comprehensive review of infection control procedures for all NSWFB operations
- participated in developing strategies and prepared for a potential flu pandemic
- implemented an electronic health record and document management system
- expanded the Peer Fitness Leader Program from seven to 60 Peer Fitness Leaders
- progressed projects on firefighter hydration and nutrition for incident rehabilitation
- completed a review of the Physical Aptitude Test for firefighter applicants and started implementing recommended changes
- coordinated all aspects of health management for a large-scale hazardous materials exposure, and
- participated in the review of the Australasian Fire Authorities Council health and fitness guidelines for fire and emergency service workers.

We also conducted general medical consultations; developed personalised general and rehabilitation exercise programs; carried out employment medicals for over 870 full-time and retained firefighter applicants; arranged medical retirements where necessary; and provided Hepatitis B vaccinations.
ASBESTOS AT HOLSWORTHY
We addressed the discovery of asbestos at a Defence site at Holsworthy used by the NSWFB and other agencies for training, through a range of measures designed to protect the health of our employees and others who may have been exposed. We sought independent scientific advice on the nature and level of risk. That report confirmed that the risk of exposures, such as those at the site, leading to an asbestos-induced illness is generally considered to be low. We set up a professionally-staffed hotline to answer enquiries and implemented a major communication and information plan. A comprehensive Health Management Plan was developed in conjunction with other relevant agencies and NSW Health. We also recently reached agreement with the Fire Brigades Employees Union on a voluntary screening process to be conducted by the NSW Dust Diseases Board.

WORKERS COMPENSATION
Workers compensation claims remained relatively stable with 757 claims in 2005/06 compared to 752 claims in the previous year. For details of injury data, refer to Appendix 9.

We underwent a transition period in claims management with Allianz commencing a five-year contract as the new fund manager for the Treasury Managed Fund. Allianz assumed responsibility for claims management staggered from 1 July 2005 for new claims, and 1 January 2006 for all claims. We met fortnightly with Allianz to assist this transition, resolve any data management issues, and review and improve service delivery in claims management.

In 2006/07 we aim to reduce the number and cost of workers compensation claims in the next year, and to achieve targets established by the NSW Government’s Working Together Strategy.

REHABILITATION
During 2005/06 we managed 144 long-term rehabilitation cases. As well, many staff received short-term rehabilitation and return-to-work assistance for health-related issues. During the year we created opportunities for placing ill or injured staff in transitional duties, which included:

- helping the Office for Emergency Services with the Sydney ALERT Project to identify the emergency contact person at all buildings in the Sydney central business district
- performing administrative and project work at retained fire stations
- assisting on the South Coast, particularly at Zone Offices, and
- working within specialist areas such as Rescue, BA/Hazmat, the Professional Development Unit, the Equipment Development Unit and Risk Management.

A continuing challenge for our rehabilitation staff and internal stakeholders is to identify substantive positions for injured staff with permanent work restrictions.

DEATH AND DISABILITY AWARD
The Crown Employees (NSW Firefighting Staff Death and Disability) Award 2003 recognises the need to improve death and disability benefits for both full-time and retained fire officers who are injured or killed on and off-duty. Benefits are paid as pensions and lump sums, depending on the incapacity, and are funded through a combination of employer and firefighter contributions. The Award comprises three key elements:

- introduction of improved death and disability benefits
- provision of rehabilitation and retraining, and
- implementation of a health and fitness program.
In 2005/06:

- the NSWFB paid seven retrospective claims (backdated benefits for the period 1 February 1997 to 30 June 2003) and 19 prospective partial and permanent incapacity claims, and

- the Crown Employees (NSW Fire Brigades Firefighting Staff Death and Disability) Superannuation Fund paid seven prospective death/total and permanent incapacity claims.

Negotiations continued between the NSWFB and the FBEU, with the aim of clarifying and improving compliance through a number of Award variations. The assistance of the Industrial Relations Commission was sought with regard to new claims by the FBEU.

**EMPLOYEE ASSISTANCE PROGRAM**

The Employee Assistance Program (EAP) provides access to confidential, professional counselling services for all our staff and their immediate families. EAP services are available 24 hours a day through an independent external provider for both work-related and personal issues.

During 2005/06, 287 NSWFB staff and their family members used the EAP program which provided 653 hours of service. This included face-to-face and phone counselling, the manager assist program, and support to the Critical Incident Peer Support Team.

**CRITICAL INCIDENT SUPPORT PROGRAM**

Throughout the year, the NSWFB’s Critical Incident Support Program (CISP) provided a multi-faceted approach towards dealing with traumatic incidents. Education sessions were given to staff, and a range of services made available including one-to-one assistance, on-scene support, defusing, debriefings, follow-up and referral.

Our CISP team consists of a Coordinator, Senior Chaplains, voluntary Peer Support Members and contracted psychologists. An independent external provider is contracted under this program, and the CISP is available on a 24-hour basis. During 2005/06, Peer Support Members attended four days of training throughout the year, to maintain and enhance their skills in critical incident support services, and continued to provide appropriate support to fellow employees.

**WELLCHECK FOR SPECIALIST FIRE INVESTIGATORS**

Working in some specialist areas may expose staff to a higher risk of psychological harm. To address this, a regular psychological screening process called WellCheck was introduced for our fire investigators, based upon a model used by NSW Police. WellCheck is used to assess regularly how staff are coping and to help them in developing suitable coping strategies.

**MAINTAIN FLEET AND EQUIPMENT TO ENSURE FAST EFFECTIVE PROTECTION OF COMMUNITIES**

The NSWFB Fleet Strategic Plan maps out the likely future appliance replacement requirements and costs over a 15-year cycle. This plan is an ongoing management process to ensure greater efficiencies in service delivery to communities in metropolitan and regional NSW by better resourcing of fire stations. Outcomes of the Plan include:

- a progressive reduction in the age of our fleet to an optimal level by replacing older units with modern firefighting resources
an integrated approach to fleet management, maintenance and vehicle replacement
• a significant reduction in whole-of-life maintenance costs, and
• improved safety.

The NSWFB fleet totals 895 vehicles plus various trailers, and includes pumpers (fire engines), 4 wheel drive water tankers, aerial appliances (ladder and hydraulic platform units), specialist vehicles, and passenger and light commercial vehicles. The composition of the operational and specialist fleet is as follows:
• 113 Class 1 fire engines (4 wheel drive tankers), inclusive of emergency reserves
• 261 Class 2 fire engines (medium country pumpers)
• 155 Class 3 fire engines (heavy urban pumpers)
• 30 aerial appliances
• 117 specialist vehicles (rescue, hazmat, training, snowfields and support), and
• 171 response and 48 other passenger vehicles.

For more detailed information, refer to Appendix: 21: Type and Distribution of Fire Appliances and Trailers.

The status of new appliances currently being supplied under the strategic fleet program is as follows.

PUMPING APPLIANCES (FIRE ENGINES)
Class 1 (4 wheel drive) Tankers
These multi-purpose four-wheel drive appliances, which incorporate cabin protection systems and Class A foam systems, provide pump and roll firefighting capabilities and carry more water than a standard fire engine, making them particularly suited to bushfire fighting. In 2005/06 a total of 33 appliances were ordered and have been delivered. A further eight Class 1 Tankers have been funded in 2006/07. A new technical specification is being developed for a multi-purpose Tanker, to go to tender in 2006/07.

Class 2 (Type 2) Pumpers
These pumpers include primary rescue capability and have proved very effective in rural and regional locations. 148 Class 2 Pumpers were commissioned from Skilled Equipment Manufacturing (Ballarat) between 1999 and 2004. Of the 27 appliances ordered in late 2004, all have been delivered. 30 more appliances were ordered in 2005/06, of which 13 have been delivered, with the remainder due for delivery before December 2006. Funding has been provided for an additional 14 Class 2 Pumpers in 2006/07, which are expected to be commissioned in early 2007.

Class 3 (Types 3, 4 and 5) Pumpers
Class 3 Pumper appliances include both standard and primary rescue configurations, and are mainly based in suburban Sydney, Newcastle, Wollongong, the Central Coast and major country centres. Following expiry of the previous contract, a new technical specification was prepared. The project was tendered in late 2005 and is expected to be awarded early in 2006/07.

AERIAL APPLIANCES
37 metre Ladder Platforms
Alexander Perrie and Co (Sydney) are contracted to supply 37 metre Ladder Platform assemblies built by Bronto in Finland on Scania 8x4 cab chassis. The second 37 metre Ladder Platform appliance from the current contract was commissioned into Crows Nest Fire Station in December 2005. Delivery of a third unit is scheduled for late 2007.

27 metre Ladder Platforms
The second 27 metre Ladder Platform appliance from the current contract was commissioned at Kogarah fire station in November 2005. These appliances comprise a 27 metre Bronto Ladder Platform assembly on a Scania 4x2 cab chassis. Two more of these appliances have been ordered and are scheduled for delivery in August and November 2006.

Aerial Pumpers
A new technical specification was developed for the next generation of Aerial Pumpers which include a 15 metre aerial assembly on a 6x4 fire engine cab chassis. This contract is expected to be tendered early in 2007.
OPERATIONAL PREPAREDNESS

Capability Development

OTHER SPECIALISED APPLIANCES

Heavy Hazmat Vehicle
Six Heavy Hazmat vehicles are currently being built by Varley Specialised Vehicles (Tomago), with delivery of the first vehicles expected in late 2006.

Heavy Rescue Vehicles
A new technical specification was developed for the next generation of Heavy Rescue appliances. This contract is expected to be tendered early in 2007.

Rescue and Hazmat Support Vehicles
Based on the Mercedes-Benz long wheel base Sprinter vans, nine rescue and 13 hazmat vans have been commissioned since 1999. The three most recent vehicles were completed in April 2006.

Prime Mover and Breathing Apparatus Training Trailer
A new Prime Mover and Breathing Apparatus Training Trailer was commissioned during the year.

Decontamination Shower Units
Decontamination Trailers have been built as part of our developing capability in terrorism consequence management. Following completion of the first unit in March 2005, the second Decontamination Shower Unit was commissioned in September 2005.

Rapid Intervention Firefighting Vessel
A Rapid Intervention Firefighting Vessel for Sydney Harbour and foreshores is currently being built and will complement Ports Authority, Waterways and Police Marine Command capabilities. The contract was tendered in late 2005 and awarded to Martin Broadbill Catamarans in February 2006. This vessel, the first of its kind for the NSWFB, will be commissioned in late 2006.

MAINTENANCE AND INSPECTIONS

The NSWFB’s fleet workshop at Greenacre services and maintains the 250 appliances located in Sydney, while two Mobile Lube Service Trucks service the 420 appliances located in rural and regional areas. In 2005/06 our fleet staff carried out 289 major services, 296 minor services and 423 services in rural areas, while NSWFB mobile service vehicles attended 4076 service calls. Our RTA-certified Heavy Vehicle Inspectors also inspected 675 NSWFB vehicles prior to re-registration.

REFURBISHMENTS

Pumpers and Tankers
The Class 1 4x4 Tanker mid-life program continued with 22 units completed since the start of 2004/05. In 2005/06, 14 Class 1 Tankers were upgraded to the same standard as later appliances, with a further two to be completed next year. Older Type 1 appliances are being refurbished and modified to become Rescue appliances after being replaced by new Class 2 appliances. Five units were completed in 2005/06, with the remaining nine to be completed in 2006/07.

During the year, 20 early build Class 2 Pumpers were returned to Skilled Equipment Manufacturing for upgrading. Following this retrofit, the appliances are now Primary Rescue capable with all the body features found on the latest Class 2 appliances. A further 20 appliances will be upgraded in 2006/07.

A trial of rear suspension enhancements on Class 3 Commander appliances demonstrated improved ride and reduced maintenance. Following the success of this trial, the new suspension was fitted to 20 Commander appliances in 2005/06, with funding provided for more to be upgraded in 2006/07.

Aerials
One Ladder Platform underwent a 10-year major aerial inspection and automatic stabiliser functionality was added. A second Ladder Platform appliance is scheduled for this work in 2006/07.
MANAGE ASSETS AND FINANCES TO ENSURE EFFICIENT USE OF RESOURCES

PROPERTY MANAGEMENT

The NSWFB’s real estate portfolio includes 339 fire stations and over 100 ancillary locations including training centres, regional and zone offices, staff accommodation and the logistics support facility at Greenacre. The NSWFB also holds lessee and licensee interests in over 5000 m² of commercial office accommodation, including 3200 m² in the Sydney CBD, a regional office in Artarmon, and shopfront zone offices in Tamworth, Wyong, Port Macquarie, Batemans Bay, Leeton and Wagga Wagga.

The NSWFB bought real estate valued at $95,000 during 2005/06, consisting of land for a new fire station at Bathurst to replace the existing station.

NEW FIRE STATIONS AND RENOVATIONS

Projects completed during 2005/06 included new fire stations at Arncliffe ($3.6 million), Cranebrook ($1.85 million), Katoomba ($2.31 million), Molong ($0.6 million) and Tingira Heights ($2.17 million). Major renovations were also completed at Hamilton, Manly, Toukley, Trangie and Wallsend fire stations. In 2006/07, new stations are expected to be completed at Castle Hill (Glenhaven), Bathurst, Finley, Hamlyn Terrace (Warnervale) and West Wallsend. As well, major renovations of existing fire stations due for completion include Berowra, Bourke, Budgewoi, City of Sydney (Stage 2), Corrimal, Dee Why, Harden, Huntingwood, Leura, Matraville, Scone, Silverwater and West Tamworth.

Development Applications (DAs) are expected to be submitted in 2006/07 for new fire stations at Kincumber and Raymond Terrace (Grahamstown). DAs will also be submitted for major renovations at Blackheath, Kandos, Moama, Mona Vale, St Marys and Turvey Park fire stations, with these works planned to start in 2006/07.

FACILITIES MANAGEMENT

$3.8 million was spent during the year on planned routine and major periodic repairs and renovations to a number of our real estate assets. Major cost items in this category included works done to NSWFB properties at Merrylands, Dunheved, Fairfield, Penrith, Coonamble, Cabramatta, Moorebank, Glebe, Alexandria, Matraville, Pyrmont, Kogarah, Thredbo, Balmain, Marrickville, Menai, The Rocks, Woollahra, Merewether, Hamilton, Charlestown, Newcastle, Kurri Kurri, Dungog and Manly. Many other minor works throughout metropolitan and regional New South Wales were also completed. The NSWFB owns a significant number of older premises, including some heritage sites, and maintenance for these buildings is currently being prioritised and addressed.

Approximately $4 million was also spent on property issues relating to occupational health and safety (OHS), urgent minor and unscheduled works, cleaning, security, pest control and preventative maintenance of essential plant and equipment. Security and safety issues are becoming increasingly important in facilities management due to the need to ensure security of critical infrastructure, regulatory safety requirements and increased staff awareness of OHS issues.
OPERATIONAL PREPAREDNESS

Capability Development

Major Capital Works Projects In Progress At 30 June 2006

<table>
<thead>
<tr>
<th>Fire Stations</th>
<th>Estimated Total Cost</th>
<th>Expenditure to 30 June 2006</th>
<th>Anticipated Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Sydney Stage 2</td>
<td>4000</td>
<td>2460</td>
<td>Dec 06</td>
</tr>
<tr>
<td>Bathurst</td>
<td>2150</td>
<td>236</td>
<td>Mar 07</td>
</tr>
<tr>
<td>Hamlyn Terrace (Warnervale)</td>
<td>2111</td>
<td>1023</td>
<td>Nov 06</td>
</tr>
<tr>
<td>Finley</td>
<td>500</td>
<td>300</td>
<td>Aug 06</td>
</tr>
<tr>
<td>West Wallsend</td>
<td>1875</td>
<td>70</td>
<td>Jun 07</td>
</tr>
<tr>
<td>Castle Hill (Glenhaven)</td>
<td>3130</td>
<td>1066</td>
<td>May 07</td>
</tr>
<tr>
<td>Harden</td>
<td>450</td>
<td>180</td>
<td>Sep 06</td>
</tr>
</tbody>
</table>

GOVERNING LEGISLATION AND REPORTING REQUIREMENTS

The NSWFB, as an inner budget sector Department, complies with the following Acts, Regulations and Directions in presenting the financial segments within this Annual Report:

- Financial Reporting Code for Budget Dependent Agencies
- Public Finance and Audit Act 1983 and Regulations
- Annual Reports (Departments) Act 1989 and Regulations
- Treasurer’s Directions
- Premier’s Circulars
- Australian Accounting Standards
- International Financial Reporting Standards
- Statements of Accounting Concepts
- Urgent Issues Group Consensus View

BUSINESS RISK INSURANCE

The NSWFB is required to be a member of the NSW Treasury Managed Fund which provides all the insurance requirements of inner budget sector agencies of the State.

During 2005/06 the NSWFB was required to pay hindsight adjustment premiums in respect of workers compensation cover for the periods 1999/2000 and 2001/02 and motor vehicle cover for the period 2003/04. The total payment for hindsight adjustments amounted to $2.49 million (excluding GST). This hindsight adjustment was in addition to the premium payable for the 2005/06 year.

Total Deposit Premiums (excluding GST) paid to the Treasury Managed Fund

<table>
<thead>
<tr>
<th></th>
<th>2001/02</th>
<th>2002/03</th>
<th>2003/04</th>
<th>2004/05</th>
<th>2005/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workers Compensation</td>
<td>9 781</td>
<td>10 754</td>
<td>10 376</td>
<td>12 513</td>
<td>13 019</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>708</td>
<td>704</td>
<td>738</td>
<td>832</td>
<td>903</td>
</tr>
<tr>
<td>Public Liability</td>
<td>163</td>
<td>206</td>
<td>242</td>
<td>235</td>
<td>232</td>
</tr>
<tr>
<td>Property</td>
<td>169</td>
<td>196</td>
<td>258</td>
<td>313</td>
<td>307</td>
</tr>
<tr>
<td>Other</td>
<td>10</td>
<td>10</td>
<td>17</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10 831</td>
<td>11 870</td>
<td>11 631</td>
<td>13 909</td>
<td>14 477</td>
</tr>
</tbody>
</table>
The NSWFB’s operations are funded by Government contribution supplemented by operating revenue generated from user charges. The Government’s contribution is the basis for calculating the Fire District Estimates. Following a change to the Fire Brigades Act in 1997/98, all contributors contributed to the NSWFB’s capital funding in the same proportion that they contributed to recurrent funding.

The Fire District Estimates are the means by which the State recovers 86% of the cost of the NSWFB through statutory contributions from the insurance industry (73.7%) and local government (12.3%).

The Government contributes the remainder (14%) through NSW Treasury. The NSWFB acted as the Government’s agent in determining, invoicing and collecting the statutory contributions payable to the Crown by Local Government and the insurance industry, in accordance with the provisions of the Fire Brigades Act 1989.

The NSW Parliament Public Accounts Committee conducted a review of Fire Services Funding during 2003/04. In September 2004 this Committee released its report, finding in favour of retaining the current fire services funding system.

The NSWFB’s major physical assets are its fire stations and fleet, together with communications, computer and other incident-suppression and firefighting equipment. The value of each asset category is disclosed in Note 13 to the audited Financial Statements. The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the NSWFB. Plant and equipment costing $5000 and above are individually capitalised.

Following the revaluation of properties in 2003/04 and fire appliances in 2004/05 in accordance with Government policy, the financial position as at 30 June 2006 reflected the value of fire stations on a depreciated replacement cost basis. The resultant asset revaluation reserve of $196.3 million is included in the non-current assets, total assets, and net assets/total equity figures.

Key Comparative Figures

<table>
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<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2001/02</td>
<td>$348.7</td>
<td>$25.7</td>
<td>$322.9</td>
<td>$334.6</td>
<td>11.7</td>
<td>35.0</td>
<td>18.7</td>
<td>Current Assets</td>
</tr>
<tr>
<td>2002/03</td>
<td>378.7</td>
<td>28.1</td>
<td>350.6</td>
<td>350.9</td>
<td>0.3</td>
<td>35.0</td>
<td>19.9</td>
<td>55.8</td>
</tr>
<tr>
<td>2003/04</td>
<td>425.8</td>
<td>23.9</td>
<td>401.9</td>
<td>387.0</td>
<td>(14.9)</td>
<td>28.9</td>
<td>14.0</td>
<td>55.7</td>
</tr>
<tr>
<td>2004/05</td>
<td>451.4</td>
<td>30.6</td>
<td>420.5</td>
<td>424.9</td>
<td>4.4</td>
<td>36.0</td>
<td>17.4</td>
<td>85.7</td>
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<tr>
<td>2005/06</td>
<td>452.9</td>
<td>31.2</td>
<td>454.9</td>
<td>450.4</td>
<td>(4.5)</td>
<td>41.8</td>
<td>7.6</td>
<td>97.2</td>
</tr>
<tr>
<td>2006/07</td>
<td>479.1</td>
<td>12.0</td>
<td>441.7</td>
<td>450.4</td>
<td>8.8</td>
<td>35.8</td>
<td>13.8</td>
<td>59.6</td>
</tr>
</tbody>
</table>

*As per the NSW State Budget Papers*
OPERATIONAL PREPAREDNESS
Capability Development

CHANGES IN 2004/05
In 2005/06, in consultation with the Audit Office of NSW, the NSWFB reclassified and brought to account several financial statement items for reporting purposes as at 30 June 2006. Necessary changes to the 2004/05 comparative items were made as described below.

- Operating Expenses and Operating Revenue: Workers compensation receipts and salary and recreation leave recoups from employees totalling $3.1m were reclassified from operating expense to operating revenue.
- Current Assets: Insurance company assessment credits of $6m have now been included as part of NSWFB cash at bank. Assets held for sale of $0.9m have been reclassified from non-current assets to current assets in accordance with AASB 116 Property, Plant and Equipment.
- Non-Current Assets: Non-current assets of $0.8m were reclassified to current assets as assets held for sale in accordance with AASB 116 Property, Plant and Equipment. The NSWFB has brought to account the effect of the Australian Equivalents to the International Financial Reporting Standards (AEIFRS) totalling $0.6m.
- Current Liabilities: Insurance company assessment credits of $6m have been recognised as current liabilities. The provision for Death and Disability of $4.9m was reclassified from current to non-current liabilities. The non-current portion of employee benefits and related on-costs of $14.9m was reclassified from non-current provisions to current provisions. The NSWFB has brought to account a provision for restoration costs of $1.3m in accordance with the AEIFRS.
- Non-Current Liabilities: The non-current portion of employee benefits and related on-costs of $14.9m was reclassified to current provisions in accordance with AASB 101 Presentation of Financial Statements and the provision for Death and Disability of $4.9m has been reclassified from current liabilities.
- Equity: The NSWFB has brought to account the effect of AEIFRS of $0.7m in relation to restoration obligations for leased properties.

2005/06 FINANCIAL OUTCOMES
In 2005/06, the NSWFB reported an operating deficit of $4.5 million compared to last financial year’s operating surplus of $4.4 million. These figures do not include the capital appropriations as reported in the Operating Statement for the year ended 30 June 2006.

The 2005/06 operating deficit of $4.5 million was $13.3 million less than the Parliamentary-approved net operating budget surplus of $8.8 million. This deficit is attributable to an unforeseen increase in the provision for Death and Disability Scheme (D&D) by $11.9 million. The actuary of the D&D Scheme has calculated and determined that the provision for Death and Disability benefits maintained by the NSWFB, including coverage for PPI benefits, is valued at $22.1 million. Therefore, the provision was increased by $11.9 million. Without this extraordinary increase in provision, the 2005/06 financial outcome would have been an operating surplus of $7.4 million.

The total operating expenses rose by $34 million (7.5%) to $485.4 million from last financial year’s actual of $451.5 million. This increase was largely due to:

- salary and wages expenses of $20.1 million
- overtime expenses of $1.7 million, and
- Death and Disability employer expenses of $12.6 million.
The total operating revenue increased by $0.6 million (2.0%) to $31.2 million from the previous year’s actual of $30.6 million. This net increase was due to interest and property rentals (by $1.2 million), false alarms charges (by $0.6 million) and sales of goods and services (by $0.6 million), and was offset by a reduction in other revenue (by $1.8 million).

Capital Works
The capital works program carried out during the year was $41.841 million, which is $0.228 million less than the authorised limit of $42.069 million. The amount of $0.228 million will be carried forward to 2006/7 and is earmarked for capital works projects in properties, fleet and communications.

Significant capital works outlays incurred during the year were:
- fleet replacement program (aerial, pumper and special appliances) $16.494 million
- building works (properties) $10.142 million, and
- general plant and equipment (which includes IT and communications, counter-terrorism equipment, Community Fire Units and other plant and equipment) $15.205 million.

2006/07 BUDGET
The following comments relate to the budget estimates and Parliamentary Appropriation contained in the State Budget Papers for 2006/07.

Operations for the Year
Total expenses have been budgeted at $479.1 million, an increase of 5.8% from the 2005/06 budget. This increased funding is for escalation adjustments for salaries, asset maintenance of properties and fleet, expanded capability for firefighter safety and counter terrorism, Community Fire Units, and training programs for retained fire officers and full-time recruits.

Total operating revenues have been budgeted at $16.5 million, an increase of 37.5% from the amount budgeted in 2005/06 ($12.0 million). This projected increase will come from false alarm charges, interest income, community safety fees and Commonwealth Government contributions.

Net cost of services is budgeted to increase by 4.9% or $21.8 million to $463.5 million over the 2005/06 budget.

Capital Works Program
As per NSW State Budget Papers 2006/07, Treasury’s approved authorised limit for the capital works program of $44.1 million in 2006/07 is being funded by the Government allocation of $13.8 million, depreciation of assets of $29.1 million, and the NSWFB cash balances of $1.2 million. Following the tabling of the published Budget Papers in Parliament on 6 June 2006, NSW Treasury on 27 June 2006 approved to increase the NSWFB’s 2006/07 authorised capital limit by $7.0 million for the purchase of 14 Class 3 Fire Pumpers.

Fire District Estimates
The Fire District Estimates are based directly on the operating budget for the financial year.

There are 180 Fire Districts in NSW. The local council in each Fire District contributes 12.3% of the estimated expenditure of the NSWFB in that area. While the level of contributions sought from councils increases from time to time reflecting an overall increase in the NSWFB’s budget, the increases paid by individual councils can vary markedly from the average increase as a consequence of dissimilar incident and activity levels, staffing requirements and specific building repairs and maintenance programs.

The Sydney Fire District consists of 37 Councils and is one of three Fire Districts (Sydney, Lower Hunter and Newcastle) whose contributions are apportioned between councils based on the aggregated five-year moving average land values provided by the Valuer-General.

The insurance industry and property owners’ 73.7% contribution of the overall Fire District Estimates is based upon weighted insurance premiums as returned on a financial year basis. Advance contributions are based on the latest available returns.

MANAGE CORPORATE RISKS EFFECTIVELY IN ALL ORGANISATIONAL ACTIVITIES
The NSWFB uses a risk management approach when dealing with both community and corporate risk. Our Risk Management Policy and Guidelines, which are based on AS/NZ 4360, are being implemented throughout the organisation. Risk management is now used as an integrated part of new projects and processes, and is being embedded in all new policy development.

The NSWFB seeks to carry out all of its activities with a sound understanding of the associated corporate (organisational) risks. We have adopted an integrated approach to risk management that allows us to:
OPERATIONAL PREPAREDNESS

Capability Development

- take advantage of opportunities as well as minimise threats in achieving our business objectives
- integrate consideration of corporate risk into our external emergency risk management responsibilities
- manage consistently a range of risk dimensions including service delivery, reputation, organisational change (disruption) and internal satisfaction (morale) as well as occupational health and safety and financial risks, and
- demonstrate our commitment to the principles of sound corporate governance.

During 2005/06, we started developing a NSWFB-specific web-based risk profiling tool called MARVIN. This tool enables organisational risks to be captured and analysed, and underpins the ongoing development of our risk profile. MARVIN has been tailored to the NSWFB's risk framework and uses our specific consequence and likelihood matrices. It lets us analyse opportunities as well as threats.

MARVIN has a similar 'look and feel' to other NSWFB web tools, making it easy to use. Users can interrogate the underlying risk database in various ways, allowing risk profiles to be produced for specific areas, projects and risk types, as well for the whole organisation. The prototype is currently being trialled in a number of areas.

During the year we conducted a number of formal risk assessments as part of major organisational projects and to support various business cases. These include assessments of sponsorship (as a whole as well as individual sponsorships) as well as assessments of restructures of both our operational areas and the Business Systems and Information Technology Division.

We also reported to the NSW Government on the status of our business continuity planning as an agency with critical infrastructure. This included reporting on our plans and our readiness to deal with a potential flu pandemic.

**ACCURATELY ASSESS NSW EMERGENCY RISKS AND ALLOCATE RESOURCES AND SERVICES BASED ON RISK**

The NSWFB's main function is to manage risk by minimising the impact of emergencies on the community. We use the widely-accepted approach set out in AS/NZ 4360 to drive our service delivery planning. Under this approach, risks are identified, assessed and then treated.

As the resources available to treat risks are inevitably limited, a rational approach is used to allocate these resources, based on equity and achieving the greatest overall reduction in risk.

Using risk management to plan for service delivery requires tools to identify and measure hazard, vulnerability and likelihood. Treatment options can then be targeted to reduce the risk. Fire hazard categorisation provides an approach for analysing the structural fire hazard of an area. Population figures are used as a measure of vulnerability, and callout rates for likelihood.

The NSWFB delivers services to the community through a multi-hazard integrated service delivery model. This means that all our fire stations can help in the case of fire, explosion, hazardous materials, rescue, natural hazards and urgent medical assistance calls.

This model of service delivery provides economies of scope and scale. Station location is prioritised on risk and based on the response time for fires which require extremely urgent response. Fleet allocation is also based on risk. Our fire stations operate as a highly integrated and distributed network with capacity to ensure response to spikes in demand for services, such as occurs during extreme weather conditions and bushfires.
The NSWFB measures the effectiveness of its service delivery using over 40 key performance indicators. These include:

- deaths and injuries (key result indicator)
- accidental home fires (risk reduction/prevention)
- rate of suspicious fires (risk reduction/prevention)
- % households with smoke alarm (community readiness)
- Community Fire Units established in high/medium priority areas (community readiness)
- % emergency calls responded to (response)
- response time (response)
- estimated property loss from fire (response and recovery).

Our approach to planning service delivery is to firstly identify local emergency risks and community needs using robust methods of risk assessment, including hazard categorisation, likelihood assessment and analysis of community vulnerability. Then, at a local level, we consult with and work in partnership with local stakeholders including other emergency services and local government to plan service delivery.

The level of resources we provide to a community (such as the number of fire officers on standby or on call around the clock, and the number and types of vehicles and other equipment available) will vary based on the emergency risk and community needs. It also depends on whether complementary services or community resources are available to mitigate risk. The location of each of our fire stations is carefully planned to achieve optimal response time to emergencies, and mutual aid agreements are put in place where a NSW Rural Fire Service brigade can also respond to fires. There are also choices in the balance and type of risk reduction and response services, for instance programs targeting different demographic groups or local industry will be tailored, in consultation with local stakeholders, at a precinct level.

Key changes which we consider when developing service delivery strategies include the changing global and regional security; climate change and the increased likelihood of extreme natural events; demographic changes, including an aging population; increased complexity of hazards; changes in land use and hazard levels; and environmental sustainability. For more information on these, see the section on Operating Environment earlier in this report.

During 2005/06 we undertook a review of service delivery in each zone in NSW. As part of this the review, local Zone Commanders used the Planning Kit to assess changes in risk and fire service capability in each precinct in their zone. The findings of these zone reviews were provided by Regional Commanders to the NSWFB executive through the Service Delivery Planning Steering Committee, and were used to develop plans for future service delivery. We were also mindful of the need to plan for integrated service delivery with other emergency services, especially the NSW Rural Fire Service.