SES

NSW STATE EMERGENCY SERVICE

ANNUAL REPORT 2013 - 2014

The Hon Stuart Ayres MP
Minister for Police and Emergency Services
52 Martin Place
SYDNEY NSW 2000

Dear Minister

In accordance with the provisions of the *Annual Report (Departments) Act, 1985*, I submit the Annual Report of the New South Wales State Emergency Service for the year ended 30th June, 2014 for tabling before both Houses of Parliament.

Yours sincerely

Jim Smith
Acting Commissioner

STATE HEADQUARTERS
OFFICE OF THE COMMISSIONER
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PO Box 6126, Wollongong DC NSW 2501
P (02) 4251 6503
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www.ses.nsw.gov.au

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NSW State Emergency Service Region Headquarters

Central West

79 Corporation Avenue, Bathurst 2795
Phone 02 6334 8555
Fax 02 6334 8501

Clarence Nambucca

26 Induna Street, South Grafton 2460
Phone 02 6641 6900
Fax 02 6641 6910

Far West

PO Box 244, Cobar 2835
5 Bradley Street, Cobar 2835
Phone 02 6879 7100
Fax 02 6879 7110

Hunter

72 Turton Street, Metford 2323
Phone 02 4931 3222
Fax 02 4931 3200

Illawarra-South Coast

PO Box 1460, Wollongong 2500
22–32 Masters Road, Coniston 2500
Phone 02 4251 1200
Fax 02 4251 1202

Lachlan

55 Matthews Street, Parkes 2870
Phone 02 6863 8100
Fax 02 6863 8139

Macquarie

160 Bultje Street, Dubbo 2830
Phone 02 6882 2222
Fax 02 6884 2858

Murray

PO Box 523, Lavington 2641
25 Catherine Crescent, Lavington 2641
Phone 02 6058 5300
Fax 02 6058 5320

Murrumbidgee

206 Fernleigh Road, Wagga Wagga 2650
Phone 02 6932 9199
Fax 02 6932 9190

Namoi

PO Box 465, Gunnedah 2380
28 Borthistle Road, Gunnedah 2380
Phone 02 6740 2300
Fax 02 6740 2333

North West

418 Frome Street, Moree 2400
Phone 02 6757 2950
Fax 02 6757 2970

Mid North Coast

14 Arkwright Crescent, Taree 2430
Phone 02 6592 5800
Fax 02 6592 5808

Richmond Tweed

PO Box 4044, Goonellabah 2480
7 Lancaster Drive, Goonellabah 2480
Phone 02 6625 7700
Fax 02 6625 7711

Southern Highlands

56–58 Knox Street, Goulburn 2580
Phone 02 4828 5555
Fax 02 4828 5550

Sydney Northern

PO Box 91, Hornsby 1630
Cnr Leonard and Hornsby Streets, Hornsby 2077
Phone 02 9987 3000
Fax 02 9987 3030

Sydney Southern

PO Box M54, Manahan 2200
Unit 4, 150 Canterbury Road, Bankstown 2200
Phone 02 9766 9000
Fax 02 9766 9060

Sydney Western

Unit 3, 7 St James Place, Seven Hills 2147
Phone 02 8811 7700
Fax 02 9674 7131

Office Hours

8:30am - 4:30pm

Monday - Friday

State Emergency Service State Headquarters

New South Wales State Emergency Service Headquarters

Level 6, 6-8 Regent Street
Wollongong NSW 2500

Phone 02 4251 6111
Fax 02 4251 6500
Website www.ses.nsw.gov.au
Facebook /NSWSES
Twitter #NSWSES

Office hours: 8:30am - 4:30pm Monday - Friday

For emergency help in floods and storms call 132 500

Richmond-Tweed

North West

Clarence-Nambucca

Namoi

Far West

Mid North Coast

Macquarie

Hunter

Lachlan

Central West

Sydney Northern

Sydney Western

Sydney Southern

Illawarra-South Coast

Southern Highlands

State Headquarters

Murrumbidgee

Murray

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The Commissioner's Review

While the impact of the weather was less in 2013-14 than the previous year, NSW State Emergency Service (NSW SES) members still contributed significantly to aspects of emergency management, namely preparedness, prevention, response and recovery. Our members devoted 166,000 hours responding to storms and floods, and a further 93,000 hours to other activities (e.g. road crash rescue, land search and vertical rescue) to support NSW communities. We developed an integrated Capability Development Structure which has assisted regions to prepare their respective operational capability plans, and the After Action Review (AAR) model and procedures developed by NSW SES was adopted by NSW Rural Fire Service.

NSW SES, lead agency for flood, storm and tsunami, works collaboratively with all NSW emergency services and relevant stakeholder agencies to ensure the highest level of service delivery to communities at risk. In June 2014, NSW SES hosted a multi-agency exercise to simulate response to major flooding in the Hawkesbury Nepean River Valley, one of the highest flood risk areas in NSW. Our technology and expertise supported priorities in the NSW Government 2021 Plan, aiding completion of Stage 3 of the NSW Flood Database Project with the Office of the Environment and Heritage.

Community engagement expanded in 2013-14 with increased resilience-building workshops and activities. Our relationship with Principal Partner NRMA Insurance resulted in SES public safety messages reaching a larger audience. The NRMA Insurance Community Grant program saw SES units across the state awarded $32,000 to build community resilience. SES members wearing their orange personal protective clothing spelt out "WOW" on Bondi Beach to promote Wear Orange to Wednesday and NSW SES' activities. 'WOW Day' grows in popularity each year and I was heartened to see it supported in NRMA Head Office and branch offices throughout NSW.

2013-14 presented some challenges and opportunities with a series of inquiries and audits focusing on NSW SES - the Independent Commission Against Corruption (ICAC) inquiry, the Public Service Commission (PSC) Inquiry and the Audit General's Report on managing volunteers. I thank all members required to give evidence and/or information to these inquiries as the final outcomes will help shape NSW SES into a higher performing emergency service agency.

These inquiries commonly identified governance as an area for immediate action and improvement and I compliment the team responsible for consulting and developing improved policy and procedures. They were also a catalyst for NSW SES to develop and embed organisational values, namely Trust, Accountability, Respect for people, Professionalism and Integrity and Safety and Service (TARPS). I am confident that the NSW SES Management Team will continue to embrace the recommended changes to improve the way we do business.

We sought to improve communication within NSW SES by partnering with NSW SES Volunteer Association (SESVA) to establish a forum – the Roadshow - for all members to raise issues causing concern and potentially impacting on their ability to deliver service to our communities. At 21 locations across the state, NSW SES members gave honest feedback and suggestions for improvement that will help shape NSW SES' future. This collaborative approach with the SESVA has enhanced our professional relationship to ensure we all support our members in what they do best - serve the community in times of emergency and distress.

Safety, for our members and for the public we serve, remains our unbreakable law. While the situations our members respond to are generally dangerous, it is imperative that we protect each other from both physical and emotional injury, enabling all of us to continue to deliver service to NSW communities. As Acting Commissioner, I have met so many members throughout the state and I am continually amazed at the level of passion and commitment of these men and women who come from diverse backgrounds and who are extremely proud to be members of NSW SES.

Thank you to all members of NSW SES for your ongoing commitment to the community of NSW.

Stay Safe.

Jim Smith AFSM
Acting Commissioner

NSW SES Charter

Who we are

Often called the most versatile volunteer rescue agency in NSW, New South Wales State Emergency Service (NSW SES) is made up of 8,700 volunteer members, including reserves and 291 staff members.

The Service has 232 functional volunteer units in almost every Local Government Area in NSW, led by a unit or local controller.

NSW SES units are varied and unique in their responses, with capabilities based on the specific risks of the community.

Some satellite units have been established, particularly in areas with road-crash rescue or community first responder roles, to ensure timely response to the communities they serve.

Units are grouped into regions (region boundaries coincide as closely as possible to major river systems) and are managed by a Region Controller, responsible for development of emergency management plans and overall control of operational responses.

Like units, region headquarters are all equipped with fully functional operations centres and operate a region volunteer unit to help with training, planning, operations and other functions.

The Region Controller is assisted by four or five staff members, and all coastal regions have an additional position for community engagement. Region staff provide administrative support to volunteers on the ground.

The Service's State Headquarters is located in Wollongong, in the Illawarra, and coordinates state-wide training, planning and operational activities as well as the agency's corporate functions of human resources, corporate communications and media, information technology, finance and the logistics of supplying and equipping units.

What we do

NSW SES is the lead agency for floods, storms and tsunami as specified by the State Emergency and Rescue Management Act 1989. However, it also frequently assists NSW Police Force with searches for evidence and missing people, supports the Ambulance Service of NSW with Community First Responder volunteers in rural locations around the state and performs myriad other roles such as road-crash rescue, Driver Reviver

and the Urban Search and Rescue (USAR) Canine Team.

All units are involved in responding to damage caused by storms and most have an active role in flood management. Our volunteers are highly skilled and well-trained to perform all of their roles.

The range of emergency situations with which NSW SES deals with is very broad. Our core business, however, is the management of the effects of floods, storms and tsunami. Between them, these hazards account for more than two-thirds of the dollar cost of natural disasters in New South Wales. Each unit is unique in its pattern of work because of the vast mix of risks and roles in each area. NSW SES maintains a network of volunteer flood-gauge readers, who provide a valuable service in their local areas by reading stream gauges to assist accurate prediction of flood levels. Volunteers also operate three radio outstations that provide radio relay in the event of the failure of normal communications systems.

Legislation

NSW SES operates under the State Emergency Service Act 1989. There have been no changes to any relevant Acts and subordinate legislation during the reporting year. There have also been no significant judicial decisions which have affected the agency and users of its services.

Introduction of the *Government Sector Employment (GSE) Act 2013* on the 24th February 2014 has also been a major focus for NSW SES in 2013-14. Major reforms have focused on executive implementation plans, recruitment practice, performance management, misconduct management and introduction of the NSW Government Capability Framework. The Service has developed a GSE Transition Plan Project, which has initially involved writing to all staff to advise them of their assignment to roles, developing new role descriptions using the capability framework and developing an implementation plan for the new executive structure that meets the Public Service Commission's design requirements under the new executive work level standards.

Under the State Emergency Service Act 1989, NSW State Emergency Service's responsibilities are:

to protect persons from dangers to their safety and health and to protect property from destruction or damage, arising from

floods, storms and tsunami

- to act as the combat agency for dealing with floods (including establishment of flood warning systems) and to coordinate evacuation and welfare of affected communities
- to act as the combat agency for dealing with tsunami and to coordinate evacuation and welfare of affected communities
- as directed by the State Emergency Operations Controller, to deal with an emergency where no other agency has lawful authority to assume command of the emergency operation
- to carry out, by accredited NSW SES Units, rescue operations, allocated by the State Rescue Board
- to assist the State Emergency Operations Controller to carry out emergency management functions relating to prevention of, preparation for and response to emergencies and to assist the State Emergency Recovery Controller to carry out emergency-management functions relating to recovery from emergencies, in accordance with the State Emergency and Rescue Management Act 1989
- to assist, at their request, members of NSW Police Force, Fire and Rescue NSW, NSW Rural Fire Service or the Ambulance Service of NSW in dealing with any incident or emergency
- to maintain effective liaison with all emergency service organisations
- to carry out such other functions as may be assigned to it by or under this or any other Act, or by the State Emergency Operations Controller or the Minister for Police and Emergency Services.

The One SES 2011-15 Plan unites all functional areas of NSW SES under the umbrella of One SES. The plan encompasses all areas of NSW SES and focuses on enabling the organisation to fulfil its combat roles through a core set of underlying principles.

Our plan, our visions, and all our goals are supported by these underlying principles which enrich the intent and outcomes of Our Plan, always with the community and our members at the forefront of our actions.

Underlying principles of our plan:

Accountability

As members we are each accountable for the actions that are required to make the plan succeed.

Impact on volunteers

Before any strategy or action within our plan is implemented the impact on our volunteers will be evaluated and understood. This will be achieved primarily through the Volunteer Impact Statement (VIS).

Transparency

Our actions and subsequent results will be disclosed and fully transparent to all our members through a range of communication methods, including published quarterly reports, open access in electronic systems and regional consultation forums.

Improving NSW SES

Everything in our plan will improve our current systems, processes, capability and reputation, making us the most dependable and skilled volunteer emergency agency in NSW.

Priority-based

Our plan will ensure that current and future resources and budgets will be allocated on a priority-based methodology, allowing resources to be deployed to where we and the community need them most.

NSW SES will continue to be accountable not only for delivering services related to weather-based emergencies and tsunami, but for providing an extensive range of rescue and safety services.

To meet these accountabilities, the focus will remain on delivering services that meet the specific needs of each of the communities we serve, while simultaneously developing our people and work practices.

To achieve our outcomes, the plan identifies three crucial areas and the key components and goals that sit under them:

People

Key components:

- Safe culture
- Supported
- Skilled

Goals:

1. Active Membership - attract, train, support and retain members to the organisation.

2. Culture of Improvement - every member may actively contribute to a culture of improvement.

3. Safe Environment - a workplace where the safety, health and wellbeing of all members is achieved.

4. Skilled Organisation - an environment of ongoing learning and development where members acquire the skills to fulfil their roles.

5. Supportive Technology - all members have access to technology that adds value to their roles.

6. Volunteer Impact - the impact on volunteers is reviewed before introducing new services, assets or practices.

Governance

Key Components:

- High-performing
- Accountable
- Enabling
- Consistent
- Ethical

Our culture, policies, systems and structures will support our members to be accountable, work together, and always strive to make our business consistent, simple and easy.

Goals:

1. Accountable - all individuals and groups are accountable for their defined roles and responsibilities

2. Financial Transparency - all financial processes are clear and transparent, and resources allocated in accordance with the organisation's priorities

3. Management Systems - all information and knowledge-management systems enable members to fulfil their roles

4. Organisation Structure - the organisation's structures are focused on performance

5. Performance Culture - the Service is identified by the community, the Government and our members as being a high-performing organisation

6. Sustainable - assets are planned and managed in a sustainable manner

7. User-friendly systems - business processes are easy to follow, consistent and enabling.

Service Delivery

Key Components:

- Planned
- Diversified
- Tailored
- Effective

Our community will depend upon our members for tailored preparedness and awareness advice to build their capacity and resilience, and will be able to call upon NSW SES to provide a diversified and effective emergency response when they can no longer cope.

Goals:

1. Resilient Community - change the way people and their belongings are kept safe by increasing their access to prevention and preparedness services.

2. Collaborative - collaborate with all relevant agencies to improve community safety and add value to our roles.

3. Informed and Understanding - engage with communities to understand their needs and tailor our services.

4. Effective State-wide - enhance our state-wide capability based on research and need.

5. Learning Organisation - learn lessons from corporate and operational activities that result in obvious improvement.

6. Well-planned - plan in a consultative manner within our organisation and with all relevant agencies.

Quality of Service

NSW SES units are community-based to provide a timely local response.

NSW SES members are available to provide emergency management advice at a state, region and local level.

As part of our commitment to providing a quality service to the people of New South Wales, NSW SES has established the following procedures:

- State Headquarters and all 17 Region Headquarters will be contactable during normal office hours or by contacting the 132 500 number 24 hours a day.
- All units accredited for general rescue are equipped with call-out systems.

Contact

If you require emergency help relating to a flood, storm or tsunami, call 132 500 to be connected to a central call centre. For other information, the numbers are shown under 'State Emergency Service' in the alphabetical section of your local Telstra White Pages Directory.

For general information about storm, flood and tsunami safety or how to volunteer, ring 1800 201 000. For ongoing updates, safety messages and news about NSW SES activities, like the NSW SES Facebook page (www.facebook.com/NSW.SES).

Suggestions and Complaints

If you have any suggestions to improve NSW SES or if you are dissatisfied with the Service, please discuss the matter with a NSW SES region representative in your area.

The contact number is shown in your local Telstra White Pages Directory. If you wish to discuss the matter further, please contact the Commissioner, NSW State Emergency Service, PO Box 6126, Wollongong 2500, or phone 02 4251 6111 or contact us via our website at www.ses.nsw.gov.au.
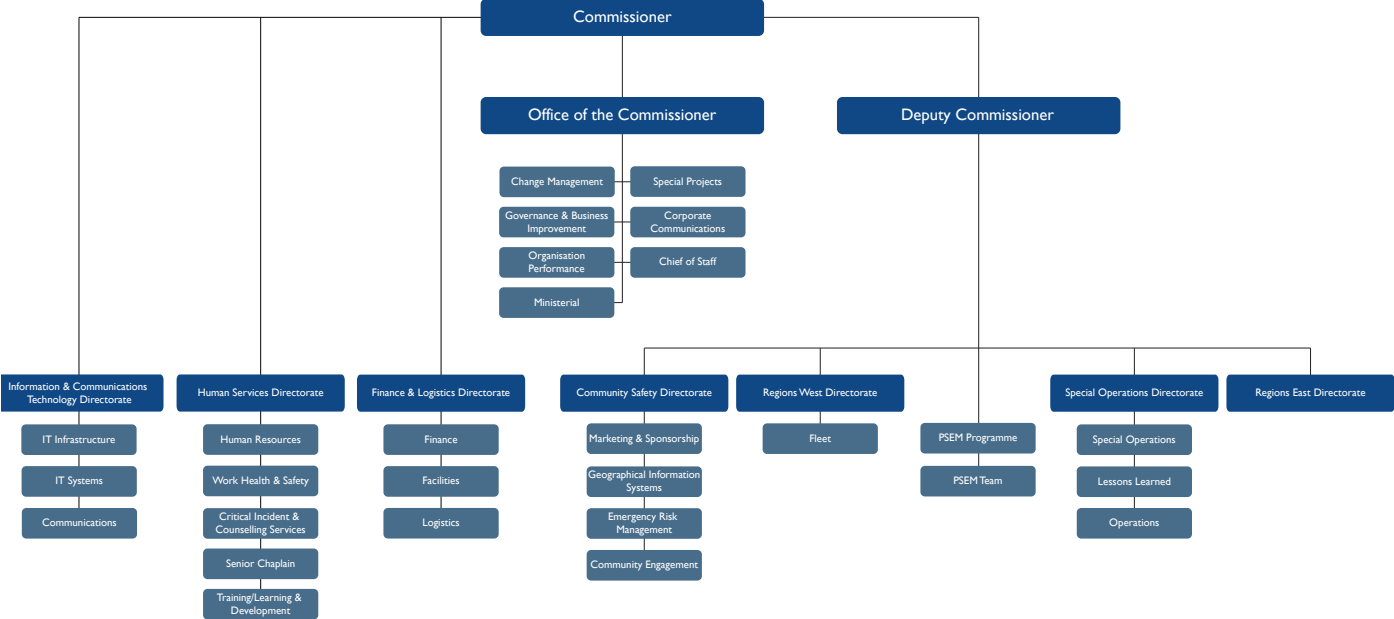
Executive

Senior Leadership Group (as at 30 June 2014)

Position	Name
Acting Commissioner (commenced role 8 November 2013)	Jim Smith AFSM
Commissioner (retired 12 June 2014)	Murray Kear AFSM
Deputy Commissioner (currently on leave)	Steve Pearce AFSM
Acting Deputy Commissioner (commenced role 16 September 2013)	Mark Morrow Grad Cert Police Mgt, Adv Dip Proj Mgt, JP
Director Information & Communication Technology	Andrew Edwards MPAdmin. AdvDip AccDirector
Director Human Services	David Rae BSc (Psych), MBA (Strat Mgt)
Director Regions West	Greg Newton BA, DipEd
Acting Director Regions East	Gregory Murphy ESM BEd
Acting Director Special Operations	Keith Fitzgerald BA, MBA, MPAdmin, Adv Dip Proj Mgt
Acting Director Community Safety	Peter Cinque OAM Bsc (Hons), MSc
Director Finance & Logistics	John Butt

Region Controllers (as at 30 June 2014)

Region	Name	Location
Central West Region	Craig Ronan	Bathurst
Clarence Nambucca Region	Caroline Ortel	South Grafton
Far West Region	Graeme Craig	Cobar
Hunter Region	Greg Perry	Metford
Illawarra South Coast Region	Ashley Sullivan	Coniston
Lachlan	Robert Evans	Parkes
Macquarie	David Monk	Dubbo
Mid North Coast	Stephen Hart	Taree
Murray	Bernard Kates	Albury
Murrumbidgee	James McTavish	Wagga Wagga
Namoi	Andrew Galvin	Gunnedah
North West	Rick Sloman	Moree
Richmond Tweed	Kaylene Jones	Goonellabah
Southern Highlands	Colin Malone	Goulburn
Sydney Northern	David Buchtmann	Hornsby
Sydney Western	Allison Flaxman	Seven Hills
Sydney Southern	Peter Wallace	Bankstown

Organisational Chart

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                                        Commissioner
                                             |
               +-----------------------------+------------------------------+
               |                              |                              |
       Office of the Commissioner                          Deputy Commissioner
               |
     +-------------------+-------------------+
     | Change Management |  Special Projects |
     +-------------------+-------------------+
     | Governance &      |  Corporate        |
     | Business          |  Communications   |
     | Improvement       |                   |
     +-------------------+-------------------+
     | Organisation      |  Chief of Staff   |
     | Performance       |                   |
     +-------------------+-------------------+
     | Ministerial       |
     +-------------------+
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Information & Communications Technology Directorate
- IT Infrastructure
- IT Systems
- Communications

Human Services Directorate
- Human Resources
- Work Health & Safety
- Critical Incident & Counselling Services
- Senior Chaplain
- Training/Learning & Development

Finance & Logistics Directorate
- Finance
- Facilities
- Logistics

Community Safety Directorate
- Marketing & Sponsorship
- Geographical Information Systems
- Emergency Risk Management
- Community Engagement

Regions West Directorate
- Fleet

PSEM Programme
- PSEM Team

Special Operations Directorate
- Special Operations
- Lessons Learned
- Operations

Regions East Directorate

Registered Local NSW SES Units

Central West

Bathurst
Blayney
Burraga
Canowindra
Eugowra
Lithgow
Molong
Oberon
Orange City
Portland
Sofala

Clarence-Nambucca

Bellingen
Brushgrove
Coffs Harbour City
Copmanhurst
Corindi
Dorrigo
Grafton City
Lawrence
Maclean
Nambucca
Nymboida
Ulmarra
Urunga
Wooli- Yuraygir
Yamba

Far West

Bourke
Brewarrina
Broken Hill
Cobar
Euabalong
Ivanhoe
Menindee
Packsaddle
Tibooburra
White Cliffs
Wilcannia

Hunter

Aberdeen
Cessnock City
City of Newcastle
Cooranbong
Denman
Dungog
Lake Macquarie City
Maitland City
Merriwa
Murrurundi
Muswellbrook
Port Stephens
Scone
Singleton
Tomaree

Illawarra-South Coast

Batemans Bay
Bega
Bermagui
Coniston
Eden
Kiama
Moruya
Nowra

Shellharbour City
St Georges Basin
Ulladulla
Wingecarribee
Wollongong City

Lachlan

Condobolin
Cowra
Forbes
Gooloogong
Grenfell
Lake Cargelligo
Parkes
Peak Hill
Trundle
West Wyalong

Macquarie

Baradine
Carinda
Collarenebri
Coonamble
Dubbo
Dunedoo
Gilgandra
Glengarry
Lightning Ridge
Mudgee
Narromine
Nyngan
Rylstone
Walgett
Warren
Wellington

Mid North Coast

Camden Haven
Forster-Pacific Palms
Gladstone
Gloucester Shire
Harrington
Karuah Valley
Kempsey Shire
Lord Howe Island
Nabiac
Port Macquarie Hastings
South West Rocks
Taree City
Wauchope
Wingham

Murray

Albury
Balranald
Barham
Berrigan
Corowa
Culcairn
Deniliquin-Conargo
Holbrook
Jerilderie
Khancoban
Mathoura
Moama
Tumbarumba Shire
Urana
Wentworth

Murrumbidgee

Coleambally
Coolamon
Cootamundra
Goolgowi
Griffith
Gundagai
Hay
Hillston
Junee
Leeton
Narrandera
Temora
The Rock
Tumut
Wagga Wagga

Namoi

Armidale - Dumaresq
Barraba
Boggabri
Gunnedah
Guyra
Liverpool Plains Shire
Manilla
Narrabri
Nundle
Pilliga
Tambar Springs
Tamworth
Tingha
Uralla
Walcha
Wee Waa

North West

Ashford
Bingara
Boggabilla
Deepwater
Garah
Glen Innes
Inverell
Moree
Mungindi
Tenterfield
Warialda
Yetman

Richmond Tweed

Ballina
Broadwater
Casino
Coraki
Kyogle
Lismore City
Mullumbimby
Murwillumbah
Tabulam
Tweed Coast
Tweed Heads
Urbenville
Woodburn

Southern Highlands

Bigga
Bombala
Braidwood
Bungendore
Captains Flat

Cooma-Monaro
Collector
Crookwell
Goulburn
Harden
Nimmitabel
Queanbeyan
Snowy River
Sutton
Windellama
Yass
Young

Sydney Northern

Gosford
Hornsby
Hunters Hill
Ku-ring-gai
Manly
Mosman
North Sydney
Ryde
Warringah-Pittwater
Willoughby-Lane Cove
Wyong

Sydney Southern

Bankstown
Camden
Campbelltown
Canterbury
City of Sydney
Fairfield
Hurstville
Kogarah
Liverpool
Marrickville
Randwick
Rockdale
Sutherland
Waverley-Woollahra
Wollondilly

Sydney Western

Ashfield-Leichhardt
Auburn
Blacktown
Blue Mountains
Burwood
Canada Bay
Hawkesbury
Holroyd
Mount Druitt
Parramatta
Penrith
Strathfield
The Hills

Performance

3.1 Office of the Commissioner

The Office of the Commissioner oversees the strategic direction of NSW SES and includes Corporate Communications, Governance and Business Improvement, Change Management and Ministerial Liaison.

Corporate Communications & Change Management

NSW SES' Corporate Communications branch comprises four staff with responsibility for media, social media, the Service's website, internal communications, public relations and the Annual Report.

In early 2014, the organisation seconded an officer from NSW Police Force to fill the role of Manager, Change, to build organisational capability in change management and internal communications, with Corporate Communications Branch adding change management as an additional area of responsibility. The branch now reports to the Manager, Change to better align the team to organisational priorities in those areas.

A key responsibility for Corporate Communications during 2013-14 has been provision of operational media support. This includes providing trained media officers to undertake media in the State Operations Centre and the Service's TV studio, undertaking interviews and posting on the Service's website and social media platforms. An On Call Media Officer (OCMO) covered media after hours until the last quarter of the year, when this role was transitioned to the Operations Centre.

Media training of volunteers occurred in six regions to train members to work effectively and collaboratively with their local media. This training has increased the Service's pool of trained media officers, enhancing its ability to provide critical safety and warning information during operational responses and supporting community engagement, recruitment and profiling activities.

NSW SES continued to refine its online community engagement through its primary and micro websites and through social media - Facebook, Twitter and You Tube. Policies on personal and corporate use of social media were written. The Social Media Reference Group was reconfigured into an advisory group, ensuring social media meets volunteer as well as community needs.

NSW SES undertook media and social media support for major activities such as Wear Orange Wednesday (WOW Day), StormSafe Week and FloodSafe Month. Media support was given for handovers of vehicles, buildings and equipment, presentations, awards and launches, as well as for community engagement safety messaging.

Public relations activities continued with the Service providing members and script advice to television and film productions such as *Home and Away*. To aid volunteer recruitment and retention, Corporate Communications commissioned a series of short video pieces of members discussing their volunteer experience.

Internal communications were bolstered with introduction of the Compass newsletter and creation of an internal Facebook group. One staff member undertook industry benchmark Prosci change management training, with two more scheduled for 2014-15.

Governance and Business Improvement and Organisational Performance

The Organisational Performance business unit provides key governance functions for the Service:

- Corporate performance management
- Risk, audit, and compliance
- Project portfolio management; and
- Business Analysis.

In November 2013, the Independent Commission Against Corruption (ICAC) commenced proceedings to investigate allegations concerning the NSW State Emergency Service Commissioner. As a result of the Commission of Inquiry, and subsequent Public Service Commission (PSC) investigation, a Governance and Business Improvement (G&BI) Branch was established to specifically target areas for reform and improvement that were anticipated to arise from the ICAC and PSC reports.

A manager with specific experience with ICAC inquiries and workplace reform was sourced to lead the G&BI Branch. The

Organisation Performance Business Unit was transitioned to G&BI in December 2013.

From July 2013 – December 2013, the Organisational Performance unit continued to deliver high level strategic services to NSW SES. In the first half of FY 2013-14, the G&BI Branch has achieved:

- Ongoing support in training and advice on KPI measurement for the Corporate Performance Management System
- Ongoing support and advice to the Service in the development of treatment plans for all high and extreme corporate risks, and embedding the use of the Corporate Risk Management System as a standard business process;
- Developed an audit framework for the Service where key risk areas are measured for compliance to Government legislation
- Delivered ongoing support and guidance to the portfolio of projects currently under management; and
- Delivered best practice business analysis services for all change management activities within the Service.

From December 2013, the G&BI branch delivered a significant portfolio of work, including:

- Establishment of a policy framework that expedited development, consultation, and implementation of core policy that is outdated or non-existent. The framework, the Fast Track Policy Implementation Framework, had as at June 30 delivered the following:
  - Public Interest Disclosure (PID) Policy – authorised
  - PID workflow – authorised
  - PID procedures tools and templates
  - Code of Conduct – authorised
  - NSW SES Value statement '**TARPS**'

    Trust
    Accountability
    Respect
    Professionalism
    Safety and Service

- Seven policies in final consultation phase prior to authorisation
- Twelve policies in development or entering consultation phase
- Development of a robust audit framework that delivers accountability across the Service for managing audit action plans
- Development of a business case for a new business structure reflecting governance structures in similar organisations, such as Fire and Rescue NSW

- Development of Service requirements for a request for quote to deliver respectful workplace training
- Conducted a state wide Culture and Diversity survey to capture 'who we are' to inform a culture and diversity program into the future
- Development of requirements for a Women in Leadership program that will identify and develop high potential female members into leadership positions.

3.2 Human Services

Human Services Directorate comprises Human Resources, Work Health & Safety, Training and Education, Critical Incident & Counselling Services and Chaplaincy Services. In 2013-14, the Directorate continued to deliver outcomes identified in the One SES Plan in the key areas of People, Governance and Service Delivery. During the period a review of goals and strategies focused on provided a sharp focus on the following priorities:

1. Implementation of the Government Sector Employment (GSE) Act 2013

2. Implementation of volunteer and staff induction processes

3. Implementation of Workplan Achievement and Capability Reviews

4. Implementation of complaint management framework

5. Development of a Workforce Management Plan

6. Leadership Development

Human Resources

Human Resources Branch continued to contribute significantly to NSW SES business achievements in 2013-14 , principally:

- Providing support to the Independent Commission Against Corruption (ICAC) Inquiry
- Providing ongoing administrative support to the Public Service Commission of the NSW SES
- Introduction of GSE Act 2013 and development of a transition plan project.
- Introduction of NSW Government Capability Framework including development and updating of position descriptions.
- Coordination of external audit responses including BAU audits
- Transition of the payroll function from Human Resources Branch to Finance Branch
- SAP Human Resources Help Desk role
- HR Information sessions on various HR functions conducted via Lync for staff

As part of the Service's commitment to further recognise the work of volunteers and staff, the NSW SES Awards Committee met each quarter to consider all award nominations.

Introduction of the GSE Act on the 24th February 2014 has resulted in major reforms focusing on executive implementation plans, recruitment practice, performance management, misconduct management and introduction of the NSW Government Capability Framework. Human Resources team has developed a GSE Transition Plan Project, which has initially involved writing to all staff to advise them of their assignment to roles, developing new role descriptions using the capability framework and developing an implementation plan for the new executive structure that meets Public Service Commission design requirements under the new executive work level standards.

Recruitment

Over the reporting year, Human Resources Branch completed 78 recruitment actions involving 1720 applicants:

Level		2014-13		2013-12		2012-11	
Classification		Total Applicants	Women	Total Applicants	Women	Total Applicants	Women
Clerk Grade	1/2	729	580	450	274	52	25
Clerk Grade	3/4	228	155	565	372	6	5
Clerk Grade	5/6	274	166	543	231	170	115
Clerk Grade	7/8	195	53	276	132	194	88
Clerk Grade	9/10	186	27	62	8	99	33
Clerk Grade	11/12	89	37	0	0	64	10
Above 11/12		19	2	0	0	23	4

Workforce Diversity and Equal Employment Opportunity

NSW SES is an Equal Employment Opportunity employer with a commitment to providing a harmonious, non-discriminatory and safe workplace that attracts and retains the highest calibre of members. Appointments to NSW SES positions are made on the basis of merit relevant to position requirements. NSW SES strives to ensure that all members receive equal opportunities for career advancement through performance management and learning and development initiatives.

As a result of the Independent Commission against Corruption inquiry and subsequent Public Service Commission (PSC) Inquiry, NSW SES continued to consolidate on the previous year's strategies and actions. Courses were specifically targeted

to capture emerging leaders and redress the gender imbalance in leadership positions. The NSW SES On-boarding Program was reviewed during 2013-14 to create a core program relevant to all volunteer and paid members.

Disability Action Plan

NSW SES is committed to providing access to services and employment opportunities for all, including those with disabilities. To support this commitment, a Disability Action Plan has been developed to identify and remove barriers that may hinder people from gaining access to services and employment opportunities.

Special Needs Groups

NSW SES recognises the important contribution that older people can make to the organisation and it encourages their volunteer membership. Many have skills and expertise in areas that help the organisation do its job better and the transfer of these skills to younger volunteers is a major contribution. There are positions within our units, particularly at headquarters, where older people can perform required tasks and release those members who prefer to be in the field. NSW SES has engaged in a number of strategies such as participation in Seniors' Expos, designing presentation templates targeted at older audiences and ensuring that we publicise the roles of our older volunteers to reach out to older people and offer them the opportunity to join as volunteers.

NSW SES embraces the Government's policy on programs and services for people with a disability in the following ways:

- Including facilities and access for people with disabilities in new building specifications
- Region Headquarters which include toilets and showers for people with disabilities, ground-level access and widened corridors and doorways where possible
- Encouraging people with physical disabilities to join volunteer ranks and carry out tasks in line with their abilities
- Ensuring that the needs of people with a disability are catered for in recruitment, development and promotional aspects of employment and in volunteer membership
- Encouraging all NSW SES volunteers to support fellow volunteers in their units who have special needs; and
- Implementing Equal Employment Opportunity strategies to achieve the above objectives.

Multicultural Policies and Services Program

NSW SES is committed to supporting and engaging all culturally and linguistically diverse (CALD) members of the community and the Service. NSW SES does not currently have a multicultural plan, but is working towards completion of such a plan in 2014-15. However, we have completed an Equity and

Diversity study, the results of which are currently being analysed. On the back of this study, an Equity & Diversity Committee will be formed in 2014-15 to drive incorporation of the study's key findings into future strategic planning.

Women in NSW SES

NSW SES is committed to removing barriers that may prevent women from gaining employment or career development within the agency. In 2013-14, NSW SES held a "Wear Purple Day" event to celebrate International Women's Day and supported four female staff in attending a "Women in Leadership" conference, with one of our female members as a guest speaker.

Staff Profile

The NSW SES staff profile as at 30 June 2014:

Representation of Employees by Level Compared with the Two Previous Years

Salary Bands	2013-2014			2012-2013			2011-2012		
	Total Staff	Women	Racial/Ethnic/ Ethno-Religious Minority	Total Staff	Women	Racial/Ethnic/ Ethno-Religious Minority	Total Staff	Women	Racial/Ethnic/ Ethno-Religious Minority
$55,985 - $60,863 Grade 1/2	39	34	3	38	30	3	44	34	4
$62,587 - $68,531 Grade 3/4	71	52	6	69	42	4	74	53	7
$73,882 - $$81, 520 Grade 5/6	78	37	3	74	30	1	78	37	3
$83,962 - $92,940 Grade 7/8	54	17	3	45	14	2	55	18	3
$95,710 - $105,469 Grade 9/10	34	10	1	27	18	1	36	26	1
$110,699 - $128,023 Grade 11/12	6	3		7	1		8	2	
Above A&C Grade 12	9	0		7	0		11	1	

Performance and numbers of senior executives 2012-14

Position	Name	Date from	Date to	$ earned
Commissioner	Murray Kear	1/07/2012	30/06/2013	$298,415.26
		1/07/2014	12/06/2014	$292,784.49
A/Commissioner	Jim Smith	07/11/2013	30/06/2014	$174,106.24 (seconded from NSWF&R)
Deputy Commissioner	Steve Pearce	1/7/2012	30/6/2013	$222,246.27
		1/7/2013	30/6/2014	$247,530.57
Deputy Commissioner	Tara McCarthy	3/9/2012	15/5/2013	$179,601.73
A/Deputy Commissioner	Mark Morrow	6/9/2013	30/6/2014	$146,772.22

Number of Chief Executive Service/Senior Executive Service Positions 2012-14

Level	2013/2014		2012/13	
	Male	Female	Male	Female
3	1	0	1	1
6	1	0	1	0
CEO	0	0	0	0
Under S 11 A	0	0	0	0
Total	**2**	**0**	**2**	**1**

Work Health and Safety

Keeping people safe is NSW SES' highest priority, and the Work Health & Safety (WHS) Branch has responsibility for developing and promoting the Safety Management System to give all members the tools and skills to be safe at work.

In 2013-14, the WHS Branch completed the first phase of the Safety Leadership Program with the Service's Senior Executive Group and commenced Phase 2 of the program for senior managers, including one day workshops delivered by the supplier, Dupont.

Injury management modules were introduced into NSW SES' incident management system, SafeHold, this year. This enhancement enables business unit managers and the WHS Branch to monitor return to work plans for volunteers and staff and provides an electronic link for workers compensation claims information and management to the relevant insurers.

Phase 2 of SafeHold won a Treasury Managed Fund Award in the category of: 'Frameworks and Systems – Injury Management'. The paperless injury management system and electronic notification of compensable injuries has improved performance of workers compensation through a reduction in costs and duration rates.

During this period the WHS Branch also facilitated the election and appointment of 36 Health and Safety Representatives across NSW SES to represent the safety interests for their workgroups.

The immunisation program had another successful year in provision of vaccinations, with the WHS Branch's immunisation nurses administering over 2,000 vaccinations in 2013-14.

The WHS Branch attended 10 Regional conferences to provide safety education and support to volunteers across the state.

The WHS Branch (WHS) continue to embed a safety management system within NSW SES. This service has not been prosecuted under either the Occupational Health & Safety Act 2000 or the Work Health & Safety Act 2011.

Compensable Injury statistics

Compensation Claim data 2013-2014	NSW State Emergency Service
Total Employees	291
Total Claims	8
Total Operational Employees	112
Total Operational Claims	1
Total Volunteer Members	8700
Total Volunteer Claims	80

Injury analysis (All Members)

The top three Bodily locations include;	The top three Agency of injury include;	The top three Mechanism of injury include;	The top three Nature of injury include;	The top three Activity at time of injury include;
Hand, fingers and thumb (11)	Cutting, Slicing and Sawing. (20)	Hitting stationary object (15)	Trauma to Muscles/ Tendons (36)	Operational training (32)
Back- Upper/ Lower (9)	Outdoor environment (20)	Muscle stress - Carrying/ lifting (12)	Laceration (12)	Storm damage operations (24)
Psychological (6)	Human agencies (10)	Falls on the same level (8)	Contusion, brusing etc. (10)	Supporting other ESOs, bushfires, searches. (8)

Training and Education

Learning and Development changed to Training and Education and rejoined the Human Services Directorate in January 2014. Training and Education is committed to creative use of information and communication technologies for enhancing the quality of learning and teaching. The branch will augment development of blended learning opportunities that provide learners with the best possible learning and teaching experiences, as well as supporting trainers in their role including management and administration of courses.

Training and Education are committed to building members' capacity to lead their communities during times of crisis. Planning has commenced for the NSW SES Leadership Framework which will provide a range of leadership development opportunities for members at all levels and will recognise the diversity of skills that members already bring to the Service.

Training and Education maintains the NSW SES Enterprise Registered Training Organisation (RTO) by conducting quality assurance, product development and continuous improvement of existing training products. By managing the functions of the NSW SES RTO, Training and Education is committed to building the capability of NSW SES members to prepare for and respond to emergencies and disasters.

In September 2013, the then Learning and Development, completed the systematic review and rewriting of 14 Training Resource Kits (TRKs) to meet the compliance requirements of the PUA12 release of the Public Safety Training Package. Learning and Development staff were involved in development of new TRKs, revision of existing TRKs, delivery of pilot programs, conversion handover and trainer endorsement

workshops, and conduct of pre-assessment validation on the majority of TRKs.

Throughout 2013-14, work continued on development of online learning resources and delivery platforms to support learners and trainers to access a wider variety of training. Content to support blended learning for Vertical Rescue, Flood Rescue Awareness and First Aid training was developed in preparation for release during 2014. A number of new templates were developed for non-competency training and one of the templates is being used in development of training for the new operational information management system – 'beacon'.

The Quality Assurance section has been working on enhancements to SAP Learning Solution Online (LSO) that will simplify record-keeping and reporting processes for training coordinators. In preparation for the Australian Skills Quality Authority (ASQA) RTO reregistration audit in 2015, NSW SES undertook an internal audit process. The outcomes of the internal audit are assisting the Service to prepare for the ASQA audit.

The Professional Development section assisted in delivery of nine Multi-Agency Leadership Programs around New South Wales, delivered a series of professional development short courses at State Headquarters, delivered the first 'Leading Self: Leading Others Region Leadership Program' at Namoi Region, delivered a revised two-day 'Looking After People Program' under the banner 'Train to Retain' and organised a significant number of flood rescue programs.

Critical Incident and Counselling Services and Chaplaincy Services

NSW SES recognises that mental health conditions have an impact on individuals and the workplace and are a substantial cost to organisations in the form of retention, absenteeism and impact on workers compensation costs. NSW SES is committed to providing a mentally healthy workplace by providing critical incident and counselling services along with chaplaincy services to volunteers and staff.

The Critical Incident and Counselling Services (CICS) and Chaplaincy Services sections continued to provide support to members through the Critical Incident Support Program, the Chaplaincy Program and the Employee Assistance Program.

The key focus was on supporting members through provision of a range of services including crisis management meetings, psychological first aid, traumatic incident reduction interviews and one-on-one support. A heightened need for these services was identified in response to the Independent Commission against Corruption (ICAC) Inquiry and the subsequent Public Service Commission (PSC) Inquiry. Spikes in service hours provided by Peers, Chaplains and Employee Assistance Program

(EAP) counsellors were commensurate with the timings of these inquiries which resulted in increased levels of workplace stress and a reduction in workforce morale.

Critical Incident Support Program

In 2013-14, pre-incident education and awareness of the Critical Incident Support Program was provided to 60 NSW SES units and 1152 members. One-on-one support was provided on 39 occasions for 135 members, with 12 critical incident stress debriefings for 139 members, five defusings, three crisis management briefings and 107 hours of on-scene peer support hours on scene or during large scale or protracted incidents involving 180 members. The CISP Duty Officers provided 318 interventions including initial assessment and referral and including follow-up services during the reporting period.

The CISP Peers and Chaplains attended training totalling 1938 hours dedicated to their development and support to NSW SES members and an additional 118 hours to other CISP activities at Units and Region training activities. Eight members attended the Crisis Intervention Management Australasia (CIMA) Conference in Melbourne in October 2013 on 'Building synergies between responders, recovery agencies and communities' with two of these sponsored by the SESVA. The Manager, CICS presented on the research conducted by NSW SES and recommendation for Emergency Services personnel on the role of resilience in pre-incident education at the CIMA conference.

Employee Assistance Program

An integrated Employee Assistance Program (EAP) provides services to alleviate psychosocial, psychological and work-related behavioural issues which impact on personal wellbeing, productivity and the workplace. During 2013-14 Employee Assistance services included 436 hours of pro-active onsite support and 280 hours of offsite counselling to NSW SES staff and/or their family members. An additional 70 hours were provided to members involved in specific organisational investigations in 2013-14. Management assistance advisory services were provided on 439 occasions.

Additional services provided through the NSW SES EAP are professional development training workshops and coaching services. These accounted for 265 hours for NSW SES members, state-wide.

Chaplaincy

In 2013-14, Chaplaincy services were provided on 87 occasions for 662 members in the form of pastoral care and nine hours of ceremonial duties for 380 members. Chaplains also attended training and supervision with the Senior Chaplain as part of their chaplaincy team development for 336 hours dedicated to their roles in NSW SES as Region Chaplains.

3.3 Finance and Logistics

Finance Branch is responsible for accurate and timely delivery of accounting, banking, budgetary, taxation, audit and financial administration for NSW SES including 17 region headquarters.

Finance Branch prepares annual financial statements in accordance with Australian Accounting Standards and provides monthly expenditure and budget forecasting reports to NSW Treasury, Minister for Police and Emergency Services, Department of Justice and the NSW SES Senior Executive Group

The Branch administers corporate credit cards and ensures that use of the cards aligns with Treasury best practice and statutory legislation including the Public Authorities Finance Arrangement Act 1987.

The Branch also includes Logistics, Facilities and Fleet Branches. These Branches are integral to overall management of the Service's tangible assets and assisting members in the field.

Finance

During 2013-14, Finance Branch oversaw payment of almost 20,000 transactions with a total expenditure of $84.567 million. This included expenses of $4.727 million from the Natural Disaster Relief and Recovery Account (NDRRA) incurred by NSW SES in responding to flood and storm operational events. Over 90% of these payments to vendors were by Electronic Funds Transfer (EFT). The branch will continue to liaise with NSW SES vendors currently paid by cheque to switch to EFT.

Finance Branch continues to provide support to all 17 NSW SES region headquarters and their volunteer units. Support includes advice on insurance, taxation, grant administration, volunteer unit bank accounts and all finance related matters. The branch creates and maintains all new NSW SES vendor and customer data in the SAP financial system.

Members of Finance Branch undertook operational roles within NSW SES including provision of logistics, aviation and transport support. Finance Branch will continue to deploy members to regions during major operational response to assist with finance administration.

Commencing 2014-15 Finance Branch will take responsibility for processing of NSW SES' payroll. One challenge will be to implement greater use of Employee and Manager Self Service (ESS & MSS) portals to enable supervisors and their teams to electronically submit overtime, higher duty claims and other allowances. This will substantially reduce paper handling, data entry and delays in remuneration processing.

Insurance

NSW SES insurance is provided by the Treasury Managed Fund Insurance Scheme. The Director Finance and Logistics is the appointed Risk Manager under the scheme.

The Contract of Coverage encompasses:

- Workers' Compensation insurance
- Public Liability insurance
- Motor vehicle comprehensive insurance
- Property insurance
- Personal Property Insurance
- Miscellaneous insurance.

Consultancy Services

Engagements greater than $50,000

Clayton Utz
NSW ICAC investigation
$89,541.07

Delloitte Touche Tohmatsu
Public Safety and Emergency Management System
$520,655.30

Engagements less than $50,000

Nature of Consultancy – Emergency exercise
Total number of engagements 1
Total Cost $46,692.95

Nature of Consultancy – Payroll consulting
Total number of engagements 1
Total Cost $20,728.50

Nature of Consultancy – Contract management
Total number of engagements 1
Total Cost $6,852.50

Nature of Consultancy – Legal
Total number of engagements 1
Total Cost $22,667.60

Nature of Consultancy – Engineering
Total number of engagements 1
Total Cost $18,648.00

Nature of Consultancy – Communication
Total number of engagements 1
Total Cost $4,000.00

Nature of Consultancy – Audit risk
Total number of engagements 1
Total Cost $11,348

Nature of Consultancy – Organisational review
Total number of engagements 1
Total Cost $4,906

Nature of Consultancy – Workplace safety
Total number of engagements 1
Total Cost $19,569.39

Overseas Travel Expenditure

NSW SES incurred expenditure of $37,000 on overseas travel in 2013-14.

This amount represents the cost for NSW SES volunteers from the Alpine Search and Survival team to attend a 10 day Alpine professional development course in New Zealand. This course was selected due to limited opportunities in the Australian alpine environment. This course represented the best opportunity for volunteers to advance their learning and subsequently bring new skills back to be shared within NSW SES.

The cost of the overseas travel was subsidised by NSW SES Volunteers Association.

Research and Development

The following research projects were undertaken during 2013-14:

- Coastal Hazards Emergency Planning
- Tsunami awareness for Marine Risk Groups
- Flash Flood Stage 2 – Pilot Methodology
- NSW Guidelines for defining dam failure warning and evacuation area
- Spatial data components on the NSW Flood Database

Waste Management

NSW SES' Waste Management Plan is reviewed annually and all members are made aware of the need for efficiency in reducing waste levels. The plan includes procurement of recycled photocopy/printing paper, priority purchase of office equipment with capability to process recycled products, publishing NSW SES manuals online and paper recycling throughout NSW by local recycling firms.

E-commerce

NSW SES advertises upcoming tenders and advises successful tenders online, while Service position vacancies are shown on the Jobs NSW website and NSW SES' intranet website.

NSW SES makes 90% of all payments to suppliers online by Electronic Funds Transfer (EFT), and continues to negotiate with remaining vendors to change from cheque to this method of payment. NSW SES continues to use electronic purchase orders to the Service's suppliers for procurement of goods and services online where appropriate.

Time for Payment of Accounts

NSW SES has a strict policy that all accounts are paid within vendors' specified trading terms as per Treasury Circular 11/21, and that advantage is taken of available discounts. The Service maintains a Payment Performance Profile.

Payments by quarter for the reporting year

Aged analysis at the end of each quarter				
Payment Performance Indicator	Sept 2013	Dec 2013	Mar 2014	June 2014
Accounts payable/All Suppliers				
Current (within due date)	$1,610,591	$721,501	$722,895	$5,766,670
Less than 30 days overdue	$179,004	$105,861	$14,018	$ 84,130
Between 30 & 60 days overdue	$13,598	$340	($10,834)	$ 1,256
More than 60 days overdue	$23,935	$3,517	$1,746	$10,703
Accounts paid/All Suppliers				
Number of accounts due for payment	6,013	5,230	4,120	5,955
Number of accounts paid on time	5,078	4,417	3,375	5,186
Actual percentage of accounts paid on time (based on number of accounts)	84.45%	84.46%	81.92%	87.10%
Dollar amount of accounts due for payment	$19,367,596	$10,887,565	$8,535,714	$16,452,613
Dollar amounts of accounts paid on time	$16,050,223	$9,341,587	$7,406,444	$15,105,870
Actual percentage of accounts paid on time (based on $)	82.87%	85.80%	86.77%	91.81%
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts	0	0	0	0

The NSW SES has forwarded to all its vendors information in regards to Treasury Circular 11/12 Small Business Suppliers

NSW SES incurs expenditure against the Natural Disaster Relief and Recovery Arrangements (NDRRA) when responding to flood, storm and tsunami operations. NSW SES prepares Emergency Orders for purchase of goods and services required specifically to assist in providing operational assistance during a natural disaster event. Every effort is made to ensure

compliance with vendor's payments term to ensure they are willing to make available their goods and services at any hour of the day or night. This assists in ensuring there are no unnecessary delays in provision of emergency response by NSW SES dedicated volunteers.

Any delays experienced in paying accounts on time are due in the main to outside influences beyond the agency's control, such as non-receipt of tax-invoices or issues with quantity or quality of goods and services provided. Large operational events can also impact on time taken for payment of accounts due to their size and scale.

NSW SES, led by Finance Branch, will continue to develop processes and use technology to improve timeliness of payment performance to its vendors.

Audit Risk Committee

During 2013-14 NSW SES' Internal Audit and Risk Committee conducted meetings in accordance with Treasury Circular TC 09/08. The committee meets regularly and assists the Commissioner and management in understanding, managing and controlling risk exposures.

Credit Card Policy

All corporate credit cards issued to NSW SES members and policies developed for their usage are managed in accordance with Treasury Policy Paper 05-01, Credit Card Use – Best Practice Guide. No late fees or interest payments were incurred in 2013-14

A policy on credit cards is maintained and adjustments to the policy are made available to all cardholders on occurrence. All Service cardholders sign a statement of responsibility confirming that they are aware of significant responsibility with which they have been entrusted. All cardholders receive an electronic reminder each week of corporate card transactions that they have yet to account for.

A review of corporate card usage and cash withdrawals was undertaken during the financial year.

Annual Report Costs

In accordance with the Premier's Memorandum 2019 – 09 Production Costs of Annual Reports, no external cost was incurred in the preparation and production of NSW SES's Annual Report 2013 – 14.

Three hard copies of the annual report were photocopied in-house for submission to Parliament (2) and the Minister for Emergency Services (1). The annual report is available on the NSW SES website www.ses.nsw.gov.au

Logistics

Logistics Branch works to support operational responses ensuring that all Service members are able to conduct activities with quality equipment provided in a timely manner that is fit for purpose, durable, safe, economical and environmentally suitable.

The Branch consists of nine staff divided between State Headquarters and State Warehouse and is responsible for the entire supply chain process of planning, procuring/purchasing, implementing and controlling efficient, effective transportation, distribution and storage of goods, uniform and inventory.

NSW SES Supply Chain integrates function with primary responsibility for linking major business functions and business processes with and across the statutory and community obligations of NSW SES.

NSW SES Logistics is engaged in development of a:

- Procurement Accreditation Program
- Procurement and Disposal Policy
- Uniform Policy Review
- Material Replacement Program (MRP)
- Enterprise Asset Management (EAM) Implementation Plan
- Total Asset Management (TAM) Strategy including Master Data and its update

Logistics Branch is represented on the Volunteer Joint Consultative Council (VJCC), the Approved Equipment Consultative Group (AECG) and the Australasian Fire and Emergency Service Authorities Council (AFAC).

Throughout the year, the branch has undertaken compliance reviews leading to creation of a new category for performance and management services for arborist and EWP services for NSW SES; creation and presentation of requirements to SES Regional Controllers and Business Managers around governance for NSW Procurement; Unit inventory stocktake, as directed; approved the occupational footwear tender; early close-off stocktake. The Branch has also established a vastly improved system of uniform distribution including personal protective clothing (PPC).

The Branch is presently assessing establishment of a regional model targeting excellence, best practice and enhanced service support. If successful, this model will be rolled out across all NSW regions.

NSW SES Logistics Branch plays an integral role in day-to-day provision of services, contracts, uniform, equipment and records underpinning and supporting the volunteers in our communities, always acknowledging that our customers are our volunteers, first and foremost.

Facilities

Facilities Branch centrally manages the Service's facilities, spread over more than 250 disparate sites across NSW, and coordinates the Unit Funding Project. The Unit Funding Project was established as part of the Strategic Disaster Readiness Package and provides over $6 million per year, over five years, to support the Service's 232 Units with their daily operating expenses.

Facilities branch consists of three staff and is located at the Service's Wollongong State Headquarters.

Unit Funding Project

The Unit Funding Project supports NSW SES units with day to day running costs by transferring responsibility and management of expenses from Local Government to NSW SES. In 2013-14, $6.1 million was allocated to this purpose. Negotiation with Local Government Areas continued throughout 2013-14 with 58 Partnership Agreements being finalised bringing the total to 95 partnership agreements covering financial transition for 152 Units.

Hazardous Materials and Condition Inspections

In addition to the six regions completed in 2012-13, Hazardous Materials Management Plans (HMMP) and Unit Condition Reports were conducted in the remaining 11 regions units during 2013-14. The HMMP Plans support NSW SES' commitment to the safety and wellbeing of its members; the inspections also baseline the condition and safety of NSW SES facilities, providing a foundation for future asset planning and maintenance action. The HMMP plans, including the Asbestos Management Plan, will be finalised during 2014-15.

Facility Plan

Facilities Branch has worked closely with Government Property NSW to develop an integrated and detailed Facility Plan to address the long term needs of NSW SES State Headquarters. A call for expressions of interest was released in February 2013 to select a site and a provider for construction of the new NSW SES State Headquarters, with the NSW Government providing an undertaking that the Headquarters would remain in the Illawarra.

In-house focus groups and specialist advisors were used to develop design specifications and technical fit-outs for the new headquarters. Subject matter experts from within NSW SES and specialist consultancy advisors have defined operational, administrative and redundancy conditions. A budget has been allocated for 2015/16 towards fit-out of a new State Headquarters facility and the Service continues to work with Government Property New South Wales and Treasury in assessing tenderers and their ability to deliver a new headquarters against Service capability requirements and financial capacity.

SAP Enterprise Asset Management (EAM)

Facilities Branch has been involved with the EAM Real Estate (RE) blueprinting phase including the capture and compiling of property information in preparation for upload of data into the system. EAM RE will provide a centralised property data base, identifying attributes for all NSW SES facilities.

EAM will improve the data recording and reporting capabilities of facilities. The RE module will maintain a portfolio of NSW SES owned, leased and occupied real estate property and manage the planning , facility administration and occupancy details with visibility from radio sites, units, region and State Headquarters locations.

Facilities Management

Facilities Branch continues to support the Service with general facilities assistance. Support was provided to regions and units to ensure facilities needs were met. Region headquarters have undertaken RCD upgrades to electrical supplies, effectively upgrading and enhancing Service capability in emergency response.

Grants totalling $700,000 were provided to local councils for upgrade of seven units across six regions including Ashford, Tumut, Kiama, Shellharbour, Gladstone, Marrickville and Yass Units. $2,607,098 was allocated for unit maintenance purposes to 232 units, providing volunteers with better facilities and enabling them to train and respond more effectively.

Fleet

Fleet Branch has been developing governance of the portfolio to enable clear and concise standards and directions to all Service members and to enable an easy to understand systematic approach for all volunteers that is in-line with government expectations.

The Centrally Managed Fleet Project is now at the end of the 2nd year of its 5 year lifespan. The project aims to standardise and centralise NSW SES Operational Fleet including transition of vehicles from Local Government Councils. Key achievements of the Fleet Project over the last 12 months include:

- $1,343,037.89 spent on transitioning vehicles identified as fit for purpose and safe to use from Local Government Councils to being owned and managed by NSW SES. Vehicles were acquired from Councils either by gift, nominal or market value. Since inception of the project a total of 302 vehicles, with market value of $5,631,342.24, have been transitioned at a total cost of $1,906,639.28.

- 74 General Purpose Utility vehicles were delivered across the state for use in logistics, command, flood rescue, towing, personnel transport, reconnaissance and light storm damage. Of these, 29 had the popular 'canopy over tray' solution installed. This design has the ability to load onto a flat tray which has several safety and security advantages.

- A significant project achievement was the build and delivery of three heavy rescue trucks. Design of these trucks was based on a Victoria SES design with modifications made by the Vehicle Design Group to ensure they meet operational needs. By mid-August, these three trucks will be delivered to NSW SES' Snowy River, Urbenville & Brewarrina units.

- A Driver Fleet Guide was developed containing all vehicle information such as accident process, breakdown procedures, servicing information, maintenance, familiarisation guides and useful contact phone numbers. These folders have been placed in all owned vehicles. Information can also be accessed online.

- 10 buses were leased, commissioned and delivered to regions. These buses assist with volunteer transportation, catering, mobile forward command, and control and communications.

- To ensure the safety of current vehicles, a vehicle weight assessment process was developed by a design engineer to ensure current vehicles are not overloaded. This program identified that 13 vehicles were heavily overweight and no rectification action could be taken. These vehicles were grounded and replaced with General Purpose Utility Vehicles. Action was taken on other overweight vehicles to ensure they remained safe to use. The completed vehicle weight assessment results will be used as a factor in determining vehicle replacement priorities.

- A reclassification of all vehicles occurred whereby vehicles are named by their capability. The development of a Vehicle Guidelines Document which introduces the new vehicle types has been instrumental to its success.

For 2014-15, the project team focus is to design, build and deliver light & medium storm damage/general rescue vehicles.

NSW SES continues to have a large marine fleet for operational response and in the last year six new vessels were delivered to remote areas increasing operational capability during flood responses. The Service continues to work with suppliers to determine future needs and to ensure volunteer safety during deployments. The Marine Fleet are developing a fleet safety system to ensure compliance with work health and safety legislation and are working with other government departments to ensure value for money in the procurement processes. New trailers and snow-mobiles have been delivered to increase the alpine search and rescue capability in Snowy Mountain Region.

Marine Fleet Deliveries:

In 2014-15 the Marine fleet focus will be developing standardised specifications that can meet the operational capability of NSW SES. Further work will be undertaken to refine and develop a marine fleet safety system to ensure the safety of volunteers.

NWR	Moree	30HP Motor
MQR	Collarenebri	385 Jabiru
CNR	Urunga	Refurbished vessel
MER	Hay	435 Jabiru
FWR	Bourke	505 FRB
HUR	Port Stephens	599 Bowloader

3.4 Operations

Operations Directorate is responsible for the day to day running of the Service's operational sphere. The Directorate provides operational support to the 17 regions and the members in the field.

The Operations Directorate includes the following branches:

- Special Operations
- Operation Centre
- Regions East and West
- Lessons Learned
- Public Safety and Emergency Management Program.

Special Operations

In support of NSW communities, NSW SES undertook 21,632 activities and recorded over 259,000 member hours in 2013-14. Storm response remained the most significant operational response with 15,902 activities and over 166,000 member hours recorded.

The Service currently maintains 79 General Land Rescue accredited units (71 Primary and 8 Secondary) and these units responded to a total of 603 incidents. The Service currently maintains 31 vertical rescue units and these units responded to a total of 29 incidents in 2013-14.

As the combat agency for flooding across NSW, the Service has a strong flood rescue capability. There are currently 80 NSW SES units accredited for Level 3 Flood Rescue by the State Rescue Board. The Service has 1,595 level 1 Flood Rescue Operators, 1,325 level 2 Flood Rescue Operators and 318 level 3 Flood Rescue Operators. The Service now holds 376 in service flood rescue boats and has the largest flood rescue fleet nationally.

The Service successfully hosted a full day multi-agency exercise in June 2014, designed to practice response arrangements to major flooding in the Hawkesbury Nepean River Valley. The exercise allowed participants, including Emergency Service Organisations, functional areas and other Government agencies to practice the knowledge, relationships and capabilities required to manage major flooding in the Hawkesbury-Nepean River Valley.

Review and update of the Operations Manual is being conducted in accordance with the Service's project management methodology to comprehensively update operational policies in a prioritised two-staged delivery.

The NSW SES Field Handbook received an administrative review during 2013-14, including a planned electronic version. The next stage will be research and analysis for delivery of this product through an interactive application.

The new Integrated Capability Development Structure was endorsed by the Senior Executive Group in November 2013. The structure has realigned existing operational working groups with the identified organisational capability streams. The structure is currently composed of five main capability streams: Storm, Flood, Tsunami, Incident Management and Support, which will provide a formal consultative mechanism to develop NSW SES capabilities.

The Approved Equipment Coordination Group (AECG) has promulgated the Approved Equipment List (AEL) and AEL Guidelines for the process governing introduction of new equipment, and ensuring all operational equipment in service meets all fit for purpose, safety, training and procurement requirements.

Phase two of the Heights Safety Kit (HSK) rollout was completed, with 260 HSKs being issued to eligible vehicles. This is an important step in ensuring our members remain safe when working at heights.

NSW SES holds a State Disaster Rescue Competition (SDRC) every two years to exercise teams in the skills associated with General Rescue, Storm Damage, Flood Rescue and other skills from the Public Safety Training Package. After being successful at the SDRC in August 2013, NSW SES Port Macquarie team travelled to Victoria to compete at the biennial National Disaster Rescue Competition (NDRC). The team were faced with seven emergency scenarios where they were judged on how they responded to each situation and were successful in taking out first place in the prestigious national competition.

Operation Centre

New initiatives for the OC included expansion of centralised radio communications, continued work on various projects and involvement in development and testing of 'beacon'.

Incoming Calls Summary

The OC received 111,220 incoming calls with an Average Speed of Answer (ASA) of 5 seconds and overall/average grade of service (GOS) of 84%, meaning 84% of calls were answered within 20 seconds with an average talk time (ATT) of 86 seconds. The majority of calls taken were for NSW SES SHQ Switchboard at 44,644, which is 40% of the total call volume being received on this line. The next highest call volume was for Flood/Storm Assistance with 38,442 (35%).

Activations

There were 22,360 activations throughout the reporting period, of which 19,954 were for Flood/Storm RFA's. There were 2,406 Rescue/Support activations throughout 2013-14, of which 620 were Road Crash Rescue, 303 were General Rescue, 475 were Community First Responder, 174 were Bushfire Support/Transport/Resupply, 738 were Support Activations, 73 were Flood Rescue, and 23 were Vertical Rescue activations.

Flood/storm Assistance – 132 500

38,442 calls to 132 500 were received in the OC. 19,954 Flood/Storm RFAs were taken in the OC for all units across NSW. The percentage conversion rate of 132 500 calls to Requests for Assistance was 57.91%.

WHS Reporting Line

The OC receives calls for the NSW SES WHS Reporting Line (1800 SES OHS). These calls are for NSW SES members, volunteers, and staff to report incidents, hazards, and near misses. OC records this information in SafeHold. There were 527 calls received on the WHS line for the 2013-14.

Centralised Radio Reporting

During 2013-14, there were 5,242 radio transmissions on the SES-S/OPS 1 channel.

Volunteer/Flood Information

There were 3,163 calls received on the Information Line. We sent out 2,106 information packs, of which 2,088 were Volunteer packs and 18 were Flood and Storm packs

Lessons Learned

The Lessons Learned Branch was established in 2011 to help NSW SES "learn lessons from corporate and operational activities that result in obvious improvement". The Branch is now also responsible for sharing knowledge across NSW SES, coordinating our involvement in research and ensuring results of this research are shared with all members.

The Lessons Learned Branch is responsible for running After Action Reviews (AARs) for both operational and corporate

activities. The AAR model was refined this year to include a root cause analysis of observations to more accurately identify actions that need to be implemented to address gaps in performance or to sustain positive performance. Lessons Learned Branch have conducted 34 AARs since 2012 and undertaken a review of the NSW SES Secondary School Cadet Program.

Changes that have come from these AARs include operational management changes, the way that StormSafe and WOW Day activities are conducted, and changes to improve various projects including the Fleet and 'beacon' Projects.

The AAR model developed by Lessons Learned Branch is now being used by NSW Rural Fire Service for their large scale After Action Reviews. The root cause analysis approach is being adopted by the South Australian Country Fire Service.

To facilitate sharing of knowledge across NSW SES, Lessons Learned team developed the Virtual Library on the Service's SharePoint site. This initiative won the 2013 AFAC Motorola Knowledge Innovation Award.

During 2013-14, NSW SES became heavily involved in the research activities of the Bushfire and Natural Hazards Cooperative Research Centre (BNHCRC). NSW SES welcomed establishment of the all hazard BNHCRC, seeing it as an opportunity to benefit from research relating to hazards relevant to the Service's combat role. The Service is supporting 12 of the 35 research projects being undertaken. Lessons Learned Branch is co-ordinating NSW SES' involvement with the BNHCRC and ensuring that knowledge gained through the research is shared across the organisation.

During the year, branch staff attended training delivered by NATO and the Adaptive Warfare Branch of the Australian Army. Knowledge gained from these courses has been used to refine the NSW SES approach to lessons and knowledge management.

The Branch has continued its work with the National Knowledge and Lessons Management Working Group, again promoting the Service's Lessons Learned Model and achievements to national security agencies and sharing relevant AAR observations. Branch staff were heavily involved in development of the Lessons Management Handbook published by Emergency Management Australia, and the "Manage and Conduct Evaluations Course" run by the Australian Emergency Management Institute.

Public Safety and Emergency Management Program

NSW SES Public Safety and Emergency Management (PSEM) program commenced on the 1st July 2013 with two key projects:

1. Develop a business case for the Public Safety and Emergency Management Program (incorporating computer aided dispatch), comprising the following:

- Strategic conceptual framework for preparedness and response
- Change impact from a people, process and technological perspective
- Project governance model
- Detailed cost analysis

Completed in March 2014, the PSEM business case was reviewed independently through the NSW Government Gateway Review process in May 2014, with a successful outcome.

2. Initiate replacement of the current operational management system (RFA Online) for NSW SES. The new operational management system 'beacon' is scheduled to go live in October 2014

Regions East & West

The combined Directorates of Regions East and Regions West provide frontline services to the entire population of New South Wales.

The Directorate of Regions East includes the regions of Richmond Tweed, Clarence Nambucca, Mid North Coast, Hunter, Sydney Northern, Sydney Western, Sydney Southern and Illawarra South Coast. The combined effort of the coastal, or eastern regions provide operational resources for the often densely populated coastal areas of New South Wales including Sydney.

The Directorate of Regions West includes the regions of Central West, Far West, Lachlan, Macquarie, Murray, Murrumbidgee, Namoi, North West and Southern Highlands. The nine western regions cover the vast inland areas of New South Wales with such diverse landscapes as the remote unincorporated areas of north western New South Wales; the major inland such as Wagga Wagga, Dubbo and Tamworth, and the remote alpine areas of the Snowy Mountains.

As a group, the two Directorates, 17 regions and 232 units provide the highly experienced and professional volunteer workforce that are the combat agency for flood, storms and tsunami and which NSW communities of New South Wales have relied on for almost 60 years.

With recruitment of additional Community Engagement Coordinators in the past two years, contact and consultation with communities has increased with an increase in community interactions and involvement in flood planning through Community Flood Reference Groups.

Operationally, the past 12 months has provided welcome relief from the flood and damaging storms of the past several years. Operational activity has been low in the combat roles for the organisation. There have however been other opportunities for NSW SES members to support the community. Of note, the disastrous fires of October 2013 saw many NSW SES members supporting other emergency agencies in their time of operational need. NSW SES members were also deployed to Western Australia to assist in the search for the missing Malaysian Airlines flight MH370 in the Indian Ocean.

Training and exercises continue to be a feature of NSW SES day to day business. A number of major exercises were conducted and a suite of revised training programs was released, providing a refreshed approach in a number of areas.

Flood rescue training continued to be a focus of growth in the past year with members attending Flood Rescue Operator training conducted at Penrith Whitewater Stadium. Alpine Search and Survival capability was also a focus with the delivery of new over snow vehicles being implemented to bolster alpine areas' resources.

Our Accredited General Land Rescue and Vertical Rescue Units continue to provide high value rescue services to the State. Regions and units remain committed to the Local and Region Emergency Management Committees, engaging with all agencies in preparation for emergency operations.

3.5 Information and Communication Technology

The Information and Communication Technology Directorate supports the organisation in preparing for and responding to emergencies. Day to day, the Directorate provides support to enable delivery of corporate services functions.

The Directorate comprises three Branches - Systems, Infrastructure and Radio.

These services include a variety of software systems that enable collaboration, communication and corporate service delivery; fixed, mobile and satellite telephony services; providing and maintaining radio and paging services and ensuring members have access to fixed and mobile broadband.

The Directorate is also responsible for all fixed and mobile computing resources, supporting infrastructure, and technology support services for all areas in NSW.

The past year has seen establishment of Radio Communications Branch to improve day to day management of these activities along with delivery of a $53 million radio upgrade project over the next five years.

2014-15 will see an increase in activity including:

- Continuation of our Radio Upgrade Project
- Commencing delivery of our mobility strategy
- Commencing an upgrade to Microsoft SharePoint
- A phased implementation of Shared Corporate System to improve assets management
- Commencing implementation of an eProcurement platform
- Continuation of our hardware upgrade program
- Commencing a region audio visual upgrade program for Regional Operations Centres and
- Commencing a peripherals replacement program for copiers, faxes and scanners.

Infrastructure Branch

Infrastructure Branch is responsible for management, implementation and enhancement of enterprise infrastructure and related servers, networks, workstations, telephony as well as end user support to facilitate delivery of NSW SES's core business processes. In 2013-14, the team has achieved:

- A refresh of the desktop and laptop fleet with replacement of 760 devices. All Unit Controllers in the state have been provided with new laptops. This has resulted in a better, more reliable service to units improved their ability to respond during operational periods.

- An upgrade to ICT infrastructure to increase capacity, capability and ensure critical systems remain supportable. This has resulted in improvements to business continuity and increased infrastructure capacity to support current and future business requirements.

- A new telecommunications expense platform to provide improved data to monitor and manage telephony costs. Changes to voice and data plans can now be modelled to determine cost savings before implementing the change.

- The Service Desk has been redesigned, with new Service Desk software deployed. Other critical NSW SES business units are being progressively integrated into the service desk so volunteers can have one point of call for service, regardless of the business unit servicing their request. The new software is now providing improved business analytics and problem management processes that will drive improvements in business efficiencies and identify training requirements across the organisation.

- Upgrade of broadband services at every regional headquarters, increasing speed and consistency of connections.

Systems Branch

Information Technology Systems Branch is responsible for NSW

SES's major operational, corporate and collaboration systems. The Branch also provides assistance and expertise to other business units. In 2013-14 the branch has achieved:

- Being a finalist for the Premier's Public Sector Award 2013 – Category: Improving Performance and Accountability with submission of the Emergency Services Enterprise Resource System Implementation (SAP Human Resources Module).

- A joint program with other agencies in the Police and Justice Cluster to commence implementation of an Enterprise Asset Management platform which will improve current asset management practice and contribute towards providing a safer work environment through well maintained equipment

- An Incident Management Toolbox was developed to provide a single repository of incident management products and tools accessible across the state. This repository delivers an easily located single point of access with a comprehensive compendium of documents, checklists, consideration matrices, situational dashboards, and aviation planning and deployment management tools.

- Development of a system to manage data entry and workflows associated with entry of flood intelligence information. The new system provides approval workflows for both intelligence and actions, as well as better data reporting.

- TRIM Electronic Record and Document Management System was implemented with 13,580 records successfully migrated into the new platform. Processes are currently being refined to enhance our record management capability.

- Rev-Trac Change Management System and Governance Risk and Compliance module were implemented into SAP to provide analysis into access levels of users and associated segregation of duty risks. NSW SES has begun working to mitigate issues identified by these new systems.

Radio Branch

Radio and Paging Branch was established during the year to improve organisational operational capacity and deliver the $53 Million Radio Communications Upgrade Project over the coming five years.

The Radio Communications Upgrade Project will improve safety through better communication systems by delivering fit for purpose industry best products and services. A focus on best practice, due diligence and probity has seen Broadcast Australia engaged to provide project management services for the project. The first year of the project has focused on planning with delivery over the remaining four years through:

- Re-profiling approximately 200 radio terminals to enable access to NSW Rural Fire Service Radio Network during fire season, specifically in the Blue Mountains.

- Implementing a ground to air profile to enable improved communications with the Westpac Lifesaver Rescue Helicopter Service, Ambulance Service of NSW, Careflight and NSW Rural Fire Service.

- Commissioning four additional radio sites in Murrumbidgee, Clarence Nambucca and Coffs Harbour areas.

- Implementing a unique radio profile for Lord Howe Island Unit to allow for interoperable communications between services on the island.

- Procuring dual band radios and satellite to smart phone connectivity devices for use in the alpine   areas of the State

- Conducting a high frequency digital analysis that identified a need for additional capability in this area, resulting in procurement of cutting edge communications devices.

Radio Branch has also commenced engaging with suppliers, consultants, industry conferences and vendors to begin scoping strategies for transforming to agile, robust and modular scalable radio communications systems integrated through technology convergence.

3.6 Community Safety

Community Safety Directorate comprises Geographical Information System Branch, Emergency Risk Management Branch and Community Engagement Branch, with multi-disciplinary specialists entirely focused on enhancing community-safety outcomes.

Geographical Information Systems

The Geographical Information Systems (GIS) Branch provides high quality decision-support information used every day for emergency preparation, prevention, response and recovery.

Over the last 12 months the Branch has developed a culture of community and industry engagement by:

- Completing Stage 3 of the NSW Flood Database Project in partnership with the Office of Environment and Heritage. This State project is identified as a priority action at Goal 28 of the NSW Government 2021 Plan. The NSW Flood Database Project aims to aggregate flood risk information from local flood studies for strategic decision making at both local and state government levels

- Supporting the Hawkesbury-Nepean Valley Flood Review. Geospatial analysis and mapping visualisations were developed to communicate flood management options in the final report to State Government.

The Branch has also contributed to changing the way people and their belongings are kept safe by increasing access to

prevention and preparedness services through:

- Finalising procedures to release NSW SES public information mapping products in conjunction with technology and media partners. The products will initially be used to communicate critical flood and tsunami evacuation areas to the public

- Publishing flood extents from air photography taken during the 2012 western NSW flooding for community access and research purposes. The dataset was presented at the 2013 NSW Open Data Forum and supports both community safety goals and open government initiatives.

The GIS Branch has also helped all NSW SES members to access technology that adds value to their roles by:

- Commencing development of the Emergency Map Centre, online mapping collaboration platform. The system enables NSW SES volunteers to log in remotely from local command centres or the field with mobile devices to view real-time, detailed geographic data relating to the incident. Mapping volunteers deployed to forward headquarters can instantly upload locally refined evacuation areas to a central system, allowing other datasets such as demographics or risks to infrastructure to be considered prior to release.

We have provided a range of opportunities to support the education and training of members. Volunteer members of the Mapping Support Team participated in Exercise Jackhammer at Port Macquarie to test a new impact assessment mapping tool. Operational mapping support during the year included:

- completing 363 operational and 104 administrative mapping tasks for volunteer and staff members averaging approximately nine per week

- each GIS Branch team member providing, on average, 102 hours of availability during the year for operational shifts in the State Operations Centre totaling 408 hours

- deploying volunteer members of the Mapping Support Team to support NSW Rural Fire Service mapping bushfire operations at Maitland in October 2013.

Emergency Risk Management

Flood Emergency Planning

Emergency Risk Management Branch has, in 2013-14, continued its revised approach to the Local Flood Plan review schedule based on a five-year, risk based review cycle for local plans. There are currently 132 Local Flood Plans in existence and during the year, 84 of these Local Flood Plans were subject to an intensive review process. More than 90% are now completed and endorsed, or are awaiting endorsements from the respective Local Emergency Management Committee at its next meeting.

The State Storm Emergency Sub-Plan was endorsed by the State Emergency Management Committee (SEMC) in September 2013. Reviews of the NSW State Flood Emergency Sub Plan and State Tsunami Emergency Sub-Plan have commenced with endorsements planned for next year.

ERM team members continue to serve on the Dam Safety Committee Emergency Sub-Committee and review Dam Safety Emergency Plans across the State. This year ERM Branch reviewed 14 Dam Safety Emergency Plans, participated in a dam failure exercises at Nowra and ANCOLD Dam Workshop in Sydney with key dam owners (Sydney Catchment Authority, State Water and Snowy Hydro).

Flood Intelligence

NSW SES continues active participation in the NSW Flood Warning Consultative Committee chaired by the Bureau of Meteorology. NSW SES does not maintain any responsibility for many of the telemetered and manual flood gauges in the state; however it works in partnership with the Bureau, Local Government and a range of other agencies to develop flood-warning and prediction services to the community.

Tsunami

NSW SES has finalised the NSW Tsunami Inundation Modelling and Risk Assessment project and has begun to integrate the results into NSW Tsunami preparedness activities including:

- coordinating community engagement activities

- update of the State Tsunami Plan and tsunami warnings in NSW, and

- making the results of the work available to the community (via the NSW SES website).

Hawkesbury-Nepean

The Hawkesbury-Nepean Valley represents one of the most serious flood problems in the State and NSW SES is a key participant in the Hawkesbury-Nepean Valley Flood Management Stage 2 Review and is working with the Task Force in providing resources to the various working groups.

The latest series of amendments to the Hawkesbury Nepean Emergency Flood Sub Plan has been finalised. This Plan will be further refined as part of the Hawkesbury Nepean Stage 2 Review.

Prevention and Floodplain Risk Management

NSW SES continues to produce submissions at strategic planning level and in floodplain coastal risk management processes that highlight the importance of considering emergency risk

management including reviewing flood studies, floodplain risk management studies and plans, and coastal erosion emergency action sub plans. For 2013-14, NSW SES provided feedback on the Metropolitan Strategy for Sydney 2031, draft Coastal Hazards and Planning Circular, NSW Investment Capability and Investment Plan, and the Australian Building Codes Board Discussion Paper - Resilience of Buildings to Extreme Weather Events.

In conjunction with NSW Office of Environment and Heritage and the Community Engagement team, the Branch developed a Coastal Erosion StormSafe Guide. This guide assists local landholders' to understand the requirements for construction of coastal protection works on beaches. It also provides information on what they can do to prepare for and respond to coastal erosion events.

NSW SES fosters a close working relationship with the Floodplain Management Association and actively participates in quarterly meetings and conference organisation.

NSW SES continues to support the Floodplain Risk Management Course for professional floodplain managers, delivered by University of Technology Sydney and developed by collaboration between UTS, NSW FMA, and NSW Office of Environment and Heritage.

Community Engagement

Under the NSW SES Plan, the Community Engagement Branch aims to build organisational and community resilience through our investments in people, governance and service delivery.

People

The Community Engagement Branch helped attract, train, support and retain members to the organisation through the following initiatives:

- Trained 36 members across the State, enhancing skills in planning and implementing community engagement activities
- Piloted a new non-competency based modular Community Engagement Training Package that extends the skills and knowledge of our members
- Hosted over 25 workshops, focus groups, pilots, and forums to better align our programs with community and member needs.

Governance

The Community Engagement Branch undertook the following governance activities:

- Developed the Community Engagement Strategic Plan 2014-17, enacted a Branch Business Plan, and individual performance plans to drive Community Engagement Branch

priorities
- Developed planning templates that help our decentralised teams assess hazard risk, population risk and community composition and connectedness to target key intervention.
- Enhanced tools that capture, analyse and apply data to drive organisational performance and enhance delivery of NSW SES community engagement programs.

Service Delivery

The Services aim to change the way people and their belongings are kept safe by increasing their access to prevention and preparedness services. In 2013-14 the branch has:

- distributed over 48,000 FloodSafe Guides; 41,205 StormSafe guides; and facilitated over 200,000 interactions with the public
- facilitated completion of over 1,528 online Home Emergency Plans and delivered over 10,875 Home FloodSafe Toolkits and 2105 Business FloodSafe Toolkits that assist households and businesses plan for severe weather events
- provided accessible formats including digital and hard copy, key community languages, AUSLAN, Braille and pictorial guides to meet communication needs of diverse communities
- developed radio, TV and new digital engagement tools to support our StormSafe, TsunamiSafe and FloodSafe campaigns, including a new TsunamiSafe website
- targeted tools to support engagement in different emergency management contexts and at-risk groups including 'StormSafe: Coastal Erosion Guide' and 'FloodSafe: Caravan Park Guides'
- developed tools to support engagement throughout different emergency management phases including the Recovery Guide and other public information tools and resources.

We aspire to collaborate and facilitate industry best practice though regular contributions to the:

- Bushfire and Natural Hazards Cooperative Research Centre
- Australasian Fire and Emergency Service Authorities Council: Community Engagement Technical Group and Warnings Group
- Ministry for Police and Emergency Services: Community Engagement Stakeholder Group
- Hawkesbury Nepean Review: Community Engagement Sub-Committee
- Australian Community Engagement and Fire Awareness Conference.

The service engages with communities to understand their

needs and tailor our services. In 2013-14 we have:

- enhanced a community profiling tool to include state and suburb level profiles, research and response data facilitate better understanding of the composition and needs of communities across NSW
- undertaken community focus groups and workshops to better understand community needs and wants in relation to the Home Emergency Plan and other preparedness resources.

Marketing and Sponsorship

Marketing and Sponsorship Unit continues to facilitate support provided by our Principal Partner NRMA Insurance. The partnership with NRMA Insurance is in its third year of supporting NSW SES. This strategic relationship helps deliver additional resources in a number of business areas as well as providing marketing and advertising opportunities.

The 2013 StormSafe Campaign encompassed a 'wind damage' theme, outdoor advertising in selected metro and rural areas, radio, press, web, social media, digital and use of prominent events like the Better Homes and Gardens Expo. It was combined with media events and press releases. The Principal Partnership with NRMA Insurance makes these activities and promotional opportunities a reality resulting in NSW SES public safety messages reaching a larger audience. This year also saw the first series of FloodSafe Workshops aimed at educating local communities on flood risks and prevention measures.

The 2013 Wear Orange Wednesday Day celebration was a huge success, with 300 people coming together on Bondi Beach in orange outfits to hold hands and spell out 'WOW' as a sign of thanks to NSW SES volunteers. WOW Day continues to grow and is well supported by NRMA Insurance and their branch network. Many local NRMA Insurance branches turned orange or hosted local events to show their appreciation of NSW SES volunteers and the work they do.

A total of $32,000 in funds was awarded to NSW SES units across the state as part of the 2014 NRMA Insurance Community Connect Program. Now also in its third year, the NRMA Insurance Community Connect program is a joint initiative with NSW SES and supports volunteers and their units in building community resilience. Since 2012, the program has provided over $150,000 in funding and this year saw selection of another 22 outstanding community engagement initiatives.

PRIME7 continued to be media partners with NSW SES promoting community safety messages and WOW Day to television audiences across regional NSW. NSW SES and PRIME7 are looking forward to further community activities and promotions in 2014-15 in order to highlight the importance of

preparedness.

NSW SES Brand On-Line arrived in 2013-14 and is now available for NSW SES members as a central repository for promotional collateral, where they can download materials, logos and branded items that are catalogued to upcoming marketing programs. Brand Online is a one stop shop that houses all branding information, allowing visibility, consistency, cost savings, efficiencies and touch of a button updates, introductions and amendments. This results in less duplicated designs and wastage of collateral, better sharing of successful initiatives, increased consistency and a common language for our public safety messaging.

Financial Statements

INDEPENDENT AUDITOR'S REPORT

State Emergency Service

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of State Emergency Service (the Service), which comprise the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity, statement of cash flows and service group statements for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Basis for Qualified Opinion

As is common for entities that have donations and fundraising as sources of revenue, it is impracticable to maintain an effective system of control over donation and fundraising revenues until its initial entry in the financial records. Accordingly, as the evidence available to me regarding revenue from these sources was limited, my audit procedures with respect to donation and fundraising revenues were restricted to the amounts recorded in the financial records. I am therefore unable to express an opinion on whether all donation and fundraising revenues received by the Service during the year ended 30 June 2014 were recorded in the financial records. My 30 June 2013 was similarly qualified.

Qualified Opinion

In my opinion, except for the matter referred to in the Basis of Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the financial position of the Service as at 30 June 2014, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

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

Commissioner's Responsibility for the Financial Statements

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

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Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Service's preparation of the financial statements that give a true and fair view 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 Service's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Commissioner, as well as evaluating the overall presentation of the financial statements.

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

My opinion does *not* provide assurance:

- about the future viability of the Service
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information that may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.

Grant Hehir
Auditor-General

22 September 2014
SYDNEY

NSW STATE EMERGENCY SERVICE
FINANCIAL STATEMENTS
For the Year Ended 30 June 2014

STATEMENT BY COMMISSIONER

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

(a)   The accompanying financial report has been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Financial Reporting Code for Budget Dependent General Government Sector Agencies, the applicable clauses of the Public Finance and Audit Regulation 2010 and Treasurer's Directions;

(b)   The financial report exhibits a true and fair view of the financial position and financial performance of the Service for the year ended 30 June 2014; and

(c)   There are no circumstances which would render any particulars in the financial report to be misleading or inaccurate.

Jim Smith AFSM
Acting Commissioner

18 September 2014

NSW STATE EMERGENCY SERVICE
Statement of comprehensive income
for the year ended 30 June 2014

	Notes	Actual 2014 $'000	Budget 2014 $'000	Actual 2013 $'000
Expenses excluding losses				
Operating expenses				
Employee related	2(a)	33,228	33,515	29,248
Other operating expenses	2(b)	37,981	36,959	37,860
Depreciation	1(h)(v) & 2(c)	4,946	5,468	4,097
Grants and subsidies	2(d)	3,854	3,930	3,937
Other expenses (Disaster Relief)	2(e)	4,727	5,000	12,796
TOTAL EXPENSES EXCLUDING LOSSES		84,736	84,872	87,938
Revenue				
Sales of goods and services	3(a)	332	36	71
Investment revenue	3(b)	484	104	463
Grants and contributions	3(c)	88,350	88,867	94,061
Acceptance by the Crown Entity of employee benefits and other liabilities	1(i)(ii)(b) & 3(d)	896	133	(112)
Other revenue	3(e)	1,410	300	1,952
Total Revenue		91,472	89,440	96,435
Gain / (loss) on disposal	4	(637)	(149)	(171)
Other gains / (losses)	5	-	-	83
Net Result		6,099	4,419	8,409
Other comprehensive income				
Total other comprehensive income		-	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS)		6,099	4,419	8,409

The accompanying notes form part of these financial statements.

NSW STATE EMERGENCY SERVICE
Statement of financial position
as at 30 June 2014

ASSETS	Notes	Actual 2014 $'000	Budget 2014 $'000	Actual 2013 $'000
Current Assets				
Cash and cash equivalents	7	19,762	13,676	15,442
Receivables	8	2,542	2,503	4,563
Inventories	1(h)(xi) & 9	5,624	4,066	4,025
Other	10	3	-	3
Total Current Assets		27,931	20,245	24,033
Non - Current Assets				
Property, Plant and Equipment				
- Land and buildings	11	9	166	-
- Plant and equipment	11	21,698	21,286	18,819
Total Property, Plant and Equipment		21,707	21,452	18,819
Total Non-Current Assets		21,707	21,452	18,819
Total Assets		49,638	41,697	42,852
LIABILITIES				
Current Liabilities				
Payables	12	9,824	7,722	9,848
Provisions	13	4,018	3,293	3,315
Total Current Liabilities		13,842	11,015	13,163
Non - Current Liabilities				
Provisions	14	40	37	32
Total Non - Current Liabilities		40	37	32
Total Liabilities		13,882	11,052	13,195
Net Assets		35,756	30,645	29,657
EQUITY				
Accumulated funds		35,756	30,645	29,657
Total Equity		35,756	30,645	29,657

The accompanying notes form part of these financial statements.

NSW STATE EMERGENCY SERVICE
Statement of changes in equity
for the year ended 30 June 2014

	Accumulated Funds $'000	Total $'000
Balance at 1 July 2013	29,657	29,657
Net result for the year	6,099	6,099
Total comprehensive income for the year	6,099	6,099
Balance at 30 June 2014	35,756	35,756
Balance at 1 July 2012	21,248	21,248
Net result for the year	8,409	8,409
Total comprehensive income for the year	8,409	8,409
Balance at 30 June 2013	29,657	29,657

NSW STATE EMERGENCY SERVICE
Statement of cash flows
for the year ended 30 June 2014

	Notes	Actual 2014 $'000	Budget 2014 $'000	Actual 2013 $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(31,551)	(32,950)	(28,984)
Grants and subsidies		(8,581)	(8,930)	(16,733)
Other		(45,016)	(38,259)	(43,573)
Total Payments		**(85,148)**	**(80,139)**	**(89,290)**
Receipts				
Sale of goods and services		1,829	36	71
Interest received		447	104	442
Emergency Services Levy		62,809	65,289	60,612
Grants and contributions		12,624	12,624	30,248
Other		18,209	11,966	7,182
Total Receipts		**95,918**	**90,019**	**98,555**
NET CASH FLOWS FROM OPERATING ACTIVITIES	18	**10,770**	**9,880**	**9,265**
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of land and buildings, plant & equipment		157	71	172
Purchases of land and buildings, plant and equipment		(6,607)	(10,338)	(6,665)
NET CASH FLOWS FROM INVESTING ACTIVITIES		**(6,450)**	**(10,267)**	**(6,493)**
CASH FLOWS FROM FINANCING ACTIVITIES				
NET CASH FLOWS FROM FINANCING ACTIVITIES		**-**	**-**	**-**
NET INCREASE/(DECREASE) IN CASH		**4,320**	**(387)**	**2,772**
Opening cash and cash equivalents		15,442	14,063	12,670
CLOSING CASH AND CASH EQUIVALENTS	7	**19,762**	**13,676**	**15,442**

The accompanying notes form part of these financial statements.

NSW STATE EMERGENCY SERVICE

Service group statements for the year ended 30 June 2014

ENTITY'S EXPENSES & INCOME	Service Group 1*		Service Group 2*		Not Attributable		Total	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Expenses excluding losses								
Operating expenses								
- Employee related	8,307	7,311	24,921	21,937	-	-	33,228	29,248
- Other operating expenses	9,495	8,603	28,486	29,257	-	-	37,981	37,860
Depreciation ***	-	-	4,946	4,097	-	-	4,946	4,097
Grants and subsidies	964	984	2,890	2,953	-	-	3,854	3,937
Other expenses (Disaster Relief)	-	-	4,727	12,796	-	-	4,727	12,796
Total expenses excluding losses	**18,766**	**16,898**	**65,970**	**71,040**	**-**	**-**	**84,736**	**87,938**
Revenue**								
Sale of goods and services	83	18	249	53	-	-	332	71
Investment revenue	121	87	363	376	-	-	484	463
Grants and contributions	18,954	18,347	56,772	64,185	12,624	11,529	88,350	94,061
Acceptance by the Crown Entity of employee benefits and other liabilities	224	(28)	672	(84)	-	-	896	(112)
Other revenue ***	513	691	897	1,261	-	-	1,410	1,952
Total revenue	**19,895**	**19,115**	**58,953**	**65,791**	**12,624**	**11,529**	**91,472**	**96,435**
Gain / (loss) on disposal	-	-	(637)	(171)	-	-	(637)	(171)
Other gains / (losses)	-	-	-	83	-	-	-	83
Net Result: surplus / (deficit)	**1,129**	**2,217**	**(7,654)**	**(5,337)**	**12,624**	**11,529**	**6,099**	**8,409**
Other Comprehensive Income								
Increase / (decrease) in revaluation surplus	-	-	-	-	-	-	-	-
Total Other Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL COMPREHENSIVE INCOME / (LOSS)	**1,129**	**2,217**	**(7,654)**	**(5,337)**	**12,624**	**11,529**	**6,099**	**8,409**

* The names and purposes of each service group are summarised in Note 6.

** Appropriations are made on an entity basis and not to individual service groups. Consequently, appropriations must be included in the 'Not Attributable' column.

Cluster grant funding is also unlikely to be attributable to individual service groups.

*** Comparative figures have been reclassified to ensure that the figures are comparable. The net result has not changed.

NSW STATE EMERGENCY SERVICE

Service group statements for the year ended 30 June 2014

ENTITY'S ASSETS & LIABILITIES	Service Group 1* 2014 $'000	Service Group 1* 2013 $'000	Service Group 2* 2014 $'000	Service Group 2* 2013 $'000	Not Attributable 2014 $'000	Not Attributable 2013 $'000	Total 2014 $'000	Total 2013 $'000
Current assets								
Cash and cash equivalents **	4,941	3,861	14,821	11,581	-	-	19,762	15,442
Receivables	581	751	1,961	3,812	-	-	2,542	4,563
Inventories	1,406	1,006	4,218	3,019	-	-	5,624	4,025
Other	1		2	2	-	-	3	3
Total current assets	**6,929**	**5,619**	**21,002**	**18,414**	-	-	**27,931**	**24,033**
Non-current assets								
Land & Buildings	2	-	7	-	-	-	9	-
Plant and equipment	-	-	21,698	18,819	-	-	21,698	18,819
Total non-current assets	**2**	**-**	**21,705**	**18,819**	-	-	**21,707**	**18,819**
TOTAL ASSETS	**6,931**	**5,619**	**42,707**	**37,233**	-	-	**49,638**	**42,852**
Current liabilities								
Payables	2,436	2,462	7,388	7,386	-	-	9,824	9,848
Provisions	1,005	829	3,013	2,486	-	-	4,018	3,315
Total current liabilities	**3,441**	**3,291**	**10,401**	**9,872**	-	-	**13,842**	**13,163**
Non-current liabilities								
Provisions	10	8	30	24	-	-	40	32
Total non-current liabilities	**10**	**8**	**30**	**24**	-	-	**40**	**32**
TOTAL LIABILITIES	**3,451**	**3,299**	**10,431**	**9,896**	-	-	**13,882**	**13,195**
NET ASSETS	**3,480**	**2,320**	**32,276**	**27,337**	-	-	**35,756**	**29,657**

* The names and purposes of each service group are summarised in Note 6.

** Comparative figures have been reclassified to ensure that the figures are comparable. The net result has not changed.

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

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NSW STATE EMERGENCY SERVICE
Notes to the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting entity

The NSW State Emergency Service (NSW SES) is a NSW government entity. The NSW SES is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

These financial statements for the year ended 30 June 2014 have been authorised for issue by the Commissioner on 18 September 2014.

(b) Basis of preparation

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

· applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
· the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2010*; and
· the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

Property, plant and equipment are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

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

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of compliance

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

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

(d)   Trust funds

The agency administers, but does not control, certain activities on behalf of other organisations. It is accountable for the transactions relating to those trust activities but does not have the discretion, for example, to deploy the resources for the achievement of the entity's own objectives.

Transactions and balances relating to the trust activities are not recognised as the entity's income, expenses, assets and liabilities, but are disclosed in the accompanying schedules as 'Trust Funds'.

The accrual basis of accounting and applicable accounting standards have been adopted.

(e)   Insurance

The entity's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

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

Income, expenses and assets are recognised net of the amount of GST, except that the:
- the amount of GST incurred by the entity as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the asset's cost of acquisition or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

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

(g)   Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

(i)   Grants and contributions

Grants and contributions from other bodies are recognised as income when the entity obtains control over the assets comprising the grant/contributions. Control over grants and contributions is normally obtained upon the receipt of cash.

(g) **Income recognition (continued)**

(i) **Grants and contributions (continued)**

The NSW SES received contributions from local government councils (11.7%) and insurance companies (73.7%). NSW Treasury (14.6%) provided the state government contribution by way of annual grants through the Department of Justice (DJ).

Annual grants from DJ are now reported as grants and contributions revenue.

(ii) **Sale of goods**

Revenue from the sale of goods is recognised as revenue when the entity transfers the significant risks and rewards of ownership of the assets.

(iii) **Rendering of services**

Revenue is recognised when the service is provided.

(iv) Investment revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

(v) Donation revenue

Revenue from fundraising activities is recognised when the cash is received.

(h) **Assets**

(i) Acquisition of assets

Assets acquired are initially recognised at cost. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

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

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

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. deferred payment amount is effectively discounted at an asset-specific rate.

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

(h)   Assets (continued)

(ii) Capitalisation thresholds

Property, plant and equipment costing $5,000 and above individually (or forming part of a network costing more than $5,000) are capitalised. The asset classifications comprise Rescue Equipment, Communication Equipment and Computer Equipment. All vehicles are capitalised.

(iii) Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 14-1). This policy adopts fair value in accordance with AASB 13 *Fair Value Measurement,* and AASB 116 *Property, Plant and Equipment.*

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

Items of plant and equipment, as non-specialised assets with short useful lives, are measured at depreciated historical cost, as a surrogate for fair value. Plant and equipment assets are tested for impairment where an indicator for impairment exists. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss.

The entity revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation was completed during the year ended 30 June 2009 and was based on an independent assessment.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation is separately restated.

(h)   Assets (continued)

(iii) Revaluation of property, plant and equipment (continued)

For other assets, any balances of accumulated depreciation at the valuation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of assets previously recognised as an expense in the net result, the increment is recognised immediately as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the revaluation surplus in respect of the same class of assets, they are debited directly to the revaluation surplus.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the revaluation surplus in respect of that asset is transferred to accumulated funds.

(iv) Impairment of property, plant and equipment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. As property, plant and equipment is carried at fair value, impairment can only arise in the rare circumstances where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

(v) Depreciation of property, plant and equipment

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

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

Land is not a depreciable asset.

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

(h)   Assets (continued)

(v) Depreciation of property, plant and equipment (continued)

The useful lives of major categories of assets are:

Buildings	40 years
Plant and Equipment	5 to 10 years
Computers	5 years
Furniture and Fixtures	8 to 10 years
Operational Equipment	5 to 8 years
Communication Equipment	5 years

(vi) Major inspection costs

When each major inspection is performed, the labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

(vii) Restoration costs

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

(viii) Maintenance

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

(ix) Leased assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor does not transfer substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease at the commencement of the lease term, the asset is recognised at its fair value, or if lower, the present value of the minimum lease payments, at the inception of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the statement of comprehensive income in the periods in which they are incurred.

(h)   Assets (continued)

(x) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost, or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(xi) Inventories

Inventories held for distribution are stated at cost, adjusted when applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of a current replacement cost that is lower than the carrying amount. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost or "first in first out" method.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost as at the date of acquisition. Current replacement cost is the cost the entity would incur to acquire the asset. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(xii) Impairment of financial assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

(h)   Assets (continued)

(xiii) Derecognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if they entity transfers the financial asset:

- where substantially all the risks and rewards have been transferred or
- where the entity has not transferred substantially all the risks and rewards, if the entity has not retained control.

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

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

(xiv) Other Assets

Other assets are recognised on a cost basis.

(i)   Liabilities

(i) Payables

These amounts represent liabilities for goods and services provided to the entity and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(ii) Employee benefits and other provisions

(a)   Salaries and wages, annual leave, sick leave and on-costs

Salaries and wages (including non-monetary benefits), and paid sick leave that are due to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted). Actuarial advice obtained by Treasury has confirmed that the use of a nominal approach plus the annual leave on annual leave liability (using 7.9% of the nominal value of annual leave)

(i)   Liabilities (continued)

ii) Employee benefits and other provisions (continued)

      (a)   Salaries and wages, annual leave, sick leave and on-costs (continued)

can be used to approximate the present value of the annual leave liability. The entity has assessed the actuarial advice based on the entity's circumstances and has determined that the effect of discounting is immaterial to annual leave.

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

      (b)   Long service leave and superannuation

The entity's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The entity accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown Entity of employee benefits and other liabilities'.

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based in the application of certain factors (specified in NSWTC 14/04) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

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

      c)   Consequential on-costs

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

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

(j)   Equity

Accumulated Funds

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

(k)   Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period, as adjusted for section 24 of the PFAA where there has been a transfer of functions between departments. Other amendments made to the budget are not reflected in the budgeted amounts.

(l)   Comparative information

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

(m)   Changes in accounting policy, including new or revised Australian Accounting Standards

(i)   Issued but not yet effective

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

The following new Australian Accounting Standards have not been applied and are not yet effective. These include:

- AASB 9, AASB 2010-7 and AASB 2012-6 regarding financial instruments
- AASB 10 Consolidated Financial Statements
- AASB 11 Joint Arrangements
- AASB 12 Disclosure of Interests in Other Entities
- AASB 127 Separate Financial Statements
- AASB 128 Investments in Associates and Joint Ventures
- AASB 1031 Materiality
- AASB 1055 and AASB 2013-1 regarding budgetary reporting
- AASB 2011-7 regarding consolidation and joint arrangements
- AASB 2012-3 regarding offsetting financial assets and financial liabilities
- AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets

m)   Changes in accounting policy, including new or revised Australian Accounting Standards (continued)

(i)   Issued but not yet effective (continued)

- AASB 2013-4 regarding financial instruments – Novation of Derivatives and Continuation of Hedge Accounting
- AASB 2013-5 regarding accounting for Investment Entities
- AASB 2013-6 regarding Reduced Disclosure Requirements
- AASB 2013-7 regarding accounting for life insurance contracts
- AASB 2013-8 regarding Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities
- AASB 2013-9 regarding the Conceptual Framework, Materiality and Financial Instruments (Parts B and C).

The possible impact of these Standards in the period of initial application is not anticipated to have any material impact on the financial performance or position of the NSW SES.

(ii)   Issued and effective in the reporting period

a)   AASB 119 – Employee Benefits: the standard prescribed amendments to the accounting and disclosure for employee benefits by employers. There is only limited impact on the NSW SES and relates to the measurement and reporting of annual leave liabilities in respect to employees. The financial impact in 2013/14 for annual leave now classified as long term was $240,000.

b)   AASB 13 – Fair Value Measurement: the standard specifies how "fair value" should be used when its use is required or permitted by IFRS as a measurement technique. There is no significant impact on the NSW SES as assets continue to be measured using depreciated historical cost as a surrogate for fair value.

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

	2014 S'000	2013 S'000
2. **Expenses Excluding Losses**		
(a) Employee related expenses		
Salaries and wages (including recreation leave)	26,958	25,010
Superannuation - defined benefit plans	408	380
Superannuation - defined contribution plans	2,061	1,788
Long service leave	1,544	358
Workers' compensation insurance	376	302
Payroll tax and fringe benefit tax	1,881	1,410
	33,228	**29,248**
(b) Other operating expenses include the following:		
Auditor's remuneration		
- Audit of financial statements	253	116
Operating lease rental expense		
- Minimum lease payments	2,236	1,944
Insurance	484	481
Cleaning	376	284
Utilities	762	710
Fleet expenditure **	3,442	2,538
Travel	731	872
Freight, cartage and packing	116	94
Advertising and publicity	414	346
Communication	10,960	11,233
Printing and Stationery **	728	521
Fees for services rendered **	908	1,735
Consultants	1,469	274
Training	1,805	1,986
Maintenance*	2,295	2,427
Computer Services	2,483	1,403
Minor Equipment **	7,260	7,316
Inventory **	1,985	1,625
Unit Inventory Recognition ***	(2,123)	-
General Expenses **	1,397	1,955
	37,981	**37,860**
***Reconciliation - Total maintenance**		
Maintenance expense - contracted labour		
and other (non-employee related), as above	2,295	2,427
Employee related maintenance expense included in 2(a)	-	-
Total maintenance expenses included in Note 2(a) + 2(b)	**2,295**	**2,427**

** Comparative figures have been reclassified to ensure that the figures are comparable. The net result has not changed.
*** Represents an adjustment to recongise inventory on hand at SES units.

	2014 S'000	2013 S'000
(c) Depreciation expense:		
Plant & equipment	4,946	4,097
	4,946	**4,097**
(d) Grants and subsidies		
Grants - Emergency workers compensation insurance contribution *	3,000	3,000
Grants - Unit accommodation **	854	937
	3,854	**3,937**

* Grants to Emergency workers compensation represents payments required under the Emergency and Rescue Workers Compensation Fund.
** Grants for 2014 were for unit accommodation only, the funding of rescue vehicles now form part of 'Fleet expenditure' under 'Other operating expenses' in note 2(b) above.

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

		2014 $'000	2013 $'000
2.	**Expenses Excluding Losses (continued)**		
	(e) Other expenses		
	Disaster Relief - Goods and services	3,322	9,704
	Disaster Relief - Staff	1,405	3,092
		4,727	12,796

Flood, storm, tsunami and bushfire relief payments are made during emergencies for expenses
directly attributable to Natural Disaster events. These payments are reimbursable through
the Natural Disaster Relief Arrangements between the Commonwealth and NSW Governments.

		2014 $'000	2013 $'000
3.	**Revenue**		
	(a) Sale of goods and rendering of services		
	Sale of goods and rendering of services	332	71
		332	71
	(b) Investment revenue		
	Interest revenue from financial assets not at fair value through profit or loss	484	463
		484	463
	(c) Grants and contributions		
	Disaster relief	(89)	9,146
	Donations	1,027	1,559
	Vesting of vehicles by Local Government	2,021	1,704
	Insurance company contributions	62,809	60,612
	Local Government contributions	9,958	9,511
	Department of Justice Grants:		
	Recurrent appropriation grant	11,114	10,558
	Capital appropriation grant	1,510	971
		88,350	94,061
	(d) Acceptance by the Crown Entity of employee benefits and other liabilities		
	The following expenses have been assumed by the Crown Entity:		
	Superannuation - defined benefit	408	380
	Payroll tax	19	21
	Long service leave	469	(513)
		896	(112)
	(e) Other revenue		
	Other revenue received by NSW SES units *	632	1,049
	Miscellaneous	280	248
	NRMA Sponsorship	285	367
	Natural Disaster Mitigation Program	213	288
		1,410	1,952

* Includes revenue from fundraising activities

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

		2014 $'000	2013 $'000
4.	**Gain / (Loss) on Disposal**		
	Proceeds from sale	157	172
	Less: written down value of assets disposed	(794)	(343)
		(637)	(171)
5.	**Other Gains / (Losses)**		
	Impairment of receivables	-	-
	Impairment written back	-	83
		-	83

6. Service Groups of the Entity

(a) Service Group 1 - Community and Organisational Preparedness

This service group covers the preparedness and resilience of both communities and Volunteers when preparing for and dealing with the impact of storms, floods and tsunamis to ensure their safety and well being during emergency situations.

(b) Service Group 2 - Emergency Management

This service group covers the capacity to deliver emergency management services to reduce or mitigate property damage, injury and loss of life among the community and Volunteers.

7. Current Assets - Cash and Cash Equivalents

	2014	2013
Cash at bank and on hand	19,762	15,442
	19,762	15,442

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and cash at bank.

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

	2014	2013
Cash and cash equivalents (per statement of financial position)	19,762	15,442
Closing cash and cash equivalents (per statement of cash flows)	19,762	15,442

Refer Note 21 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

Refer Note 22 for details regarding restricted assets.

8. Current Assets - Receivables

	2014	2013
Sale of goods and services	138	439
Accrued interest receivable	235	198
Emergency Services Levy Receivable	159	586
Natural Disaster Relief and Recovery Receivable	-	1,497
GST Receivable	1,021	1,508
FBT Receivable	20	8
Prepayments	514	324
Other	455	3
	2,542	4,563

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

	2014 $'000	2013 $'000
8. Current Assets - Receivables (continued)		
Movement in the allowance for impairment		
Balance at 1 July	-	(158)
Amounts written off during the year	-	75
Amounts recovered during the year	-	83
(Increase)/decrease in allowance recognised in profit or loss	-	-
Balance at 30 June	-	-

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 21.

	2014 $'000	2013 $'000
9. Current Assets - Inventories		
Held for distribution		
Clothing, equipment and other items - at cost *	5,624	4,025
	5,624	4,025

* Includes an adjustment to recongise inventory on hand at SES units

	2014 $'000	2013 $'000
10. Current Assets - Other		
Travel advances	3	3
	3	3

11. Non-Current Assets - Property, Plant and Equipment

	Land and Buildings $'000	Plant and Equipment $'000	Total $'000
At 1 July 2013 - fair value			
Gross carrying amount	-	48,554	48,554
Accumulated depreciation	-	(29,735)	(29,735)
Net carrying amount	-	18,819	18,819
At 30 June 2014 - fair value			
Gross carrying amount	9	51,129	51,138
Accumulated depreciation	-	(29,431)	(29,431)
Net carrying amount	9	21,698	21,707

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

	Land and Buildings $'000	Plant and Equipment $'000	Total $'000
Year Ended 30 June 2014			
Net carrying amount at start of year	-	18,819	18,819
Purchases	9	6,598	6,607
Vesting of vehicles		2,021	2,021
Disposals	-	(6,044)	(6,044)
Depreciation expense	-	(4,946)	(4,946)
Accumulated depreciation written back on disposal	-	5,250	5,250
Net carrying amount at end of year	9	21,698	21,707

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

11. Non-Current Assets - Property, Plant and Equipment (continued)

	Land and Buildings $'000	Plant and Equipment $'000	Total $'000
At 1 July 2012 - fair value			
Gross carrying amount	166	41,571	41,737
Accumulated depreciation	-	(26,847)	(26,847)
Net carrying amount	166	14,724	14,890
At 30 June 2013 - fair value			
Gross carrying amount	-	48,554	48,554
Accumulated depreciation		(29,735)	(29,735)
Net carrying amount	-	18,819	18,819

Reconciliation

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

	Land and Buildings $'000	Plant and Equipment $'000	Total $'000
Year Ended 30 June 2013			
Net carrying amount at start of year	166	14,724	14,890
Purchases	-	6,665	6,665
Vesting of vehicles	-	1,704	1,704
Disposals	(166)	(1,386)	(1,552)
Depreciation expense	-	(4,097)	(4,097)
Accumulated depreciation written back on disposal	-	1,209	1,209
Net carrying amount at end of year	-	18,819	18,819

	2014 $'000	2013 $'000
12. Current Liabilities - Payables		
Accrued salaries, wages and on-costs	1,184	1,128
Creditors	8,570	8,401
Unearned revenue	70	319
	9,824	9,848

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed in Note 21.

13. Current Liabilities - Provisions

	2014	2013
Employee benefits and related on-costs		
Annual leave	3,268	2,706
Long service leave on-costs	750	609
Total Provisions	4,018	3,315

14. Non-Current Liabilities - Provisions

	2014	2013
Employee benefits and related on-costs		
Long service leave on-costs	40	32
Total Provisions	40	32
Aggregate employee benefits and related on-costs		
Provisions - current (note 13)	4,018	3,315
Provisions - non-current (note 14)	40	32
Accrued salaries, wages and on-costs (note 12)	1,184	1,128
	5,242	4,475

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

		2014 $'000	2013 $'000
15.	**Commitments for expenditure**		
	(a) Operating Lease Commitments		
	Future non cancellable operating lease rentals not provided for and payable:		
	Not later than one year	· 3,794	3,697
	Later than one year but not later than five years	7,746	8,188
	Later than five years	5,602	5,545
	Total (including GST)	17,142	17,430
	GST included above which is expected to be paid to the Australian Taxation Office	1,558	1,585

Lease commitments include rent on premises previously owned or leased by the entity
that were vested to Government Property NSW during 2008/09. Also included are motor
vehicle lease commitments with State Fleet and leases on Government Radio Network sites.

(b) Capital Commitments
Aggregate capital expenditure for the acquisition of non-current
assets contracted for at balance date and not provided for:

	2014	2013
Not later than one year		
Operational Equipment	-	-
Communications	202	45
Computer Hardware	-	12
Motor Vehicles	284	521
Total (including GST)	486	578
GST included above which is expected to be paid to the Australian Taxation Office	44	52

16.   Contingent Liabilities and Contingent Assets

The NSW SES had no contingent liabilities or contingent assets as at 30 June 2014. (2013: nil)

17.   Budget Review

Net Result
The Net Result of $6.1m surplus compared favourably with the budget of $4.4m surplus. This is due to the increase in total revenue $2.0m.

Assets and liabilities
Actual net assets was $5.1m higher than budget. This is mainly attributable to a higher cash balance ($4.2m taking in to account payables), and a $1.6m increase in inventories.

Cash flows
Cash flows from operating activities were $1.0m higher than budget. The main cause of this variation was cash donations (totalling $1.0m).

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

		2014 $'000	2013 $'000
18.	**Reconciliation of Cash Flows from Operating Activities to Net Result**		
	Net cash used on operating activities	10,770	9,265
	Depreciation	(4,946)	(4,097)
	Vesting of vehicles by Local Government	2,021	1,704
	Net gain/(loss) on disposal of non-current assets	(637)	(171)
	Decrease/(increase) in provisions	(711)	139
	Increase/(decrease) in receivables	(2,021)	1,972
	Increase/(decrease) in inventories	1,599	(41)
	Decrease/(increase) in payables	24	(520)
	Allowance for impairment	-	158
	Net result	**6,099**	**8,409**

19. **Material Assistance Provided by Other Bodies or Persons to the Entity**

Instances exist of material services having been provided to the NSW SES and for which no actual payment was made. Such services would include:

(a) The provision by NRMA of 'in kind' support consisting of printing, program delivery and resources associated with enhanced community preparedness and education delivery,

(b) Training of NSW SES Volunteers and permanent staff at the Emergency Management Australia Institute, Mount Macedon (Victo

(c) Consultancy and advice from the Office of Environment and Heritage, Bureau of Meteorology and various Catchment Management Authorities,

(d) NSW SES Community Service Announcements broadcast by PRIME7 television and ABC Radio across rural and regional New South Wales,

(e) Provision of email accounts to all NSW SES Volunteers by Microsoft through their Global Citizenship Program, and

(f) Provision of travel assistance by the Commonwealth Attorney General's Department to attend working groups.

A reliable measurement of the value of these services is not available and therefore they have not been recognised in the financial statements.

		2014 $'000	2013 $'000
20.	**Trust Funds**		
	Cash at bank	-	56

The trust funds in 2013 represented funds held on behalf of BHP Billiton. These funds were transferred to the South Australian State Emergency Service in February 2014.

21. **Financial Instruments**

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

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

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

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
			2014	2013
Class:			**$'000**	**$'000**
Cash and cash equivalents	7	N/A	19,762	15,442
Receivables[1]	8	Loans and receivables (at amortised cost)	987	2,723

Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
			2014	2013
Class:			**$'000**	**$'000**
Payables[2]	12	Financial liabilities measured at amortised cost	9,469	9,452

Notes

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).

2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).

(b) Credit Risk

Credit risk arises when there is the possibility that the counterparty will default on their contractual obligations, resulting in a financial loss to the entity. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

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

Credit risk associated with the entity's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Authority deposits held with NSW TCorp are guaranteed by the State.

Cash

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System as well as unit account balances held with external financial institutions. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to NSW Treasury. Interest on unit account balances is earned at the prevailing interest rate offered by the financial institution.

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

21. **Financial Instruments (continued)**

Receivables - trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30 day terms.

The entity is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2014: $18,000; 2013: $433,000) and less than 12 months past due (2014: $120,000; 2013: $6,000) are not considered impaired. Together, these amounts represent 100% of the total trade debtors.

The only financial assets that are past due or impaired are 'sales of goods and services' in the 'receivables' category of the statement of financial position.

	$'000		
	Total[1,2]	Past due but not impaired[1,2]	Considered impaired[1,2]
2014			
< 3 months overdue	120	120	-
3 months - 6 months overdue	-	-	-
> 6 months overdue	-	-	-
2013			
< 3 months overdue	5	5	-
3 months - 6 months overdue	1	1	-
> 6 months overdue	-	-	-

Notes

1. Each column in the table reports 'gross receivables'.
2. The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the 'total' may not reconcile to the receivables total recognised in the statement of financial position.

(c) Liquidity risk

Liquidity risk is the risk that the entity will be unable to meet its payment obligations when they fall due. The entity continuously manages risk through monitoring future cash flows to ensure adequate holding of high quality liquid assets.

No assets have been pledged as collateral. The entity's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Commissioner (or a person appointed by the Commissioner) may automatically pay the supplier simple interest. No interest payments were made by the entity in the last 12 months.

21. Financial Instruments (continued)

The table below summarises the maturity profile of the entity's financial liabilities, together with the interest rate exposure.

Maturity analysis and interest rate exposure of financial liabilities								
		$'000						
			Interest Rate Exposure			**Maturity Dates**		
	Weighted Average Effective Int. Rate	Nominal Amount (1)	Fixed Interest Rate	Variable Interest Rate	Non - Interest Bearing	< 1 yr	1-5 yrs	> 5 yrs
2014								
Payables	N/A	9,469			9,469	·9,469		
2013								
Payables	N/A	9,452			9,452	9,452		
Notes:								
1. The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the entity can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the statement of financial postion.								

(d) Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The entity does not have any material exposure to market risk. The entity has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the entity operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis as for 2013. The analysis assumes that all other variables remain constant.

Interest rate risk
The entity has a minimal exposure to interest rate risk from its holdings in interest bearing financial assets. The entity does not account for any fixed rate financial instruments at fair value through profit or loss or as available-for-sale. Therefore, for these financial instruments, a change in interest rates would not affect the profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The entity's exposure to interest rate risk is set out overleaf.

NSW STATE EMERGENCY SERVICE
Notes to the financial statements

21. Financial Instruments (continued)

		$'000				
		Carrying Amount	(1%) Profit	(1%) Equity	1% Profit	1% Equity
2014						
Financial assets						
Cash and cash equivalents		19,762	(198)	(198)	198	198
2013						
Financial assets						
Cash and cash equivalents		15,442	(154)	(154)	154	154

(e) Fair Value

The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value, because of the short-term nature of many of the financial instruments.

22. Restricted Assets

Items that are restricted assets are listed below:

	2014 $'000	2013 $'000
Cash and Cash Equivalents		
ICT Savings Account	-	1,419

The funds held in the ICT Savings Account at Westpac, were protected pursuant to the direction and advice from NSW Treasury. Funds within the account comprise of ICT savings made by NSW SES, and withdrawal and usage of these funds is restricted to costs associated with the development of the Enterprise Asset Management system by Fire and Rescue NSW. The full amount of the ICT Savings Account was transferred to Fire and Rescue NSW in March 2014.

23. Events after the Reporting Period

There are no events after the reporting period requiring disclosure.

END OF AUDITED FINANCIAL STATEMENTS

Appendices

Minister's Statement of Performance by Commissioner

Statement of Performance

NSW State Emergency Service (NSW SES) has had a busy 12 months, while there has been minimal flooding compared to previous years, NSW SES volunteers have been responding to many storm incidents across the State and assisting other local NSW emergency agencies with multiple land searches and assisting NSW Rural Fire Service with bushfire support.

In fact approximately 166,000 hours were devoted by NSW SES members responding to storms and floods and over 93,000 additional hours contributed to responding to other emergencies such as road crash rescue, Community First Responder and vertical rescue to name a few.

In October 2013, NSW SES members offered weeks of assistance to NSW Rural Fire Service following the devastating fires which so tragically impacted parts of the Blue Mountains.

Members of NSW SES were also deployed to Western Australia to assist as air observers in the search for the missing Malaysian Airlines flight MH370 in the Indian Ocean.

Over the last 12 months the Service's members have also engaged with local communities about flood and storm education through their annual StormSafe, FloodSafe and TsunamiSafe campaigns.

This year has seen many changes implemented in the Service in regards to governance and procedures, following on from the Independent Commission Against Corruption inquiry. Over the last 12 months the Service has focused on building more procedures into the way the NSW SES does business including much tighter governance.

The NSW SES volunteers are the backbone of this Service and I thank them for their tireless efforts over the past 12 months in looking after their local communities and the State of New South Wales.

What amazes me about NSW SES members is their willingness to give to the community and the dedication and passion they have for NSW SES.

Yours sincerely

Stuart Ayres

Internal audit & risk management policy attestation

15 September 2014

Mr Narayan Mukkavilli
Principal Advisor
Financial Management & Accounting Policy Branch
NSW Treasury
Level 24, Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Mr Mukkavilli

Internal Audit and Management Risk Policy Attestation for 2013/14

I, as Acting Commissioner for the NSW SES, am of the opinion that as at 30 June 2014, the NSW SES has internal audit and risk management processes in operation that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 Internal Audit and Risk Management Policy. These processes provide a level of assurance that enables the senior management of NSW SES to understand, manage and satisfactorily control risk exposures.

I am of the opinion that the Audit and Risk Committee for NSW SES is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08. The current Chair and Members of the NSW SES Audit and Risk Committee are:

- Independent Chair - David Roden, September 2010 to September 2014
- Independent Member – Todd Davies, September 2010 to September 2015
- Non-independent Member - Mark Morrow, December 2013 to December 2016

The NSW SES does not have any controlled entities.

Yours sincerely

Jim Smith
Acting Commissioner
NSW State Emergency Service

STATE HEADQUARTERS
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Digital Information Security Policy

Annual Attestation Statement (Annual Report)

Annexure A:

Digital Information Security Annual Attestation Statement for the 2013-2014 Financial Year for NSW State Emergency Service

> *Each NSW Government Department and Statutory Body must include a Digital Information Security Annual Attestation Statement in its Annual Report under the section dealing with <u>risk management and insurance activities.</u>*

NSW State Emergency Service has implemented an ISMS and initial security policy based on ISO 27001. A minimum security control baseline based on NSW Government Digital information security policy, M2012-15 (DISP) guidelines has been put in place. The Agency has conducted an independent third party review of the ISMS current state and is tracking satisfactorily to meet the DISP compliance requirements. The ISMS is being operationalised and will be progressively improved through threat and risk assessments and treatment plans to address identified control gaps.
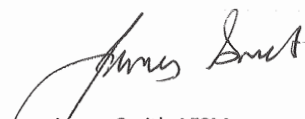
I, James Smith, am of the opinion that NSW State Emergency Service had an Information Security Management System in place during the financial year being reported on consistent with the Core Requirements set out in the Digital Information Security Policy for the NSW Public Sector.

I, James Smith, am of the opinion that the security controls in place to mitigate identified risks to the digital information and digital information systems of NSW State Emergency Service are adequate for the foreseeable future.

I, James Smith, am of the opinion that there are no other Public Sector Agencies, or parts thereof, under the control of NSW State Emergency Service with a risk profile sufficient to warrant an independent Information Security Management System.

I, James Smith, am of the opinion that, where necessary in accordance with the Digital Information Security Policy for the NSW Public Sector, certified compliance with AS/NZS ISO/IEC 27001 Information technology - Security techniques - Information security management systems - Requirements had been maintained by all or part of NSW State Emergency Service.

NSW State Emergency Service has also adopted the "NSW Government Information Classification and Labelling Guidelines" and continues to incorporate requirements and changes into information systems and business processes.

James Smith AFSM
Acting Commissioner

Government Information (Public Access) Act 2009

Statistical information 2013-14

Table A: Number of applications by type of applicant and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/ deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	4	0	0	2	0	0	0	0
Members of the public (other)	23	0	0	1	0	1	0	1

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/ deny whether information is held	Application withdrawn
Personal information applications*	6	0	0	1	0	0	0	1
Access applications (other than personal information applications)	21	0	0	2	0	1	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

* A *personal information application* is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	30
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	**30**

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
Total	**0**	**0**	**0**

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates	0

Public Interest Disclosure

With effect from 1 January 2014, the Public Interest Disclosures Act 1994 (PID Act) requires Agencies to report on a six monthly basis to the NSW Ombudsman on the handling of public interest disclosures. For the period 1 July 2013 to 30 June 2014:

- The number of public officials who have made a PID to the public authority were 6
- A total of 6 public interest disclosures (PID's) were received by NSW SES including 6 made by NSW SES staff.
- 5 PIDs were finalised.

The PIDs received by NSW SES related to:

Type of PID	Number of PIDs received
Corrupt Conduct	0
Maladministration	6
Serious and substantial waste of public or local government money	0
Government information contraventions	0
Local government pecuniary interest contraventions	0

NSW SES actively promotes the reporting of serious wrong doing through its PID policy, procedures and related information available on the NSW SES intranet site.

PIDs	
Public officals preforming day to day functions	6
Not covered by above that are made under a statutory or other legal obligation	0
All other	0

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