

27 STATE FIRE COMMISSION

AUTHORITY OUTLINE

The State Fire Commission's primary purpose is to minimise the social, economic and environmental impact of fire on the Tasmanian community. This is pursued through the provision of a rapid and effective response to emergencies and through the delivery of a broad range of fire prevention and safety programs.

The Commission is also responsible for:

- road accident rescue (in Hobart, Launceston, Burnie, Devonport and surrounding areas);
- managing incidents involving hazardous materials;
- providing an Urban Search and Rescue capability to manage the rescue of people from collapsed buildings and structures; and
- providing a rescue/mitigation response to terrorist incidents involving chemical, biological and radiological agents.

The State Fire Commission reports to the Minister for Police and Emergency Management, the Hon David O'Byrne MP, and the supporting agency is the Department of Police and Emergency Management. The Commission delivers all of its services through its operational arm, the Tasmania Fire Service.

This chapter provides the State Fire Commission's financial information for 2012-13 and over the Forward Estimates period (2013-14 to 2015-16). Further information on the Commission can be found at www.fire.tas.gov.au.

MAJOR INITIATIVES

Table 27.1 provides a summary of the Budget and Forward Estimate allocations for the major initiatives.

Table 27.1: Major Initiatives Statement

	2012-13	2013-14	2014-15	2015-16
	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Communications Replacement Program	390	378	308	320
Community Education and Awareness Program	50	....	....	....
Community Fire Protection Planning Program	212	....	....	....
Fire Fighting Appliance Replacement Program	150	2 600	3 200	3 200
Fire Station Build Program	740	715	1 165	770
Information Technology Replacement Program	758	594	430	390

Communications Replacement Program

The second year of the major communication networks five year project includes the replacement of ageing paging system infrastructure (paging transmitters and associated links) across the State. This ensures that high availability and serviceability for these critical systems is maintained in 2012-13. The base radio replacement project will continue in its second year of a five-year program. This project replaces radio network infrastructure and equipment across the State ensuring that critical systems maintain high availability and serviceability.

Community Education and Awareness Program

2012-13 is the final year of a three-year Community Education and Awareness Program to support the production of education and awareness materials, community maps for local level education and awareness activities at a total cost of \$300 000.

Community Fire Protection Planning Program

The three-year Community Fire Protection Planning Program commenced in 2009-10 and provides a total of \$1.3 million to enable the appointment of a community planner in each of the three regions. These community planners continue to support local brigades and oversee the development of Community Protection Plans, as well as supporting community-based promotion and education.

Fire Fighting Appliance Replacement Program

The Commission's major capital priority is its Fire Fighting Appliance Replacement Program. Over the past few years this program has enabled the replacement of a significant number of older appliances. The new vehicles, which are purpose designed and built locally, provide greater safety and efficiency for brigades responding to fires.

Fire Station Build Program

The Fire Station Build Program continues to be an important priority for the Commission. In 2012-13, \$740 000 has been allocated for the construction of fire stations at Collinsvale, Oatlands, Grassy and Tomahawk. Upgrades are also planned for fire stations at Franklin, Rocherlea, Launceston, Prospect, Lackrana, Memana, Branxholm and St Helens.

Information Technology Replacement Program

An allocation of \$758 000 has been provided in 2012-13 to enable the Commission to replace outdated information technology infrastructure including upgrades of the Storage Area Network, blade server infrastructure and "end of life" servers for the Tasmanian Fire Service's operational systems.

Emergency Services Support Review

The Department of Police and Emergency Management and Department of Health and Human Services will play an important role in an across agency review of emergency services support functions. This Review, which will involve Tasmania Police, Tasmania Fire Service, Ambulance Tasmania and the State Emergency Service, will seek to identify:

- areas of duplication in support functions within the Tasmanian Government's emergency services sector; and
- opportunities to reduce or eliminate duplication, while maintaining or increasing operational effectiveness.

Support functions that will be the focus of the Review will include:

- fleet and facilities management;
- information technology infrastructure and systems;
- corporate administration and support; and
- volunteer support.

DETAILED BUDGET STATEMENTS

Table 27.2: Income Statement

	2011-12	2012-13	2013-14	2014-15	2015-16
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Fire Service Levies ¹	54 683	56 724	58 267	60 214	62 230
Fines and Regulatory Fees	170	180	185	185	191
Interest Revenue	180	200	180	180	160
Grants ²	3 320	3 611	3 348	3 348	3 348
Sales of Goods and Services	5 410	5 514	5 607	5 554	5 638
Other Revenue	838	868	898	930	960
	64 601	67 097	68 485	70 411	72 527
Less Expenses					
Employee Entitlements ³	35 759	37 383	37 719	38 334	39 489
Superannuation	4 257	4 694	4 791	4 875	5 014
Depreciation and Amortisation	5 132	5 326	5 484	5 645	5 645
Borrowing Costs	350	440	450	460	470
Supplies and Consumables ⁴	16 347	17 684	18 183	18 713	19 238
Other Expenses	3 464	3 415	3 490	3 563	3 675
	65 309	68 942	70 117	71 590	73 531
Plus Gains/(Losses)	....	....	....	....	....
Equals OPERATING RESULT	(708)	(1 845)	(1 632)	(1 179)	(1 004)
Plus Other Movements in Equity					
Revaluations of Non-Financial Assets	....	....	....	....	....
Other Non-Owner Movements in Equity	....	....	....	....	....
Equals COMPREHENSIVE INCOME	(708)	(1 845)	(1 632)	(1 179)	(1 004)

Notes:

1. Fire Service Levies reflects revenue received from the Fire Service Contribution, Insurance Fire Levy and Motor Vehicle Fire Levy.
2. The increase in Grants in 2012-13 reflects revenue received from the Australian Government for helicopter use, partially offset by a reduction in other Australian Government grants.
3. The increase in Employee Entitlements reflects the recruitment of 12 new firefighters, general award increases and additional salary costs for the Strategic Fuel Management Project.
4. The increase in Supplies and Consumables reflects additional costs incurred for helicopter use and the Strategic Fuel Management Program.

Table 27.3: Balance Sheet as at 30 June

	2012	2013	2014	2015	2016
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	8 087	6 834	5 540	4 183	3 424
Receivables	1 960	2 067	2 129	2 193	2 259
Other Financial Assets	1 917	2 300	2 238	2 287	2 400
	11 964	11 201	9 907	8 663	8 083
Non-Financial Assets					
Land and Buildings	52 513	54 067	53 853	54 075	53 902
Plant and Equipment	42 398	45 026	44 902	44 858	44 786
Other Non-Financial Assets	1 700	1 721	1 773	1 826	1 879
	96 611	100 814	100 528	100 759	100 567
Total Assets	108 575	112 015	110 435	109 422	108 650
Liabilities					
Borrowings	4 698	4 698	4 698	4 698	4 698
Superannuation ²	....	3 809	3 809	3 809	3 809
Employee Entitlements	11 243	11 176	11 400	11 628	11 860
Payables ³	3 006	4 101	3 929	3 867	3 867
Other Liabilities ²	5 529	....	....	....	....
Total Liabilities	24 476	23 784	23 836	24 002	24 234
NET ASSETS	84 099	88 231	86 599	85 420	84 416
Equity					
Accumulated Funds	69 809	73 027	71 395	70 216	69 212
Asset Revaluation Reserve	14 290	15 204	15 204	15 204	15 204
Total Equity	84 099	88 231	86 599	85 420	84 416

Notes:

1. The decrease in Cash and Deposits reflects an increase in operating costs and a continuation of the Commission's Capital Expenditure Program.
2. The increase in Superannuation and the corresponding decrease in Other Liabilities reflect a more accurate classification of the Superannuation liability.
3. The increase in Payables reflects a more accurate estimate of the average payables liability at year end.

Table 27.4: Cash Flow Statement

	2011-12	2012-13	2013-14	2014-15	2015-16
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Fire Service Levies ¹	54 683	56 724	58 267	60 214	62 230
Fines and Regulatory Fees	170	180	185	185	191
Interest Received	180	200	180	180	160
Grants ²	3 320	3 611	3 348	3 348	3 348
Sales of Goods and Services	5 410	5 514	5 607	5 554	5 638
Other Receipts	838	868	898	930	960
	64 601	67 097	68 485	70 411	72 527
Cash Paid					
Employee Entitlements ³	(35 759)	(37 383)	(37 719)	(38 334)	(39 489)
Superannuation	(4 257)	(4 694)	(4 791)	(4 875)	(5 014)
Borrowing Costs	(350)	(440)	(450)	(460)	(470)
Supplies and Consumables ⁴	(16 347)	(17 684)	(18 183)	(18 713)	(19 238)
Other Payments	(3 464)	(3 415)	(3 490)	(3 563)	(3 675)
	(60 177)	(63 616)	(64 633)	(65 945)	(67 886)
Net Cash Flows from Operating Activities	4 424	3 481	3 852	4 466	4 641
Cash Flows from Investing Activities					
Sale of Fixed Assets	800	300	300	300	300
Purchase of Fixed Assets	(5 835)	(5 618)	(5 446)	(6 123)	(5 700)
Net Cash Flows from Investing Activities	(5 035)	(5 318)	(5 146)	(5 823)	(5 400)
Net Increase/(Decrease) in Cash Held	(611)	(1 837)	(1 294)	(1 357)	(759)
Cash at the Beginning of the Year	8 698	8 671	6 834	5 540	4 183
Cash at the End of the Year	8 087	6 834	5 540	4 183	3 424

Notes:

1. Fire Service Levies reflects cash received from the Fire Service Contribution, Insurance Fire Levy and Motor Vehicle Fire Levy.
2. The increase in Grants in 2012-13 reflects cash received from the Australian Government for helicopter use, partially offset by a reduction in other Australian Government grants.
3. The increase in Employee Entitlements reflects the recruitment of 12 new firefighters, general award increases and additional salary costs for the Strategic Fuel Management Project.
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