



NSW SES ANNUAL REPORT

2018-19

Author

NSW State Emergency Service

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For emergency help relating to a flood, storm or tsunami, please call 132 500 to be connected directly to our 24 hour call centre. In a life threatening emergency, please dial triple zero (000). For other information, our contact numbers are shown under 'State Emergency Service' in the alphabetical section of the local Telstra White Pages Directory.

For general information about NSW SES, Storm, Flood and Tsunami Safety or to volunteer, please contact 1800 201 000. For further information visit the website at www.ses.nsw.gov.au. For ongoing updates, safety messages and news about NSW SES activities, like the NSW SES Facebook page at www.facebook.com/NSW.SES.

Availability

This annual report has been designed for accessible online use and distribution. A limited number of copies have been printed for statutory purposes.

This report is available at:

www.ses.nsw.gov.au > About Us > Publications and Reports > Annual Reports

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30 July 2019

The Hon David Elliott MP
Minister for Emergency Services
52 Martin Pl
SYDNEY NSW 2000

Dear Minister

I am pleased to present the Annual Report for the NSW State Emergency Service for the year ending 30 June 2019, for submission to NSW Parliament.

This report has been prepared in accordance with the provisions of the *Annual Report (Department) Act 1985* and the Annual Reports (Departments) Regulation 2015.

Yours sincerely



Kyle Stewart APM
Commissioner

COMMISSIONER'S REVIEW

This last year has been one of substantial change for the NSW State Emergency Service, with the completion of what was arguably the most significant redesign of the organisation in our 65-year history.

The transformation of the NSW State Emergency Service was essential to ensure we remain contemporary in the way we conduct our business, and for us to continue to be a world class volunteer agency that is focussed on our mission of saving lives and protecting communities.

Making significant and lasting change in any organisation is never easy. It is a testament to the hard work, patience, tenacity and capability of our members that we have not only made these changes this year but that we did so without interruption to the service we provide to the community.

Whilst much of what we do at the NSW State Emergency Service is focussed on our legislated combat role for flood, storm and tsunami, we are so much more than that. The NSW State Emergency Service is the second largest provider of rescue services in NSW. Included in our rescue capability are the highly specialised Alpine Rescue; Bush Search and Rescue; and Large Animal Rescue teams.

Our operations also provide significant support to the NSW Police Force and other Emergency Service organisations. An example of this includes our Community First Responder Units who provide highly skilled and advanced first aid care to remote and isolated communities in support of NSW Ambulance.

Given that so much of our work is with other agencies, our training, exercise and challenge programs are often undertaken as multi-agency activities. This year the multi-agency exercises that we conducted included; Exercise 'Deerubbin' (a Hawkesbury Nepean Valley Flood Exercise); Navshield (Bush Search and Rescue Navigation); and X-Traction (Road Crash Rescue). These programs are at the core of how we maintain our operational capability. In addition to these multi-agency programs, in 2018-19 the NSW State Emergency Service issued an incredible 6,876 nationally recognised Units of Competency to members.

The NSW State Emergency Service is a diverse and multi-skilled agency with a broad range of world-class capabilities. Given our extensive capabilities we are an agency that is extensively called upon each year to help the community. In 2018-2019 the NSW State Emergency Service responded to 36,474 requests for assistance from community members across NSW.

The capabilities and capacity of the NSW State Emergency Service were on display throughout the year, in particular during the Sydney hailstorms in December 2018. Our volunteers responded to 17,445 requests for assistance during November and December 2018 alone. This response over a short period of time in the lead up to the holiday season once again demonstrated the outstanding commitment of our volunteers.

This year, our work in preparing communities to understand their flood and storm risk moved beyond our traditional engagement activities to include an expanded number of on-line community-focused campaigns. Examples include the '#3Things' digital and social media campaign that was produced in collaboration with the University of New England; and Project 'U-Turn' which targeted the issue of people entering floodwater.

We are a strong and proud volunteer agency with growing numbers, with more and more of the community becoming involved in the NSW State Emergency Service in increasingly flexible ways. Thanks to our efforts over the past year we are one of the most capable, best equipped and comprehensively supported volunteer emergency service agencies in Australia.

I have been inspired to be a part of the NSW State Emergency Service's journey. As you read this report and learn about what we have achieved in 2018-2019, I challenge you to consider what you can bring to our team. When will you become one of our volunteer members who truly makes a difference in the lives of so many, so often?



Kyle Stewart
Acting NSW SES Commissioner

NSW SES OVERVIEW AND CHARTER

The New South Wales State Emergency Service (NSW SES) was established in 1955 in response to extensive flooding that occurred in the Hunter Valley and North-West New South Wales.

At this time, the NSW Government identified a need to involve communities in strategic planning for, and response to, flood and storm emergencies. NSW SES was formed to meet this need. Since that time, the Service has expanded to include preparing for and responding to tsunamis, with a wide variety of other emergency response support roles also becoming part of the services the volunteer-based organisation offers.

At the end of 2018-19, NSW SES was made up of 9,493 volunteer members, including reserves, and a full-time equivalent workforce of 352 staff (for the financial year 2018 – 19 this comprised of 405 individual staff members including casual staff). The Service includes 260 volunteer Units across the State, each led by a Unit Commander. NSW SES volunteer Units can be either local, community-based Units or State-wide or regional Units established to provide specialist capabilities. NSW SES Units are varied and unique in their capabilities, which are designed to address the specific risks of the communities of NSW.

Following transition to a new organisational structure in October 2018, NSW SES Units are now organised into five Zones (Metro, Northern, Western, Southern and South-Eastern) supported by NSW SES State Headquarters located in Wollongong, NSW. Zone Commanders in each Zone are responsible for development of emergency management plans and the overall control of emergency response within the Zone. State, Zone and Unit headquarters are equipped with operation centres to support management of severe weather operations at State, Zone and Local

level as required. Current Zone Headquarters are located in Metford, Olympic Park, Goulburn, Wagga Wagga and Dubbo.

Together, the Zones deliver capability, training and administrative support to all the volunteer Units that make up the service delivery arm of NSW SES. These units together provide the highly experienced and professional volunteer workforce the communities of NSW have relied on for over 60 years.

NSW SES is organised into seven Directorates. These include: Operational Response; Planning and Preparedness; Information and Communications Technology; People and Development; Organisational Performance and Engagement; Training; and Finance, Asset and Business Services. Each of these Directorates is made up of both State Headquarters and Zone-based staff. These Directorates coordinate state-wide training, planning, preparedness and emergency response activities as well as maintaining the Service's infrastructure and corporate functions.

What we do

The NSW SES serves the community of NSW as the lead agency for floods, storms and tsunamis as specified by the *State Emergency Service Act 1989* and is recognised as the most versatile and widely used emergency service organisation in NSW. NSW SES volunteers are highly-skilled, experienced and well-trained in the wide variety of roles they perform. Each Unit is as unique and varied as the community they serve due to the vast mix of risks faced and roles required in the diverse locations and communities across the state.

In addition to flood, storm and tsunamis, NSW SES provides specialist capabilities including general land rescue, vertical rescue, road crash rescue, and alpine and remote area search and rescue. NSW SES frequently assists other emergency services in a variety of roles, such as supporting NSW Police in searches for evidence and missing persons and Ambulance Service of NSW as Community First Responders in rural locations.

NSW SES Leadership

In March 2019, Kyle Stewart commenced as NSW SES Acting Commissioner. He is supported by Deputy Commissioner Corporate Services, Fatima Abbas and Deputy Commissioner Operations, Greg Newton.

Natasa Mitic was appointed to the role of Director, People and Development in March 2018.

Principal Legislation and Legal Change

The main piece of legislation administered by the NSW SES is the *State Emergency Service Act 1989*.

The Act establishes that the NSW SES has the following functions:

- (aa) to protect persons from dangers to their safety and health, and to protect property from destruction or damage, arising from floods, storms and tsunamis
- (a) to act as the combat agency for dealing with floods (including the establishment of flood warning systems) and to co-ordinate the evacuation and welfare of affected communities
- (b) to act as the combat agency for damage control for storms and to co-ordinate the evacuation and welfare of affected communities
- (c) to act as the combat agency for dealing with tsunamis and to co-ordinate the evacuation and welfare of affected communities
- (d) 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
- (e) to carry out, by accredited SES units, rescue operations allocated by the State Rescue Board
- (f) to assist the State Emergency Operations Controller to carry out emergency management functions relating to the prevention of, preparation for and response to, and to assist the State Emergency Recovery Controller to carry out emergency management functions relating to the recovery from, emergencies in accordance with the *State Emergency and Rescue Management Act 1989 (NSW)*

- (g) to assist, at their request, members of the NSW Police Force, Fire and Rescue NSW, the NSW Rural Fire Service or the Ambulance Service of NSW in dealing with any incident or emergency
- (h) to maintain effective liaison with all emergency services organisations
- (i) 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.

The functions of the NSW SES are also to be exercised in accordance with the *State Emergency and Rescue Management Act 1989 (NSW) (SERM Act)*.

Changes to Legislation

There have been changes to the *State Emergency Services Act 1989 (NSW) (SES Act)* as a result of the *Emergency Services Legislation Amendment Act 2018 (NSW) (Amendment Act)*.

Changes were made to the SES Act to reflect the agency's new organisational structure. These changes included replacing:

- 'controller' with 'commander'
- 'region' with 'zone'
- 'region controller' with 'zone commander'

The Amendment Act also made changes to the SERM Act. The changes that affected the NSW State Emergency Service directly include:

- specific inclusion of the Commissioner of the State Emergency Service on the State Emergency Management Committee;
- providing the Commissioner with the power to issue an order under section 60D of the SERM Act. Orders can be issued for a period of 48 hours for the purposes of employment protection for volunteer emergency workers carrying out emergency operations.

Significant Judicial Decisions

There were no significant judicial decisions during the 2018–19 financial year.

Economic or other factors

No significant factors impacted achievement of operational objectives.

Funds granted to non-government community organisations

No funds were granted to non-government community organisations.

NSW SES ORGANISATIONAL STRUCTURE

The Service's Principal Officers hold the following qualifications, as of 30 June 2019.

Kyle Stewart

Acting Commissioner

Diploma in Law; Graduate Diploma in Legal Practice.

Fatima Abbas

Deputy Commissioner - Corporate Services

Executive Master of Public Administration; Master of Psychology (Organisational); Bachelor of Science/Psychology; Diploma in Human Resources Management.

Greg Newton

Deputy Commissioner - Operations

Bachelor of Arts; Graduate Diploma in Education.

Greg Lynch

Acting Director Operational Response

Graduate Diploma in Police Administration; Certificate in Management; Certificate in Human Resource Practice.

Joan Lynch

Director Training

Graduate Certificate Marketing.

Michelle Egan

Acting Director Planning and Preparedness

Bachelor of Mathematics (Honours)/Bachelor of Laws (Honours); Graduate Diploma in Legal Practice; Masters of Administrative Law and Policy.

Natasa Mitic

Director People and Development

Bachelor of Laws (Honours); Bachelor of Arts.

Nicola Clark

Acting Director Organisational Performance and Engagement

Bachelor of Engineering (Honours); Master of Science (Logistics).

Scott Bridgement FCPA

Director Finance, Assets and Business Services/
Chief Financial Officer

Bachelor of Commerce.

Scott Hanckel ESM

Director Organisational Performance and Engagement

Associate Diploma in Personnel Administration.

Stephen McRobert

Director Information and Communications
Technology/Chief Information Officer

Graduate Diploma Public Administration; Diploma Frontline Management.

NSW SES ZONE COMMANDERS

ZONE	NAME
Northern Zone	Stephen Hart
Metropolitan Zone	Laura Wythes
South East Zone	Colin Malone
Southern Zone	Nichole Priest
Western Zone	David Monk

NSW SES ZONES - Primary Locations

NORTHERN ZONE

72 Turton Street, Metford NSW 2323
 Phone: (02) 4931 3222
 Email: ntz.ops@ses.nsw.gov.au

METROPOLITAN ZONE

Level 3, 4 Murray Rose Ave, Sydney Olympic Park NSW 2000
 Phone: (02) 4247 7026
 Email: mtz.ops@ses.nsw.gov.au

SOUTH EAST ZONE

56–58 Knox Street, Goulburn NSW 2580
 Phone: (02) 4828 5555
 Email: sez.ops@ses.nsw.gov.au

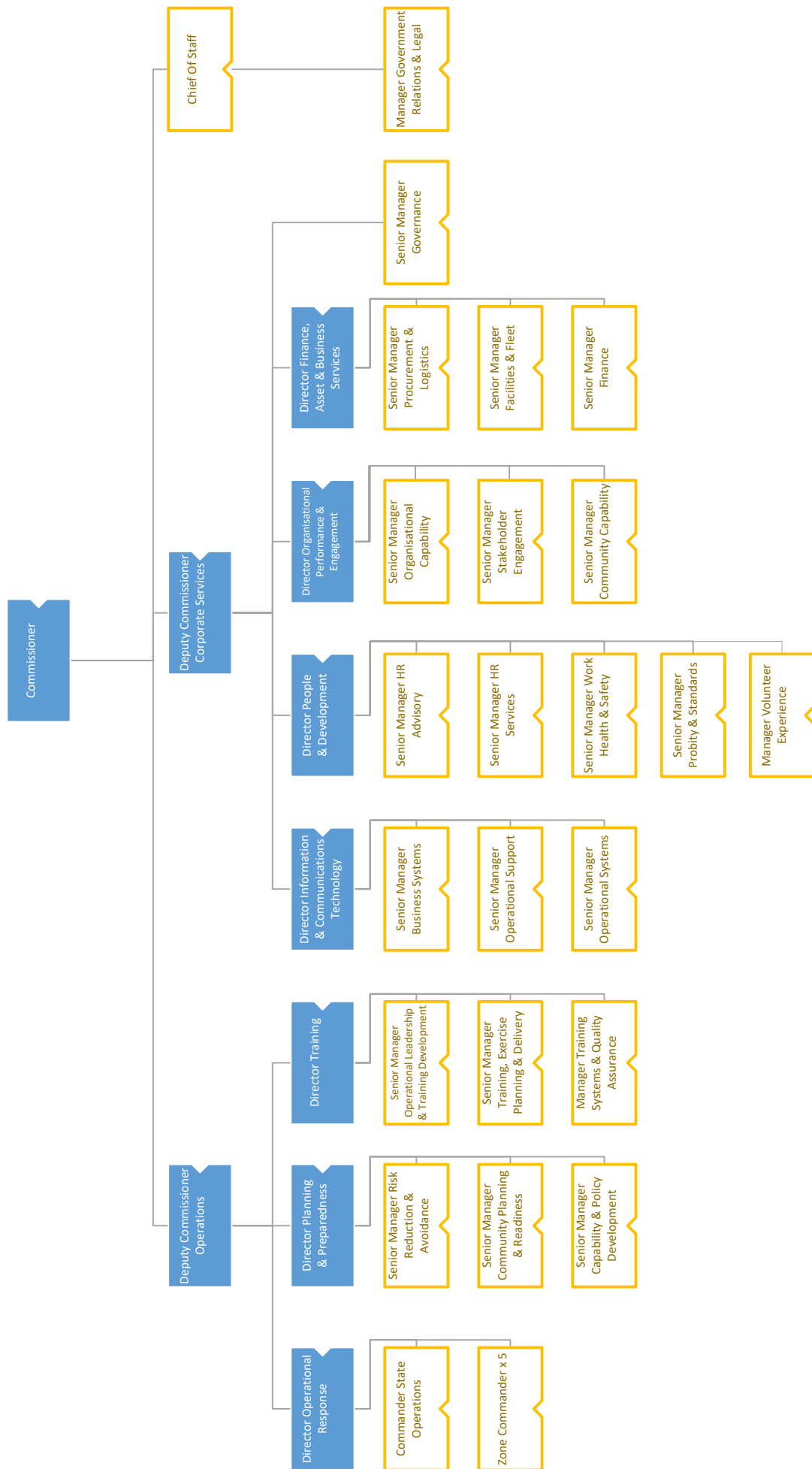
SOUTHERN ZONE

206 Fernleigh Road, Wagga Wagga NSW 2650
 Phone: (02) 6932 9199
 Email: shz.ops@ses.nsw.gov.au

WESTERN ZONE

160 Bultje Street, Dubbo NSW 2830
 Phone: (02) 6882 2222
 Email: wtz.ops@ses.nsw.gov.au

NSW STATE EMERGENCY SERVICE



NSW SES STATE HEADQUARTERS

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93-99 Burelli Street
Wollongong NSW 2500

Phone (02) 4251 6111
Fax (02) 4251 6500

Office hours: 8:30am - 4:30pm (Monday to Friday)

www.ses.nsw.gov.au

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www.twitter.com/NSWSES

www.youtube.com/user/NSWSES

For emergency help in floods, storms and tsunami
call 132 500.

For other information, the numbers are shown
under 'State Emergency Service' in the
alphabetical section of local Telstra White Pages
Directory.

For general information about NSW SES, storm,
flood and tsunami safety or to volunteer call
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).



REGISTERED NSW SES UNITS

METROPOLITAN ZONE

Ashfield-Leichhardt Unit
 Auburn Unit
 Bankstown Unit
 Bayside Unit
 Blacktown Unit
 Blue Mountains Unit
 Burwood Unit
 Camden Unit
 Campbelltown Unit
 Canada Bay Unit
 Canterbury Unit
 City of Sydney Unit
 Cronulla Unit
 Fairfield Unit
 Hawkesbury Unit
 Heathcote Unit
 Holroyd Unit
 Hornsby Unit
 Hunters Hill Unit
 Hurstville Unit
 Kogarah Unit
 Ku-ring-gai Unit
 Liverpool Unit
 Manly Unit
 Marrickville Unit
 Menai Unit
 Metro Capability Northern
 Metro Capability Southern
 Metro Capability Western
 Metro Operational Support Unit
 Mosman Unit
 Mount Druitt Unit
 North Sydney Unit
 Parramatta Unit
 Penrith Unit
 Randwick Unit
 Ryde Unit
 Strathfield Unit
 Sutherland Unit
 The Hills Unit
 Warringah-Pittwater Unit
 Waverley-Woolahra Unit
 Willoughby-Lane Cove Unit

NORTHERN ZONE

Aberdeen Unit
 Ballina Unit
 Bellingen Unit
 Broadwater Unit
 Brushgrove Unit
 Camden Haven Unit
 Casino Unit
 Cessnock City Unit
 City of Newcastle Unit
 Clarence Nambucca Capability Unit
 Coffs Harbour City Unit
 Cooranbong Unit
 Copmanhurst Unit
 Coraki Unit
 Corindi Unit
 Coutts Crossing Unit
 Denman Unit
 Dorrigo Unit
 Dungog Unit
 Forster Pacific Palms Unit
 Gladstone Unit
 Glenreagh CAT
 Gloucester Shire Unit

Gosford Unit
 Grafton City Unit
 Harrington Unit
 Hunter Capability Unit
 Kempsey Shire Unit
 Kyogle Unit
 Lake Macquarie City Unit
 Lawrence Unit
 Lismore City Unit
 Lord Howe Island Unit
 Lower Macleay CAT
 Maclean Unit
 Maitland City Unit
 Merriwa Unit
 Mid North Coast Capability Unit
 Mullumbimby Unit
 Murrurundi Unit
 Murwillumbah Unit
 Muswellbrook Unit
 Nabcac Unit
 Nambucca Unit
 Northern Rivers Operational Support Unit
 Port Macquarie Hastings Unit
 Port Stephens Unit
 Scone Unit
 Singleton Unit
 South West Rocks Unit
 Stroud Unit
 Swansea Unit
 Tabulam Unit
 Taree City Unit
 Tomaree Unit
 Tweed Coast Unit
 Tweed Heads Unit
 Ulmarra Unit
 Urbenville Unit
 Urunga Unit
 Wauchope Unit
 Wingham Unit
 Woodburn Unit
 Wooli-Yuraygir Unit
 Wyong Unit
 Yamba Unit

SOUTH EAST ZONE

Batemans Bay
 Bega Unit
 Bermagui Unit
 Bigga Unit
 Bombala Unit
 Braidwood Unit
 Bungendore Unit
 Captains Flat Unit
 Coastal Support Capability Unit
 Collector Unit
 Cooma-Monaro Unit
 Crookwell Unit
 Dapto Unit
 Eden Unit
 Goulburn Unit
 Harden Unit
 Inland Support Capability Unit
 Kiama Unit
 Moruya Unit
 Moss Vale Unit
 Nowra Unit
 Queanbeyan Unit
 Shellharbour City Unit
 Snowy River Unit

St Georges Basin Unit
 Sussex Inlet CAT
 Sutton Unit
 Ulladulla Unit
 Windellama Unit
 Wingecarribee Unit
 Wollondilly Unit
 Wollongong City Unit
 Yass Unit
 Young Unit

SOUTHERN ZONE

Albury Unit
 Balranald Unit
 Coleambally Unit
 Condobolin Unit
 Coolamon Unit
 Cootamundra Unit
 Corowa Unit
 Cowra Unit
 Culcairn Unit
 Deniliquin-Conargo Unit
 Euabalong Unit
 Forbes Unit
 Goolgowi Unit
 Gooloogong Unit
 Grenfell Unit
 Griffith Unit
 Gundagai Unit
 Hay Unit
 Hillston Unit
 Holbrook Unit
 Jerilderie Unit
 Junee Unit
 Khancoban Unit
 Lachlan Capability Unit
 Lake Cargelligo Unit
 Leeton Unit
 Mathoura Unit
 Moama Unit
 Murray Capability Unit
 Murrumbidgee Capability Unit
 Narrandera Unit
 Parkes Unit
 Peak Hill Unit
 Temora Unit
 The Rock Unit
 Tocumwal Unit
 Trundle Unit
 Tumbarumba Shire Unit
 Tumut Unit
 Urana Unit
 Wagga Wagga Unit
 West Wyalong Unit

WESTERN ZONE

Armidale-Dumaresq Unit
 Ashford Unit
 Baradine Unit
 Barraba Unit
 Bathurst Unit
 Bingara Unit
 Blayney Unit
 Boggabilla Unit
 Boggabri Unit
 Bourke Unit
 Brewarrina Unit
 Broken Hill Unit
 Burruga Unit

Canowindra Unit
 Carinda Unit
 Central West Capability Unit
 Cobar Unit
 Collarenebri Unit
 Coonamble Unit
 Deepwater Unit
 Dubbo Unit
 Dunedoo Unit
 Eugowra Unit
 Far West Capability Unit
 Garah Unit
 Gilgandra Unit
 Glen Innes Unit
 Glengarry Unit
 Goodooga Unit
 Gunnedah Unit
 Guyra Unit
 Inverell Unit
 Ivanhoe Unit
 Lightning Ridge Unit
 Lithgow Unit
 Liverpool Plains Unit
 Macquarie Capability Unit
 Manilla Unit
 Menindee Unit
 Molong Unit
 Moree Unit
 Mudgee Unit
 Mungindi Unit
 Namoi Operational Support Unit
 Narrabri Unit
 Narromine Unit
 North West Capability Unit
 Nundle Unit
 Nyngan Unit
 Oberon Unit
 Orange City Unit
 Packsaddle Unit
 Pilliga Unit
 Portland Unit
 Rylstone Unit
 Sofala Unit
 Tambar Springs Unit
 Tamworth Unit
 Tenterfield Unit
 Tibooburra Unit
 Tingha Unit
 Walcha Unit
 Walgett Unit
 Warialda Unit
 Warren Unit
 Wee Waa Unit
 Wellington Unit
 Wentworth Unit
 White Cliffs Unit
 Wilcannia Unit
 Yetman Unit

STATE CAPABILITY UNITS

Alpine Search and Rescue
 Aviation Management
 Bush Search and Rescue
 Operational Support

NSW SES PERFORMANCE IN 2018-19

“For the NSW SES our Mission of saving lives and protecting communities is always at the forefront of what we do. As our Service grows and develops, so too does our ability to fulfil our Vision of being the best volunteer emergency service in Australia”.

2018-19 has been a year of growth and change for the NSW SES. We have grown our volunteer numbers, transformed the structure of the agency, developed our capability and made many improvements to the Service, all while responding to the needs of NSW Communities during emergencies.

Underpinning all that we do are our three strategic anchors: capability, volunteer experience and community. In alignment with the NSW SES Strategic Plan, this year's achievements are reported against these three strategic anchors. Also reported are significant improvements in governance and business processes that support the strategic anchors.

Strategic Anchor 1: Capability

Fundamental to the ongoing development of the Service's capability is ensuring that the right people, tools, knowledge, systems and skills are in place and continually improved. This capability is demonstrated through our response to community Requests for Assistance (RFAs) and the support we provide to other Emergency Services.

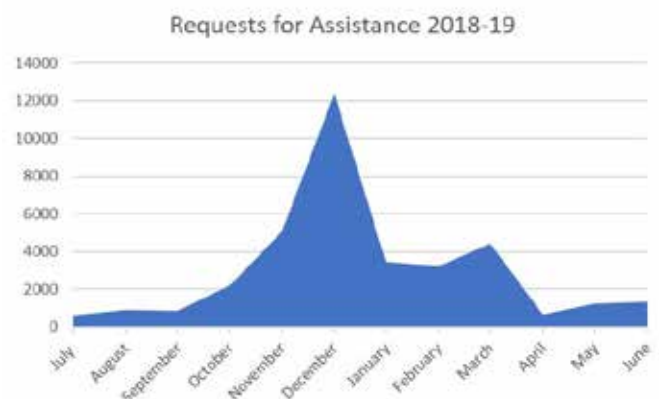
Highlights:

- Response to 36,474 Requests for Assistance (RFAs) across the state, with the most significant volume of requests received during severe thunderstorms in December 2018
- Transition to a new, five Zone organisational structure

- Relocation of NSW SES Metro Zone to a shared facility with NSW RFS at Olympic Park
- Delivery of the first vehicles under the \$56.4M State Government funded Fleet Replacement Program
- Issue of 6876 nationally recognised Units of Competency
- Delivery of five large-scale multi-agency exercises as well as multiple smaller scale exercises across the State
- Finalisation of the \$53.5M Operational Communications Equipment Systems (OCES) program
- Development and delivery of the first pilot 'Cell on Wheels' vehicle.

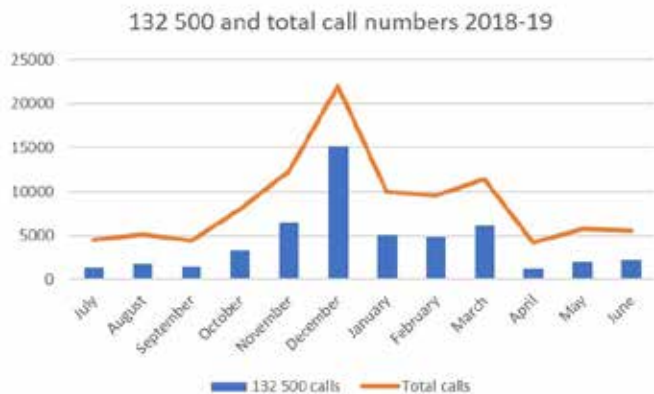
Overview of Operational Response

During the 2018–19 year, the NSW SES received a total of 36,474 Requests for Assistance (RFAs) from the communities of NSW. This was a significant increase from 18,040 in 2017-18. Operational activity peaked during December 2018 (12,396 RFAs) and November (5,049 RFAs) due to a series of severe thunderstorms stretching from Northern NSW to the Illawarra. These storms were focused across the Sydney basin and resulted in widespread damage and localised flooding.



The NSW SES State Operations Centre maintains a centralised emergency response call taking capacity in State Headquarters (including the

National Flood and Storm Assistance number 132 500), coordinating all priority lines as well as the Service's switchboard. Call-taking activity in 2018-19 increased in line with operational activity, with a total of 50,830 calls taken during the year. This was a substantial increase when compared with the 36,169 calls taken in 2017-18.



Response to Significant Weather Events

During the 2018-19 period, NSW SES responded to the most significant weather event from 20 December 2018 to 5 January 2019 when severe thunderstorms containing heavy rain, destructive winds and giant hail impacted an area from Northern NSW to the Illawarra with a focus across the Sydney basin. These thunderstorms resulted in extensive storm damage and localised flooding. During this 17-day period, the NSW SES responded to 6,314 Requests for Assistance from the community.

Between 27 and 29 November a low pressure system impacted widespread parts of eastern NSW, resulting in localised flooding and storm damage to properties. NSW SES received 2261 Requests for Assistance and 18 flood rescue activations during this period. Metro Zone was the most significantly impacted with 1,617 Requests for Assistance.

Between the 13 and 18 March 2019, severe thunderstorms containing heavy rainfall and large hail impacted most of the eastern part of the state. During this five-day period, NSW SES received 2,267 Requests for Assistance and 3,811 calls to the State Operations Centre.

Organisational Changes

In 2018-19 the NSW SES transitioned to a new, five Zone organisational structure in order to better support our volunteers and the community. This transition included appointment and recruitment processes to fill all roles in the new structure, analysis and redesign of critical organisational processes and redesign of information systems to support the new model.

As part of the structural transition, the newly formed NSW SES Metro Zone moved into a new shared facility with NSW Rural Fire Service (RFS) in Homebush, Sydney. The new purpose built facility showcases a multi-agency approach to responding to emergencies, including a shared incident control centre. This will enable improved collaboration with the NSW RFS. A total of 34 NSW SES staff will work from this facility.

Upgrades to the NSW SES Fleet

In June 2018, the NSW Government announced \$56.4M over four years in funding to support the ongoing strategic replacement of the NSW SES fleet. The announcement provided much needed certainty regarding the status of our operational fleet, with the funding enabling the provision of critical vehicles, marine vessels and trailers across the state.

During 2018-19 the Fleet Replacement Program (FRP) delivered Medium Rescue Vehicles to Wingecarribee, Port Stephens and Coffs Harbour Units, and Command and General Purpose vehicles to St Georges Basin and Moss Vale Units. In addition, tenders established by the FRP in 2018-19 will allow for the purchase of 12 Light Storm vehicles, 15 Medium Storm vehicles, 10 Medium Rescue vehicles, 45 General Purpose vehicles, a 22-seat bus, 11 Command vehicles and 3 additional Snowmobiles during 2019-20.

Work is also underway to tender for the build of Heavy Rescue vehicles and work has begun on defining capability requirements for Light Rescue vehicles, Marine Vessels and Trailers. These fleet replacements and additions will significantly enhance the operational capability of the NSW SES.

Capability Development through Training and Exercising

Ongoing training and development is essential to building the capability of the NSW SES to support communities. In 2018-19, training continued across all response capabilities, with 6876 nationally recognised Units of Competency issued to members. To maintain trainer and assessor capacity, 180 members were enrolled to upgrade their nationally recognised training and assessment qualifications or undertook a Certificate IV in Training & Assessment.

In 2018-19, a number of new training programs were also introduced to further develop the capability of the Service and its members.

Examples of training programs developed this year include:

- A new Coordinating Volunteers training workshop that was developed and held in three locations across the state. This interactive workshop provides volunteer Commanders with the tools to effectively recruit, retain and manage volunteers within their Unit
- A new Job Ready Induction Package which represents the first step in streamlining training pathways for new volunteers. This new package will increase the engagement and retention of new members and provide them with the required information and knowledge they need to participate safely in a team, under supervision, within 30 days. In 2018-19, 240 volunteers have completed this training
- Two new Flood Rescue training programs, Flood Rescue 'Land Based Operator' and Flood Rescue 'In Water Operator' were developed and piloted. These programs will support the NSW SES Flood Rescue capability and are aligned to the State Rescue Policy.

In addition to training, a core component of maintaining and growing the agency's capability is exercising. NSW SES has continued its focus on regular exercising at all levels, with both state-wide and local training exercises and competitions held throughout the year.

Examples of significant exercises completed this year include:

- Exercise X-Traction, a Multi-agency Road Crash Rescue Exercise conducted in Port Macquarie (23-24 November)
- Exercise Thunderstruck, a NSW SES disaster response skills challenge conducted in Albion Park (24-26 May)
- Wellington Wombats, a General Rescue Exercise utilising the Wellington Caves (1-2 June)
- Exercise Deerubbin, an SEMC led, multi-agency exercise based upon a catastrophic flood scenario in the Hawkesbury-Nepean area (18 and 26 June)
- Navshield, a multi-agency training and bush navigation exercise in Kanangra Boyd National Park (22-23 June).

Improvements to Communications Capability

Reliable communications technology is essential to the NSW SES capability and the safety of our volunteers. In July 2018, the Operational Communications Equipment Systems (OCES) program was finalised, representing an investment of \$53.5million in communications technology for the NSW SES. The OCES program successfully delivered the following:

- Complete replacement of the NSW SES GRN radio fleet including fixed, mobile and portable radios with enhanced safety functionality (duress and GPS)
- Digital High Frequency radio capability in remote Far West NSW
- Upgrade of 14 Incident Control Centres
- Implementation of Automatic Vehicle Location (AVL) in all NSW SES rescue vehicles; and
- Upgrade and expansion of the Private Mobile Radio (PMR) networks in South West NSW.

Following the success of the OCES program, the NSW SES is continuing to collaborate with other emergency service agencies on the NSW Telco Authority Critical Communications Enhancement Program (CCEP) to enhance the current NSW Government Radio Network (GRN) coverage and capability including remote asset management, duress and location intelligence functionality.

NSW SES is also leading the way with its 'Stay Safe and Keep Operational' program. This program is designed to ensure maintenance of frontline communications while the NSW Telco Authority Critical Communications Enhancement Program is being delivered. The program is well underway and will deliver a suite of state-of-the-art mobile communication assets. This included the delivery of the first of five Government Radio Network 'Cell-on-Wheels' during 2018-19, which addresses gaps in radio coverage and provides multi-agency capability.

Strategic Anchor 2: Volunteer Experience

Skilled, engaged and committed community-based volunteers are critical to the success of the NSW SES. The Volunteer Experience strategic anchor focuses on ensuring that being a part of the NSW SES is a positive, empowering and fulfilling experience for our volunteers.

Highlights:

- Coordination of over 200 spontaneous volunteers in Berowra during a week-long response operation following severe storms
- Fixed network upgrades for 70 volunteer Units
- Installation of 849 new workstations for volunteers.
- Successful pilot of a Unified Communications solution at three regional facilities
- Rollout of 'SES Assess', a new Mobile Assessment App that streamlines volunteer assessment
- Centralisation of procurement processes, including implementation of state-wide accounts with key suppliers to streamline volunteer purchases
- Unification of unit bank accounts.

Flexible Approaches to Volunteering

As the NSW SES volunteer workforce continues to grow, Units continue to identify and develop new opportunities for flexible volunteering. Across the state, 2018-19 has seen the establishment of new Community Action Teams (CATs), the utilisation

of corporate volunteering partnerships and the use of spontaneous volunteers during operational periods.

Community Action Teams (CATs) and Community Caches are established to provide a community with the skills and resources required to be prepared for severe weather events, stay safe and recover quickly. In some locations where required, the NSW SES may supply a community cache that stores the necessary tools and equipment to support the CATs effort to prepare and protect their local communities in the event of severe weather or isolation due to floods. During 2018-19, two new Community Action Teams and six Community Caches were established in Sussex Inlet, Stockinbingal, Bedgerabong, Port Macquarie, Forster Keys and Manning Point.

The corporate volunteering partnership with Evolution Mining has provided the NSW SES with valuable additional capability during 2018-19. Evolution Mining volunteers with Level 3 Flood Rescue Capability were deployed from West Wyalong to assist during the severe weather events in Sydney in November/December 2018. Four corporate volunteers supported local volunteers over a period of three days during this event.

During December 2018 a severe hailstorm impacted the community of Berowra, resulting in more than 1400 requests for assistance and a week-long response operation. Following a call to action by the NSW SES, more than 200 spontaneous volunteers assisted during the event with a range of tasks including sandbagging, catering, logistics and supporting storm damage response teams. The NSW SES continues to build its capability to coordinate spontaneous volunteers during protracted severe weather events and has recently developed a safety induction video and on-boarding process for spontaneous volunteers.

Finally, in order to continue growing the Service and attracting new volunteers to the NSW SES, this year new recruitment materials and promotional videos have been produced. These will be used as part of a targeted recruitment strategy for each category of volunteering.

Enhancements to ICT Infrastructure

Reliable ICT Infrastructure and internet connectivity enhances volunteer experience. In 2018-19, the NSW SES has made significant improvements to ICT infrastructure including the upgrade of fixed network connections across 70 units, and the installation of 849 new workstations in volunteer Units.

In addition, successful pilots have been completed of a new Unified Communications service at three regional facilities. This has resulted in design of a Unified Communications solution that is being progressively rolled out to other locations across the state. This rollout is critical to replace end of life equipment and ensure the current and future communications needs of the service are met.

Streamlined Training and Assessment Experience

Every year, NSW SES volunteers commit countless hours to training and assessment to ensure they are skilled and ready to respond to emergencies. Efficient training and assessment processes are essential to ensure that the volunteer training experience is positive and productive.

In 2018-19 the NSW SES rolled out SES Assess, a Mobile Assessment App, to provide assessors with the ability to instantly record assessment results for volunteers through a mobile device. SES Assess allows for assessments to be completed on a mobile device, with assessment results automatically uploaded to a volunteer's qualification profile. More than 131 courses have already been completed through the App, saving over 130 hours of manual data entry and checking by volunteers.

Streamlined Financial Processes

To reduce administrative burden on volunteers and improve efficiency, the NSW SES has centralised and re-designed key financial and procurement processes during 2018-19.

A centralised procurement model has now been introduced to make it easier for volunteers to access low value consumable items and services, such as catering, in their local area. This has been achieved through the establishment of supplier

accounts with local businesses, and state-wide accounts with key suppliers such as Woolworths, Bunnings and Australia Post. These accounts streamline purchasing and reduce the need for volunteers to make out of pocket purchases. NSW SES aims to increase the number of these supplier accounts throughout 2019-20.

The unification of all NSW SES Unit Bank Accounts into a centralised bank account this year has also delivered financial and administrative benefits and reduced the workload on volunteers. Units continue to have access to their account balances, as well as donations made by members of the community, without the burden of managing individual bank accounts.

Finally, an improved purchase requisition functionality has been introduced. This functionality will enable more efficient procurement processes and reduce process for volunteers, minimising delayed orders and delayed payments to local suppliers.

Focus on Volunteer Wellbeing

The NSW SES is committed to supporting the wellbeing of our volunteer workforce. During 2018-19 we provided a range of support services to volunteers.

A Peer Support program has been maintained which trains volunteers and staff in psychological first aid, group crisis intervention, active listening, delivery of pre-incident education and suicide awareness. Peer Support personnel provide first level support and act as a conduit to longer-term support when required. The program is overseen by a full-time coordinator and a clinical psychologist who provides clinical supervision and direction for the program and team members whilst also following up with high-risk and complex cases as required.

A Chaplaincy program is also available to volunteers and staff, with access to spiritual health and wellbeing support and a 24/7 free-call phone line. The phone service provides access to a team of Peer Support Duty Officers who have advanced training in crisis intervention, suicide intervention and telephone crisis support.

An Incident Response Team (IRT) has also been established during 2018-19. A core group of volunteer members will now continue to undergo training that includes group crisis intervention and diffusing aggressive behaviours.

Strategic Anchor 3: Community

The NSW SES works with communities to identify needs, and plan, prepare and respond to emergencies.

Highlights:

- Implementation of a State Activities Calendar to support community engagement, stakeholder engagement and volunteer experience activities
- Delivery of the inaugural NSW SES Youth Engagement Forum
- Delivery of 30 cadet programs across NSW
- Rollout of the '#3Things' digital and social media campaign
- Collaboration on the Hawkesbury-Nepean flood strategy
- Continued development of community focused partnerships
- 'Get Ready' grants for 15 NSW SES Units.

Community Engagement

The NSW SES actively engages with communities across NSW to ensure that they know their risks and are prepared for floods and storms. This year, the NSW SES has developed and implemented a centralised approach to planning and management of community engagement activities. This is facilitated by a State Activities Calendar which ensures that outcomes are identified and tracked for all events. The State Activities Calendar also provides efficient approval, budget management and tracking of community engagement, volunteer experience and stakeholder engagement events. Across the state the NSW SES has led multiple community engagement programs during 2018-19. An example of this is the Northern Rivers Community Resilience Program which focuses on partnering with the community to build capability within the Northern Rivers communities following the impact of Ex-Tropical Cyclone Debbie in 2017.

A series of community workshops have been undertaken to assist communities in understanding and accepting their flood risk, with a focus on ensuring the community is prepared for future significant weather events.

During 2018-19, the NSW SES has broadened its Youth Engagement approach. Youth engagement and youth programs are an opportunity to both educate young people about flood and storm safety and to offer pathways to volunteering with NSW SES.

On the 24 and 25 of May, the NSW SES held a Youth Engagement Forum which explored how to build community capability by developing resilience in youth (aged 16-30 years), and how to effectively engage with existing and new youth members of the NSW SES. The outcomes of this forum will inform future development in the area of Youth Engagement for the NSW SES. During 2018-19, the NSW SES also developed and implemented thirty Cadet programs and two 'Youth Education Team Training in Emergency Services' (YETTIES) programs in high schools across the State.

Community Awareness Campaigns

To support community engagement and preparedness, the NSW SES engaged in a number of community awareness campaigns in 2018-19. A notable example is the '#3Things' digital and social media campaign.

The '#3Things' campaign was a result of collaboration between the NSW SES and the University of New England (UNE). This was the first joint project between NSW SES and UNE following the signing of a Memorandum of Understanding between the two organisations in 2018.

The '#3Things' project created a series of social media videos that assist communities in being prepared for floods and storms by considering what '3 Things' they would take in an emergency. This campaign was launched in May and is a valuable resource that can continue to be used in future flood-related engagement activities.

As well as targeted campaigns such as '#3Things', the NSW SES has continued to actively communicate through social media channels to members and the communities of NSW. The NSW SES Facebook page had 143,621 likes in 2018-19, and the Service currently has more than 3100 followers on Instagram and over 67,060 followers on Twitter. This year, social media processes and structures have been reviewed and an online social media training course was launched to members to support the ongoing improvement of social media capability across the Service.

During 2018-19, the NSW SES continued to collaborate with Infrastructure NSW on the Hawkesbury-Nepean Strategy. This included development of a NSW SES branded media campaign for 2019-20, Floods: The Risk is Real. This awareness campaign encourages residents within the Hawkesbury Nepean Valley communities to find out more about their flood risk and to take action to prepare for the next flood. The campaign will be launched in 2019-20 and will incorporate direct mail, billboard advertisements and digital marketing.

Community Focused Projects

The NSW SES have engaged in a range of community focused projects during 2018-19. Two examples include:

- Project 'U-Turn' - This project worked with three different communities and other government agencies to investigate ways to reduce the frequency of people driving into floodwater. The project has now been completed and its recommendations are being progressed with Roads and Maritime Services
- The 'Ohana' Project - this project is currently in progress and focuses on planning for animals in emergencies. The project is developing resources, and reviewing public information messaging and evacuation centre setup, to ensure that planning and preparedness effectively considers management of animals during emergencies.

Community Focused Partnerships

The NSW SES's principal partnership is with NRMA Insurance. During 2018-19, this partnership has continued to focus on actively engaging and empowering local communities to understand their local risks and take steps to manage that risk through preventative action. This included collaboration on the 'Get Ready' campaign, a phased digital marketing and public relations campaign to encourage residents in NSW to prepare for storm season. This approach was based on new consumer research into levels of preparedness amongst audience groups such as millennials and apartment renters.

In collaboration with NRMA Insurance, the NSW SES has also initiated 'Get Ready' Grants for local NSW SES Units. These grants require that project development and delivery have the involvement of local communities. There were fifteen successful grants awarded under this program in 2018-19. Examples include:

- Flood awareness in Campbelltown
- Women on the Land in Casino
- Get Ready Yamba
- Get Ready Broken Hill; and
- Hunter Valley Emergency Services Expo.

In addition to the partnership with NRMA Insurance, the NSW SES has 11 external agreements with organisations that share a common vision of supporting local communities across NSW. These memorandums of understanding are structured around a commitment to strengthening working relationships and supporting common objectives such as flexible volunteering, building emergency response capability and providing Peer Support Services.

Current agreements include organisations such as Charles Sturt University, Evolution Mining, University of New England, Team Rubicon Australia and NSW Surf Life Saving.

Enabling Performance: Governance and Business Process Improvement

NSW SES strives to be a leading organisation that is efficient, innovative and sustainable. Strong governance processes and ongoing business process improvement are essential to achieving this goal and to the delivery of our strategy.

Highlights:

- Introduction of a new grants management framework
- Implementation of an IT security governance structure
- Roll-out of new records management policy and procedures
- Implementation of a business intelligence system to support evidence-based decision making
- Update of procurement processes to ensure compliance with the new NSW Government procurement accreditation scheme.

Continual Improvement in Governance

Financial oversight and budgetary allocation processes were strengthened this year through the establishment of a revised Terms of Reference for the Finance and Performance Steering Committee. This steering committee maintains oversight of financial management and funding decisions as well as organisational performance.

A new grants management framework was also introduced in 2018-19 to manage grant applications and external funding arrangements. This framework includes a central grants register containing information on all grant applications, grants policy, guidelines and pre-approval processes as well as supporting tools. These tools and processes are designed to increase transparency and governance around external funding sources and further support volunteers with community work.

To support continuous improvement in IT Governance, this year a new IT Security Governance structure was developed, which includes a dedicated IT security resource, Information Security Steering Committee and cyber security team. An increased focus on governance combined with awareness campaigns and rollout of mandatory password updates for all members, means increased protection against a breach of NSW SES systems.

Internal Audit and Risk Management

The NSW SES Internal Audit Program continued to provide an independent, objective assurance and advisory service during 2018-19. The Internal Audit Plan was developed using a comprehensive risk-based assessment which considered strategy, business objectives and external impacts/trends. The program provides a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

As part of the internal audit program, reviews were conducted on various administrative, financial, information communication technology, operational response and emerging risk areas that support the delivery of services to the communities of NSW. The recommendations from these audits resulted in improved management systems, better accountability and improved internal controls to help achieve corporate objectives.

The NSW SES is committed to the proactive management of risk, as an integral part of sound management practice and an essential element of good corporate governance. Throughout 2018-19, the NSW SES continued to improve its risk maturity through improved reporting, methodology and analytics.

The Governance Branch continues to work across the Service to provide advice and assess strategic, directorate, program and project related risks. The Strategic Leadership Team oversees the implementation, operation and review of enterprise risk management.

The NSW SES risk management policy and associated guideline articulate risk appetite and tolerances, risk escalation processes and roles and responsibilities. The NSW SES Audit and Risk Committee also review and provides oversight to ensure effective risk management.

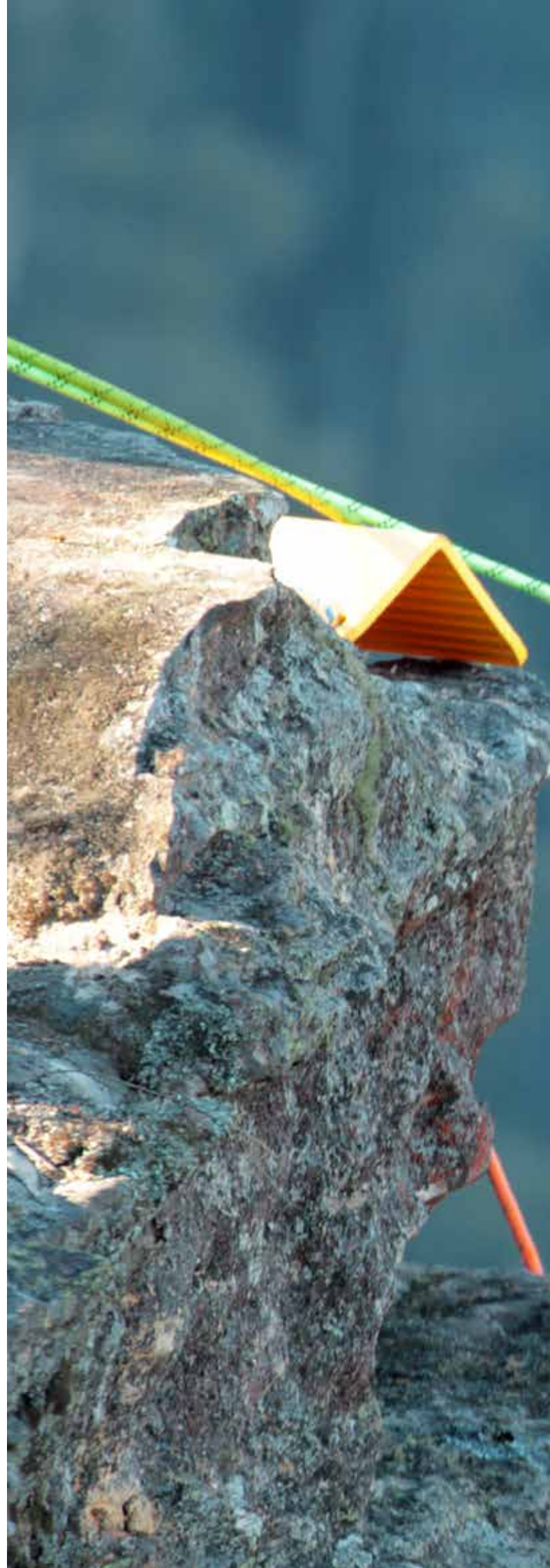
New Policies and Processes

A Records Management Policy and guidelines were introduced this year. These were supported by an upgrade of the Electronic Document and Records Management System (EDRMS) and approval of budget to implement software to automate the management of digital records. This will have a significant positive impact on the NSW SES's records management processes.

To improve accuracy and visibility of information across the Service, a new Business Intelligence (BI) system, or data warehouse, has been implemented. This data warehouse, through a visualisation platform, will provide a single source of truth from which to run interactive reports.

A new NSW Procurement Accreditation Scheme was introduced in November 2018. The NSW SES has assessed the requirements for the new Scheme and how this will impact the way we do business. A plan has been developed and implemented that ensures focus areas are addressed within the given timeframes including the development of Category Management Plans in line with our category management framework.

In addition to improvements to address the new Procurement Accreditation Scheme, a one-touch payroll and earlier payment terms for our suppliers was introduced in accordance with the Government Sector Finance Act (2018).





FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

Office of the NSW State Emergency Service

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the Office of the NSW State Emergency Service (the Service), which comprise the Statement of Comprehensive Income for the year ended 30 June 2019, the Statement of Financial Position as at 30 June 2019, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Statement of Significant Accounting Policies and other explanatory information.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Service as at 30 June 2019, 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 45E of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

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

Basis for Opinion

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

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

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

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

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

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

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

Independent Auditor's Report

Other Information

The Service's annual report for the year ended 30 June 2019 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Commissioner of the Service is responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Statement by the Commissioner.

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

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

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

I have nothing to report in this regard.

Commissioner's Responsibilities for the Financial Statements

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

In preparing the financial statements, the Commissioner is responsible for assessing the Service's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting, unless it is not appropriate to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

My opinion does not provide assurance:

- that the Service carried out its activities effectively, efficiently and economically
- 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 any other information which may have been hyperlinked to/from the financial statements.



Lawrissa Chan
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

27 September 2019
SYDNEY



OFFICE OF THE NSW STATE EMERGENCY SERVICE
FINANCIAL STATEMENTS
For the Year Ended 30 June 2019

STATEMENT BY COMMISSIONER

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

- (a) The accompanying financial statements have been prepared in accordance with applicable accounting standards (including Australian Accounting Interpretations), the provisions of the *Public Finance and Audit Act 1983*, the applicable clauses of the Public Finance and Audit Regulation 2015 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 2019; and
- (c) There are no circumstances which would render any particulars included in the financial report to be misleading or inaccurate.

A handwritten signature in blue ink, appearing to read 'K. Stewart', is written over a thin blue line that extends to the left.

Kyle Stewart APM
Commissioner NSW SES

26 September 2019



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OFFICE OF THE COMMISSIONER

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START OF AUDITED FINANCIAL STATEMENTS

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Statement of comprehensive income
for the year ended 30 June 2019

	Notes	Budget 2019 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
Continuing operations				
Expenses excluding losses				
Employee-related expenses	2(a)	41,315	39,154	41,180
Operating expenses	2(b)	49,731	46,675	45,479
Depreciation and amortisation	2(c)	8,445	11,629	7,733
Grants and subsidies	2(d)	4,387	3,956	4,330
Finance costs	2(e)	-	15	67
Other expenses (Disaster Relief)	2(f)	12,176	6,111	3,273
Total expenses excluding losses		116,054	107,540	102,062
Revenue				
Sales of goods and services	3(a)	41	1	2
Investment revenue	3(b)	445	727	621
Grants and contributions	3(c)	125,126	129,320	109,836
Acceptance by the Crown Entity of employee benefits and other liabilities	3(d)	149	387	394
Other income	3(e)	335	1,776	2,258
Total Revenue		126,096	132,211	113,111
Operating result				
Gains / (losses) on disposal	4	(149)	109	(8)
Net result from continuing operations		9,893	24,780	11,041
Net result		9,893	24,780	11,041
Other comprehensive income				
Total other comprehensive income		-	-	-
TOTAL COMPREHENSIVE INCOME		9,893	24,780	11,041

The accompanying notes form part of these financial statements.

OFFICE OF THE NSW STATE EMERGENCY SERVICE**Statement of financial position
as at 30 June 2019**

	Notes	Budget 2019 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
ASSETS				
Current Assets				
Cash and cash equivalents	5 & 9	18,642	60,959	34,706
Receivables	6	2,605	4,435	5,996
Inventories	7	5,649	3,218	4,436
Other current assets		5	-	-
Total Current Assets		26,901	68,612	45,138
Non - Current Assets				
Property, Plant and Equipment				
- Land and buildings	8	11,784	10,035	10,980
- Plant and equipment	8	81,233	65,675	66,109
Total Property, Plant and Equipment		93,017	75,710	77,089
Total Non-Current Assets		93,017	75,710	77,089
Total Assets		119,918	144,322	122,227
LIABILITIES				
Current Liabilities				
Lease liabilities	10	29	29	29
Payables	11	7,456	9,586	11,833
Provisions	12	4,019	4,139	4,621
Total Current Liabilities		11,504	13,754	16,483
Non - Current Liabilities				
Lease liabilities	10	3,637	3,731	3,637
Provisions	13	69	1,252	1,302
Total Non - Current Liabilities		3,706	4,983	4,939
Total Liabilities		15,210	18,737	21,422
Net Assets		104,708	125,585	100,805
EQUITY				
Accumulated funds		104,708	125,585	100,805
Total Equity		104,708	125,585	100,805

The accompanying notes form part of these financial statements.

OFFICE OF THE NSW STATE EMERGENCY SERVICE**Statement of changes in equity
for the year ended 30 June 2019**

	Accumulated Funds \$'000	Total \$'000
Balance at 1 July 2018	100,805	100,805
Net result for the year	24,780	24,780
Total comprehensive income for the year	<u>24,780</u>	<u>24,780</u>
Balance at 30 June 2019	<u>125,585</u>	<u>125,585</u>
Balance at 1 July 2017	89,764	89,764
Net result for the year	11,041	11,041
Total comprehensive income for the year	<u>11,041</u>	<u>11,041</u>
Balance at 30 June 2018	<u>100,805</u>	<u>100,805</u>

The accompanying notes form part of these financial statements.

OFFICE OF THE NSW STATE EMERGENCY SERVICE**Statement of cash flows
for the year ended 30 June 2019**

	Notes	Budget 2019 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(41,165)	(39,123)	(40,532)
Grants and subsidies		(16,563)	(10,487)	(7,603)
Other		(51,031)	(53,465)	(54,857)
Total Payments		(108,759)	(103,075)	(102,992)
Receipts				
Sale of goods and services		41	1	2
Interest received		445	727	929
Grants and contributions		124,786	125,497	118,293
Other		1,975	11,313	8,518
Total Receipts		127,247	137,538	127,742
NET CASH FLOWS FROM OPERATING ACTIVITIES	18	18,488	34,463	24,750
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of land and buildings, and plant and equipment		71	204	378
Purchases of land and buildings, and plant and equipment		(24,885)	(8,414)	(29,530)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(24,814)	(8,210)	(29,152)
CASH FLOWS FROM FINANCING ACTIVITIES				
NET CASH FLOWS FROM FINANCING ACTIVITIES		-	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS				
		(6,326)	26,253	(4,402)
Opening cash and cash equivalents		24,968	34,706	39,108
CLOSING CASH AND CASH EQUIVALENTS	5	18,642	60,959	34,706

The accompanying notes form part of these financial statements.

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

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OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

1. Summary of Significant Accounting Policies**(a) Reporting entity**

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

These financial statements for the year ended 30 June 2019 have been authorised for issue by the Commissioner on 26 September 2019.

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

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, which is the entity's presentation and functional currency.

(c) Statement of compliance

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

OFFICE OF THE NSW STATE EMERGENCY SERVICE
Notes to the financial statements for the year ended 30 June 2019

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

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- the amount of GST incurred by the entity as a purchaser that is not recoverable from the Australian Taxation Office (ATO) 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 ATO are classified as operating cash flows.

(e) Comparative information

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

(f) Changes in accounting policy, including new or revised AAS

- (i) Effective for the first time in 2018-19

The entity has adopted AASB 9 *Financial Instruments* (AASB 9), which resulted in changes in accounting policies in respect of recognition, classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets and hedge accounting. AASB 9 also significantly amends other standards dealing with financial instruments such as the revised AASB 7 *Financial Instruments: Disclosures* (AASB 7R).

The entity applied AASB 9 retrospectively but has not restated the comparative information which is reported under AASB 139 *Financial Instruments: Recognition and Measurement* (AASB 139).

a) Classification and measurement of financial instruments

On 1 July 2018 (the date of initial application of AASB9), the entity's management has assessed which business models apply to the financial assets held by the entity and has classified its financial instruments into the appropriate AASB 9 categories. The main effects resulting from this reclassification are as follows:

	Notes	Loans and receivables (L&R) \$'000
Closing balance 30 June 2018 - AASB 139	6	5,996
Opening balance 1 July 2018 - AASB 9	6	5,996

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

(f) Changes in accounting policy, including new or revised AAS (continued)

The classification and measurement requirements of AASB 9 did not have a significant impact to the entity. The entity continued measuring at fair value, all financial assets previously held at fair value under AASB 139.

The following are the changes in the classification of the entity's financial assets:

- Trade receivables and other financial assets classified as 'Loans and receivables' under AASB 139 as at 30 June 2018 are held to collect contractual cash flows representing solely payments of principal and interest. At 1 July 2018, these are classified and measured as debt instruments at amortised cost.

In summary, upon the adoption of AASB 9, the entity had the following required or elected reclassifications as at 1 July 2018:

	Measurement Category		Carrying amount		
	AASB 139	AASB 9	Original \$'000	New \$'000	Difference \$'000
Trade receivables	L&R	Amortised cost	709	709	-
NDRRA receivable	L&R	Amortised cost	3,151	3,151	-
Other receivables	L&R	Amortised cost	2,136	2,136	-

(ii) Issued but not yet effective

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

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

- AASB 15, AASB 2014-5, AASB 2015-8 and 2016-3 regarding *Revenue from Contracts with Customers (Not-for-profits only)*
- AASB 16 *Leases*
- AASB 17 *Insurance Contracts*
- AASB 1058 *Income of Not-for-profit Entities*
- AASB 1059 *Service Concession Arrangements: Grantors*
- AASB 2016-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities*
- AASB 2017-1 *Amendments to Australian Accounting Standards – Transfer of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments*
- AASB 2017-4 *Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments*
- AASB 2017-6 *Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation*

OFFICE OF THE NSW STATE EMERGENCY SERVICE
Notes to the financial statements for the year ended 30 June 2019

(f) **Changes in accounting policy, including new or revised AAS (continued)**

(ii) Issued but not yet effective (continued)

- AASB2017-7 *Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures*
- AASB 2018-1 *Amendments to Australian Accounting Standards – Annual Improvements 2015-2017 Cycle*
- AASB 2018-2 *Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement*
- AASB 2018-3 *Amendments to Australian Accounting Standards – Reduced Disclosure Requirements*
- AASB 2018-4 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensors*
- AASB 2018-5 *Amendments to Australian Accounting Standards - Deferral of AASB 1059*
- AASB 2018-6 *Amendments to Australian Accounting Standards – Definition of a Business*
- AASB 2018-7 *Amendments to Australian Accounting Standards – Definition of Material*
- AASB 2018-8 *Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities*
- Interpretation 22 *Foreign Currency Transactions and Advance Consideration (Not-for-profits only)*
- Interpretation 23 *Uncertainty over Income Tax Treatment*

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 with the exception of AASB 16 Leases.

- **AASB 16 Leases**

AASB 16 Leases (AASB 16) is effective from reporting periods commencing on or after 1 January 2019. For lessees, AASB 16 will result in most leases being recognised on the Statement of Financial Position, as the distinction between operating and finance leases is largely removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised at the commencement of the lease. The only exceptions are short-term and low-value leases. AASB 16 will therefore increase assets and liabilities reported on the Statement of Financial Position. It will also increase depreciation and interest expenses and reduce operating lease rental expenses on the Statement of Comprehensive Income. Expenses recognised in the earlier years of the lease term will be higher as the interest charges will be calculated on a larger lease liability balance. Existing finance leases are not expected to be significantly impacted from the transition to AASB 16.

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

(f) Changes in accounting policy, including new or revised AAS (continued)**(ii) Issued but not yet effective (continued)**

NSW SES will adopt AASB 16 on 1 July 2019 through application of the partial retrospective approach, where only the current year is adjusted as though AASB 16 had always applied. Comparative information will not be restated. NSW SES will also adopt the practical expedient whereby the fair value of the right-of use asset will be the same as the lease liability at 1 July 2019.

Based on the impact assessments NSW SES has undertaken on currently available information, NSW SES has developed a best estimate that is still under review. Given the current completeness and validity of underlying information, it is possible that an amount recognised at 1 July 2019 in the Statement of Financial Position will differ from this estimate. As such, NSW SES has determined that an accurate estimate over the financial impact of AASB 16 is not available for disclosure. The impact of this standard will be fully assessed and reported for the year ended 30 June 2020.

- *AASB 15 Revenue from Contracts with Customers, AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 and AASB 1058 Income of Not-for-Profits*

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

- *AASB 15 Revenue from Contracts with Customers, AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 and AASB 1058 Income of Not-for-Profits (cont)*

Under AASB 1004 Contributions, contributions of services will be recognised as revenue and expense when the fair value of those services can be reliably measured, and the services would have been purchased if not donated.

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

(g) Changes in accounting estimates

There were no changes in accounting estimates during the year.

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

2. Expenses Excluding Losses	2019	2018
	\$'000	\$'000
(a) Employee related expenses		
Salaries and wages (including annual leave)	32,586	34,452
Superannuation - defined benefit plans	301	292
Superannuation - defined contribution plans	2,550	2,659
Long service leave	1,377	1,442
Workers' compensation insurance	405	378
Payroll tax and fringe benefit tax	1,935	1,957
	39,154	41,180

Employee related costs that have been capitalised in fixed asset accounts, and therefore excluded from Note 2(a) are \$0.91m (2018: \$0.83m)

(b) Operating expenses include the following:	2019	2018
	\$'000	\$'000
Auditor's remuneration	176	176
- audit of financial statements		
Operating lease rental expense	4,260	4,558
- minimum lease payments		
Insurance	1,100	1,224
Cleaning	650	745
Utilities	795	733
Fleet expenditure	2,529	2,305
Travel	1,308	1,352
Freight, cartage and packing	170	156
Advertising and publicity	147	320
Telecommunication	4,744	3,719
Government Radio Network	12,267	9,479
Printing and Stationery	487	494
Fees for services rendered	1,963	1,299
Contractors	1,259	333
Consultants	523	1,989
Legal Fees	40	229
Training	1,130	2,269
Maintenance*	4,553	4,619
Computer Services	627	2,491
Minor Equipment	2,581	2,905
Cost of inventories held for distribution	3,277	2,658
General Expenses	2,089	1,426
	46,675	45,479

*Reconciliation - Total maintenance	2019	2018
	\$'000	\$'000
Maintenance expense - contracted labour	4,553	4,619
and other (non-employee related), as above		
Employee related maintenance expense included in 2(a)	-	-
Total maintenance expenses included in Note 2(a) + 2(b)	4,553	4,619
*Reconciliation - Total maintenance	4,553	4,619

Recognition and Measurement**Maintenance expense**

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

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.

Operating leases

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

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

2. Expenses Excluding Losses (continued)

	2019 \$'000	2018 \$'000
(c) Depreciation and amortisation expense		
Depreciation		
Plant and equipment	10,520	6,604
Amortisation		
Land and buildings	1,109	1,129
	<u>11,629</u>	<u>7,733</u>

Refer to Note 8 for recognition and measurement policies on depreciation and amortisation.

Note: Amortisation has been extracted from 2018 figures for comparison

	2019 \$'000	2018 \$'000
(d) Grants and subsidies		
Grants - Emergency workers compensation insurance contribution *	3,000	3,000
Grants - Unit accommodation	956	1,330
	<u>3,956</u>	<u>4,330</u>

* Grants to Emergency workers compensation represents payments required under the Emergency and Rescue Workers Compensation Fund.

	2019 \$'000	2018 \$'000
(e) Finance costs		
Unwinding of discount on restoration provision	15	67
	<u>15</u>	<u>67</u>

	2019 \$'000	2018 \$'000
(f) Other expenses		
Disaster Relief - Goods and services	4,796	2,192
Disaster Relief - Staff	1,315	1,081
	<u>6,111</u>	<u>3,273</u>

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

3. Revenue**Recognition and Measurement**

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

	2019 \$'000	2018 \$'000
(a) Sale of goods and services		
Sale of goods and rendering of services	1	2
	<u>1</u>	<u>2</u>

Recognition and Measurement**Sale of goods**

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

Rendering of services

Revenue from rendering of services is recognised when the service is provided.

	2019 \$'000	2018 \$'000
(b) Investment revenue		
Interest income from financial assets not at fair value through profit or loss		621
Interest income from financial assets at fair value through other comprehensive income	727	
	<u>727</u>	<u>621</u>

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

3. Revenue (continued)**(b) Investment revenue (continued)****Recognition and Measurement****Interest income**

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

	2019	2018
	\$'000	\$'000
(c) Grants and contributions		
Disaster relief	2,285	348
Donations and fundraising *	555	670
Vesting of vehicles by Local Government	-	82
Gifted assets	1,354	-
Department of Justice Grants:		
Recurrent appropriation grant	100,814	106,433
Capital appropriation grant	24,312	2,303
	129,320	109,836

* Includes \$0.2m in bequests received (2018: Nil).

Recognition and Measurement

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

Contributions are recognised at their fair value. Contributions of services are recognised when and only when a fair value of those services can be reliably determined and the services would be purchased if not donated.

(d) Acceptance by the Crown Entity of employee benefits and other liabilities

The following expenses have been assumed by the Crown Entity:

	2019	2018
	\$'000	\$'000
Superannuation - defined benefit	301	292
Payroll tax	15	14
Long service leave	71	88
	387	394
(e) Other income		
Other revenue received by NSW SES units	137	393
Miscellaneous/Insurance Recoveries	1,461	953
NRMA Sponsorship	178	193
Origin Sponsorship	-	158
Natural Disaster Mitigation Program	-	561
	1,776	2,258

4. Gains / (Losses) on Disposal

	2019	2018
	\$'000	\$'000
Proceeds from sale	204	378
Less: written down value of assets disposed	(95)	(386)
	109	(8)

OFFICE OF THE NSW STATE EMERGENCY SERVICE**Notes to the financial statements for the year ended 30 June 2019**

5. Current Assets - Cash and Cash Equivalents	2019	2018
	\$'000	\$'000
Cash at bank and on hand	60,959	34,706
	60,959	34,706

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand and cash at bank.

	2019	2018
	\$'000	\$'000
Cash and cash equivalents (per Statement of Financial Position)	60,959	34,706
	60,959	34,706

Refer Note 19 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

Refer Note 9 for details regarding restricted assets.

6. Current Assets - Receivables	2019	2018
	\$'000	\$'000
Sale of goods and services	393	709
Natural Disaster Relief and Recovery Receivable	2,285	3,151
GST Receivable	753	1,190
Prepayments	759	901
Other	245	45
	4,435	5,996

Details regarding credit risk of trade debtors that are neither past due or impaired, are disclosed in Note 19.

Recognition and Measurement

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

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

Subsequent measurement under AASB 9 (from 1 July 2018)

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

Subsequent measurement under AASB 139 (for comparative period ended 30 June 2018)

Subsequent measurement is at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Impairment under AASB 9 (from 1 July 2018)

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

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

Impairment under AASB 139 (for comparative period ended 30 June 2018)

Receivables are subject to an annual review for impairment. These are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

The entity first assesses whether impairment exists individually for receivables that are individually significant, or collectively for those that are not individually significant. Further, receivables are assessed for impairment on a collective basis if they were assessed not to be impaired individually.

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 original effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

Any reversals of impairment losses are reversed through the net result for the year, if objectively related to an event occurring after the impairment was recognised. Reversals of impairment losses cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

7. Current Assets - Inventories

	2019	2018
	\$'000	\$'000
Held for distribution		
Clothing, equipment and other items	3,218	4,436
	3,218	4,436

Recognition and Measurement

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 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.

8. Property, Plant and Equipment

	Land and Buildings \$'000	Plant and Equipment \$'000	Total \$'000
At 1 July 2018 - fair value			
Gross carrying amount	12,111	109,823	121,934
Accumulated depreciation	(1,131)	(43,714)	(44,845)
Net carrying amount	10,980	66,109	77,089
At 30 June 2019 - fair value			
Gross carrying amount	12,275	116,879	129,154
Accumulated depreciation	(2,240)	(51,204)	(53,444)
Net carrying amount	10,035	65,675	75,710

Reconciliation

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

	Land and Buildings	Plant and Equipment	Total \$'000
Year Ended 30 June 2019			
Net carrying amount at beginning of year	10,980	66,109	77,089
Additions	164	8,250	8,414
Gifted assets	-	1,354	1,354
Insurance replacements	-	577	577
Disposals	-	(95)	(95)
Depreciation expense	(1,109)	(10,520)	(11,629)
Reclassification to other class of asset	-	-	-
Net carrying amount at end of year	10,035	65,675	75,710

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

8. Property, Plant and Equipment (continued)

	Land and Buildings \$'000	Plant and Equipment \$'000	Total \$'000
At 1 July 2017 - fair value			
Gross carrying amount	11,712	82,752	94,464
Accumulated depreciation	(1)	(38,866)	(38,867)
Net carrying amount	11,711	43,886	55,597
At 30 June 2018 - fair value			
Gross carrying amount	12,111	109,823	121,934
Accumulated depreciation	(1,131)	(43,714)	(44,845)
Net carrying amount	10,980	66,109	77,089

Reconciliation

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

	Land and Buildings	Plant and Equipment	Total \$'000
Year Ended 30 June 2018			
Net carrying amount at beginning of year	11,711	43,886	55,597
Additions	335	29,016	29,351
Vesting of vehicles by Local Government	-	81	81
Insurance replacements	-	179	179
Disposals	-	(386)	(386)
Depreciation expense	(1,129)	(6,604)	(7,733)
Reclassification to other class of asset	63	(63)	-
Net carrying amount at end of year	10,980	66,109	77,089

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

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

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

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

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

Capitalisation thresholds

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

Major inspection costs

When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

Restoration costs

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

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

8. Property, Plant and Equipment (continued)

Depreciation of property, plant and equipment

Except for certain non-depreciable assets, depreciation is provided for on a straight-line basis 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. Certain heritage assets including original artworks and collections and heritage buildings may not have a limited useful life because appropriate curatorial and preservation policies are adopted. Such assets are not subject to depreciation. The decision not to recognise depreciation for these assets is reviewed annually.

The useful lives of major categories of assets are:

Buildings	25 to 40 years
Plant and Equipment	3 to 25 years
Computers	3 to 30 years
Operational Equipment	8 to 15 years
Communication Equipment	3 to 15 years
Vehicles	3 to 15 years
Vessels	10 to 20 years

Finance leases

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

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.

Property, plant and equipment acquired under finance leases are depreciated over the asset's useful life. However, if there is no reasonable certainty that the lessee entity will obtain ownership at the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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 (TPP14-01). This policy adopts fair value in accordance with AASB 13, AASB 116 and AASB 140 *Investment Property*.

Non-specialised assets with short useful lives are measured at depreciated historical cost, which for these assets approximates fair value. The entity has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

8. Property, Plant and Equipment (continued)**Revaluation of property, plant and equipment (continued)**

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.

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

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. Since property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material.

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

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

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

9. Restricted Assets

Items that are restricted assets are listed below:

	2019	2018
	\$'000	\$'000
Cash and Cash Equivalents	5,017	5,086
	5,017	5,086

The funds held in the bank accounts of NSW SES Unit Accounts comprise receipt of bequeaths, donations and fundraising revenue. In accordance with the State Emergency Act 1989, these monies are to be utilised for the sole purpose of preparing the community and responding to emergencies in the state of NSW.

10. Lease Liabilities

	2019	2018
	\$'000	\$'000
Current	29	29
Non-current	3,731	3,637
	3,760	3,666

11. Current Liabilities - Payables

	2019	2018
	\$'000	\$'000
Accrued salaries, wages and on-costs	408	219
Creditors	8,248	11,083
Unearned revenue	930	531
	9,586	11,833

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed in Note 19.

Recognition and measurement

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

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

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

12. Current Liabilities - Provisions

	2019	2018
	\$'000	\$'000
Employee benefits and related on-costs		
Annual leave	2,740	3,388
Long service leave on-costs	1,399	1,233
	4,139	4,621

13. Non-Current Liabilities - Provisions

	2019	2018
	\$'000	\$'000
Employee benefits and related on-costs		
Long service leave on-costs	122	107
	122	107

Other provisions

Restoration costs	1,130	1,195
	1,130	1,195
	1,252	1,302

Aggregate employee benefits and related on-costs

Provisions - current	4,139	4,621
Provisions - non-current	122	107
Accrued salaries, wages and on-costs (note 11)	408	219
	4,669	4,947

Current provisions expected to be settled within the next 12 months:

Annual leave	1,917	2,304
Long service leave on-costs	173	148
	2,090	2,452

Current provisions expected to be settled after more than 12 months:

Annual leave	823	1,084
Long service leave on-costs	1,226	1,085
	2,049	2,169

Movements in provisions (other than employee benefits)

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

2019	Restoration	Total
	\$'000	\$'000
Carrying amount at 1 July 2018	1,195	1,195
Additional provisions recognised	15	15
Amounts used	-	-
Unused amounts reversed	-	-
Unwinding / change in the discount rate	(80)	(80)
Carrying amount at 30 June 2019	1,130	1,130

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

13. Non-Current Liabilities - Provisions (continued)**Recognition and Measurement****Employee benefits and related on-costs****Salaries and wages, annual leave and sick leave**

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected 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 using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 7.9% of the nominal value of annual leave) 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. All annual leave is classified as a current liability even where the entity does not expect to settle the liability within 12 months as the entity does not have an unconditional right to defer settlement.

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

Long service leave and superannuation

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 the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using Commonwealth government bond rate at the reporting date.

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 employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

Consequential on-costs

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

Other provisions

Provisions are recognised when: the entity has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. When the entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented net of any reimbursement in the Statement of Comprehensive Income.

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

14. Equity**Recognition and Measurement****Accumulated Funds**

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

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

15. Commitments**(a) Capital Commitments**

Aggregate capital expenditure for the acquisition of non-current assets contracted for at balance date and not provided for:

	2019	2018
	\$'000	\$'000
Within one year	4,778	720
Total (including GST)	4,778	720

GST included above which is expected to be paid to the Australian Taxation Office

	434	65
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(b) Operating Lease Commitments

Future minimum rentals payable under non-cancellable operating lease as at 30 June are as follows:

	2019	2018
	\$'000	\$'000
Within one year	5,574	5,368
Later than one year but not later than five years	24,714	20,270
Later than five years	12,634	20,692
Total (including GST)	42,922	46,330

GST included above which is expected to be paid to the Australian Taxation Office

	3,902	4,212
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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 SG Fleet, leases on Government Radio Network sites and leases on IT servers.

16. Contingent Liabilities and Contingent Assets

The NSW SES had no contingent liabilities or contingent assets as at 30 June 2019. (2018: nil)

17. Budget Review

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

Net Result

The Net Result of \$24.8m surplus compared favourably with the budget of \$9.9m. Total expenses were \$8.4m under budget and this is mainly due to Disaster Relief expenditure being \$6.1m less than budget. Employee-related expenses were \$2.2m under budget because of delays in the recruitment of positions related to the Organisational Transformation process. Total revenue was \$6.1m over budget which can be attributed to the following items not being budget for: Recoup of Disaster Relief expenditure (\$2.3m), "gifted" radios from the Telco Authority (\$1.9m), Other income (predominantly Grants \$0.9m) as well as donations and fundraising (\$0.6m). Note, the expenditure for Grants and subsidies was \$16.6m in the Budget Papers, however, for the purposes of the financial statements the budget for Disaster Relief (\$10.0m) was extracted from this amount. The budget for Grants and contributions revenue in the financial statements was an amalgamation of the budgeted figures for Cluster Grant Revenue (\$124.8m) and Grants and contributions (\$0.3m) in the Budget Papers.

Assets and Liabilities

Actual net assets were \$20.9m higher than budget. Cash and cash equivalents were \$42.3m higher than budget primarily due to lower than budgeted expenditure and higher than budgeted revenue as described above. Cash and cash equivalents were also impacted by Property, Plant and Equipment being below budget by \$17.3m. The actual results for Property, Plant and Equipment were mainly impacted by delays in the Fleet Replacement Program.

Cash Flows

Net cash flows from operating activities were higher than budget by \$16.0m as a result of lower than budgeted expenditure and higher than budgeted revenue as described above. Net cash flows from investing activities was \$16.6m under budget primarily due to delays in the Fleet Replacement Program. The opening cash and cash equivalents was above budget by \$9.7m due to additional cash being held at year end in 2017/18 when compared to what had been initially budgeted.

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

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

Reconciliation of cash flows from operating activities to the net result as reported in the Statement of Comprehensive Income as follows:

	2019 \$'000	2018 \$'000
Net cash used on operating activities	34,463	24,750
Depreciation and amortisation expense	(11,629)	(7,733)
Vesting of vehicles by Local Government	-	81
Gifted assets and insurance proceeds	1,931	-
Net gain/(loss) on disposal of non-current assets	109	(8)
Decrease/(increase) in provisions	532	(673)
Increase/(decrease) in receivables	(1,561)	(6,730)
Increase/(decrease) in inventories	(1,218)	(678)
Decrease/(increase) in payables	2,153	2,032
Net result	24,780	11,041

19. 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 continuous basis.

a) Financial instrument categories

Class	Notes	Category	2019	2018
			\$'000	\$'000
			Carrying Amount	Carrying Amount
Financial Assets				
Cash and cash equivalents	5	N/A	60,959	34,706
Receivables ¹	6	Amortised cost	2,923	3,905
Financial Liabilities				
Lease Liabilities	10	Financial liabilities measured at amortised cost	3,760	3,666
Payables ²	11	Financial liabilities measured at amortised cost	8,653	11,298

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).

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

b) Derecognition of financial assets and financial liabilities

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

- the entity has transferred substantially all the risks and rewards of the asset; or
- the entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control.

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

OFFICE OF THE NSW STATE EMERGENCY SERVICE**Notes to the financial statements for the year ended 30 June 2019****19. Financial Instruments (continued)****b) Derecognition of financial assets and financial liabilities (continued)**

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

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

c) Offsetting financial instruments

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

d) Financial risks**i. Credit Risk**

Credit risk arises when there is the possibility 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.

The entity considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the entity may also consider a financial asset to be in default when internal or external information indicates that the entity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the entity.

Cash and cash equivalents

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System as well as a small number of 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 external unit account balances is earned at the prevailing interest rate offered by the financial institution.

Accounting policy for impairment of trade debtors and other financial assets under AASB 9**Receivables - trade debtors**

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.

The entity applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors. Trade debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments for a period of greater than 30 days past due.

Accounting policy for impairment of trade debtors and other financial assets under AASB 139 (comparative period only)

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. Debtors 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.

For the comparative period 30 June 2018, the ageing analysis of trade debtors is as follows:

	2018
	\$'000
Neither past due nor impaired	679
Past due but not impaired	
< 3 months overdue	30
3 months - 6 months overdue	-
> 6 months overdue	-
Total Receivables	<u><u>709</u></u>

Notes: The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7. Therefore, the 'total' may not reconcile to the receivables total recognised in Note 6.

The entity is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2018.

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

19. Financial Instruments (continued)**d) Financial risks (continued)****ii. 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.

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.

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

<i>Maturity analysis and interest rate exposure of financial liabilities</i>								
\$'000								
	Weighted Average Effective Int. Rate	Nominal Receivables ¹	Interest Rate Exposure			Maturity Dates		
			Fixed Interest Rate	Variable Interest Rate	Non - Interest Bearing	< 1 yr	1-5 yrs	> 5 yrs
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2019								
<i>Lease Liabilities</i>	N/A	3,760	-	-	3,760	3,760	-	-
<i>Payables</i>	N/A	8,653	-	-	8,653	8,653	-	-
2018								
<i>Lease Liabilities</i>	N/A	3,666	-	-	3,666	3,666	-	-
<i>Payables</i>	N/A	11,298	-	-	11,298	11,298	-	-
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 Position.								

iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. 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 reporting date. The analysis is performed on the same basis as for 2018. The analysis assumes that all other variables remain constant.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through the entity's interest-bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with NSW TCorp. The entity does not account for any fixed rate financial instruments at fair value through profit or loss or as at fair value through other comprehensive income or available-for-sale (until 30 June 2018). Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates (based on official RBA interest rate volatility over the last five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates:

	2019		2018	
	\$'000		\$'000	
	(1%)	1%	(1%)	1%
Net result	(248)	248	(110)	110
Equity	(1,256)	1,256	(1,008)	1,008

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Notes to the financial statements for the year ended 30 June 2019

19. Financial Instruments (continued)**(e) Fair Value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

20. Related Party Disclosures

The entity's key management personnel compensation are as follows:

	2019	2018
	\$'000	\$'000
Short-term employee benefits:		
Salaries	2,567	2,618
Other monetary allowances	1	2
Non-monetary benefits	-	-
Other long-term employee benefits*	197	225
Post-employment benefits	-	-
Termination benefits	294	149
Total remuneration	3,060	2,994

* Annual leave has been reclassified from Other long-term employee benefits to Salaries in the 2018 figures. Other long-term benefits relate to superannuation.

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

During the year, the entity entered into transactions with other entities that are controlled/jointly controlled/significantly influenced by NSW Government. The aggregate value of the material transactions and related outstanding balances as at and for the year ending 30 June 2019 are as follows:

Government Entity	Nature of transaction	2019		2018	
		\$'000		\$'000	
		Transaction value Net Expenses/ (Revenue)	Net receivable/ (payable)	Transaction value Net Expenses/ (Revenue)	Net receivable/ (payable)
NSW Telco Authority	Government Radio Network	13,546	-	10,539	100
Fire & Rescue New South Wales	SAP Services	1,574	(45)	1,142	(483)
Department of Justice	Grants and Contributions	(124,923)	-	(106,281)	(16)
NSW Public Works	New State Headquarters	-	-	1,160	-
NSW Rural Fire Service	Hire of helicopters	342	(100)	356	(101)
Government Property NSW *	Rent on leases	4,510	-	4,847	-
		(104,951)	(145)	(88,237)	(500)

* Commitments as at 30 June 2019 were \$36.7m ex GST. (2018: \$39.7m ex GST)

21. Events after the Reporting Period

The NSW State Emergency Service announced changes to the organisational staffing structure on 25 September 2019. A number of opportunities were identified to improve the operational and financial sustainability of the Service and ultimately improve outcomes for the community and support for volunteers.

END OF AUDITED FINANCIAL STATEMENTS

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APPENDICES

Finance, Asset Management & Business Services

Consultancy

Engagements greater than \$50,000

O'Connor Marsden & Associates Pty Ltd

Audit & Risk

\$207,388.74

Mingara Australasia Pty Ltd

Telecommunications

\$73,089.15

Oakton Services Pty Ltd

Information Technology

\$52,925.00

Engagements less than \$50,000

Nature of Consultancy – Information Technology

Total number of engagements 4

Total Cost \$90,858.13

Nature of Consultancy – Engineering (Flood

Planning & Intelligence)

Total number of engagements 1

Total Cost \$46,500.00

Nature of Consultancy – Audit & Risk

Total number of engagements 3

Total Cost \$22,962.59

Nature of Consultancy – Human Resources

Total number of engagements 1

Total Cost \$18,705.00

Nature of Consultancy – Community Engagement

Total number of engagements 1

Total Cost \$10,000.00

Payment of accounts

Payment performance to vendors can periodically be affected by large scale operational response events, which create a challenging environment due to the increase in procurement of goods and services over a short period of time and consequently delays in receipt of tax invoices from vendors. To address this issue, NSW SES will continue to mobilise administrative support during operational events. The NSW SES has also centralised purchasing and accounts payable functions to a single location to increase efficiency of payment processes and consequently improve overall payment performance. As can be seen in the 'Time for Payment of accounts' table below, on-time payment figures in the December 2018 quarter were reduced due to the transition to the new organisational structure. The March 2019 quarter figures were also impacted by a combination of issues such as the new organisational structure and operational activity from December 2018 through to January 2019.

Time for Payment of accounts

The table below shows payments by quarter for the reporting year:

Aged analysis at the end of each quarter				
Payment Performance Indicator	Sept 2018	Dec 2018	Mar 2019	June 2019
Accounts payable (All Suppliers)				
Current (within due date)	2,780,871	1,227,861	1,143,642	8,259,067
Less than 30 days overdue	(9,451)	10,818	8,044	(1)
Between 30 & 60 days overdue	(98)	1,040	(4,589)	66
More than 60 days overdue	(86,331)	(95,422)	290,825	(12,132)
Accounts paid (All Suppliers)				
Number of accounts due for payment	4,851	4,388	4,546	3,803
Number of accounts paid on time	4,333	3,058	3,033	3,629
Actual percentage of accounts paid on time (based on number of accounts)	89%	70%	67%	95%
Dollar amount of accounts due for payment	\$18,414,045	\$13,400,104	\$12,175,224	\$15,777,721
Dollar amounts of accounts paid on time	\$16,198,342	\$11,472,583	\$9,384,826	\$15,366,486
Actual percentage of accounts paid on time (based on \$)	88%	86%	77%	97%

Promotion: Overseas visits by employees

During 2018-19, NSW SES personnel travelled to four overseas destinations, all of which were approved by the Minister.

No.	Name	Date of travel	Country	Purpose
1	Ashley Sullivan	15-29 August 2018	United States	Shadow in the role of National Liaison Officer (organised via the National Resource Sharing Centre) to assist with responding to the Californian wildfires.
2	Elliott Simmons	4-8 November 2018	New Zealand	Attend 2018 Information Systems for Crisis Response and Management Asia Pacific Conference.
3	Kate Hawke	10-16 March 2019	Fiji	Assist with the facilitation of Train the Trainer workshops as part of the 2018-21 Pacific Islands Emergency Management Alliance Program.
4	Paul McQueen	7-13 April 2019	New Zealand	Assist with the facilitation of Train the Trainer workshops as part of the 2018-21 Pacific Islands Emergency Management Alliance Program.

Credit card policy

All corporate credit cards issued to NSW SES members and policies developed for their usage were conducted in accordance with Treasury direction 205 and Treasury Circular 11/15, Credit Card Use – Best Practice Guide. No late fees or interest payments were incurred in 2018-2019.

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

Annual Report costs

No external costs were incurred in the preparation and production of the NSW SES Annual Report 2018–19. Six hard copies were photocopied in-house for submission to the Minister for Emergency Services.

Risk Management and insurance:

NSW SES insurance is provided by the Treasury Managed Fund Insurance Scheme. The Director Finance, Assets and Business Services 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

Disclosure of Controlled Entities

NSW SES has no controlled entities to disclose.

Disclosure of Subsidiaries

NSW SES has no subsidiaries to disclose.

Governance and Risk Management:

Audit Risk Committee:

The NSW SES Audit & Risk Committee (ARC) consists of an independent chair and two independent members appointed by the Commissioner. During the 2018-19 year, the NSW SES welcomed a new ARC Chair and independent member. Please refer to page 58 for details of ARC Membership.

The Committee provided independent assurance to the Commissioner by overseeing and monitoring the NSW SES governance, risk management, compliance and control frameworks, and its external accountability requirements. The Committee reviewed all internal and external audit reports and provided advice to the Commissioner.

The Committee also monitored the implementation of audit recommendations. The Committee ensures all internal audit functions are consistent with the relevant standard, Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing and any additional practice requirements set by the *Internal Audit and Risk Management Policy*.



4 September 2019

Mr Sean Osborn
Director Financial Management & Accounting Policy Branch
NSW Treasury
GPO Box 5469
SYDNEY NSW 2000

Dear Mr Osborn

Internal Audit and Risk Management Attestation Statement for the 2018-2019 Financial Year for the NSW State Emergency Service

I, as Commissioner for the NSW State Emergency Service (NSW SES) am of the opinion that the NSW SES has internal audit and risk management processes in operation that are, in all material respects, compliant with the eight (8) core requirements set out in the Internal Audit and Risk Management Policy for the NSW Public Sector, specifically:

Core Requirements

Risk Management Framework	
1.1 The agency head is ultimately responsible and accountable for risk management in the agency	Compliant
1.2 A risk management framework that is appropriate to the agency has been established and maintained and the framework is consistent with AS/NZS ISO 31000:2018	Compliant
Internal Audit Function	
2.1 An internal audit function has been established and maintained	Compliant
2.2 The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing	Compliant
2.3 The agency has an Internal Audit Charter that is consistent with the content of the 'model charter'	Compliant
Audit and Risk Committee	
3.1 An independent and Audit and Risk Committee with appropriate expertise has been established	Compliant
3.2 The Audit and Risk Committee is an advisory committee providing assistance to the agency head on the agency's governance processes, risk management and control frameworks, and its external accountability obligations	Compliant
3.3 The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'	Compliant

The NSW SES does not have any controlled entities.

Membership

The chair and members of the Audit and Risk Committee are:

Role	Name	Start Term Date	Finish Term Date
Independent Chair (outgoing)	Jon Isaacs	September 2014	May 2019
Independent Chair (incoming)	Terry Clout	October 2015	May 2023
Independent Member	Jennifer Alexander	September 2015	September 2019
Independent Member	Robert Conroy	May 2019	May 2022

Yours sincerely



Kyle Stewart APM
A/Commissioner
NSW SES



22 July 2019

**Cyber Security Annual Attestation Statement for the
2018-2019 Financial Year for NSW State Emergency Service**

I, Kyle Stewart, am of the opinion that NSW State Emergency Service have managed cyber security risks in a manner consistent with the mandatory requirements set out in the *NSW Government Cyber Security Policy*.

The controls in place to mitigate identified risks to the digital information and digital information systems of NSW State Emergency Service are adequate.

- A. Risks to the information and systems of NSW State Emergency Service have been assessed and are managed.
- B. Governance is in place to manage the cyber-security maturity and initiatives of NSW State Emergency Service.
- C. There exists a current cyber incident response plan for NSW State Emergency Service which has been tested during 2018-2019 financial year.

Information security is a key focus area for the NSW State Emergency Service, and a risk-based approach has been taken to implement improvements. The NSW State Emergency Service will continue to enhance awareness throughout the agency of security requirements, information classification and labelling to ensure efficient and effective management of sensitive information.

An independent audit of the NSW State Emergency Service Information Security Management System (ISMS) was undertaken by O'Connor Marsden during the 2018-2019 financial year. The effectiveness of controls against the mandatory requirements of the *NSW Cyber Security Policy* was found to be adequate or being properly addressed in a timely manner.

Yours sincerely

A handwritten signature in black ink, appearing to read 'K Stewart', is written over a light blue background.

Kyle Stewart
Acting Commissioner



STATE HEADQUARTERS

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 PO Box 6126, Wollongong NSW 2500
 P (02) 4251 6111
 F (02) 4251 6190
www.ses.nsw.gov.au
 AEN: 88 712 649 015

Government Information (Public Access) Act 2009

1. Review of proactive release program – Clause 7(a)

Under section 7 of the GIPA Act, agencies must review their programs for the release of government information to identify the kinds of information that can be made publicly available. This review must be undertaken at least every 12 months.

The NSW SES has made information available through the NSW Flood Data Portal, which brings together flood risk information from State and Local Governments into a central repository with access available to the public.

2. Number of access applications received – Clause 7(b)

During the reporting period, the NSW SES received 20 formal access applications under the Government Information (Public Access) Act 2009 (GIPA Act). This includes withdrawn but not invalid applications.

3. Number of refused applications for Schedule 1 information – Clause 7(c)

During the reporting period, the NSW SES refused no formal access applications on the basis that it was conclusively presumed that there was an overriding public interest against disclosure of information.

4. Statistical information about access applications for period 1 July 2018 to 30 June 2019 (Schedule 2)

Schedule 2: Statistical information about access applications to be included in Annual Report

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	Total	% of Total
Media	0	0	0	0	0	0	0	0	0	0%
Members of Parliament	0	0	0	0	0	0	0	0	0	0%
Private sector business	0	1	0	0	0	0	0	1	2	9%
Not for profit organisations or community groups	0	0	0	0	0	0	0	0	0	0%
Members of the public (by legal representative)	1	2	0	2	1	0	0	0	6	27%
Members of the public (other)	1	12	0	0	1	0	0	0	14	64%
Total	2	15	0	2	2	0	0	1	20	
% of Total	9%	68%	0%	9%	9%	0%	0%	5%		

* 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 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	Total	% of Total
Personal information applications*	0	0	0	0	0	0	0	0	0	0%
Access applications (other than personal information applications)	1	15	0	1	1	0	0	1	19	86%
Access applications that are partly personal information applications and partly other	1	0	0	1	1	0	0	3	3	14%
Total	2	15	0	2	2	0	0	1	22	
% of Total	9%	68%	0%	9%	9%	0%	0%	5%		

* 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	% of Total
Application does not comply with formal requirements (section 41 of the Act)	3	100
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	3	100
Invalid applications that subsequently became valid applications	3	100

Table D: Conclusive presumption of overriding public interest against disclosure: Matters listed in Schedule 1 of 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
Total	0

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

	Number of applications*	% of Total
Responsible and effective government	8	53
Law enforcement and security	0	0
Individual rights, judicial processes and natural justice	7	47
Business interests of agencies and other persons	0	0
Environment, culture, economy and general matters	0	0
Secrecy provisions	0	0
Exempt documents under interstate Freedom of Information legislation	0	0
Total	15	100

*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).

Table F: Timeliness

	Number of applications	% of Total
Decided within the statutory timeframe (20 days plus any extensions)	20	100
Decided after 35 days (by agreement with applicant)	0	0
Not decided within time (deemed refusal)	0	0
Total	20	100

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

	Decision varied	Decision upheld	Total	% of Total
Internal review	0	0	0	0
Review by Information Commissioner	0	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0	0
Review by NCAT	1	0	1	100
Total	1	0	1	
% of Total	100%	0%	1	

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

Number of applications for review	
Applications by access applicants	1
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0
Total	1

Table I: Applications transferred to other agencies.

Number of applications transferred	
Agency - Initiated Transfers	0
Applicant - Initiated Transfers	0
Total	0

Public Interest Disclosures

The NSW SES is required to prepare an annual report on its obligations under the Public Interest Disclosures Act 1994. This is to be prepared in accordance with section 4 of the Public Interest Disclosures Regulation 2011.

- (a) The number of public officials who have made a public interest disclosure: 4
- (b) The number of public interest disclosure's not covered above that are made under a statutory or other legal obligation: 0
- (c) The number of all other public interest disclosures: 0
- (d) The number of public officials who have made a public interest disclosure to the public authority: 4
- (e) The number of public interest disclosures received by the public authority in total: 4
- (f) The number of public interest disclosures received by the public authority relating to each of the following:
 - i) Corrupt conduct: 4
 - ii) Maladministration: 0
 - iii) Serious and substantial waste of public or local government money: 0
 - iv) Government information contraventions: 0
 - v) Local government pecuniary interest contraventions: 0
- (g) The number of public interest disclosures finalised by the public authority: 0
- (h) Whether the public authority has a public interest disclosure policy in place: The NSW SES has a Public Interest Disclosure Policy in place.
- (i) What actions have been taken to ensure awareness of responsibilities under the Act: The Public Interest Disclosures Policy is available on the NSW SES intranet for all volunteers and staff to access.

Privacy Management Plan

In compliance with Section 33 of the *Privacy and Personal Information Protection Act 1998* (PPIP Act), NSW SES has a Privacy Management Plan. The plan includes information on the types of personal and health information held by the NSW SES, the management of health and personal information and the procedures the NSW SES adopts in relation to any internal review under Part 5 of the PPIP Act.

The plan is available on the NSW SES website.

Questions, comments or complaints about the management of personal and health information should be directed to Privacy Officer:

The Privacy Officer
Office of the Commissioner
NSW SES
PO Box 6126
Wollongong NSW 2500

Phone: (02) 4251 6509
Email: gipa@ses.nsw.gov.au

Privacy Reviews

During 2018-19 the NSW SES was not requested to conduct any internal reviews under Part 5 of the PPIP Act.

Research and Development

The NSW SES continued its involvement with the Bushfire and Natural Hazard Cooperative Research Centre (BNHRC) this year. The Service engaged in a range of projects in the areas of communications and warnings, emergency management capability, sustainable volunteering, understanding and enhancing community resilience, predicting severe weather events, planning for catastrophic and cascading events, mental health of first responders and diversity.

Twelve staff members have been involved in BNHRC projects during the 2018-2019 financial year. Current research projects include:

- Improving the role of hazard communications in increasing residents' preparedness and response planning
- Effective risk and warning communication during natural hazards
- Building resilience through flood-risk communication
- Child-centred disaster risk reduction
- Practical decision tools for improved decision making in complex time-constrained and multi team environments
- Catastrophic and Cascading Events: planning and capability
- Diversity and Inclusion: building strength and capability
- National mental health and wellbeing study of police and emergency services
- Forecasting impact for severe weather
- Enabling sustainable emergency volunteering
- Volunteering values study (PhD research project)
- Developing better predictions and forecasts for extreme water levels
- Improving flood forecast skills using remote sensing data
- Improved predictions of severe weather to reduce community impact
- The Australian Natural Disaster Resilience Index: a system for assessing the resilience of Australian communities to natural hazards;
- Urban planning for natural hazard mitigation, and
- Preparing the community – An agency-based framework of community engagement for disaster preparation.

In addition, the Service was involved in a number of other research projects during the financial year including:

- A Framework and Tools to support a total flood storm
- EmerCALD - Improving emergency communication for culturally and linguistically diverse communities in the Illawarra
- Research by two Masters of Business Administration students at Sydney University into improving community engagement, particularly in diverse communities.

In addition, the Service was involved in a number of other research projects during the Financial Year that have now concluded, including:

- Stronger for the Storm report and recommendations
- Get Ready Narrabri Citizen and Youth Jury Project
- Community Involvement in Planning
- Project U-Turn (developing a strategy to encourage people to turn around when they encounter flood waters)
- Post Flood Community Resilience Building Project in Richmond Tweed
- Community Severe Weather Response Plans.

Human Resources

Number of officers and employees by category

Staff profile: The NSW SES staff profiles as of June 2019

Salary Bands as of 30 June 2019	2019/2018			2017/2018			2016/2017		
	Total Staff	Women	Racial Ethnic Ethno Religious Minority	Total Staff	Women	Racial Ethnic Ethno Religious Minority	Total Staff	Women	Racial Ethnic Ethno Religious Minority
\$61,658 - \$67,031 <i>Grade 1/2</i>	54	34	2	59	38	2	56	39	4
\$68,929 - \$75,476 <i>Grade 3/4</i>	78	63	0	77	61	1	93	64	2
\$81,369 - \$89,781 <i>Grade 5/6</i>	108	56	2	97	49	1	105	57	1
\$92,470 - \$102,359 <i>Grade 7/8</i>	88	43	4	65	30	2	75	33	4
\$105,409 - \$116,157 <i>Grade 9/10</i>	40	12	1	33	8	0	39	12	2
\$121,917 - \$140,996 <i>Grade 11/12</i>	27	11	0	14	7	1	16	6	0
ABOVE A & C GRADE 12	10	5	1	10	4	0	10	3	0
Totals	405	224	10	355	196	7	395	214	13

Representation of employees by level compared with the two previous years.

Note: Total staff for 2018-19 is inclusive of an FTE of 351.84. This is inclusive of ongoing, temporary and casual staff.

Workforce Diversity

Reporting of workforce diversity statistics is based on data collected voluntarily from NSW SES members. Since data is only voluntary, these statistics are not an accurate representation of the complete population of NSW SES members as a whole.

Workforce Diversity Statistics	June 2019	June 2018	June 2017
TOTAL	406	413	418
Yes (An employee of the agency at census)	328	342	348
No (Not an employee at census)	65	55	44
Casual employee not working on census	13	16	26
EEO Survey Response Rate			
EEO Survey Response Rate	85.17	85.09	85.76
Non- casual employees	317	322	347
Respondents to EEO Survey	270	274	269
Gender			
All genders	328	342	348
Male	144	151	154
Female	184	191	194
Indeterminate/intersex	0	0	0
ATSI	0	0	0
Total respondents to ATSI	262	266	284
Aboriginal and Torres Strait Islander			
Aboriginal	3	6	6
Torres Strait Islander	1	0	0
Non Aboriginal & Torres Strait islander	218	218	221
Withdrawn	40	42	57
Missing	55	56	63
Disability			
Total EEO respondents to Disability	270	274	296
Total disabilities	9	7	9
Disability requiring adjustment at work	4	2	3
Disability requiring no adjustment at work	5	5	6
Disability where adjustment is not recorded	0	0	0
No disability	239	243	256
Withdrawn	22	24	31
Missing	47	48	51
Ethnicity			
Total EEO respondents to Ethnicity	189	186	191
Person from a Racial, Ethnic/Ethno-religious minority	10	9	9
Person not from a Racial, Ethnic/Ethno-religious minority group	156	152	157
Withdrawn	23	25	25
Missing	128	136	156
Language			
Total EEO respondent to language	269	273	297
Other language	17	19	20
English	200	193	199
Withdrawn	52	61	78
Missing	48	49	50

During 2018-2019 a number of Diversity Networks were maintained including:

- NSW SES Women's Network
- NSW SES Indigenous Members Network
- NSW SES LGBTIQ+ and Allies Network
- NSW SES Disability and Carers Network

Multicultural Policies and Services Program

The NSW SES continues to develop policies and practices to increase multicultural representation within the service and outreach to multicultural organisations and communities among the general population. An Annual Multicultural Action Plan is under development. This plan will focus on awareness-raising, capacity-building and community engagement initiatives to enhance multicultural inclusion across the service. During 2018-19 we have worked closely with local refugee support organisations to create a NSW SES Multicultural Community Liaison Unit based in Wollongong comprising bilingual/multilingual members from diverse refugee and migrant backgrounds. The Unit provides outreach and preparedness support to refugee and migrant communities, in relevant languages, to raise awareness of flood and storm risks and response and the role of the NSW SES in the community.

Agreements with Multicultural NSW

There is no current agreement between the NSW SES and Multicultural NSW.

Disability Inclusion Action Plans

The NSW SES continues to develop policies and practices to increase representation of people with disabilities within the service and improve accessibility for people with disabilities. A Disability Inclusion Action Plan is under development focusing on awareness-raising, capacity-building and community engagement initiatives to enhance disability inclusion across the service. During 2018-19 the NSW SES recruited four Auslan Sign Language Liaison Officers in order to build community capacity and connection with Deaf and hard-of-hearing communities, strengthening community preparedness, response and resilience.

Industrial Relations Policies and Practices

There were no new industrial relations policies or practices implemented during 2018-19.

Consumer response: details of allegations and feature of complaints table

During 2018-19, the NSW SES Professional Standards Branch received a total of 114 complaints relating to allegations of misconduct involving employees and volunteers. During the same period the Professional Standards Branch commenced and formally investigated fourteen (14) complaints.

The remaining complaints were either addressed by way of informal management action, referred to managers/leaders to be dealt with at the local level, or assessed as not requiring formal action.

In relation to the fourteen (14) matters investigated, seven complaints were sustained, two not sustained, and five (5) matters are ongoing. Outcome actions implemented in relation to the sustained allegations of misconduct ranged from formal caution or reprimand, through to NSW SES membership withdrawal.

Two (2) matters are open awaiting Court actions external to the NSW SES. See below summary of complaints statistics received by the Professional Standards Branch in 2018-19:

	Total
Bullying and Harassment	15
Criminal Convictions; includes reported charges	8
Misconduct includes; Code of Conduct breach, Social Media Policy breach and Conflicts of Interest	87
Discrimination	4
Safety Breaches	0
Complaints in Totals	114

The NSW SES Professional Standards team continues to provide training and development in the area of performance and conduct. The NSW SES held Zone Conferences across all five Zones in 2018-2019 which included provision of training to senior volunteers on managing team conflict, complaints and more serious conduct issues.

Work Health and Safety - Details of injuries and prosecutions

In 2018-2019 the NSW SES was not subject to prosecution under the *Work Health and Safety Act 2011*.

In 2018, the Injury Management function was centralised to State Headquarters with a focus on early intervention to facilitate safe and durable return-to-work strategies for staff and volunteers following an injury or illness.

The following table contains details of injuries during 2018-19:

Injury Classifications	Workers Compensation Claims	
	Volunteers	Staff
Circulatory Systems	12	1
Dehydration	3	
Fractures	9	
Intracranial Injuries	3	
Other Diseases	1	
Other Injuries	9	
Psychological	1	6
Skin & Subcutaneous Tissues	1	
Traumatic Joint/Ligament and Muscle/Tendon Injury	42	6
Wounds Laceration Amputations and Internal Organ Damage	26	4
Nervous System and Sense Organ Diseases		1
Respiratory System Diseases		1
Total	107	19
Grand Total	126	

Senior Executives

Numbers of senior executive roles at 30 June 2019

Band	2018 -2019 Gender Break		2018 - 2019 Total	2017-2018 Gender Break		2017-2018 Total
	Male	Female		Male	Female	
Band 4 (Secretary)	-	-	0	-	-	0
Band 3 (Deputy Secretary)	1	-	1	1	-	1
Band 2 (Executive Director)	1	1	2	1	1	2
Band 1 (Director)	3	4	7	4	3	7
Totals	10		10	10		10

Remuneration of senior executive roles at 30 June 2019

Brand	Range 2019	Average Remuneration 2018-2019	Range 2018	Average Remuneration 2017-2018
Band 4 (Secretary)	-	-	-	-
Band 3 (Deputy Secretary)	\$337,101 - \$475,150	\$378,750	\$328,901 - \$463,550	\$358,750
Band 2 (Executive Director)	\$268,001 - \$337,100	\$282,900	\$261,451 - \$328,900	\$276,000
Band 1 (Director)	\$187,900 - \$268,000	\$224,500	\$183,300 - \$261,450	\$220,350

Senior executive total employee - related expenditure

	2018-2019	2017-2018
Total Employee Related Expenses (ERE) (\$)	\$39.15M	\$41.18M
Senior Executive ERE (\$)	\$2.38M	\$2.34M
Senior Executive ERE (%)	6.08%	5.68%

Awards

In 2018-19, NSW SES had the privilege of awarding 2,170 awards to members of the Service.

Awards presented included 27 Commissioner's Awards, 1881 Long Service Awards, and 262 National Medals.

Three Emergency Service Medals (ESM) were awarded to the following members:

- Mr. Glenn Jones, ESM - NSW SES Namoi Capability Unit
- Mr. David Leigh, ESM - NSW SES Kiama Unit
- Mr. Gregory Cormack, ESM - NSW SES Metro Zone

NSW SES also proudly presented the following to our members:

- The winners of the NSW SES Cadet of the Year Award for 2018 were awarded to Seleana Murphy from Bulahdelah Central School and Lucca De Almeida from Mullumbimby High School
- The Andy Roberts Memorial Award winner for 2018 was awarded to Raymond Binge from Ashford Central School
- The NSW SES Young Volunteer of the Year Award for 2018 was awarded to Peter Christensen, from the Harden Unit.

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