NSW STATE EMERGENCY SERVICE

ANNUAL REPORT 2015-16

Author

NSW State Emergency Service

All photographs © NSW State Emergency Service 2016, unless otherwise indicated.

Copyright

© NSW State Emergency Service 2016. You may copy, distribute, display, download and otherwise freely deal with this work for personal, in-house or non-commercial use provided you attribute NSW SES as the owner. In the event that you wish to copy, distribute, download, store or use this material for a purpose other than personal, in-house or non-commercial use, you must obtain permission from NSW SES by writing to the Commissioner at the address below.

You must also obtain permission from the NSW SES if you wish to:

- charge others for access to the work;
- include all or part of the work in advertising or a product for sale;
- modify the material; or
- use any trade mark from this publication, including the NSW SES crest or logo.

Contact

NSW State Emergency Service
PO Box 6126
Level 6, 6-8 Regent St
Wollongong NSW 2500
P (02) 4251 6111
F (02) 4251 6478
www.ses.nsw.gov.au

www.facebook.com/NSW.SES

www.twitter.com/NSWSES

www.youtube.com/user/NSWSES

For emergency help relating to a flood, storm or tsunami call 132 500 to be connected to a central call centre. For other information, contact 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 ring 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 (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/annual-reports.

NSW STATE EMERGENCY SERVICE

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

Dear Minister

In accordance with the provisions of the Annual Report (Departments) Act, 1985, I submit the Annual Report of the New South Wales State Emergency Service for the year ended 30th June 2016 for tabling before both Houses of Parliament.

Yours sincerely

Greg Newton
Acting Commissioner

NSW GOVERNMENT

STATE HEADQUARTERS
OFFICE OF THE COMMISSIONER
6-8 Regent Street, Wollongong NSW 2500
PO Box 6126, Wollongong DC NSW 2501
P (02) 4251 6503
F (02) 4251 6500
www.ses.nsw.gov.au

Table of contents

01 The Commissioner's Review 05

02 NSW SES Charter 06

03 NSW Strategic Plan 08

04 NSW SES Organisational Structure 09

4.1 NSW SES Executive 9

4.2 Organisational Chart 10

4.3 NSW SES Region Headquarters 11

4.4 Registered NSW SES Units 13

05 Performance 15

5.1 Emergency Management 15

5.2 Regions East and West 18

5.3 People and Culture 19

5.4 Office of the Commissioner 26

5.5 Information and Communication Technology 28

5.6 Finance and Asset Management 29

5.7 Strategy, Planning and Innovation 34

06 Financial Statements 38

6.1 Auditor-General's Opinion 38

6.2 Statement by Commissioner 40

6.3 Financial Statements 41

07 Appendices 69

7.1 Internal Audit and Risk Management Policy Attestation 70

7.2 Digital Information Security Policy 72

7.3 Government Information (Public Access) Act 2009 73

7.4 Public Interest Disclosures 76

7.5 Privacy and Personal Information Protection Act 1998 76

7.6 Awards 76

Index 77

01 - The Commissioner's Review

Last year the NSW SES reached another key milestone in the Service's history, celebrating 60 years of dedicated service to the communities of NSW. As part of these celebrations a reception was held at Government House, with over 300 leaders from our Unit, Region and State Headquarters attending as well as upcoming young leaders. The reception was followed by a Leadership Conference where important issues for the future of the Service were presented.

Much progress was made on the Service's Strategic Plan, which will take us confidently into the future with enhanced governance and processes. The Plan utilized learnings from a range of reports as well as consultation with our members and Government to ensure that we remain skilled, adaptable, relevant and responsive in meeting community needs around the hazards for which we are responsible. Work also commenced to address lessons identified as result of the April 2015 East Coast Low event providing the Service with a strong foundation for our future.

It has been another significantly busy operational year with NSW SES members responding to many large scale weather events including the Kurnell tornado, which saw many homes and infrastructure damaged; significant storms and flooding across the Hunter Region in January 2016, and a series of East Coast Lows that caused major damage up and down the coastline in June. Over 311,000 hours were devoted by our members to responding to storms and floods, with a further 35,749 hours to other response roles, including road crash rescue, community first responder, land search and vertical rescue.

As the current Acting Commissioner for the last 6 months, I have been overwhelmed by the wonderful volunteers and staff who have been achieving great things and who daily demonstrate their passion and skills to the NSW SES and what it represents in protecting the communities of New South Wales. I am honoured to currently be leading this Service and wish to thank all members for their commitment to the communities of New South Wales.

Greg Newton

Acting NSW SES Commissioner

02 - NSW SES Charter

Who we are

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 NSW). The NSW Government of the day identified the 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 tsunami, with a wide variety of other emergency response roles becoming part of the services the volunteer-based organisation offers. In 2015, NSW SES celebrated its 60th year of service to NSW.

At the end of 2015—16, NSW SES was made up of 8,658 volunteer members, including reserves, and 389 staff members (including an FTE of 346.8 agency, contract and casual roles). The Service has 245 volunteer Units covering almost every Local Government Area in the State, led by a Unit or Local Controller. NSW SES Units are varied and unique in their response capabilities, which are based on the specific risks of the communities they serve. Often these risks are related to geographical features of the diverse landscapes in NSW. There are also some satellite units across the Service, particularly in areas with road-crash rescue or community first responder needs.

NSW SES Units are grouped into 17 Regions, with Region boundaries coinciding closely to major river systems. Regions are managed by a Region Controller, responsible for development of emergency management plans and overall control of emergency responses. Region and Unit headquarters are equipped with operations centres and many have a volunteer Unit assigned to the Region to help with training, planning and emergency operations. The Region Controller is assisted by four to five staff members, and all coastal regions have an additional staff member for community engagement. NSW SES manages its 17 Regions by dividing them into the Directorates of Regions East and Regions West.

The Directorate of Regions East includes Clarence Nambucca, Hunter, Illawarra South Coast, Mid North Coast, Richmond Tweed, Sydney Northern, Sydney Southern and Sydney Western. The Directorate manages the more heavily populated areas of NSW including Sydney and the east coast. The Directorate of Regions West includes Central West, Far West, Lachlan, Macquarie, Murray, Murrumbidgee, Namoi, North West and Southern Highlands. The Directorate covers the vast inland areas of NSW with such diverse landscapes as the remote un-incorporated northwest, major inland cities such as Wagga Wagga, Dubbo and Tamworth, and the remote alpine areas of the Snowy Mountains. Together the 17 Regions deliver capability, training and administrative support to all the Units that make up the service delivery arm of NSW SES, providing the highly experienced and professional volunteer workforce the communities of NSW have relied on for 60 years.

NSW SES State Headquarters is located in Wollongong, in the Illawarra Region of NSW, and coordinates state-wide training, planning and emergency response activities. The State Headquarters also maintains the Service's corporate functions including people and culture, media and communications , information and communications technology, finance and asset management, and strategic planning and innovation.

What we do

NSW SES exists to mitigate the risk and consequence of emergencies in communities. It is the lead agency for floods, storms and tsunami as specified by the *State Emergency and Rescue Management Act 1989*. The range of emergency situations which NSW SES deals with is very broad, however, core business is the management of the effects of floods, storms and tsunami. Between them, these hazards account for over two-thirds of the financial cost of natural disasters in NSW.

All NSW SES Units respond to damage caused by storms and have an active role in flood management. NSW SES volunteers are highly-skilled, experienced and well-trained in the wide variety of roles they perform. Each Unit is unique in its pattern of work because of the vast mix of risks and roles required in

the diverse locations and communities in which the Units are situated. In addition to responding to flood, storm and tsunami, NSW SES provides specialist capabilities including general land rescue, vertical rescue, road-crash rescue, driver reviver and alpine search and rescue. NSW SES frequently assists other emergency services in a variety of roles, including searches for evidence and missing people with NSW Police Force and community first responder roles in rural locations with the Ambulance Service of NSW.

Additional matters

Since January 2016 Deputy Commissioner Greg Newton has been acting as the NSW SES Commissioner after the resignation of Commissioner Adam Dent.

Principal Legislation & Legal Change

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

(1) The State Emergency Service 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*,

(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.

(2) The functions of the State Emergency Service are to be exercised in accordance with the *State Emergency and Rescue Management Act 1989* and, in particular, with the requirements under the State Emergency Management Plan or any state of emergency under that Act.

There have been no changes to this Act or any other relevant Acts or Regulations during 2015-16. There have also been no significant judicial decisions which have affected NSW SES and users of its services during this time.

03—Strategic Plan

In alignment with the NSW 2021 State Plan, we continue to look for ways in which we can improve our service delivery by building partnerships, working with other agencies and making our services more accessible to the community. The NSW SES 2016—2021 Strategic Plan has been built collaboratively from representation across the service. It is focused around the volunteer experience, communities and ensuring our capability to deliver. With all members working together towards a common vision and in partnership with NSW communities and other emergency services, so will our plan. A full version of the Strategic Plan 2016—2021 is available via http://www.ses.nsw.gov.au/about/strategicplan

04 - NSW SES Organisational Structure

The Service's Principal Officers hold the following qualifications, as at 30 June 2016:

Greg Newton

Acting Commissioner

Bachelor of Arts; Graduate Diploma in Education; Graduate Certificate in Applied Management

Mark Morrow, JP

Acting Deputy Commissioner

Graduate Diploma in Police Management; Advanced Diploma in Project Management

Scott Bridgement

Director Strategy, Planning and Innovation

Bachelor of Commerce; Fellow CPA Australia; Fellow Australian Institute of Management; Australian Institute of Company Directors

Charles Emer

Director Information and Communications Technology/ CIO

Bachelor of Business; Masters Commercial Law; Masters Information Technology

Scott Hanckel

Assistant Commissioner, Director Regions West

ESM

Julie Hately, CPA

Director Finance and Asset Management/CFO

Bachelor of Commerce (Major in Accounting); Graduate Certificate in Management – Professional Practice; Graduate Certificate in Organisational Change

Nicole Hogan

Acting Assistant Commissioner, Director Emergency Management

Graduate Diploma Public Administration; Diploma Business; Cert IV Frontline Management; Advanced Leadership Program – Women and Leadership Australia; Cert IV Project Management Cert IV Government; Diploma Call Centre Management and Cert Accounting

Kathleen Iacurto, GAICD

Director People and Culture

Master of Business Administration; Master of Management; Bachelor of Mathematics (Mathematics and Computing Science); Diploma of Work Health and Safety; Certificate IV Training and Assessment

Kaylene Jones, JP

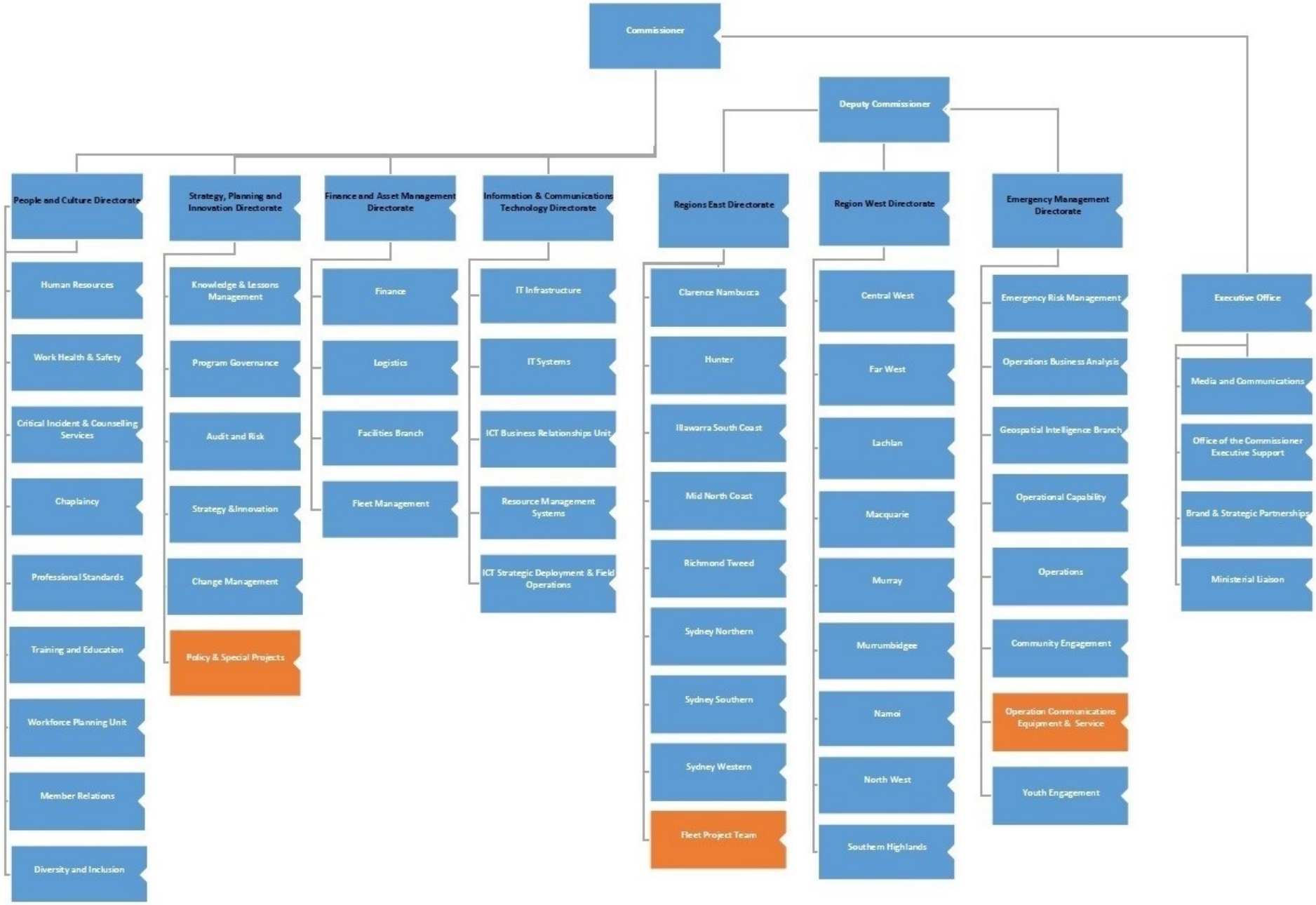
Assistant Commissioner, Director Regions East

Diploma in Management

Region Controllers as at 30 June 2016:

Region	Name	Location
Central West	Craig Ronan	Bathurst
Clarence Nambucca	Caroline Ortel	South Grafton
Far West	Graeme Craig	Cobar
Hunter	Alexandra McFadden	Metford
Illawarra South Coast	Greg Murphy	Coniston
Lachlan	Nichole Richardson	Parkes
Macquarie	David Monk	Dubbo
Mid North Coast	Anthony Day	Taree
Murray	Bernard Kates	Albury
Murrumbidgee	David Buchtmann	Wagga Wagga
Namoi	Andrew Galvin	Gunnedah
North West	Andrew Galvin	Moree
Richmond Tweed	Andrew McPhee	Goonellabah
Southern Highlands	Colin Malone	Goulburn
Sydney Northern	Allison Flaxman	Hornsby
Sydney Southern	Samantha Colwell	Bankstown
Sydney Western	Peter Cinque	Seven Hills

Organisational Chart (as at 30 June 2016)



NSW SES Region Headquarters

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Office Hours
8:30am - 4:30pm
Monday – Friday

NSW SES State Headquarters

PO Box 6126
Level 6, 6-8 Regent Street
Wollongong NSW 2500
Phone 02 4251 6111
Fax 02 4251 6500
www.ses.nsw.gov.au

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

www.facebook.com/NSW.SES

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 ring 1800 201 000. For ongoing updates, safety messages and news about NSW SES activities, like the NSW SES Facebook page (www.facebook.com/NSW.SES).

Registered NSW SES Units

Central West

Central West Region Headquarters
Bathurst
Blayney
Burraga
Canowindra
Eugowra
Lithgow
Molong
Oberon
Orange City
Portland
Sofala

Clarence-Nambucca

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

Far West

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

Hunter

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

Illawarra-South Coast

Illawarra South Coast Region Headquarters
Batemans Bay
Bega
Bermagui
Coniston
Eden
Kiama
Moruya
Nowra
Shellharbour City
St Georges Basin
Ulladulla
Wingecarribee
Wollongong City

Lachlan

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

Macquarie

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

Mid North Coast

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

Murray

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

Murrumbidgee

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

Namoi

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

North West

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

Richmond Tweed

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

Southern Highlands

Southern Highlands Region Headquarters
Bigga
Bombala
Boorowa
Braidwood
Bungendore
Captains Flat
Cooma-Monaro
Collector
Crookwell
Goulburn
Harden
Nimmitabel
Queanbeyan
Snowy River
Sutton
Windellama
Yass
Young

Sydney Northern

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

Sydney Southern

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

Sydney Western

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

05 - Performance

5.1 Emergency Management

The Emergency Management Directorate is responsible for the strategic development and implementation of the emergency management arrangements within NSW SES incorporating aspects of prevention (where required), preparedness, response and transition to recovery.

Teams within the Directorate work with all members to develop an understanding and delivery of the NSW SES strategic priorities aligned to emergency management, with a focus on how best to collaborate and serve the communities of NSW. During 2015-16 NSW SES responded to multiple severe weather events, with the most prominent being the East Coast Low in June 2016, where the combination of widespread rain and high tides resulted in flood warnings on 13 rivers, significant coastal erosion and flash flooding. Over 11,000 requests for assistance were received including 317 flood rescues.

The teams within the Emergency Management Directorate include:-

- Emergency Risk Management
- Community Engagement
- Youth Engagement
- Operational Capability
- Emergency Management Business Analysts
- Geospatial Intelligence
- Operations

In addition, key areas of focus requiring dedicated project teams included Incident Management, Operational Communications Equipment and Systems and Community Led Planning. While there were significant changes in the Emergency Management Directorate during 2015-16, NSW SES continues to focus on developing community resilience, improving mitigation infrastructure, collaborating widely in flood planning and aiming to strategically influence land-use planning to ensure the safety of NSW communities.

Operational Capability

The Operational Capability Branch is responsible for meeting ongoing operational requirements and maintenance of current capability. Additionally, the Operational Capability Branch assists the organisation to better understand, effectively integrate and re-align our capacity to achieve strategic and current operational objectives.

This year has seen the implementation and public release of tsunami evacuation mapping through the Operational Tsunami Project. The information provided to the public was based on years of research and modelling, involving input from GeoScience Australia, Bureau of Meteorology, the Joint Australian Tsunami Warning Centre and various Universities including Newcastle, New South Wales and Western Australia. The release saw the NSW SES lead the formal adoption of a more accurate reflection of areas likely to be subject to evacuation in the event of a land threat tsunami. The outcomes are recognised as being a progressive and leading approach to developing resilient communities at risk from this low-likelihood but extreme consequence natural hazard.

Pre-empting a State level review of General Land Rescue (GLR) including Road Crash Rescue services, NSW SES have commenced a review of its rescue capability to ensure we provide the best and most efficient possible services to the community. The review covers the Service's physical resources of vehicles and equipment, and focuses on our most important asset, our highly-trained volunteer members who make themselves quickly available to provide a highly specialised rescue capability and save lives.

The outcomes of this review are already being recognised including increased numbers of accredited GLR operators across the Service and setting the framework for greater efficiency across the delivery of GLR.

Numerous training packages have been developed in conjunction with the Training and Education Branch to support the State Rescue Board (SRB) compliance requirements. These include Urban Search & Rescue Category 1 (USARCAT1) and Industrial and Domestic Rescue (IDR). Training Resource Kits (TRK) for these courses were released in 2016 in conjunction with the roll out of purpose built resource equipment trailers.

Further NSW SES projects initiated included a rescue project to progress recommendations through a State Rescue Board Group, with the aim of improving rescue services across the State, and the Large Animal Rescue Operations (LARO) Program. The LARO Program includes the development of facilitation documents and products, including a State Equipment Horse Float Cache. Training and delivery of these initiatives will continue to be delivered into the next Financial Year.

Operational Doctrine development has continued with the creation of a Capability Matrix, which maps and lists the priority of documents to be created or reviewed, aligned to current and future State capabilities. A number of priority projects have been initiated through the Operational Capability Branch, including an enquiry related to operational events on the East Coast April 2015, and the Incident Management Program which includes the

coordination of Incident Management across all structures within the service. The current focus is Incident Controllers Level 1 and AIIMS training packages, including a multi-agency Logistics Course to be delivered across the State and aligning to an all hazard, all agency approach to emergency management.

Additionally, the NSW SES and Fire and Rescue NSW Hydraulic Tender Project also delivered arrangements with suppliers capable of providing rescue equipment, delivery of repairs and maintenance. These tender projects enabled broader AFAC level emergency service agencies the opportunity to engage under these contractual arrangements.

Emergency Risk Management

The Emergency Risk Management Branch continued strategic coordination of the review schedule for 132 local flood plans across the State. A targeted program of incorporating information from studies produced as part of the floodplain risk management process into local flood plans was undertaken. These studies help inform our understanding of flood risk and enable us to better plan and respond to the hazards within each community. A three month targeted effort progressed updates to 45 plans across 10 Regions.

Throughout the year, technical support and input was also provided for the update of 65 flood intelligence cards and over 1700 peak height records were added to the system.

With the Hawkesbury Nepean Valley representing one of the most serious flood risks in NSW, the Service continued its work as a key participant in the Hawkesbury Nepean Valley Flood Management Review and working with the Task Force to provide recommendations to Government. Updates to the State Hawkesbury Nepean Emergency Flood Sub Plan also occurred, resulting in a State Emergency Management Committee endorsement in September 2015.

NSW SES continues to work with the Office of Environment and Heritage to update the existing technical guidance about SES requirements of the Floodplain Risk Management process. This guidance will, in time, lead to information outputs of the Floodplain Risk Management process that improve the information available to NSW SES for use in emergency planning.

NSW SES was successful in gaining project funding under the State Emergency Management Project, a joint project with Public Works to support critical decision making by emergency services to improve evacuation decision making with respect to levees. The project builds on previous work to address a lack of comprehensive, accurate and definitive technical information on levees. This important project has several key stakeholders including the Office of Environment and Heritage and is expected to run for up to two years.

Active participation in a range of sectors continued to promote emergency management best practice including the National Flood Risk Advisory Group, AFAC Emergency Warnings Workshop, NSW Mitigation Standing Committee, NSW Flood Warning Consultative Committee, the Dam Safety Committee Emergency Management Subcommittee, ANZEMC Flood Warning Infrastructure Working Group, National Flash Flood Information Repository Reference Panel, and the Australian Tsunami Advisory Group.

The Emergency Risk Management Branch continued to provide end-user input on two projects through the national Bushfire and Natural Hazards Cooperative Research Centre. NSW SES supported the 2016 Floodplain Management Australia National Conference in Nowra as the Bronze Sponsor, and was proud to support NSW SES volunteer and world leading expert in flood rescue, Shannon Crofton, in his talk at the Conference Dinner.

Geospatial Intelligence

The Geospatial Intelligence (GI) Branch combines mapping and analysis with geospatial data to inform critical decision-making by frontline SES members. Key areas of work for the Geospatial Intelligence Team includes geospatial data and analysis; operational mapping support; public information/community engagement mapping products; volunteer mapping support team; NSW Flood Data Access Program and Impact Assessment Mobile Platform.

Emergency Planning Maps

NSW SES has increased the community's knowledge and understanding of tsunami hazard by developing a public information tsunami evacuation map. The mapping product has been developed in close collaboration with the NSW SES Tsunami Capability Group, Australian Tsunami Advisory Group (ATAG) and was further benchmarked at the 2015 Australasian Coast and Ports Conference held in Auckland NZ.

NSW Flood Data

The NSW Flood Data Access Program was announced at the 2015 NSW State Budget, investing in the management and storage of NSW flood risk information. The data will be used by all NSW councils, State and Federal Government for use in emergency and floodplain risk management.

A presentation of the program was delivered at the 2016 Floodplain Management Australia (FMA) National Flood Data Workshop, held in Nowra.

Strategic partnerships

NSW SES has built strategic external partnerships by contributing to the NSW Impact Assessment Working Group and the National Impact Assessment Data Workshop. NSW SES impact assessment platform for flood and storm damage was presented at the 2015 National AFAC Professional Development Program held in Adelaide.

Operations Centre

The NSW SES Operations Centre maintains a centralised emergency response call taking capacity in the State Headquarters, coordinating all priority lines as well as the Service's switchboard. During the June 2016 weather event, the centre received over 350 flood rescues, took over 17,000 calls and generated over 11,000 Requests For Assistance (RFA's).

NSW SES Operations Centre received 208,463 incoming calls. The busiest months for the NSW SES Operations Centre were January and June 2016 with over 57,000 calls and 63,000 calls respectively. These calls converted into 37,048 requests for assistance, representing a conversion rate of calls to 132 500 into requests for assistance of 28%.

The Operations Centre continued to increase levels of service delivery through monitoring radio communications with NSW SES Units and enhancing service delivery through Inter-cad Electronic Messaging Service (ICEMS) with 5,935 requests for NSW SES attendance received and 548 sent through ICEMS to other agencies. The Centre also received a total of 618 calls for the Work Health and Safety reporting line, SafeHold, a small decrease on the previous year.

Community Engagement

NSW SES Community Engagement Branch works with diverse communities across NSW to proactively manage the key risks of flood, storm and tsunami. Community engagement programs aim to motivate NSW SES members to work together with communities at-risk to build resilience to natural disasters.

The Community Engagement team helped attract, train, support and retain members to the Service by undertaking initiatives including rewarding and recognising better practice in community engagement in NSW SES via the Community Connect Grants and Awards program in partnership with NRMA Insurance.

Through the Measurement, Evaluation and Learning Project, the team developed and enhanced tools for capture, analysis and reporting of data to drive organisational performance, as well as a framework to help prove and improve the effectiveness and impact of community engagement programs. This project, led by NSW SES has partnered with Fire and Rescue NSW, Rural Fire Service and Social Ventures Australia. It is now the basis for enhancing some of the shared value outcomes from the partnership with NRMA Insurance.

The team also delivered the Community Engagement Framework and implemented the Community Engagement Strategic Plan 2014-17.

The Community Engagement Branch have worked to change the way people and their belongings are kept safe by increasing their access to prevention and preparedness services through a range of initiatives.

Over 600 community engagement program activities, 28,000 FloodSafe Guides and 27,000 StormSafe Guides have been distributed, 231,000 interactions with the public undertaken to increase a shared understanding and responsibility for natural disasters.

The Community Involvement in Planning project has developed a toolbox of flexible approaches for working with the community to achieve greater ownership of outcomes throughout during the Flood Planning process. This has involved pilots in three different communities across NSW (Burringbar, Narrabri and Chipping Norton).

An Emergency Business Continuity Plan has been developed in both hard copy and online to provide NSW Businesses with access to targeted tools that support engagement in different emergency management contexts and at-risk groups.

The Emergency Management Training for Diverse Communities project has seen the development and delivery of a multi-hazard training package to community leaders and ambassadors. By working with people with different abilities, proficiency in English and cultural contexts, the program aims to build proactive capacity for managing disasters, developing leaders in these community groups that can influence and motivate their peers.

A Get Ready Kids program has been developed in partnership with VicSES, targeting school children, teachers, parents and NSW SES members.

The Post Disaster Research and Innovation Program explored some of the key behavioural insights from communities impacted by the Hunter and Central Coast Floods and Storms of 2015.

The establishment of Deaf Liaison Officers network provides a conduit between NSW SES and deaf communities. In 2015-16 this involved working with the Deaf Society to roll out 10 Deaf Awareness workshops for emergency services members, followed by the delivery of Emergency Management Training to Deaf Liaison Officers (DLOs), and supporting the delivery of 10 Get Ready Workshops by DLOs. This has helped establish new local networks to overcome some traditional communication barriers and enhance resilience to disasters.

A suite of Local FloodSafe guides has been developed for communities including Orange, Dora Creek, Wee Waa, Macksville, Urunga, Bellingen, Coffs Harbour, Copmanhurst, Coutts Crossing, Glenreagh, Iluka, Lawrence, Nambucca, Yamba, Sandon and Brooms Head to provide localised risk information and strategies to these communities at-risk.

New risk communication tools were delivered in partnership with NRMA Insurance to support the annual campaigns of StormSafe, TsunamiSafe and FloodSafe.

Public Information resources were deployed in several significant weather events, contributing to the ongoing enhancement of training and resources through the Public Information Working Group.

A strategic online presence has been maintained with the NSW SES Home Emergency Plan website receiving over 31,495 unique page views and 1,778 online Home Emergency Plans being completed.

Additionally over 7,900 Home FloodSafe Toolkits and 1,385 Business FloodSafe Toolkits were delivered to assist households and businesses plan for severe weather events.

The Community Engagement Branch has implemented an online engagement tool that seeks public input and feedback through the 'Your Say' website. In 2015-16 it had 2,735 visitors and provided an opportunity for community feedback on the Illawarra and Shoalhaven floods, Port Macquarie Hastings Flood Plan, Maitland flood awareness and preparedness, pilot sites for the Community Involvement in Planning Project and a number of internal and stakeholder consultations.

Youth Engagement

The Youth Engagement Team is responsible for the attraction, engagement, encouragement, development, support and retention of young members in the 14 to 25 year age range. The main initiative that the Youth Engagement Branch is responsible for is the NSW SES Secondary Schools Cadet Program, however Youth Engagement also champions other initiatives that relate to encouraging young members to actively engage in the NSW SES.

The NSW SES Secondary Schools Cadet program is a 'School based' short course that is open to students in Year 9 and above. The program is facilitated by NSW SES volunteer members who have been trained and endorsed to deliver the program.

The NSW SES Secondary Schools Cadet Program promotes the NSW SES through Schools and to the wider community. The program helps to attract young people to the NSW SES and builds resilience in the new generation by educating them about how to respond in emergencies. It helps to further integrate the NSW SES into the local community and provides greater public awareness and respect for the work of the NSW SES.

During the past year 34 cadet programs were conducted in a range of formats, with 715 cadets trained. Of these cadets, 48% were female and 52% male. There are currently 144 endorsed trainers, supported by 212 cadet assistants.

A number of initiatives were supported through NSW SES Program Partner Origin Energy. These included a Youth in Units Pilot Program with Pilot programs conducted by NSW SES volunteers in the Richmond Tweed Region at the Ballina and the Tweed Heads SES Units.

Youth leadership skills were enhanced at a 'Developing Future Leaders' workshop at the Australian Institute of Police Management and through attendance at the Rotary Youth Leadership Program.

Young NSW SES volunteers from Grafton City Unit and Hornsby Unit were sponsored by the NSW Volunteer Association and Origin Energy to participate on a 10 day voyage on the Young Endeavour in April 2016, enhancing their leadership skills and sharing their learnings with other youth members.

5.2 Regions East and West

Directorates Regions East and West collectively provide services to the communities of NSW in preparation for and in response to flood, storm and tsunami events. Seventeen Regions provide operational capability, training and administrative support to 245 Units, delivering a highly skilled and proficient volunteer workforce across the State. Regions East and West perform a wide range of other emergency response and support roles to meet the diverse needs of the populations they serve.

Over the last 12 months, Region focus has been on safety, membership growth and retention, and leadership development. This saw Regions establish and implement numerous training initiatives including an enhanced Incident Controller Training Course, Australasian Inter-service Incident Management System (AIIMS 4) training, and a targeted number of members completing leadership

training at the Australian Institute of Police Management. Ninety-two members from six regions attended the Retain Leadership Conference at Armidale, where presentation topics included community engagement, volunteer recruitment, resilience and leadership development. Additionally, fostering youth membership and strengthening community resilience were also high on the agenda for Regions.

With a focus on developing its flood response capability, the Hunter Region increased its Level 3 Flood Response Operator numbers, doubling the number of certified operators within the region during the last financial year.

As a direct result of a strong recruiting campaign, Namoi Region experienced a 16 per cent membership increase this year, with the most significant increases occurring at the Tamworth and Armidale Units. Notable membership increases were also evident in the North West Region's Glen Innes, Deepwater and Ashford Units.

The NSW SES strengthened its operational capability with facility refurbishments and fleet deliveries across the State. Upgrades to the operations rooms at Murrumbidgee and Hunter Region Headquarters has increased their capacity to assist communities during flood and storm events. Refurbishment works have also been completed at Hunters Hill and Wyong Units within the Sydney Northern region.

Community engagement strategies undertaken by Regions enhanced community resilience during severe weather events. The presence of the NSW SES at emergency awareness expos, schools and community events also remained a high priority.

5.3 People and Culture

NSW SES People and Culture Directorate comprises Human Resources, Work Health and Safety, Training and Education, Professional Standards, Diversity and Inclusion, Workforce Planning, Industrial Relations, Critical Incident and Counselling Services, and Chaplaincy Services. The Directorate has continued a strong focus on improving systems and processes. Over the next 12 months the benefits of this work will be realised with a number of key initiatives implemented including the online recruitment process.

Human Resources

Human Resources Branch has worked to ensure all recruitment and membership procedures are compliant with the Government Sector Employment Act 2013, including the conversion of all role descriptions to the NSW Government Capability Framework.

A new volunteer membership application form has been implemented and online expression of interest website functionality created.

A review of the NSW SES local industrial Awards was undertaken in consultation with the Public Service Association in November 2015.

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

The Human Resources Branch completed 85 recruitment actions involving 2,595 applicants.

Approximately 650 temporary assignments and extensions to temporary assignments were processed, in addition to 244 new role creations and 242 modifications to existing roles.

Diversity and Inclusion

In 2015-2016 NSW SES released the Diversity and Inclusion Strategy. The Strategy is a commitment to valuing different backgrounds and perspectives to create an organisation that is reflective of the communities it serves. As part of this commitment a dedicated Diversity and Inclusion Officer was employed to develop and implement equity, diversity and inclusion strategies and programs.

The Service also produced its first Aboriginal Employment Development Plan. The plan aims to increase employment and career development opportunities for Aboriginal and Torres Strait Islander people and strengthen relationships with communities to create better outcomes during emergencies.

Preparations began for enhancing services and support for people with disabilities with the release of a completed Disability Inclusion Plan scheduled for 2016-2017. The plan will focus on increasing opportunities for people with disabilities to join NSW SES, as well as considering options to improve emergency response services for all people, regardless of mental or physical abilities.

NSW SES is made up of a broad range of culturally and linguistically diverse people. We are dedicated to the principles of multiculturalism stated in the Community Relations Commission and Principles of Multiculturalism Act 2000. To further integrate these principles the Service will begin preparations for releasing a detailed Multicultural Services Plan in 2016-2017.

NSW SES again provided an enthusiastic presence for the Mardi Gras Parade, marching alongside other emergency services for the eighth year in a row, and winning a special commendation from festival organisers. The Service supported the Lesbian, Gay, Bisexual, Transgender Queer, Intersex (LBGTQI) Ally Network, a volunteer-led initiative that provides support and networking for LGBTQI members, as well as engagement with the wider organisation.

Celebrations of International Women's Day, Harmony Day and National Reconciliation Week raised awareness of the importance of diversity and creating inclusive cultures. Many Regions and Units again led the Service's diversity and inclusion agenda, delivering innovative projects across the state. Teams engaged with communities from culturally and linguistically diverse backgrounds, newly arrived Australians and vulnerable communities to build awareness and understanding about emergency preparedness and response. Educational programs were delivered to elderly Australians to enhance preparedness and develop strategic relationships with aged-care facilities.

The Service continued to engage with at-risk youth, being a key contributor of the *Wise Up* leadership development program in southern Sydney. Improvements were also made to emergency response capabilities for deaf and hard of hearing people and work continues in this area to ensure services are flexible and adaptive. Innovative community engagement campaigns expanded their reach with the Lunar (Chinese) New Year *Red Packets Project* in Sydney's north using culturally intelligent resources to promote emergency preparedness throughout New Year festivals and on Harmony Day.

Key workforce diversity strategies planned for 2016-2017 include the implementation of both the Diversity and Inclusion Action Plan and the Aboriginal Employment Development Plan. The Service aims to release a completed Disability Inclusion Plan and begin preparations for the Multicultural Services Plan. Developing strategic partnerships are a key focus of diversity initiatives as well as establishing a robust reporting framework to provide insight into the Service's workforce.

Table 1 - Diversity statistics:

Women	Disability	Cultural and Linguistic Diversity	Age
35% of volunteers are women and 27% are senior leaders. 56% of employees are women and 36% are senior leaders.	8% of volunteers and 3% of employees identify as having a disability	1 in 11 volunteers speaks a language other than English. 1% of employees and volunteers identify as being from a culturally and/or linguistically diverse background. 3% of volunteers and 1% of employees identity as Aboriginal and/or Torres Strait Islander.	38% of volunteers are under 35 years of age. 32% are 35 to 55 years of age. 30% are over 55 years of age.

Workforce Planning

The Workforce Planning team was formed in January 2016 and implements projects to strengthen our volunteer workforce, support volunteer capability to meet future demands and create a great experience for NSW SES volunteers.

The NSW SES Volunteer Sustainability Strategy was launched in June 2016 and provides a strategic direction for the future of volunteering in the NSW SES. The strategy outlines key priorities for streamlining processes, empowering Units and ensuring the Service has a capable volunteer workforce ready to meet future demands. During 2016 the team developed a volunteer retention and recruitment toolkit, known as Volunteer Experience: The Guide, aimed at Unit management teams. The toolkit is designed to assess Unit health and encourage unit leaders to implement strategies and processes to better recruit and retain members.An exit survey is currently in development to capture reasons why members are leaving the Service. The exit survey, due to be implemented in the second half of 2016, will assist Units to improve their volunteer management, employ targeted recruitment

Staff Profile

The NSW SES staff profile as at 30 June 2016.

Table 2 - Representation of employees by level compared with the three previous years

	2015/16			2014/15			2013/14			2012/13		
Salary Bands	Total Staff	Women	Racial/Ethnic /Ethno-Religious Minority	Total Staff	Women	Racial/Ethnic /Ethno-Religious Minority	Total Staff	Women	Racial/Ethnic /Ethno-Religious Minority	Total Staff	Women	Racial/Ethnic /Ethno-Religious Minority
$57,256-$62,245 Grade 1/2	65	45	2	46	39	3	39	34	3	38	30	3
$64,008-$70,087 Grade 3/4	90	63	1	68	52	6	71	52	6	69	42	4
$75,559-$83,371 Grade 5/6	108	53	1	79	39	3	78	37	3	74	30	1
$85,868-$95,050 Grade 7/8	68	24	4	52	20	3	54	17	3	45	14	2
$97,883 - $107,863 Grade 9/10	38	14	2	33	10	1	34	10	1	27	18	1
$113,212-$130,929 Grade 11/12	11	3	0	5	2	0	6	3	0	7	1	0
Above A & C Grade 12	9	3	0	6	3	0	9	0	0	7	0	0
Totals	389	205	10	289	165	16	291	153	16	267	135	11

Note: Total staff for 2015-16 is inclusive of an FTE of 346.8 agency, contract and casual roles engaged to support delivery of specific projects.

Table 3 - Performance and numbers of senior executives roles as of 30 June 2016:

	2015-16		2014/15	
BANDS	Male	Female	Male	Female
Band 1 $170,250 to $242,800	3	4	1	2
Band 2 $242,891 to $305,400	1		1	
Band 3 $305,401 to $430,450	1		1	

Note:
- No band 4 category currently activated within the NSW SES.
- Increase in number of band 1 category in 14/15 to 15/16 due to recruitment action taken in 15/16 to meet GSE senior executive transition requirements.

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.

Table 4 - Workforce Diversity Statistics

	% Change Jun 2016	% Change Jun 2015	% Change Jun 2014
TOTAL	408	375	363
Yes (An employee of the agency at census)	358	329	307
No (Not an employee of the agency at census	46	41	51
Casual employee not working on census	4	5	5
EEO Survey Response Rate			
EEO Survey Response rate	76.35%	68.54%	65.88%
Non-casual employees	351	322	256
Respondents to EEO survey	268	222	195
GENDER			
All genders	358	329	307
Male	171	153	147
Female	187	176	160
Indeterminate/Intersex	-	-	-
Aboriginal and Torres Strait Islander (ATSI)			
Total EEO respondent to ATSI	205	177	165
Aboriginal and Torres Strait Islander	5	5	4
Aboriginal	5	5	4
Torres Strait Islander		-	-
Not Aboriginal and Torres Strait Islander	200	172	161

Withdrawn	70	68	63
Missing	76	77	68
Disability			
Total EEO respondent to Disability	351	216	190
Total disabilities	10	11	14
Disability requiring adjustment at work	5	4	7
Disability requiring no adjustment at work	5	7	7
Disability where adjustment is not recorded		-	-
No disability	253	205	176
Withdrawn	33	39	40
Missing	55	67	66
Ethnicity			
Total EEO respondent to ethnicity	157	101	70
Person from a Racial, Ethnic or Ethno-Religious Minority	8	4	3
Person not from a Racial, Ethnic or Ethno-Religious Minority Group	149	97	67
Withdrawn	20	19	16
Missing	174	202	210
Language			
Total EEO respondent to language	211	158	123
Other language	18	12	11
English	193	146	112
Withdrawn	87	98	107
Missing	53	66	66

Professional Standards

Professional Standards is responsible for the management of workplace complaints and related issues, providing advice to the Strategic Leadership Team in relation to these types of issues and the development and implementation of policy framework for dealing with membership conduct and discipline, formal grievances, complaints and significant performance management matters.

Consumer Response

During the 2015-16 FY, Professional Standards received a total of 86 complaints relating to allegations of misconduct. During the same time period the Professional Standards Branch commenced and formally investigated 30 complaints which included seven initially reported during the previous financial year. The remaining complaints were either addressed by way of informal management action, referred back to Regions to be dealt with at the local level, or assessed as not requiring formal action. See below table of the extent and main features of complaints received by the Professional Standards Branch:

Table 5 - Details of allegations received in FY 2015/2016

Details of Allegations Received 2015/2016					
Features of Complaints	Bullying and Harassment	Criminal Convictions; Includes reported charges	Misconduct, Includes; Code of Conduct breach, Social Media Policy breach Conflict of Interest	Safety Breaches	Complaints in total
Total	**30**	**16**	**43**	**3**	**86**

**Figures detailed within this table also include cases initially reported in 2014/2105 financial year.*

In relation to the 30 matters investigated, 8 complaints were sustained, 10 not sustained and 12 matters are ongoing. Outcome actions implemented in relation to sustained allegations of misconduct ranged from formal caution/reprimand through to NSW SES membership withdrawal.

During the 2015-2016 FY NSW SES Professional Standards referred 1 matter to the NSW Ombudsman Office relating to an allegation of reportable conduct, as defined under the *NSW Ombudsman Act 1974*. This matter was also referred to NSW Police for assessment and in order to satisfy reporting obligations in relation to alleged criminal conduct.

During the same period 1 matter was referred to the ICAC relating to a sustained allegation of corrupt conduct.

To improve service and staff development surrounding conflict resolution, in January 2016, Professional Standards arranged for the delivery of the inaugural NSW SES Investigator's Training Course to 10 NSW SES members comprised of Regional Controllers, Deputy Regional Controllers,

Regional Business Managers and State Headquarters staff members. The training provided to those members related to complaint management procedures and requirements and equipped them with the knowledge and skills to undertake internal disciplinary investigations and complaints management.

Attendees at this training course will provide a resource pool to be drawn from in relation to future internal investigations and will also be able to use their enhanced knowledge and skills in managing issues reported to them on a day to day basis and to provide advice to others across the organisation.

An Executive Investigation Leadership Course was delivered to members of the NSW SES Strategic Leadership Team providing them with the knowledge and awareness of procedural and legal issues during the final decision making process relating to internal misconduct investigations and appeal proceedings. This training has enhanced the NSW SES' capability to identify and implement reasonable and fair outcomes in relation to sustained misconduct allegations, thereby ensuring due process for all members involved in these processes and enhancing the NSW SES reputation as a fair and professional organisation.

Policy and procedural documents relating to the area of complaints/grievance management have been developed by members of the Strategy, Planning and Innovation Unit.

Professional Standards has helped develop and implement the NSW SES Performance Management System (PMS) framework. During late 2015, a number of review sessions were conducted across NSW SES which considered past trends and future performance management requirements for the organization. Data obtained from these sessions is presently being considered and applied in relation to the preparation of the organization PMS policy framework.

Professional Standards recently identified Success Factors as the preferred IT based PMS system to be implemented across NSW SES. We are presently awaiting the outcome of an application recently submitted to the Public Service Commission for seed funding to assist in meeting the costs of acquiring and implementing that IT based PMS System

and related staffing expenditure to enable NSW SES to develop and implement its PMS program to meet GSE legislative requirements and Justice Cluster wide strategy.

Work Health and Safety

NSW SES Work Health and Safety Branch is responsible for developing, implementing and monitoring the safety management systems used for the protection and wellbeing of all members.

In 2015-16, further progress was made on the implementation of the Safety Management System, with full implementation during 2016-17.

The Test and Tag program entered its second year with positive results achieved in the checking and maintaining electrical equipment for members.

Implementation of an online hazardous substances management system, *MSDS Online* has continued. This system enables the identification of the variety of hazardous substances used across the Service and the capacity to then develop appropriate storage requirements with supporting documentation.

The branch commenced development of a contractor and visitor management system. The system will provide NSW SES with a legislative compliant framework to support the engagement of contractors and visitors at our sites.

The second Health and Safety Representative one-day refresher training workshop was held. This provided the opportunity for collaboration among representatives, and for all attendees to refresh and enhance their knowledge and skills in work health and safety.

Members from the Branch undertook 10 visits to Regions and Units to provide education, advice and support to members.

A successful immunisation program was undertaken with over 2,000 vaccines provided to members across the Service.

In 2015-16, NSW SES was not prosecuted under the *Work Health and Safety Act 2011*.

Table 6 - Compensable Injury Statistics

Compensation Claims 2015-16	NSW State Emergency Service
Total Employees	395
Total Claims	9
Total Operational Employees	155
Total Operational Claims	NIL
Total Volunteer Members	8,672
Total Volunteer Claims	109

Table 7 - Injury Analysis (All members)

The top three bodily locations include:	The top three locations of all Incidents include:	The top three nature of injury include:	The top three activities at time of injury include:
Knee (48)	Away from SES premises (312)	Strain / Sprain (86)	Away from SES premises (235
Finger (45)	At SES premises (152)	Bruising /Crushing (64)	At SES premises (118)
Head (43)	Journey to or from SES premises / incident (39)	Cut / Laceration (61)	Journey to or from SES premises / incident (9)

Training and Education

Training and Education Branch provide expertise in adult education and learning design for NSW SES. In collaboration with internal and external partners, the Branch develops quality training and assessment products to meet the capability requirements of emergency service staff and volunteer members.

In November 2015 NSW SES was successfully re-registered as an Enterprise Registered Training Organisation (RTO), ensuring that we continue to offer high quality, nationally recognised training to our members. As part of this process the Training & Education Manual was reviewed and modernised to strengthen and streamline training and assessment practices across the state.

In the past year, 7,146 nationally recognised units of competency have been imparted to NSW SES members.

This includes over 1,100 in First Aid and over 1,600 in essential operational activities such as Industrial and Domestic Rescue, Urban Search and Rescue, and Storm and Water Damage.

Flood rescue training courses at Penrith Whitewater continued to be coordinated and managed by Training and Education. In the 2015-16 season, 450 members gained competency in flood rescue operations from 35 courses.

As part of our commitment to continuous improvement a high level governance strategy has been developed for quality assurance. The implementation of this strategy will include statewide internal audits that will provide coaching and development opportunities for all of our trainers and assessors.

Throughout the year, the Training and Education Quality Assurance Team conducted continuous improvement programs, validation of training and assessment products, and maintaining training and assessment records. Enhancements to streamline the SAP Learning Solution Online reporting processes resulted in enhanced accuracy of member training data.

The product development team continues to deliver service excellence in the development and implementation of training and assessment products. In the past twelve months a number of assessment only pathways have been developed to streamline the assessment process for members.

Resource kits were developed and implemented across the state for Incident Controller Level 1, Industrial and Domestic Rescue, and Urban Search and Rescue training, in partnership with the Operational Capability Branch. Work continues on the development of other products including First Aid and the Certificate IV in Training and Assessment.

The development of online learning resources and delivery platforms to support learners and trainers access a wider variety of training activities continues to be a focus for Training and Education. In partnership with Fire and Rescue NSW a co-branded online resource for Flood Rescue Awareness has been developed to provide consolidated learning for members of both emergency service agencies. This was launched at a joint media event in June 2016.

A blended learning program for AIIMS 4 was released in 2015 with content hosted on the NSW SES Learning Management System. The AIIMs 4 Awareness eLearning course continues to engage members with a total of 337 members enrolled and 235 members completed.

Training and Education incorporates the Professional Development Team, which is responsible for coordination and delivery of both corporate and personal professional development programs for members.

In 2015-16, the Branch commenced development of the NSW SES Leadership Framework. This initiative recognises the value of leadership and will develop a plan for building leadership skills at all levels of the organisation.

The Professional Development Team partnered with FRNSW, NSW RFS and NSW Ambulance in the delivery of the 10 Multi-agency Leadership programs across New South Wales. In addition, the Team delivered 7 NSW SES Leading Self - Leading Others programs to 140 of our leaders across 7 Regions. Our attendance at the 2015 Origin Energy conference in Melbourne was an opportunity to recognise the contribution Origin are making towards the development of leaders, the Cadet program and youth in NSW SES.

NSW SES is committed to the personal and professional development of its members. Various opportunities were provided to members to attend training and conferences through the Professional Development Team including: Procurement, TARPS Uncovered, Safety Leadership, Policy Writing, Health and Safety Representatives, Media training, Facilitator training, Diploma Vocational Education and Training, 2016 National Volunteer Conference and Flood Management Awareness Conference and attendance for 10 members at the National Defence, Police and Emergency Services Women's Leadership Summit in Canberra.

Training and Education is responsible for the management of the bi-annual NSW SES State Disaster Rescue Challenge. In September 2015 the National Disaster Rescue Challenge was held in the ACT. The winning team from the NSW SES State Disaster Rescue Challenge represented NSW SES at the event. Kiama Unit from Illawarra South Coast Region competed against the other states and territories and after being tested over two days in a number of rescue skills were judged the overall winners of the National Challenge for 2015. Participation at these events would not be possible without the ongoing support and sponsorship of the NRMA and NSW SESVA.

Critical Incident and Counselling Services and Chaplaincy Services

NSW SES members work in roles of emergency services where they are involved in challenging events. These types of events include the loss of life or property in floods and storms, motor vehicle accidents, search and rescue and large scale disasters.

The Critical Incident and Counselling Services provides peer support to NSW SES members, critical incident support, chaplaincy Services, and Employee Assistance Program to staff.

In 2015-16, Critical Incident and Counselling Services and Chaplaincy Services provided 533 hours of one on one support including on scene and post event support, 146 hours of support on large scale events, 610 hours of Chaplaincy and support, and 147 hours of leadership support.

In the past year the Branch as worked consolidating the Peer Support Program with Peer Support members delivering one on one Peer Support on their own. The team also provides the 24 hour 7 day a week Critical

Incident Support Service, which is staffed by two Duty Officers at all times.

An important area of focus for the Branch has been on building emotional and psychological resilience by delivering the newly developed My5 Awareness Pre-incident Training to members. Post event interventions are also provided along with supportive intervention during events when necessary.

NSW SES Chaplains are extensively involved in pastoral care, supporting NSW SES members who may be affected by operational events or life events. In addition, over the past year Chaplains have provided leadership support to Regions and State Headquarters.

An Employee Assistance Program is available to NSW SES to ensure staff are able to access support to alleviate psychosocial, psychological and work related issues which might impact on work, personal wellbeing and productivity. These services are provided by two providers: Employee Assistance Services Australia Pty Ltd (EASA) and Clearview.

The team has maintained best practice through the provision of clinical supervision and ongoing professional training being provided to Peer Support members and Chaplains.

5.4 Office of the Commissioner (Executive Office)

The Office of the Commissioner oversees the strategic direction of the NSW SES and includes Media and Communications, Branding and Strategic Partnerships, and Ministerial Liaison.

Ministerial Liaison

The Ministerial Liaison Branch manages and coordinates the provision of information to the Minister for Emergency Services, State Government Agencies, Senior Executives and the public.

In 2015-16, the team managed, researched and prepared Ministerial correspondence, briefings, speeches, awards, Parliamentary documents and support materials.

High quality advice to external Government stakeholders including the Office of Emergency Management was delivered and 30 requests for information under the Government Information (Public Access) Act 2009 (GIPA Act), subpoenas and other requests for information were taken.

Advice for the Minister in relation to submissions to Cabinet were prepared, as were responses to contentious and emerging issues.

The Unit also enhanced its capacity to provide high level analysis of legal and related issues and provide advice to Senior Executives on the outsourcing of legal support.

Media and Communications

Following an internal realignment, Corporate Communications was renamed 'Media and Communications' and separated from the Change Management Branch. NSW SES Media and Communications Branch is responsible for media, social media, the Service's websitse, internal communications, public relations and the Annual Report.

During the past year the provision of operational media support was again a focus for the Branch, with a series of severe weather events requiring a significant media response: notably flooding on the Shoalhaven and South Coast in August 2015, the Kurnell Tornado in December 2015, flooding in the Hunter in January 2016, and two east coast lows in June 2016.

In these events, the Service's TV facility at State Headquarters was activated, complemented by hundreds of radio and print media interviews and social media posts, providing the community with live updates of safety and preparedness information - helping ensure safer, better prepared and informed communities. In a new initiative, 'Facebook Live' and 'Periscope' were successfully used to provide real-time updates on NSW SES operational responses.

Media training of volunteers occurred in five Regions across the state, providing members with the skills they require to engage collaboratively with their local media, and increasing the number trained media officers able to provide essential safety, warning and operational information during emergency responses as well as out of area media and social media support. During the past year, the media training course content and materials have been reviewed, ensuring they best meet media, organisation and volunteer needs. Greater media engagement, particularly with the ABC and Prime7, has also occurred along with the production of several new community service announcements including for the Service's 60th anniversary.

Support was also undertaken of community engagement, recruitment and profiling activities throughout the year as well as handovers of vehicles, boats, buildings and equipment and the Service's corporate partners. Examples of major events supported included WOW Day, which was moved to National Volunteer Week in May; and the 'Get Ready', TsunamiSafe, StormSafe and FloodSafe programs.

Internal communications was boosted by the appointment of an Internal Communications Coordinator and reform of the internal communications process was commenced.

This included the transition to a weekly e-newsletter as well as commencement of an internal communications strategy. Significant support was undertaken for the Service's 60th anniversary conference, as well as several 'Town Hall' style member meetings.

Work on the new NSW SES website commenced, with substantial progress made ahead of the launch in late 2016. The new website reflects extensive community and member consultation and will provide a significantly better user experience for the community, particularly during operational responses.

NSW SES also continued its online community engagement through social media, passing 100,000 Facebook likes, with extensive use of Facebook, Twitter and Flickr to inform and listen to communities, especially during major responses, and the addition of 'Periscope' and 'Facebook lLve'. A temporary Digital Media Officer position has enabled the creation of rich content such as video for social media, as well as support for internal communications projects and the website project.

Media and Communications remains committed to providing the community and members of the Service with accurate, timely, innovative and relevant information and to make this content available through a range of channels.

Branding and Strategic Partnerships

The Branding and Sponsorship Branch is responsible for the agency brand, strategic community partnerships, stakeholder management, marketing and advertising, administering grants programs, providing guidance on fundraising and donations, along with supporting innovation across business areas.

Over the past 12 months the NSW SES has continued to benefit from the support provided by its principal partner, NRMA Insurance. This community partnership is in its sixth year and continues to deliver benefits to NSW SES members whilst supporting local NSW communities. The relationship with NRMA Insurance encompasses a common goal: that is building stronger communities across NSW and educating people on the importance of being prepared for floods, storms, and tsunami. This strategic relationship helps deliver additional resources, education and training for NSW SES members and supports a number of business areas across the agency via grants programs, workshops and leveraging corporate sector expertise such as Human Centred Design facilitators.

In 2015-16 the NRMA Insurance Community Connect Program saw a total of $84,600 in funding awarded to 20 NSW SES Units across the state. This initiative is designed as a user friendly grants program aimed at assisting local Units in their efforts to educate their communities about how to prepare for and limit the preventable damage from floods, storms, and tsunami. Since the program's inception five years ago more than $230,000 in grant funding has been given to local NSW SES Units to support community engagement activities and projects.

The development of the 2015-16 *StormSafe Campaign* encompassed a theme of "Getting Ready for Storm Season together", and included the first ever NSW SES Observational Documentary titled "Storm Season". This 6 x part feature series, was produced with the support of NRMA Insurance and screened on the 10 Network. It allowed a larger audience to view the great work undertaken by NSW SES volunteers. Storm Season highlighted the way that volunteers support their communities as well as delivering important public safety messaging. Across the state, local relationships continue to flourish between NRMA Insurance branch offices and NSW SES Units. This important collaboration also continues to bring increased awareness to NSW SES public safety messaging through increased marketing and advertising opportunities.

NSW SES celebrated WOW Day 2016 on May 11th as part of National Volunteer Week. There was a centralised strategy incorporating selfie's and photo frames to encourage people to wear orange in support of NSW SES volunteers and share online votes of thanks with the hashtag #thankyouses! There were plenty of people wearing orange, from television hosts to sports people and politicians, as well as some traditional landmarks lighting up orange such as the Big Banana, Ploddy the Dinosaur and the Big Merino. WOW Day featured digital promotion using www.wearorangewednesday.com.au and continued to allow people, business and communities to show their thanks and appreciation to SES members for the tireless work they contribute in supporting their communities. Local councils allowed their staff to wear orange, local schools turned orange, and many businesses went orange, including our community partners NRMA Insurance and Origin Energy.

During the past year Origin Energy has continued to partner with NSW SES to promote volunteering and leadership skills and inspiring the next generation of emergency service volunteers. Origin Energy are Program Partners with the NSW SES Cadet Program and the Leading Self, Leading Others Program. These programs are focused around investing quality training and skills into people, helping them realise their potential as individuals and striving for excellence in everything they do. The support from Origin allows young volunteers to experience the Young Endeavour adventure along with other leadership activities. PRIME7 continued to support the service through promoting community safety messages and WOW

Day to television audiences across regional NSW.

In 2015 -16 many NSW SES Units were successful in gaining funding support through a variety of grants programs namely; Club NSW grants, Bluescope/WIN Community grants, IMB Foundation Grants, Aurizon Community Giving Fund, Department of Social Services volunteer grants and other opportunities. These funding opportunities boost resources and allow extra support for local volunteer unit initiatives.

Support was also provided to celebrate the 60th Anniversary for the State Emergency Service in NSW and recognising and awarding volunteer achievements via the Rotary Emergency Service Awards and the Resilient Australia Awards. The Branding and Strategic Partnerships Team also recognises the importance of the relationship with the NSW SES Volunteers Association and continues to work with their organisation on member services, member benefits and volunteer support initiatives.

The NSW SES Brand On-Line Strategy is an ongoing effort to manage promotional material supporting Regions and Units. The site includes, Unit signage, stationery, certificates, banners, posters and radio ads to assist in marketing and advertising public messages. It is a one-stop shop that houses branding information, allowing visibility, consistency, cost savings, efficiencies and fast updates, introductions and amendments. This results in less duplicated designs and wastage of collateral, better sharing of successful initiatives, increased consistency and common language for public safety messaging. The Service has a powerful community brand, created from local volunteers going above and beyond in response to natural disasters and assisting their communities in times of need. NSW SES maintains a professional approach to managing this respected brand and understands the value of protecting it.

This results in less duplicated designs and wastage of collateral, better sharing of successful initiatives, increased consistency and a common language for public safety messaging. The Service has a powerful community brand, created from local volunteers going above and beyond in response to natural disasters and assisting their communities in times of need. NSW SES maintains a professional approach to managing this respected brand and understands the value of protecting it.

5.5 Information and Communication Technology

The Information and Communication Technology Directorate supports the organisation in preparing for and responding to emergencies. Day to day, the Directorate provides support to enable delivery of corporate services functions. The Directorate comprises three Branches – IT Systems, ICT Infrastructure and ICT Communications.

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

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

ICT Infrastructure

ICT Infrastructure is responsible for management, implementation and enhancement of enterprise infrastructure and related servers, networks, workstations, telephony as well as end user support to facilitate delivery of NSW SES's core business processes.

In financial year 2015 - 16, the Branch carried out a refresh and expansion of smart phones by delivering over 300 devices to volunteers and 40 devices.

The team also led a successful co-ordination of the technology for the 60th Anniversary Leadership Conference which was paperless for the first time including delivery of keynotes electronically to delegates via tablet devices, the building of a temporary network to facilitate over 700 devices, interactive touch screens and live broadcasts from local Unit Headquarters providing real time Q&A.

The Branch has also started to implement the Commencement of Technology Strategy and Business Requirements for the new State Headquarters building which will be completed by mid-2017.

The Branch has assisted with major operations by the enhancement of audio visual, situational awareness displays in Operations Rooms and making sure training rooms in Units are well equipped with the technologies they need to run an operation.

IT Systems Branch

IT Systems Branch is responsible for developing, testing and supporting key organisational system solutions. The most notable solutions maintained by the IT Systems Branch include beacon, EOS, TRIM and SAP. In 2015-16, the Branch managed the development of the NSW SES input into the Strategic Common Operating Picture for Emergency Services (SCOPES).

The Branch also incorporated the Inter-CAD Electronic Messaging System (ICEMS) into beacon the NSW SES operational management system and continued enhancements of beacon in the following releases v2.0 (4th Aug 2015), v2.1 release (4th Nov 2015), and v2.2

release (28th June 2016).

The SAP Governance Risk and Compliance (GRC) Module has been used to significantly reduce existing SAP risk violations and is being used to monitor new potential risk impacts as well as conducting an internal audit of all security access roles.

The Branch also created an Information and Records Management Strategy and Program to support record management in the Service and continued to manage the NSW SES intranet site including the launch of a beta Statistics website. This also included an internal ICT survey to assist in delivery of better services.

The Branch continued to work on programs including a migrated SharePoint Farm to the Whole of Government Data Centre, an upgrade to the SharePoint Platform form SP2010 to SP2013 and integration of the public website systems.

ICT Communications

The ICT Communications Team is responsible for the provision of radio communication and paging services across the organisation.

In Financial Year 2015/2016, the Branch achieved procurement of rapid deployment contingency communications systems as part of raising new NSW SES capability and trialed mobile radio installation on snow mobiles for Alpine Search and Rescue capability.

ICT Communications also assisted operational communications needs of SES members including the Kurnell Storm Event in 2016 where fixed radio infrastructure was impacted.

Planning and design of enhancing coverage of SES radio communications networks in the Murray, Murrumbidgee, and Far West Regions were also a key activity of the Branch. Costs were minimised by working collaboratively with Fire & Rescue NSW and the Rural Fire Service. SES members will progressively gain access to the enhanced communications networks starting from September 2016.

The SES Communications Team is also worked closely with the NSW Telco Authority on initiatives to reduce the costs of radio communication and in the same process increase coverage by rationalising infrastructure across Emergency Serviced Organisations.

5.6 Finance and Asset Management Directorate

The Finance and Asset Management Directorate consists of the Facilities, Fleet, Finance and Logistic Branches. Each branch provides support services to Regions and Units to facilitate a positive volunteer experience by ensuring volunteers are adequately equipped with the resources they need to respond to requests for assistance from the community.

The Director is responsible for the overall guidance, management and development of the Branch to ensure best practice in the areas of financial management and reporting; asset management with regard to fleet, facilities and equipment; procurement and contract management, including maintenance of Agency Procurement Accreditation. All functions are managed in accordance with NSW Treasury Guidelines, Australian Accounting Standards and Regulations, NSW Treasury Directions the *Public Finance and Audit Act 1983* and other applicable legislation.

Finance

The Finance Branch is responsible for the accurate and timely delivery of accounting, payroll, banking, budgetary, taxation, audit, and financial administration for the whole of the NSW State Emergency Service NSW SES including 17 Region Headquarters. The Finance Branch also prepares the annual financial statements in accordance with Australian Accounting Standards and provides monthly expenditure and budget forecasting reports to NSW Treasury, Department of Justice and the Strategic Leadership Team of the NSWSES

The Branch manages the administration of corporate credit cards and ensures that compliance with the use of the cards aligns with Treasury best practice and statutory legislation including the *Public Authorities (Financial Arrangements) Act 1987.*

During 2015-16 the Finance Branch managed the payment of almost 25,000 transactions in accordance with NSW Government legislation . These transactions had a total expenditure of $91.931 million. This included expenses of $6.902 million from the Natural Disaster Relief and Recovery Account (NDRRA) incurred by the NSW SES in response to flood and storm operational events. Almost all of these payments to vendors were by Electronic Funds Transfer (EFT), the NSW SES Finance Branch will continue to liaise with NSW SES vendors currently paid by cheque to transition to EFT.

The Finance Branch continues to provide support to all 17 SES Region Headquarters and their volunteer units. This support includes subject matter advice on insurance, taxation, grant administration, volunteer unit bank accounts, and all finance and budget related matters. The Finance Branch creates and maintains all new vendor and customer data for the whole of the agency in the SAP financial system.

Throughout the period members of the Finance Branch worked in the State Operations Centre outside of business hours to provide support during operational campaigns. This support included provision of logistics, aviation and transport support. The Finance team also enabled Region staff to increase their capacity to directly assist their

volunteers by undertaking the financial processing of payment to vendors incurred during operational events.

NSW Treasury created a Financial Management Transformation (FMT) Program to drive financial management reform in NSW. The finance team have been working closely with NSW Treasury, Fire and Rescue NSW and the Rural Fire Service to enable NSW SES to transition to the new framework in accordance with the proposed timetable. The objective of the program is to create a world class financial management framework for NSW that will support high quality resource management and performance.

NSW SES Funding

NSW SES is funded via an Emergency Services Levy (ESL). The levy is collected from the state Government, insurance industry and local councils.

Since 2009-2010 NSW SES funding for total recurrent and capital expenditure was levied on these bodies in accordance with the following splits:

State Government	14.6%
Insurance Industry	73.7%
Local Councils	11.7%

The calculation of NSW SES levy for local council is based on the population in each Local Government Area as reported in the most recent Australian Bureau of Statistics census of population and housing. The Office of Emergency Management, NSW Department of Justice administers the preparation of tax invoices for the ESL.

Insurance

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

The Contract of Coverage encompasses:

- Workers' compensation insurance
- Public liability insurance
- Motor vehicle comprehensive insurance
- Property insurance
- Personal Property Insurance
- Miscellaneous insurance

Consultancy Services

Engagements greater than $50,000:

Ernst & Young

Organisational Review

$255,661.99

Kells the Lawyers

Legal Services

$51,446.95

NSW Public Works

Management services – New State Headquarters Building

$442,824.58

O'Connor Marsden

Audit & Risk

$341,185.54

Access Macquarie Pty Ltd

Community Education & Engagement

$88,500.00

WMA Water Pty Ltd

Enginerring Flood Intelligience

$74,440

Engagements less than $50,000:

Nature of Consultancy – Information Technology

Total number of engagements 4

Total Cost $96,662.23

Nature of Consultancy – Organisational Review

Total number of engagements 1

Total Cost $13,619.82

Nature of Consultancy – Legal

Total number of engagements 7

Total Cost $124,381.87

Nature of Consultancy – Engineering (Flood planning & intelligence)

Total number of engagements 3

Total Cost $32,386.62

Nature of Consultancy – Communication

Total number of engagements 3

Total Cost $127,923.53

Nature of Consultancy – Audit risk

Total number of engagements 8

Total Cost $49,162.19

Nature of Consultancy – Recruitment & Training

Total number of engagements 4

Total Cost $88,027.46

Nature of Consultancy – Procurement accreditation

Total number of engagements 1

Total Cost $38,704.09

Overseas Travel Expenditure

The NSW SES incurred expenditure of $5,737.48 on overseas travel in 2015-16. The amount represents the expense of 2 emergency management staff to attend the coasts and Ports Conference in Auckland, New Zealand in September 2015. This overseas travel was approved by the Minister.

Research and Development

The NSW SES continued its involvement with the Bushfire and natural Hazard Cooperative Research Centre during the year. The Service is involved in 14 projects on a range of topics including communications and warnings, emergency management capability, tsunami and coastal hazards.

In addition the Service was involved in a number of other research projects during the 2015-16 Financial Year:

- Tsunami inundation in estuaries and coastal rivers: improved guidelines and attenuation rules
- Prevention of flood related deaths, focussing on people driving through floodwater
- Community Involvement in emergency planning
- Establishing a Research Agenda for the NSW SES
- Measure Evaluate Community Engagement & Impact
- Optimise community engagement activities through evaluation
- Emergency Management training for diverse communities
- Clarence Valley Community engagement

The NSW State Emergency Service also received funding through the NSW Emergency Volunteer Support Scheme (EVSS) funding scheme. This provided grants for projects involving Volunteer recruitment, engagement and training.

Time for Payment of Accounts

The NSW SES has a strict policy that all accounts are paid within the specified trading terms of the vendor as per Treasury Circular 11/21

(annual reporting on Payment of Accounts) and that advantage is taken of available discounts. The Service maintains a Payment Performance Profile.

The NSW SES incurs expenditure against the Natural Disaster Relief and Recovery Arrangements (NDRRA) when responding to flood, storm and tsunami operations. NSW SES prepares Emergency Orders for the purchase of goods and services that are required specifically to assist in providing operational assistance during a Natural Disaster event. Every effort is made to ensure compliance with vendor's payments terms to ensure they are willing to make available their goods and services at any hour of the day or night. This assists in ensuring there are no unnecessary delays in provision of emergency response by the dedicated NSW SES volunteers.

Large operational events can impact on the time taken for the payment of accounts due to the volume received. NSW SES, led by the Finance Branch will continue to develop processes and utilise technology to improve the timeliness of payment performance to its vendors.

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

Table 8—Aged analysis at the end of each quarter:

Payment Performance Indicator	Sept 2015	Dec 2015	Mar 2016	June 2016
Accounts payable				
All Suppliers				
Current (within due date)	749,186	919,427	836,549	6,551,126
Less than 30 days overdue	7,434	21,191	62,028	5,805
Between 30 & 60 days overdue	3,185	6,237	344	3,049
More than 60 days overdue	11,492	1,108	1,106	757
Accounts paid				
All Suppliers				
Number of accounts due for payment	6,070	5,107	6,184	6,105
Number of accounts paid on time	5,197	4,379	5,098	5,225
Actual percentage of accounts paid on time (based on number of accounts)	85.62%	85.75%	82.44%	85.59%
Dollar amount of accounts due for payment	$20,157,083	$12,223,414	$10,519,611	$14,082,113
Dollar amounts of accounts paid on time	$17,722,957	$11,205,926	$8,666,121	$11,624,083
Actual percentage of accounts paid on time (based on $)	87.92%	91.68%	82.38%	82.55%
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts	0	0	0	0

The NSW SES has forwarded to all its vendors information in regards to Treasury Circular 11/12 and continues to maintain compliance with payment to small business suppliers.

Audit Risk Committee

During 2015-2016 the NSW SES internal audit and risk committee conducted meetings in accordance with Treasury Policy Paper 15-03 (Internal Audit and Risk Management Policy for the NSW Public Sector). The committee meets regularly and assist the Commissioner and management in understanding, managing and controlling risk exposures.

Credit Card Policy

All corporate credit cards issued to NSW SES members and policies developed for their usage is done-so in accordance with Treasury Policy Paper 05-01, Credit Card Use – Best Practice Guide. No late fees or interest payments were incurred in 2015-2016.

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 an electronic reminder each week of corporate card expense transactions that they have yet to account for.

Annual Report costs

No external cost was incurred in the preparation and production of the NSW SES Annual Report 2015 – 16. Six hard copies were photocopied in-house for submission to the Ministry, Parliament, and the Minister for Emergency Services.

The annual report is available on the NSW SES website www.ses.nsw.gov.au

Logistics

The Logistics Branch works to support NSW SES member's operational capability and response, during deployment across a diverse range of activities. That support includes procurement and provision of functional and safe personal protective clothing along with equipment which is fit-for-task, durable, safe and environmentally sustainable.

The Branch is responsible for the entire supply chain process of planning, procuring/purchasing, implementing and controlling efficient, effective transportation, distribution, services and storage of goods, uniform and inventory. Additionally, the unit is responsible for Contracts management.

NSW SES Logistics is engaged in development of, or completed:

- NSW Government Agency Accreditation Scheme – completed.
- Procurement Policy – published.
- Procurement Manual – published.
- Procurement Function Strategy – published
- Procurement Management Plan – ongoing.
- Procurement Leadership Group – ongoing.
- NSW SES Hydraulic Rescue RFT JV with FRNSW – completed.
- Regional visitations x 8 regions – completed.
- AFAC Collaborative Procurement Group – ongoing.
- AFAC PPE Technical Group – ongoing.
- Disposal Policy – published.
- NSW Government Travel Policy implementation – ongoing.
- Uniform Policy – published.
- Uniform Committee TOR – published.
- Material Replacement Program (MRP) – ongoing.
- Enterprise Asset Management (EAM) – ongoing.
- Total Asset Management (TAM) strategy including master data update – ongoing.
- PPC review – including wet weather, alpine/thermal, lightweight shirt V2.
- Contract management system implementation – ongoing.
- New State Headquarters construction review panel – ongoing.
- Asset disposal for existing State Headquarters – ongoing.
- Procurement education – ongoing.

The Logistics Business unit is represented on the Approved Equipment Consultative Group (AECG); the Procurement Leadership Group (PLG); the Justice Cluster Chief Procurement Officer Working Group; NSW SES Uniform Committee; Australasian Fire & Emergency Service Authorities Council (AFAC) in both Collaborative Procurement Group and PPE Technical Group.

The Logistics Branch is presently evaluating fit-for-task upgrades in PPE utilised in both sub-alpine and hot weather environments including waterproof wet-weather outer garments.

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

Facilities Management

The Facilities Branch manages and services all NSW SES buildings across the State. The Branch provides support to all regions and units to ensure their facilities needs are met. Public Works were engaged during the year to undertake a condition based assessment of all units across the state to help inform future building improvement works and funding requirements. This information is being used to inform the Service's Total Asset Management plan.

The new State Headquarters site has been selected and secured. NSW Treasury has provided supplementary funds for the project in the 2016 – 17 financial year. Design and development is well under way of the new building, with a final design due towards the end of 2016. The project remains on track for delivery in mid-2017.

The Facilities Branch has continued to build on the work undertaken as part of the Hazardous Materials Management Plans and Remediation by completing the remediation of identified hazardous sites across the state. A final version of the Hazardous Material Surveys now available to the membership. This is an important safety improvement achievement for the NSW SES.

Facilities Branch is implementing the NSW Government Resource Efficiency Policy in all aspects of energy and waste management at State Headquarters.

The plan includes the procurement of recycled photocopy/ printing paper, and priority purchase of office equipment that has the capability to process recycled products,

publishing NSW SES manuals on-line and paper recycling throughout the state by local recycling firms. Facilities Branch has also engaged the NSW Government contract for electricity resulting in an increase in the provision of Green Power electricity.

Fleet Management

NSW SES continued to upgrade and enhance its vehicle and marine fleets in 2015-16. Throughout the year the Fleet Branch provided assistance and support to members across the state to ensure all vehicles, vessels and trailers remained compliant with legislative standards and safe for all NSW SES members and the public.

The centrally-managed Fleet Project completed the fourth year of its five year lifespan. The project aims to standardise and centralise the NSW SES Operational Fleet including the transition of vehicles from local government councils. Over the past 12 months there were many achievements both within Fleet general business and Fleet Project.

Key achievements over the past 12 months was include building and delivering:

- 11 Medium Storm Vehicles providing enhanced storm and flood response capabilities including local flooding, ground and medium-scale roof operations, large tree operations and general land search.
- 5 Medium Rescue Vehicles
- 2 Medium Rescue 4 x 4 Vehicles

Along with new additions, vehicles identified as fit for purpose and safe to use were transitioned from Local Government Council to being owned and managed by NSW SES. A total of 455 vehicles have been transitioned at a total cost of $2,971,623, with $703,248 spent in the 2015-16 financial year which equates to an additional 55 vehicles now being centrally managed by the NSW SES. The vehicles were acquired from councils either by gift, nominal or market value. The market value of all transitioned vehicles is $8,298,981. A further 51 known local government vehicles are remaining to be transition in the new financial period.

The NSW SES throughout the period continued to monitor and review the utilisation of its fleet to ensure maximum life from a vehicle that is fit-for-purpose, measures such as extension of lease where practical, rotation of vehicles between regions and units where possible. Reducing the costs to the agency as a whole, for example, e.g. vehicle commissioning-decommissioning expenses, administration costs from third party vendor (State Fleet).

Further to this the NSW SES engaged a consultant to assist with the development of a Total Asset Management (TAM) plan for the ongoing replacement of our aging fleet over the coming years, allowing for safe vehicles for our volunteers when responding during operational times.

As part of a priority action under the NSW Long Term Transport Master Plan, NSW SES along with other emergency agencies trialed the Collision Avoidance Technology (CAT) systems. This involved an array of sensors that provide the driver with information about the immediate environment surrounding the vehicle and focus on crash avoidance and mitigation. NSW SES installed CAT in 20 vehicles across the state to measure its effectiveness in reducing incidents that could lead to crashes.

From a data collection perspective the trial has been a huge success. The trial amongst all the agencies that participated amassed to over 363,000 km of driving data and over 117,000 collision warnings. Data from the trial is helping to future proof the safety of the agencies members and fleet vehicles.

Fleet accounts for various types of assets including trailers. Last period the agency saw a growth of 4.5% in the number registered trailers to the NSW SES, final number being 931. This includes the addition of two new horse float trailers to assist our members out in the field rescuing large animals.

NSW SES continued to update its marine fleet in 2015-16 and manages a total of 379 vessels.

The makeup of our vessels is mixed to meet the agencies capability requirements during operational periods. The NSW SES continues to explore new product and maintain up-to-date technology by working with our vendors on new initiatives. One of the initiatives was the purchase of 30hp motors to replace the aging 20hp motors out in the field.

As part of the agencies replacement program the NSW SES purchased replacement vessels for 17 Units. The replacement was based on safety, age and fit-for-purpose, combined with information contained in NSW SES Region Capability Plans.

Fleet Project

The Fleet Project has now completed the 4th year of its 5 year lifespan. The objective of the project is to create a NSW SES centrally managed fleet of vehicles by acquiring and transitioning them from the various councils around the state, and developing standard vehicles that can replace vehicles deemed unsuitable.

In the last 12 months the Project advanced its Transition From Councils Program by acquiring and incorporating 55 more vehicles. To date a total of 455 vehicles have been incorporated to the NSW SES fleet, with 40 vehicles remaining to complete this element of the project. The total amount spent so far is $2,971,622 and the market value of the acquired vehicles is $8,298,981. These

vehicles were either gifted by councils, or else acquired by nominal or market value.

A key milestone for the project has been the build and delivery of eight Medium Rescue vehicles at the cost of $1,860,000 to eight NSW SES Units across the State. These are custom made vehicles based on Isuzu NPR 75 Cab Chassis. The service body of the vehicle was built by Bell environmental and is able to accommodate close to 900 kg of specialised rescue equipment.

Seven out of the eight vehicles provided will replace existing vehicles in NSW SES which are up to 27 years old. Key design features of the trucks include a powerful light mast, roller shutters, sliding shadow boards, hydraulic generator, slide and tilt shelves, custom made protection bar fitted with winch and driving lights. These features will enhance the Service's capabilities is rescue situations.

Another major achievement of the project this year has been the specification and procurement of a Light Storm Vehicle. The specification for this type of vehicle was developed in consultation with the Vehicle Design Group, which is an assembly of 26 volunteers and members from different regions within NSW SES that collaborate with the project providing analysis and experience-based suggestions.

The NSW SES throughout the period continued to monitor and review the utilisation of its fleet to ensure maximum life from a vehicle that is fit-for-purpose, measures such as extension of lease where practical, rotation of vehicles between regions and units where possible. Reducing the costs to the agency as a whole, for example, e.g. vehicle commissioning-decommissioning expenses, administration costs from third party vendor (State Fleet).

Further to this the NSW SES last period have engaged a consultant to assist with the development of a Total Asset Management (TAM) plan for the ongoing replacement of our aging fleet over the coming years, allowing for safe vehicles for our volunteers when responding during operational times.

As part of a priority action under the NSW Long Term Transport Master Plan, NSW SES along with other emergency agencies trialed the Collision Avoidance Technology (CAT) systems. This involved an array of sensors that provide the driver with information about the immediate environment surrounding the vehicle and focus on crash avoidance and mitigation. NSW SES installed CAT in 20 vehicles across the state to measure its effectiveness in reducing incidents that could lead to crashes.

The total cost of this element of the project will be $4,553,562, and will provide vehicles that can be driven by class C motorists and carry 400kg of equipment in storm and flood related emergencies. This is a fast, light weight vehicle that can attend to low local flooding, light tree felling, general towing operations and two-store building access.

The first Light Storm vehicle based on this specification has been produced by ETT Byron in Sydney and is under testing and qualification. Further 29 vehicles of this type are scheduled for production during 2016-17 financial year.

5.6 Strategy, Planning & Innovation

The Strategy Planning and Innovation Directorate sets the direction and provides oversight of organisational strategic and governance outcomes for the NSW SES. The Directorate which includes the position of Chief Audit Executive was expanded to include Audit, Risk and Compliance, Policy and Governance, Strategic Planning, Organisational Performance and Innovation, Project Portfolio Office, Knowledge and Lessons Management and Change Management.

The focus of the Directorate is to meet or exceed compliance and governance obligations and set clear direction of the Agencies' priorities. A key achievement of the Directorate this year is the creation of the 2016 - 2021 Strategic Plan.

An innovative and inclusive approach provided all members the opportunity to participate in developing the plan. The Directorate led the agency to achieve a step change in governance standards including policy development, risk mitigation and closing out key audit recommendations.

This positions the NSW SES to leverage strong governance foundations to focus on key change initiatives and strategic outcomes to achieve our five year Strategic Plan.

Audit, Risk and Compliance

The Audit and Risk Branch is responsible for providing assurance and controls that the organisation is meeting and exceeding its governance and risk mitigation obligations.

An Audit and Risk Committee comprising independent and members and executive oversee and monitor the effectiveness of the activities. This is achieved through the management of internal and external audit programs and oversight of corporate risk identification and treatment plans. The Branch prepares reporting on all management actions arising from audits for the senior executive and the Audit and Risk Committee. They also are responsible for coordinating the development and ongoing management of Business Continuity Plans and facilitating the

implementation of robust practices for the effective management of compliance obligations.

During the 2015 -16 Financial Year the Audit Risk and Compliance Branch achieved a number of objectives related to the 2015-16 Strengthening Our Foundations Strategic Plan arising from recommendations contained in investigations by ICAC and PSC, the NSW SES Roadshow Report and a number of other reviews.

The second year of the Internal Audit and Assurance Program (2014-2017) was implemented which ensures legislative compliance, and enables the Internal Audit function to undertake audits as planned in the Program.

An Attestation Program was revised to ensure an effective system of internal control over financial and related operations is implemented, maintained and routinely reviewed.

A Fraud and Corruption Prevention Framework was implemented, including a Fraud Control Plan, which aims to help the NSW SES prevent, detect and respond to fraudulent and/or corrupt behaviour and ensure our stakeholders continue to be confident of the quality of the services we deliver to the community.

The Branch continued the review and development of the State Headquarters Business Continuity Plans (BCPs), and commenced a review of the Enterprise Risk Management Framework with an aim to integrate risk management policy, matrices and systems, and improve risk management maturity.

Strategy and Innovation

The Strategy and Innovation Branch is responsible for the co-ordination of strategic and business planning processes, reporting for the senior executive on organisational performance, enterprise business analysis and management of an Innovation Framework.

During the 2015 -16 financial year the Strategy and Innovation Branch achieved a number of objectives tailored around the development of a new 5 year Strategic Plan and creating a foundation for business process improvements.

The Branch coordinated the engagement of Ernst & Young in September 2015 to conduct a business process improvement and a functional review for the NSW SES. Reports on both reviews were delivered to the Service in December 2015. The implementation of a suitable Business Process Improvement Framework for the NSW SES is currently being finalised.

The Branch oversaw the coordination and development of the 5 year Strategic Plan and development of a framework for organisational performance reporting and commenced the development of an Innovation Framework to promote the development and implementation of good ideas from our members.

Policy and Special Projects

The Policy and Special Projects Branch was established in 2015-16 and is responsible for the development of a governance framework to ensure the organisation meets its legislative requirements and establishing consistent systems. This includes key aspects such as implementing a suitable policy framework, policy library and processes to develop, review, approve and disseminate the latest policy documents. The Branch also provides expert advice on development, consultation and implementation of policy documents.

During the 2015 -16 Financial Year the Policy and Special Projects Branch achieved a range of key milestones related to establishing suitable policy and governance frameworks for the NSW SES.

The Key Document Index which houses key policies and supporting documents was reviewed and streamlined so that policies and supporting documents are easy to find. Consultation has commenced around the development of a more sophisticated user-friendly Policy Library.

A new complaints management framework was developed and is currently in consultation. This framework comprises three policy packages – internal grievances, external complaints, and misconduct and serious offences.

The Branch oversaw the development of a number of policies by other areas within the organisation. This includes the development of key human resources procedures including maternity and paternity leave, sick leave, and the development and update of key financial policies, procedures and manuals. A consultation draft of a policy framework and policy document templates is currently being developed to guide consistent development of policy across the organisation. A number of workshops were also conducted during 2015-16 in policy writing and development.

Project Portfolio Office

The Project Portfolio Office is responsible for overseeing the development and implementation of projects aligned to the strategic plans for the NSW SES. The Branch monitors and reports on project health to ensure objectives are being achieved within the constraints of time and cost and provides reporting to senior executive and strategic advice on portfolio status, risks and issues, and the Service's capacity to deliver planned outcomes.

During the 2015 -16 financial year the Project Portfolio Office (PPO) achieved a range of key milestones related to

the conduct and oversight of key projects within the NSW SES.

The PPO provided oversight and guidance on the development of a major project to relocate NSW SES State Headquarters to a new premises within the Wollongong CBD precinct. The Branch also provided oversight and guidance to changes made to major projects to improve effective delivery of expected outcomes.

The PPO continues to mentor and guide project managers and the executive team in the successful delivery of projects.

Knowledge and Lessons Management

The Knowledge and Lessons Management Branch is responsible for facilitating continuous improvement of services and programs across the NSW SES by conducting after action reviews and evaluations for operational events, corporate programs, projects and activities. The Branch coordinates the NSW SES involvement in multiple research projects overseen by the Bushfire and Natural Hazard Cooperative Research Centre and maintains a register of all research occurring across the Service. They are focused on encouraging the sharing and utilisation of results and driving knowledge sharing across the organisation.

During 2015-16 the Knowledge and Lessons Management Branch moved within the structure of NSW SES. This transition recognises the value and level of activities performed by the Branch across the full domain of the Service.

The Branch conducted a series of After Action Reviews (AARs) following the East Coast Low of April 2015. This was one of the largest response events in NSW SES history. Reports were provided from each AAR to the participating area to assist with improving future response activities. The overarching results are forming part of the NSW SES review of the response to this major event, and will be addressed through a variety of projects across the Service. Results from the Interagency AAR were collated and provided to the State Emergency Management Committee to assist in improving emergency management arrangements across the state.

Additional AARs were conducted for major projects and other corporate activities during the year including the Fleet Project and the implementation of the SAP Asset Management Modules, the organisation of the State Disaster Rescue Challenge and the organisation of Flood Rescue Training.

Staff from Knowledge and Lessons Management chair two of the focus groups that are aiming to streamline processes within the State Operations Centre and contribute to improved emergency management responses by the Service.

The Knowledge and Lessons Management Branch continue to coordinate the Service's involvement in the Bushfire and Natural Hazards Cooperative Research Centre (BNHCRC), ensuring that knowledge gained from the 14 research projects that the Service is now involved with will be shared and utilised across the organisation.

Change Management

The Change Management Branch is responsible for building change management capability and establishing change management governance and frameworks to assist transitional activities. The Branch provides end to end change management leadership and facilitation including strategy, planning and implementation and collaborates with project teams to integrate change management strategies into project plans so that the change is aligned against the project vision to meet organisational objectives. The Branch also conducts readiness assessments, evaluates results and presents findings to ensure member usage and adoption and develop effective stakeholder engagement and management practices to increase solutions for possible impediments to successful benefits realisation and outcomes.

During the 2015-16 Financial Year the Change Management Branch delivered a number of key objectives for the NSW SES.

Among these key activities includes building initial change management capability via a significant undertaking in leader and manager training focusing on the people-side of change. Members of the Strategic Leadership Team, Managers and Region Controllers across the Service undertook special training in change sponsorship and delivering project results for success.

The Change Management Branch co-led the delivery of NSW SES' 60th Anniversary Leadership Conference, which facilitated the collaboration of NSW SES leaders in setting our vision for the future. More than 320 members attended and contributed through the use of interactive technology in a paperless context, a first of its kind for the organisation.

The Branch also led the delivery of the Young Leaders Project, culminating in presentation, interactive discussion and thought provoking research delivered by 16 young NSW SES leaders during the NSW SES Leadership Conference in October 2015.

06—Financial Statements

6.1 Auditor-General's Opinion

INDEPENDENT AUDITOR'S REPORT

Office of the NSW State Emergency Service

To Members of the New South Wales Parliament

Qualified Opinion

I have audited the accompanying financial statements of the Office of the NSW State Emergency Service (the Service), which comprise the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity, statement of cash flows, service group statements, notes comprising a summary of significant accounting policies and other explanatory information.

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

- give a true and fair view of the financial position of the Service as at 30 June 2016, 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 Qualified Opinion

The Service has 234 units that can conduct fundraising activities. The Service worked towards implementing controls over its fundraising activities during the year. However, controls at the point of collection were not operative for the entire year. I am therefore unable to express an opinion on the completeness of donation and fundraising revenues for the year ended 30 June 2016. My 30 June 2015 report was similarly qualified.

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further 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 auditor independence requirements of:

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

I have also fulfilled my other ethical responsibilities in accordance with the Code.

The PF&A Act further 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, but precluding the provision of non-audit services.

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

Commissioner's Responsibility for the Financial Statements

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

In preparing the financial statements, the Commissioner must assess the Service's ability to continue as a going concern unless the Service's operations will cease as a result of an administrative restructure. The assessment must include, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibility 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 further description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/Home.aspx.

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.

Margaret Crawford
Auditor-General of NSW

6 October 2016
SYDNEY

6.2 Statement by Commissioner

NSW STATE EMERGENCY SERVICE

OFFICE OF THE NSW STATE EMERGENCY SERVICE
FINANCIAL STATEMENTS
For the Year Ended 30 June 2016

STATEMENT BY COMMISSIONER

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

(a) The accompanying financial report has been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the Financial Reporting Code for NSW General Government Sector Entities, 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 2016; and

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

Greg Newton
Acting Commissioner

29 September 2016

NSW GOVERNMENT

STATE HEADQUARTERS
OFFICE OF THE COMMISSIONER
6-8 Regent Street, Wollongong NSW 2500
PO Box 6126, Wollongong DC NSW 2501
P (02) 4251 6503
F (02) 4251 6500
www.ses.nsw.gov.au

6.3 Financial Statements

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Statement of comprehensive income
for the year ended 30 June 2016

	Notes	Actual 2016 $'000	Budget 2016 $'000	Actual 2015 $'000
Expenses excluding losses				
Operating expenses				
Employee related	2(a)	37,136	37,570	33,384
Other operating expenses	2(b)	39,436	40,404	37,986
Depreciation	1(g)(v) & 2(c)	4,460	8,982	3,971
Grants and subsidies	2(d)	3,997	4,430	4,016
Other expenses (Disaster Relief)	2(e)	6,902	5,000	16,335
TOTAL EXPENSES EXCLUDING LOSSES		**91,931**	**96,386**	**95,692**
Revenue				
Sales of goods and services	3(a)	24	38	366
Investment revenue	3(b)	518	-	572
Grants and contributions	3(c)	110,313	105,382	103,877
Acceptance by the Crown Entity of employee benefits and other liabilities	1(h)(ii)(b) & 3(d)	403	139	372
Other revenue	3(e)	2,874	315	1,182
Total Revenue		**114,132**	**105,874**	**106,369**
Gain / (loss) on disposal	4	205	(149)	4
Other gains / (losses)				-
Net Result		**22,406**	**9,339**	**10,681**
Other comprehensive income				
Total other comprehensive income		-	-	-
TOTAL COMPREHENSIVE INCOME		**22,406**	**9,339**	**10,681**

The accompanying notes form part of these financial statements.

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Statement of financial position
as at 30 June 2016

ASSETS	Notes	Actual 2016 $'000	Budget 2016 $'000	Actual 2015 $'000
Current Assets				
Cash and cash equivalents	6	28,959	14,714	15,998
Receivables	7	18,138	2,556	13,940
Inventories	1(g)(xi) & 8	5,601	6,001	5,649
Other	9	1	3	5
Total Current Assets		**52,699**	**23,274**	**35,592**
Non - Current Assets				
Property, Plant and Equipment				
- Land and buildings	10	150	7,678	9
- Plant and equipment	10	33,373	34,912	25,738
Total Property, Plant and Equipment		33,523	42,590	25,747
Total Non-Current Assets		**33,523**	**42,590**	**25,747**
Total Assets		**86,222**	**65,864**	**61,339**
LIABILITIES				
Current Liabilities				
Payables	11	12,930	10,046	10,814
Provisions	12	4,359	4,018	4,019
Total Current Liabilities		**17,289**	**14,064**	**14,833**
Non - Current Liabilities				
Provisions	13	90	40	69
Total Non - Current Liabilities		**90**	**40**	**69**
Total Liabilities		**17,379**	**14,104**	**14,902**
Net Assets		**68,843**	**51,760**	**46,437**
EQUITY				
Accumulated funds		68,843	51,760	46,437
Total Equity		**68,843**	**51,760**	**46,437**

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 2016

	Accumulated Funds $'000	Total $'000
Balance at 1 July 2015	46,437	46,437
Net result for the year	22,406	22,406
Total comprehensive income for the year	22,406	22,406
Balance at 30 June 2016	**68,843**	**68,843**
Balance at 1 July 2014	35,756	35,756
Net result for the year	10,681	10,681
Total comprehensive income for the year	10,681	10,681
Balance at 30 June 2015	**46,437**	**46,437**

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Statement of cash flows
for the year ended 30 June 2016

	Notes	Actual 2016 $'000	Budget 2016 $'000	Actual 2015 $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(36,979)	(37,431)	(33,649)
Grants and subsidies		(3,997)	(4,430)	(4,016)
Other		(49,534)	(46,704)	(59,006)
Total Payments		**(90,510)**	**(88,565)**	**(96,671)**
Receipts				
Sale of goods and services		24	38	366
Interest received		481	-	528
Grants and contributions		105,899	105,382	90,553
Other		8,654	1,615	7,478
Total Receipts		**115,058**	**107,035**	**98,925**
NET CASH FLOWS FROM OPERATING ACTIVITIES	17	**24,548**	**18,470**	**2,254**
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of land and buildings, and plant and equipment		387	71	209
Purchases of land and buildings, and plant and equipment		(11,974)	(26,338)	(6,227)
NET CASH FLOWS FROM INVESTING ACTIVITIES		**(11,587)**	**(26,267)**	**(6,018)**
CASH FLOWS FROM FINANCING ACTIVITIES				
NET CASH FLOWS FROM FINANCING ACTIVITIES		-	-	-
NET INCREASE/(DECREASE) IN CASH		**12,961**	**(7,797)**	**(3,764)**
Opening cash and cash equivalents		15,998	22,511	19,762
CLOSING CASH AND CASH EQUIVALENTS	6	**28,959**	**14,714**	**15,998**

The accompanying notes form part of these financial statements.

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Supplementary Financial Statements

Service group statements for the year ended 30 June 2016

EXPENSES & INCOME	Service Group 1*		Service Group 2*		Not Attributable		Total	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Expenses excluding losses								
Operating expenses								
- Employee related	9,284	8,346	27,852	25,038	-	-	37,136	33,384
- Other operating expenses	9,859	9,497	29,577	28,489	-	-	39,436	37,986
Depreciation	-	-	4,460	3,971	-	-	4,460	3,971
Grants and subsidies	999	1,004	2,998	3,012	-	-	3,997	4,016
Other expenses (Disaster Relief)	-	-	6,902	16,335	-	-	6,902	16,335
Total expenses excluding losses	**20,142**	**18,847**	**71,789**	**76,845**	-	-	**91,931**	**95,692**
Revenue**								
Sale of goods and services	6	92	18	274	-	-	24	366
Investment revenue	130	143	388	429	-	-	518	572
Grants and contributions	23,174	19,916	72,488	71,083	14,651	12,878	110,313	103,877
Acceptance by the Crown Entity of employee benefits and other liabilities	101	93	302	279	-	-	403	372
Other revenue	929	520	1,945	662	-	-	2,874	1,182
Total revenue	**24,340**	**20,764**	**75,141**	**72,727**	**14,651**	**12,878**	**114,132**	**106,369**
Gain / (loss) on disposal	-	-	205	4	-	-	205	4
Other gains / (losses)	-	-	-	-	-	-	-	-
Net Result	**4,198**	**1,917**	**3,557**	**(4,114)**	**14,651**	**12,878**	**22,406**	**10,681**
TOTAL COMPREHENSIVE INCOME / (LOSS)	**4,198**	**1,917**	**3,557**	**(4,114)**	**14,651**	**12,878**	**22,406**	**10,681**

* The names and purposes of each service group are summarised in Note 5.

** Appropriations are made on an entity basis and not to individual service groups. Consequently, appropriations must be included in the 'Not Attributable' column. Cluster grant funding is also unlikely to be attributable to individual service groups.

OFFICE OF THE NSW STATE EMERGENCY SERVICE

Supplementary Financial Statements

Service group statements for the year ended 30 June 2016

ASSETS & LIABILITIES	Service Group 1*		Service Group 2*		Total	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Current assets						
Cash and cash equivalents	5,832	2,771	23,127	13,227	28,959	15,998
Receivables	925	609	17,213	13,331	18,138	13,940
Inventories	1,400	1,412	4,201	4,237	5,601	5,649
Other	-	1	1	4	1	5
Total current assets	**8,157**	**4,793**	**44,542**	**30,799**	**52,699**	**35,592**
Non-current assets						
Land & Buildings	38	2	112	7	150	9
Plant and equipment	-	-	33,373	25,738	33,373	25,738
Total non-current assets	**38**	**2**	**33,485**	**25,745**	**33,523**	**25,747**
TOTAL ASSETS	**8,195**	**4,795**	**78,027**	**56,544**	**86,222**	**61,339**
Current liabilities						
Payables	3,233	2,703	9,697	8,111	12,930	10,814
Provisions	1,090	1,005	3,269	3,014	4,359	4,019
Total current liabilities	**4,323**	**3,708**	**12,966**	**11,125**	**17,289**	**14,833**
Non-current liabilities						
Provisions	23	17	67	52	90	69
Total non-current liabilities	**23**	**17**	**67**	**52**	**90**	**69**
TOTAL LIABILITIES	**4,346**	**3,725**	**13,033**	**11,177**	**17,379**	**14,902**
NET ASSETS	**3,849**	**1,070**	**64,994**	**45,367**	**68,843**	**46,437**

* The names and purposes of each service group are summarised in Note 5.

OFFICE OF THE NSW STATE EMERGENCY SERVICE
Notes to the financial statements for the year ended 30 June 2016

Contents

Note

1 Summary of Significant Accounting Policies

2 Expenses Excluding Losses

3 Revenue

4 Gain / (Loss) on Disposal

5 Service Groups of the Entity

6 Current Assets - Cash and Cash Equivalents

7 Current Assets - Receivables

8 Current Assets - Inventories

9 Current Assets - Other

10 Non-Current Assets - Property, Plant and Equipment

11 Current Liabilities - Payables

12 Current Liabilities - Provisions

13 Non Current Liabilities - Provisions

14 Commitments for Expenditure

15 Contingent Liabilities and Contingent Assets

16 Budget Review

17 Reconciliation of Cash Flows from Operating Activities to Net Result

18 Financial Instruments

19 Restricted Assets

20 Events after the Reporting Period

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting entity

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

NSW SES is an emergency and rescue service dedicated to assisting the community. It is made up almost entirely of volunteers, with 234 units located throughout New South Wales. The units comprise approximately 8,000 volunteer members. NSW SES major responsibilities are for flood and storm operations. NSW SES also provides road accident rescue, vertical rescue, bush search and rescue, evidence searches (both metropolitan and rural) and other forms of specialist rescue. NSW SES also assists other emergency services when they are performing major operations.

These financial statements for the year ended 30 June 2016 have been authorised for issue by the Commissioner on 29 September 2016.

(b) Basis of preparation

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

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2015*; and
- the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

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

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

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

(c) Statement of compliance

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

(d) 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.

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

Income, expenses and assets are recognised net of the amount of GST, except that the:

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

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

(f) Income recognition

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.

(i) Grants and contributions

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

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

(ii) Sale of goods

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

(f) Income recognition (continued)

(iii) Rendering of services

Revenue is recognised when the service is provided.

(iv) Investment revenue

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

(g) Assets

(i) Acquisition of assets

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

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

Fair value is the price that would be received to 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.

(ii) Capitalisation thresholds

Property, plant and equipment costing $5,000 and above individually (or forming part of a network costing more than $5,000) are capitalised. The asset classifications comprise Buildings, Plant and Equipment, Computers, Furniture and Fixtures, Operational Equipment, Communication Equipment, Vehicles and Vessels. All vehicles are capitalised.

(iii) Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 14-01). This policy adopts fair value in accordance with AASB 13 *Fair Value Measurement,* and AASB 116 *Property, Plant and Equipment.*

(g) Assets (continued)

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

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

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer Note 10 and Note 18 for further information regarding fair value.

Revaluations shall be made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date.

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

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

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

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

(g) Assets (continued)

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

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

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

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

(iv) Impairment of property, plant and equipment

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

(v) Depreciation of property, plant and equipment

Expect 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.

The useful lives of major categories of assets are:

Buildings	25 to 40 years
Plant and Equipment	Up to 25 years
Computers	3 to 20 years
Furniture and Fixtures	25 to 40 years
Operational Equipment	8 to 15 years
Communication Equipment	3 to 15 years
Vehicles	1 to 15 years
Vessels	8 to 15 years

(g) **Assets (continued)**

(vi) Major inspection costs

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

(vii) Restoration costs

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

(viii) Maintenance

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

(ix) Leased assets

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

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

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

(x) Receivables

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

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

(g) Assets (continued)

(xi) Inventories

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

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

(xii) Impairment of financial assets

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

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

When an available-for-sale financial asset is impaired, the amount of the cumulative loss is removed from equity and recognised in the net result for the year, based on the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss previously recognised in the net result for the year.

Any reversals of impairment losses are reversed through the net result for the year, where there is objective evidence. However, reversals of impairment losses on an investment in an equity instrument classified as 'available-for-sale' must be made through the revaluation surplus. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

(g) Assets (continued)

(xiii) Derecognition of financial assets and financial liabilities

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

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

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

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

(xiv) Other Assets

Other assets are recognised on a historic cost basis.

(h) Liabilities

(i) Payables

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

(ii) Employee benefits and other provisions

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

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

(h) Liabilities (continued)

(ii) Employee benefits and other provisions (continued)

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

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.

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

(b) Long service leave and superannuation

The entity's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The entity accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue described as 'Acceptance by the Crown Entity of employee benefits and other liabilities'. NSW SES pays the Crown Entity an agreed annual amount for the growth in LSL entitlements. These payments discharge the NSW SES liability and the Crown Entity has accepted responsibility for any annual or cumulative shortfall.

Although the liability for LSL is assumed by the Crown, LSL related consequential costs are the responsibility of the NSW SES. In accordance with Treasury policy, the on-costs have been treated as a provision.

Long service leave is measured at present value in accordance with AASB 119. This is based on the application of certain factors (specified in NSWTC 15/09) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employee's salary.

(h) Liabilities (continued)

(ii) Employee benefits and other provisions (continued)

(b) Long service leave and superannuation (continued)

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

(c) Consequential on-costs

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

(iii) Other provisions

Other provisions exist when: NSW SES 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.

(i) Equity

Accumulated Funds

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

(j) Budgeted amounts

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 primary financial statements are explained in Note 16.

(k) Comparative information

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

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

(i) Effective for the first time in 2015-16

The accounting policies applied in 2015-16 are consistent with those of the previous financial year except as a result of the following new or revised Australian Accounting Standards that have been applied for the first time in 2015-16. The 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.

- AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality
- AASB 2015-4 Amendments to Australian Accounting Standards – Finanical Reporting Requirements for Australian Groups with a Foreign Parent

(ii) Issued but not yet effective

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

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

- AASB 9 and AASB 2014-7 regarding financial instruments
- AASB 14 and AASB 2014-1 (Part D) regarding Regulatory Deferral Account
- AASB 15 and AASB 2014-5 and AASB 2015-8 regarding Revenue from Contracts with Customers
- AASB 16 Leases
- AASB 1056 Superannuation Entities
- AASB 1057 and AASB 2015-9 Application of Australian Accounting Standards
- AASB 2014-3 regarding accounting for acquisitions of interests in joint operations
- AASB 2014-4 regarding acceptable methods of depreciation and amortisation
- AASB 2014-6 regarding bearer plants
- AASB 2014-9 regarding equity method in separate financial statements

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

(ii) Issued but not yet effective (continued)

- AASB 2014-10 and AASB 2015-10 regarding sale or contribution of assets between investor and its associate or joint venture
- AASB 2015-1 regarding annual improvements to Australian Accounting Standards 2012-2014 cycle
- AASB 2015-2 regarding amendments to AASB 101 (disclosure initiatives)
- AASB 2015-5 Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception
- AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities
- AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities
- AASB 2016-4 Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-profit Entities

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 applies to the annual reporting period beginning on or after 1 January 2019. All operating leases with a term of more than 12 months (unless the underlying asset is of low value) will be treated as finance leases and will require their value to be recorded on the balance sheet. The value of future lease payments at the time of recognition (30 June 2019) will be $35.5m (as at 30 June 2016).

2. Expenses Excluding Losses	2016 $'000	2015 $'000
(a) Employee related expenses		
Salaries and wages (including annual leave)	30,849	27,850
Superannuation - defined benefit plans	324	308
Superannuation - defined contribution plans	2,383	2,240
Long service leave	1,371	1,125
Workers' compensation insurance	425	169
Payroll tax and fringe benefit tax	1,784	1,692
	37,136	**33,384**
(b) Other operating expenses include the following:		
Auditor's remuneration		
- audit of financial statements	161	101
Operating lease rental expense		
- minimum lease payments	2,182	2,313
Insurance	791	751
Cleaning	570	479
Utilities	890	830
Fleet expenditure	2,954	3,081
Travel	908	869
Freight, cartage and packing	134	107
Advertising and publicity	551	409
Telecommunication	3,462	3,890
Government Radio Network	8,080	7,920
Printing and Stationery	626	665
Fees for services rendered **	1,047	1,291
Contractors	375	231
Consultants	1,825	1,270
Training	2,784	2,480
Maintenance*	3,412	3,144
Computer Services	1,347	1,017
Minor Equipment	3,445	3,562
Cost of inventories held for distribution	2,621	1,760
General Expenses	1,271	1,816
	39,436	**37,986**
***Reconciliation - Total maintenance**		
Maintenance expense - contracted labour and other (non-employee related), as above	3,412	3,144
Employee related maintenance expense included in 2(a)	-	-
Total maintenance expenses included in Note 2(a) + 2(b)	**3,412**	**3,144**

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

(c) Depreciation expense:		
Plant and equipment	4,460	3,971
	4,460	**3,971**
(d) Grants and subsidies		
Grants - Emergency workers compensation insurance contribution *	3,500	3,000
Grants - Unit accommodation	497	899
Contribution to Treasury Managed Fund (Hindsight Adjustment)	-	117
	3,997	**4,016**

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

(e) Other expenses		
Disaster Relief - Goods and services	4,930	13,613
Disaster Relief - Staff	1,972	2,722
	6,902	**16,335**

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.

		2016 $'000	2015 $'000
3.	**Revenue**		
(a)	**Sale of goods and services**		
	Sale of goods and rendering of services	24	366
		24	**366**
(b)	**Investment revenue**		
	Interest revenue from financial assets not at fair value through profit or loss	518	572
		518	**572**
(c)	**Grants and contributions**		
	Disaster relief	2,962	11,335
	Donations and fundraising*	1,913	751
	Vesting of vehicles by Local Government	444	1,989
	Insurance company contributions	77,966	66,385
	Local Government contributions	12,377	10,539
	Department of Justice Grants:		
	Recurrent appropriation grant	12,256	11,289
	Capital appropriation grant	2,395	1,589
		110,313	**103,877**

* Includes $0.97m in bequeaths received (2016).

(d)	**Acceptance by the Crown Entity of employee benefits and other liabilities**		
	The following expenses have been assumed by the Crown Entity:		
	Superannuation - defined benefit	324	290
	Payroll tax	16	14
	Long service leave	63	68
		403	**372**
(e)	**Other revenue**		
	Other revenue received by NSW SES units	665	489
	Miscellaneous/Insurance Recoveries	722	104
	NRMA Sponsorship	448	257
	Origin Sponsorship	134	50
	NSW SES Volunteer Association Sponsorship	-	65
	Natural Disaster Mitigation Program	905	217
		2,874	**1,182**
4.	**Gain / (Loss) on Disposal**		
	Proceeds from sale	387	209
	Less: written down value of assets disposed	(182)	(205)
		205	**4**

5. Service Groups of the Entity

(a) Service Group 1 - Community and Organisational Preparedness

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

(b) Service Group 2 - Emergency Management

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

6. Current Assets - Cash and Cash Equivalents	2016 $'000	2015 $'000
Cash at bank and on hand	28,959	15,998
	28,959	**15,998**

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

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

Cash and cash equivalents (per statement of financial position)	28,959	15,998
Closing cash and cash equivalents (per statement of cash flows)	**28,959**	**15,998**

Refer Note 18 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

Refer Note 19 for details regarding restricted assets.

7. Current Assets - Receivables

Sale of goods and services	140	168
Accrued interest receivable	316	279
Natural Disaster Relief and Recovery Receivable	14,298	11,335
GST Receivable	1,415	1,499
FBT Receivable	19	24
Prepayments	887	599
Other	1,063	36
	18,138	**13,940**

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 18.

8. Current Assets - Inventories

Held for distribution		
Clothing, equipment and other items	5,601	5,649
	5,601	**5,649**

9. Current Assets - Other

Travel advances	1	5
	1	**5**

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

	Land and Buildings $'000	Plant and Equipment $'000	Total $'000
At 1 July 2015 - fair value			
Gross carrying amount	9	57,627	57,636
Accumulated depreciation	-	(31,889)	(31,889)
Net carrying amount	9	**25,738**	**25,747**
At 30 June 2016 - fair value			
Gross carrying amount	151	68,065	68,216
Accumulated depreciation	(1)	(34,692)	(34,693)
Net carrying amount	150	**33,373**	**33,523**

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

	Land and Buildings $'000	Plant and Equipment $'000	Total $'000
Year Ended 30 June 2016			
Net carrying amount at start of year	9	25,738	25,747
Purchases	142	11,832	11,974
Vesting of vehicles by Local Government	-	444	444
Disposals	-	(1,840)	(1,840)
Depreciation expense	(1)	(4,459)	(4,460)
Accumulated depreciation written back on disposal	-	1,658	1,658
Net carrying amount at end of year	**150**	**33,373**	**33,523**

	Land and Buildings $'000	Plant and Equipment $'000	Total $'000
At 1 July 2014 - fair value			
Gross carrying amount	9	51,129	51,138
Accumulated depreciation	-	(29,431)	(29,431)
Net carrying amount	9	**21,698**	**21,707**
At 30 June 2015 - fair value			
Gross carrying amount	9	57,627	57,636
Accumulated depreciation	-	(31,889)	(31,889)
Net carrying amount	9	**25,738**	**25,747**

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

	Land and Buildings $'000	Plant and Equipment $'000	Total $'000
Year Ended 30 June 2015			
Net carrying amount at start of year	9	21,698	21,707
Purchases	-	6,227	6,227
Vesting of vehicles by Local Government	-	1,989	1,989
Disposals	-	(1,718)	(1,718)
Depreciation expense	-	(3,971)	(3,971)
Accumulated depreciation written back on disposal	-	1,513	1,513
Net carrying amount at end of year	**9**	**25,738**	**25,747**

11. Current Liabilities - Payables	2016 $'000	2015 $'000
Accrued salaries, wages and on-costs	225	545
Creditors	12,189	9,266
Unearned revenue	516	1,003
	12,930	**10,814**

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed in Note 18.

12. Current Liabilities - Provisions

Employee benefits and related on-costs		
Annual leave	3,020	3,222
Long service leave on-costs	1,039	797
	4,059	**4,019**
Other provisions		
Restoration costs*	300	-
	300	-
Total Provisions	**4,359**	**4,019**

* Restoration provision is an obligation under existing lease agreements for the make good of leased property assets requiring the dismantling, removal and/or restoration of property, plant and equipment. The provision is valued at fair value. The expected cash outflow of $0.3m is later than one year.

13. Non-Current Liabilities - Provisions

Employee benefits and related on-costs		
Long service leave on-costs	90	69
Total Provisions	**90**	**69**
Aggregate employee benefits and related on-costs		
Provisions - current	4,059	4,019
Provisions - non-current	90	69
Accrued salaries, wages and on-costs (note 11)	225	545
	4,374	**4,633**
Current provisions expected to be settled within the next 12 months:		
Annual leave	1,933	2,062
Long service leave on-costs	166	128
	2,099	**2,190**
Current provisions expected to be settled after more than 12 months:		
Annual leave	1,087	1,160
Long service leave on-costs	873	669
	1,960	**1,829**

14. Commitments for expenditure

	2016 $'000	2015 $'000
(a) Operating Lease Commitments		
Future non cancellable operating lease rentals not provided for and payable:		
Not later than one year	3,926	4,063
Later than one year but not later than five years	19,071	6,974
Later than five years	29,743	5,744
Total (including GST)	**52,740**	**16,781**
GST included above which is expected to be paid to the Australian Taxation Office	4,795	1,525

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. The significant increase in lease commitments from 2014/15 is attributed to the signing of a 12 year lease for the new NSW SES State Headquarters.

(b) Capital Commitments		
Aggregate capital expenditure for the acquisition of non-current assets contracted for at balance date and not provided for:		
Not later than one year		
Operational Equipment	18	61
Communications	-	22
Computer Hardware	6	51
Motor Vehicles	2,320	249
Total (including GST)	2,344	**383**
GST included above which is expected to be paid to the Australian Taxation Office	213	35

The significant increase in motor vehicle commitments is the result of a delay in the delivery of purpose built bodies for light storm vehicles due to a supply chain issue experienced by the contractor.

15. Contingent Liabilities and Contingent Assets

The NSW SES had no contingent liabilities or contingent assets as at 30 June 2016. (2015: nil)

16. Budget Review

Net Result

The Net Result of $22.4m surplus compared favourably with the budget of $9.3m surplus. This is due to an increase of $5.3m in total revenue (net of Disaster Relief) and a $4.5m underspend on Depreciation. Note, the expenditure budget for Grants and subsidies was $9.43m in the Budget Papers, however, for the purposes of the financial statements the budget for Disaster Relief ($5.0m) was extracted from this amount. The budget for Grants and contributions revenue in the financial statements was an amalgamation of the budgeted figures for Retained taxes, fees and fines ($77.947m) and Grants and contributions ($27.435m) in the Budget Papers.

Assets and Liabilities

Actual net assets was $17.1m higher than budget. This is mainly attributable to higher cash and cash equivalents, and receivables, that were not budgeted for.

Cash Flows

Cash flows from operating activities were $6.1m over budget. This is mainly attributable to the receipt of donations and other revenue not budgeted for ($4.3m). Cash flows from investing activities were $14.9m under budget. This is mainly attributable to delays in new NSW SES headquarters, replacement of major communications equipment and the centrally managed operational vehicle fleet.

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

	2016 $'000	2015 $'000
Net cash used on operating activities	24,548	2,254
Depreciation	(4,460)	(3,971)
Vesting of vehicles by Local Government	444	1,989
Net gain/(loss) on disposal of non-current assets	205	4
Decrease/(increase) in provisions	(361)	(30)
Increase/(decrease) in receivables	4,194	11,400
Increase/(decrease) in inventories	(48)	25
Decrease/(increase) in payables	(2,116)	(990)
Net result	**22,406**	**10,681**

18. 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

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
			2016	2015
Class:			$'000	$'000
Cash and cash equivalents	6	N/A	28,959	15,998
Receivables[1]	7	Loans and receivables (at amortised cost)	15,817	11,818
Financial Liabilities	**Note**	**Category**	**Carrying Amount**	**Carrying Amount**
			2016	2015
Class:			$'000	$'000
Payables[2]	11	Financial liabilities measured at amortised cost	12,414	9,541

Notes

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

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

(b) Credit Risk

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

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

Credit risk associated with the entity's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

Cash

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.

18. Financial Instruments (continued)

Receivables - trade debtors

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

The entity is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2016: $140,000; 2015: $167,000) and less than 12 months past due (2016: $0; 2015: $1,000) are not considered impaired. Together, these amounts represent 100% of the total trade debtors.

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

	$'000		
	Total[1,2]	Past due but not impaired[1,2]	Considered impaired[1,2]
2016			
< 3 months overdue	-	-	-
3 months - 6 months overdue	-	-	-
> 6 months overdue	-	-	-
2015			
< 3 months overdue	-	-	-
3 months - 6 months overdue	-	-	-
> 6 months overdue	1	1	-

Notes

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

(c) Liquidity risk

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

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

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

18. Financial Instruments (continued)

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

Maturity analysis and interest rate exposure of financial liabilities

		$'000						
			Interest Rate Exposure			Maturity Dates		
	Weighted Average Effective Int. Rate	Nominal Amount (1)	Fixed Interest Rate	Variable Interest Rate	Non - Interest Bearing	< 1 yr	1-5 yrs	> 5 yrs
2016								
Payables	N/A	12,414			12,414	12,414		
2015								
Payables	N/A	9,541			9,541	9,541		

Notes:
1. The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the entity can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the statement of financial postion.

(d) Market risk

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

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the entity operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis as for 2015. The analysis assumes that all other variables remain constant.

Interest rate risk

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

18. Financial Instruments (continued)

	$'000				
	Carrying Amount	(1%) Profit	(1%) Equity	1% Profit	1% Equity
2016					
Financial assets					
Cash and cash equivalents	28,959	(290)	(290)	290	290
2015					
Financial assets					
Cash and cash equivalents	15,998	(160)	(160)	160	160

(e) Fair Value

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

19. Restricted Assets

Items that are restricted assets are listed below:

	2016 $'000	2015 $'000
Cash and Cash Equivalents	5,632	4,914

The funds held in the bank accounts of NSW SES Unit Accounts comprise receipt of bequeaths, donation 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.

20. Events after the Reporting Period

There are no events after the reporting period requiring disclosure.

END OF AUDITED FINANCIAL STATEMENTS

07—Appendices

7.1 Internal Audit and Risk Management Policy Attestation

NSW STATE EMERGENCY SERVICE

13 September 2016

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

Dear Mr Osborn

Internal Audit and Risk Management Attestation Statement for the 2015-2016 Financial Year for the NSW State Emergency Service

I, as Acting 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 31000:2009	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

NSW GOVERNMENT

STATE HEADQUARTERS
OFFICE OF THE COMMISSIONER
6-8 Regent Street, Wollongong NSW 2500
PO Box 6126, Wollongong DC NSW 2501
P (02) 4251 6503
F (02) 4251 6500
www.ses.nsw.gov.au

The NSW SES does not have any controlled entities.

Membership

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

- Independent Chair: Jon Isaacs
  Start term date: September 2014, Finish term date: September 2017
- Independent Member 1: Jennifer Alexander
  Start term date: September 2015, Finish term date: September 2019
- Independent Member 2: Terry Clout
  Start term date: December 2015, Finish term date: December 2018

Gregory Newton
Acting Commissioner

7.2 Digital Information Security Policy

NSW STATE EMERGENCY SERVICE

Annual Attestation Statement (Annual Report)
Annexure A:

Digital Information Security Annual Attestation Statement for the 2015-2016 Financial Year for NSW State Emergency Service

I, Gregory Newton, am of the opinion that NSW State Emergency Service had an Information Security Management System in place during the 2015-2016 financial year that is consistent with the Core Requirements set out in the NSW Government Digital Information 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.

There is no agency under the control of NSW State Emergency Service which is required to develop an independent ISMS in accordance with the NSW Government Digital Information Security Policy.

Greg Newton
Acting Commissioner

NSW GOVERNMENT

STATE HEADQUARTERS
OFFICE OF THE COMMISSIONER
6-8 Regent Street, Wollongong NSW 2500
PO Box 6126, Wollongong DC NSW 2501
P (02) 4251 6503
F (02) 4251 6500
www.ses.nsw.gov.au

7.3 Government Information (Public Access) Act 2009

Statistical information 2015-16

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

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	1	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	5	0	0	0	1	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	1	0	0	0	0	0	0
Members of the public (other)	3	14	5	1	0	0	0	0

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

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

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	1	6	4	0	0	0	0	0
Access applications (other than personal information applications)	1	2	0	1	0	1	0	0
Access applications that are partly personal information applications and partly other	1	13	0	0	0	0	0	0

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

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

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act	
	Number of times consideration used*
Overriding secrecy laws	1
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	1
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

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

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act	
	Number of occasions when application not successful
Responsible and effective government	9
Law enforcement and security	0
Individual rights, judicial processes and natural justice	4
Business interests of agencies and other persons	1
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

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

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)			
	Decision varied	**Decision upheld**	**Total**
Internal review	1	0	1
Review by Information Commissioner*	1	2	3
Internal review following recommendation under section 93 of Act	2	0	2
Review by ADT	2	0	2
Total	6	2	8

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

Table H: Applications for review under Part 5 of the Act (by type of applicant)	
	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

7.4 Public Interest Disclosures

The Public Interest Disclosures Act 1994 (PID Act) requires Agencies to report on a six monthly basis to the NSW Ombudsman on the handling of public interest disclosures.

A total of three Public Interest Disclosures (PIDs)were received by the NSW SES for the period 1 July 2015 to 30 June 2016. Two PIDs were finalised during this period. Details of the PIDs received are in the table below:

NSW SES actively promotes the reporting of serious wrong doing through its PID policy, procedures and related information available on the NSW SES intranet site. All members of the Strategic Leadership Team undertook PID training this financial year.

	Made by public officials performing their day to day functions	Under a statutory or other legal obligation	All other PIDs
Number of public officials who made PIDs directly	1		2
Number of PIDs received	1		2
Of PIDs received, number primarily about:			
Corrupt conduct	1		2
Maladministration			
Serious and substantial waste			
Government information contravention			
Local government pecuniary interest contravention			
Number of PIDs finalised	2		

7.5 Privacy and Personal Information Protection Act 1998

The *Privacy and Personal Information Protection Act 1998 (PPIP Act)* outlines how New South Wales public sector agencies manage personal information and the functions of the NSW Privacy Commissioner. The *PPIP Act* includes 12 Information Protection Principles (IPPs) and sets up ways to protect personal information and to allow the investigation of complaints into breaches of privacy.

The NSW SES complies with the PPIP Act through the appropriate collection, secure storage, access, use and disclosure of information. Personal information is either collected from the members who are joining the organisation or from members of the public that require assistance.

The collection, retention and disposal of information under this Act is carried out according to government regulations. For example, disposal of documents is in accordance with government record disposal guidelines. All personal information is retained on site in secure facilities or offsite with appropriately accredited document contractors. The NSW SES Code of Conduct and Ethics outlines the required standard for all NSW SES members in dealing with personal information.

There were no reviews of the NSW SES application of the *PPIPA Act* by or on behalf of the Service during 2015-16.

7.6 Awards

During the reporting year (30 June 15 – 30 June 16) the NSW SES had the privilege of awarding 1358 awards to members of the Service.

3 Emergency Service Medals were awarded to:

- Gerald Burnage, NSW SES Ballina Unit
- Patricia Crowe, NSW SES Clarence Nambucca Region Unit
- David King, NSW SES Hawkesbury Unit

Other awards presented included 446 Commissioners Awards, 791 Long Service Awards and 121 National Medals.

08– Index

A
Additional matters 7
Appendices 69
Audit Risk Committee 32
Awards 76

C
Cadet Program 18
Charter 6—7
Compensable Injury Statistics 24
Consultancy Services 30
Consumer response 23
Credit Card Policy 32

D
Digital Information Security Policy Attestation 72
Diversity and Inclusion Strategy 19

F
Financial Statements 41

G
Government Information (Public Access) Act 73

H
Human Resources 19

I
Injury Analysis 24
Insurance 30
Internal Audit and Risk Management Policy Attestation 70

L
Legal change 7

M
Multicultural Policies and Services Programs 19

O
Organisational Chart 10
Overseas Travel Expenditure 31

P
Principal Legislation 7
Principal Officers 9
Privacy and Personal Information Protection Act 1998 76
Public Interest Disclosures 76

R
Region Headquarters 11
Registered NSW SES Units 13 - 14
Region Controllers 9
Research and Development 31

S
Senior executives 21
Staff Profile 20
Strategic Plan 8

T
The Commissioner's Review 5
Time for Payment of Accounts 31

W
Workforce Diversity 21
Work Health and Safety 24