

# **Shared Knowledge Confident Communities**

**New Zealand Fire Service Commission  
Annual Report  
For the Year Ended 30 June 2006**

## Our Vision

*Working with communities to  
protect what they value*

## Our Mission

*To reduce the incidence and  
consequence of fire and to  
provide a professional  
response to other emergencies*

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27 October 2006

Hon Rick Barker  
Minister of Internal Affairs  
Parliament Buildings  
WELLINGTON

Dear Minister

## New Zealand Fire Service Commission Annual Report

Pursuant to section 150 of the Crown Entities Act 2004 I present the annual report of the New Zealand Fire Service Commission for the year ended 30 June 2006.

### Fire Outcomes

The Commission's principal statutory responsibility is to reduce the incidence of fire and its consequences for people, property, communities and the environment. Elsewhere in this report we spell out the wide range of strategies and business plans adopted to discharge that responsibility. The Commission monitors four key indicators to assess its performance in this area. One indicator of the outcomes of fires for people is residential fire fatalities. I am pleased to report that residential fire fatalities fell to just 13 in 2006. This represents a fire fatality rate of 0.31 per 100,000 population and puts New Zealand close to the best in the world on this measure. This is an extraordinary achievement when we consider that in 1996 the fire fatality rate exceeded 0.90 per 100,000 population.

I set out the key indicators of fire outcomes for communities, property and the environment below.

Avoidable Residential Fire Fatalities		Fire Injuries to Public		Fires Contained to Room of Origin (%)		Hectares lost to Wildfire	
2004/05	2005/06	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06
19	13	381	370	81%	81%	3,403	3,983

It is unwise, of course, to read too much into a single year's performance particularly for outcome indicators like hectares lost to wildfire as seasonal and other factors may have a substantial bearing on the results. It is more important to consider the longer-term trend rather than the year-on-year performances. In this respect the 10-year comparative table below shows the Commission continues to make substantial progress across a broad range of fire outcome measures.

Avoidable Residential Fire Fatalities		Fire Injuries to Public		Fires Contained to Room of Origin (%)		Hectares lost to Wildfire	
2005/06	10 Yrs	2005/06	10 Yrs	2005/06	10 Yrs	2005/06	10 Yrs
13	22.3	370	379	81%	81%	3,983	6,845

## **Shared Knowledge / Confident Communities**

Fire services have a critical role to play in achieving one of Governments key priorities: safe communities. The themes of our annual reports over the last three years – More than Fighting Fires, Partners in Community Safety and Enhancing Community Security – have highlighted the contribution New Zealand's fire services make across the entire spectrum of emergency preparedness and response. This year's theme explores the concept of communities and fire services sharing their knowledge and experience with each other to ensure communities, households and individuals are:

- Better prepared for fires and other emergencies
- Confident they know how to respond in the event of a fire or other emergency
- Confident their local fire services will be there to help them in their time of need.

The focus is on the quality of our engagement with communities; how well we listen to and heed what communities tell us, how well we deliver our fire safety and other public education messages and how well we respond to everyday calls for assistance. We trust the stories used to illustrate this year's theme go some way to demonstrating how New Zealand's fire services contribute to Government's objective of safe communities.

## **National Training Centre**

The Commission's new National Training Centre at Eastgate, Rotorua was opened in July 2006. It offers a world-class training venue for career and volunteer firefighters with state-of-the-art realistic fire training facilities that exceed all environmental discharge requirements. The centre represents a major investment by the Commission and underscores its commitment to sustaining and improving the skills and capability of fire services' people well into the future. Importantly, the site can be expanded to incorporate a broader range of emergency services training. The Commission is confident a wide range of emergency management agencies will take advantage of the facilities the centre offers.

## **Volunteers**

The NZ Fire Service is, largely, a volunteer service and like volunteer organisations across all sectors of society it is vulnerable to threats to the volunteer ethic. During the last year the Commission completed a comprehensive survey of NZ Fire Service volunteer brigades and their members. The results showed volunteer numbers have remained reasonably constant since 1994 (the year of the last comprehensive survey) but the average age of volunteers has increased and turnover in the first five years of membership is very high. New initiatives in the areas of employer recognition and family-friendly brigades have been developed to address some of the concerns. Further initiatives to foster and sustain volunteerism will be rolled out in the coming year.

## **National Rural Fire Authority**

During the year, Commission members resolved to place greater emphasis on the Commission's role as the National Rural Fire Authority. In future, members will regularly convene as the National Rural Fire Authority rather than deal with Authority matters within meetings of the NZ Fire Service Commission. We expect the increased focus on rural matters will improve our engagement with key stakeholders in the rural sector and we intend to undertake field trips in conjunction with meetings of the Authority. Consistent with the decision to give the role of the Authority a higher profile we have included a separate section in this report on the business of the Authority during 2005/06.

## **Acknowledgements**

I thank the members of the Commission for their unfailing support during the year. In particular I would like to acknowledge the contribution of Dr Piers Reid whose terms of office expired shortly after the end of the year. I would also like to welcome to the Commission Bob Francis who replaced Dr Reid. On behalf of the Commission I express our appreciation of the services of the Chief Executive Mike Hall, his senior management team and all staff and volunteers.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Margaret Bazley', written in a cursive style.

**Dame Margaret Bazley, DNZM  
Chairperson**

## Commission Overview

### Commission Membership

The NZ Fire Service Commission is a Crown agent in terms of the Crown Entities Act 2004. Members of the Commission are appointed by the responsible Minister having regard to criteria set out in the Crown Entities Act 2004 and the Fire Service Act 1975. The membership of the NZ Fire Service Commission remained unchanged during the year under review. The members were:

Dame Margaret Bazley, DNZM, Chairperson  
Mr Terry Scott, Deputy Chairperson  
Ms Angela Foulkes, member  
Dr Piers Reid, member  
Mr John Hercus, member.

### Statutory Functions of the Commission

The Commission has four principal functions:

- Co-ordination of fire safety throughout New Zealand (sections 20 and 21 of the Fire Service Act 1975 and section 47 of the Building Act 2004)
- Governance of the New Zealand Fire Service (section 25 of the Crown Entities Act 2004 and section 14 of the Fire Service Act 1975)
- Exercise of the functions of the National Rural Fire Authority (section 14A of the Fire Service Act 1975 and section 18(2) of the Forest and Rural Fires Act 1977)
- Receipt and audit of the proceeds of the Fire Service levy (sections 47B and 48 to 53A of the Fire Service Act 1975).

### Fire Safety

The Commission discharges its responsibility to co-ordinate and promote fire safety throughout New Zealand in a variety of ways. The Commission:

- Develops an annual Fire Safety Promotion plan based on a comprehensive analysis of incident data and other information.
- Runs a on a nation-wide programme to encourage the installation of affordable home sprinklers systems in all new homes this was the focus of the 2005/06 plan.
- Monitors the level of fire safety awareness in the community through regular surveys of at-risk communities and the wider population. The report on the 2005/06 Fire Knowledge and Behaviour survey showed:
  - Knowledge of the risks presented by fire had reached a plateau.
  - People were less inclined to take positive action in response to a perceived risk than in previous years.
- Publishes a comprehensive range of fire safety brochures on topics as diverse as electric blanket testing, the safe use of candles, Guy Fawke's night and marae fire safety.
- Runs an annual Firewise campaign on national television targeted at specific risk groups and monitors the effect of the campaign.
  - The 2005/06 campaign focused on Keep Looking while You're Cooking and the Speed of Fire.

- Manages in partnership with the Historic Places Trust a strategy for the fire protection of historic and heritage buildings.
- Operates in partnership with iwi and the Historic Places Trust programmes to encourage the fire protection of whareniui and culturally significant buildings constructed from traditional materials.
- Provides advice to building consent authorities on aspects of prescribed classes of building consent applications. Under section 47 of the Building Act 2004, the advice must be confined to provisions for means of escape from fire and the needs of persons who are authorised by law to enter the building to undertake firefighting.
  - In 2005/06 memorandums were provided on 632 building consent applications.
  - An independent report on the quality of advice provided by the Design Review Unit (DRU) assured the Commission the advice was to a high professional standard.
  - The Commission is concerned not all consent authorities are submitting fire engineering reports to the DRU for comment.
- Applies to the Department of Building and Housing, for determinations on buildings it considers do not comply with the Building Code.
  - The final determination on an application filed in June 2004 relating to an 18-storey apartment building with a single stairwell was received in July 2005. The determination found the building did not comply with the Building Code.
  - The July 2005 determination rendered the status of other single means of egress buildings in doubt and produced a steady stream of applications for determination by both developers and consenting authorities.
  - The NZ Fire Service has provided advice to the Department of Building and Housing on many of these applications and has attended the relevant hearings.
- Administers the Evacuation of Building Regulations.
  - Following changes to the Building Act new regulations were gazetted in 2006.
  - Building owners are now able to complete much of the process to get an approved Evacuation Scheme on-line.
- Promotes fire safe codes of practice for special occupancies such as:
  - Back country huts
  - Homestay and backpacker accommodation
  - Schools and other educational facilities
  - Hospitals and rest homes
  - Places of detention
  - Housing New Zealand houses and apartments
  - In 2005/06 a protocol was agreed with the IHC covering their occupancies
- Awards research contracts on fire safety subjects to the value of \$500,000 a year. Contracts awarded in 2005/06 covered research into:
  - The fire safety knowledge of people with physical and sensory disabilities
  - The value of human life for fire regulatory impact statements
  - Ten-day fire weather forecast indices
  - New Zealanders' attitudes to fire knowledge
  - Validation of firefighter recruitment and selection programmes
  - Prediction of fire weather and associated fire danger
  - Urban fire spread models
  - The effect of earthquakes on reticulated gas connections to New Zealand houses
  - Perceptions and experiences of fire risk among older people.



- Hosts seminars to publicise and disseminate the learning and knowledge derived from research contracts let in previous years. Presentations at the 2005 Fire Safety Research seminar held in Wellington covered:
  - The Total Cost of Managing the Risk of Fire in New Zealand
  - Human Behaviour Contributing to Unintentional Residential Fire Deaths in New Zealand 1997 to 2003.
- Awards an annual scholarship to a firefighter for study and research abroad on a matter relevant to the strategic direction of the Commission and potentially capable of being implemented in the New Zealand context.
  - The 2005/06 award went to Craig Gold, a Wellington-based firefighter, who studied the operations and equipment of special service crews on the West Coast of North America.
- Awards an annual Fellowship in memory of Chief Fire Officer Len Doughty to any member of the staff of the Commission, for travel abroad.
  - No award was made in 2005/06 and the funds were used for staff and volunteer travel to the Australasian Fire Authorities Council conference in Auckland.
- Funds a lectureship in Fire Engineering at the University of Canterbury and three scholarships for postgraduate studies in fire engineering. Since the establishment of the Master of Fire Engineering programme at the University of Canterbury, 104 students have graduated and 40 full-time and part-time students are currently enrolled. Follow up by the University of Canterbury shows these graduates are highly sought after in both the construction industry and regulatory organisations.

## Governance of the New Zealand Fire Service

The Commission discharges its principal governance responsibilities through:

- **Appointment of the Chief Executive.** Following detailed consideration of the strategic issues likely to confront the NZ Fire Service Commission in the coming years, and the mix of skills and experience needed to address those issues, the Commission resolved in February 2006 to re-appoint Mike Hall to the position of Chief Executive of the NZ Fire Service for a further term of five years with effect from 14 May 2006.
- **The Performance Agreement.** The terms and conditions of the second Employment Agreement with Mike Hall include specific performance expectations. In June 2006 the Commission assessed the Chief Executive's performance against the expectations set out in the Performance Agreement for the employment year ended 13 May 2006.
- **The Instrument of Delegation.** This document delegates to the Chief Executive certain of the Commission's statutory powers subject to relevant policy direction. The delegation dated 20 June 2001 and a subsequent variation dated 20 December 2002 remained in force during the year under review.
- **The Statement of Intent.** This document sets out the high level objectives of the Commission and the services it will provide to achieve those objectives. Supporting details in the document establish the quantity, price, quality and timeliness of the outputs to be delivered. The 2005/06 Statement of Intent was developed and approved in accordance with the process set out in the Crown Entities Act 2004. The Commission submitted a draft Statement of Intent to the Minister responsible for the

NZ Fire Service at the end of May 2005.

The Minister responded with comments on the draft on 15 June 2005. The Commission subsequently considered those comments and approved the Statement of Intent before the start of the 2005/06 financial year.

- **The Audit Committee.** This committee advises the Commission on risk management, policy compliance, the annual internal audit programme and statutory reporting. The committee also liaises closely with the external auditor. The members of the Audit Committee for 2005/06 were Alan Isaac, the independent chairperson, and Commission members Angela Foulkes, Dr Piers Reid, John Hercus and Dame Margaret Bazley.

In October 2005 the committee received a comprehensive report from Audit NZ on the internal audit function of the NZ Fire Service. The review covered:

- The framework for prioritising internal audit work
- Accountability and reporting lines
- Levy compliance
- The relationship with external audit.

The committee presented a set of recommendations to the Commission on the findings, all of which were accepted and have been fully or partially implemented.

## Levy Receipt and Audit

Section 48 of the Fire Service Act requires insurance companies and certain other entities to collect a levy on all contracts of fire insurance and to remit the proceeds to the Commission. The Minister of Internal Affairs reviews the rate of levy annually. The review undertaken during the year resulted in no change to the rate of 7.3 cents per \$100 of insured value that first came into effect on 1 March 2001. The proceeds of the levy are applied to the:

- Rural Fire Fighting Fund, and the
- Actual net expenditure of the Commission.

The Commission audited a sample of brokers (four large, four small), corporates who pay the levy direct (four) and insurance companies (six) during the 10 months from September 2005 to June 2006. The sample was selected on the basis of either turnover size, representativeness of the sector or as a follow-up from previous audits.

The audits were conducted by an auditor with specialist knowledge of the insurance industry employed by the Commission. The audit objectives were to:

- Provide an opinion on the level of compliance with the levy provisions of the Fire Service Act 1975
- Identify and recover any levy due but not received by the Commission
- Determine the adequacy, standard and accuracy of systems adopted by brokers and insurance companies to calculate and pay the correct levy
- Identify the extent to which the adoption of certain policy structures affects the quantum of levy due
- Identify organisations that may have moved their insurance offshore to enable subsequent audits of these organisations to determine that levy due is being remitted to the Commission

- Highlight any significant developments within the insurance industry which may affect the future income base of the Commission.

The audit found 82% of all levy payments by value were fully compliant with the Act. The main cause of non-compliance was the late payment of levy, which is due on the 15th day of the second month following the end of the month in which the contract of fire insurance was made. During the year, \$258,600 of penal interest and \$154,900 of surcharges were imposed on late levy payers.

Other significant causes of non-compliance relate to the omission of levy on policy extensions and the lack of valid support for indemnity values. In the latter case, most instances are corrected by the provision of an owner's declaration or a valuer's certificate and, as retrospective submission is not disallowed under the Act, no penalties can be imposed.

First loss type policies continue to be the most common arrangement employed by asset-intense insureds to minimise their exposure to levy. Trends toward the use of split or tiered policies observed in previous years were noted again and the Commission has resolved to test the validity of typical arrangements further.

## National Rural Fire Authority Overview

Responsibility for the delivery of rural fire prevention and suppression services rests with fire authorities – mostly local government territorial authorities but also the Department of Conservation, the New Zealand Defence Force, groupings of plantation forest owners and other special purpose entities. The Commission acting as the National Rural Fire Authority (NRFA) is responsible for rural fire policy at a national level. This includes establishing national standards and codes of practice, auditing compliance with those standards, co-ordinating fire authorities and reimbursing the costs incurred by fire authorities in fighting rural fires. Highlights of the year under review follow:

### 2005/06 Fire Season

The cost of fire authority claims on the Rural Fire Fighting Fund for the 2005/06 year was the highest since the fund was established in 1990. Key factors contributing to the level of claims were:

**Localised areas of extreme fire risk.** Unlike previous high-loss fire seasons when large regions of the country experienced high fire danger levels for extended periods, the 2005/06 season was characterised by localised areas of elevated fire danger for relatively short periods. Northland and Canterbury in particular experienced periods of extreme fire danger.

**Peat fires.** Peat fires are difficult and expensive to put out and can result in long periods of mopping up to ensure hotspots underground don't reignite. The two fires experienced in the Kaimaumau wetlands in Northland both involved expensive operations to extinguish them and extended cleanup and monitoring.

**Point of origin.** In recent years many of the larger and more expensive vegetation wildfires occurred within plantation forests and did not become fire authority claims on the Rural Fire Fighting Fund. This year, several fires that destroyed large areas of plantation forest were determined to have started outside the plantation forest area and as a result became claims on the Fund.

### Significant 2005/06 Claims on the Rural Fire Fighting Fund

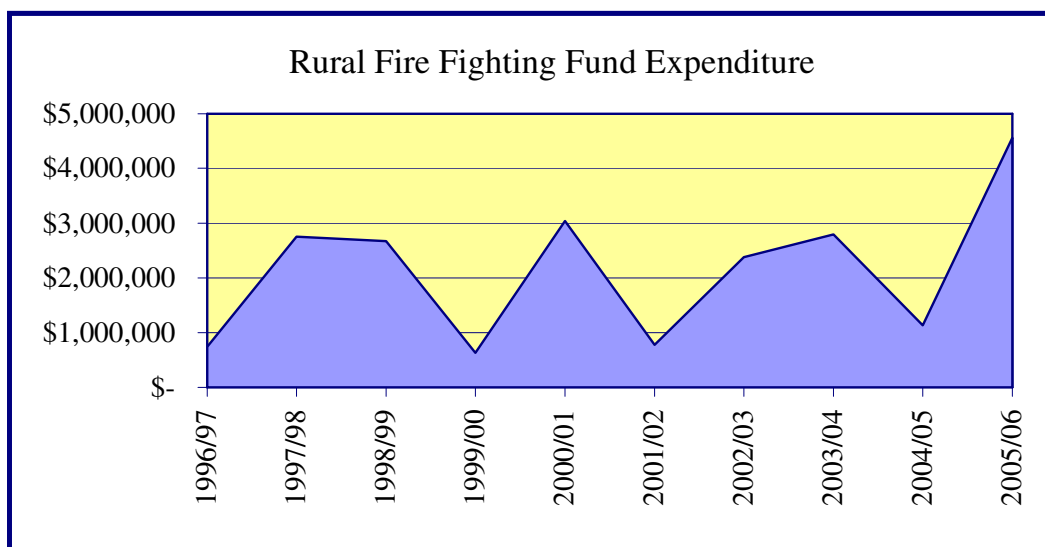
Fire Authority	Fire Name	Fire Date	Payment from RFFF \$000
Aupouri Karikari RFD	Kaimaumau Swamp	27 Apr 2005	\$595
Christchurch City Council	Bottle Lake Forest	2 Jan 2006	\$166
Christchurch City Council	Spencer Park	8 Jan 06	\$341
Far North District Council	Onekura Road	17 Jan 06	\$241
Aupouri Karikari RFD	Kaimaumau	27 Feb 06	\$486
Marlborough North RFD	Canvastown	8 Mar 06	\$692
Marlborough North RFD	Snake Point	8 Mar 06	\$139
DOC, Otago Conservancy	Horse Range Road	28 Aug 2006	\$123
DOC, Otago Conservancy	Closeburn	2 Nov 2006	\$101
DOC Cant'y Conservancy	Handyside Stream	22 Feb 2006	\$183

For the 2005/06 Rural Fire Fighting Fund year fire authorities lodged a total of 120 claims. Forty-four of these claims were for fires originating within the areas of Department of Conservation responsibility and 76 claims for fires originating within other fire authority areas.

The total cost of claims on the Rural Fire Fighting Fund for 2005/06 was \$4,595,382. This amount comprised:

- \$1,034,179 for claims originating within the areas of Department of Conservation responsibility.
- \$3,561,203 for claims originating within the areas of all other fire authorities.

The total cost of grants from the Rural Fire Fighting Fund over the past 10 years has trended upwards. This trend can be attributed to a number of factors, eg the increased cost of resources, less volunteering, fire season dryness, and an increased number of fires.



### Other Significant Fires

The Awarua fire (Southern Rural Fire District) on 27 October 2005 would have cost the Rural Fire Fighting Fund approximately \$231,000 if the claim had not been withdrawn. Successful cost recovery carried out directly by the Southern Rural Fire District avoided the need for a claim on the fund.

The Maringi fire in the Wairarapa Rural Fire Authority on 28 February 2006 burnt 200ha of plantation forest. As the origin of this fire was within a plantation forest it was not a claim on the Rural Fire Fighting Fund.

### Area lost to Wildfire

During the 2005/06 year 3,983ha were lost to wildfire. This compares with 3,403ha in 2004/05, a much more benign fire season, and 6,845ha for the rolling 10-year average.

## Research

In 2005/06 the National Rural Fire Authority agreed to fund a limited number of undergraduate and graduate places in wildfire management at Canterbury University's School of Forestry. Postgraduate research done as part of this initiative will contribute to the extensive wildfire research programme run under the auspices of the Australian Bushfire Cooperative Research Centre. The agreement with the University further provides for basic wild fire management principles to be included in the School of Forestry's core undergraduate curriculum in future years.

Field research on wildfire in the New Zealand environment in 2005/06 was undertaken by Ensis, a joint venture between the Commonwealth Scientific and Industrial Research Organisation and Scion. This work focused on fire behaviour in the New Zealand high country and was also conducted under the auspices of the Bushfire Cooperative Research Centre.

## New Roles

Amendments to fire legislation in 2005 required the National Rural Fire Authority to:

- Establish a schedule of rural fire standards and to start an audit programme to ensure fire authorities comply with the standards
- Implement a system to assess the overall performance of fire authorities under the Forest and Rural Fires Act.

During 2005/06 national standards for equipment, protective clothing and weather stations were developed in close consultation with a wide range of rural fire stakeholders. The national standards for these audit areas were approved shortly after the end of the year. The development of standards for other areas is ongoing.

A draft performance assessment system was piloted in Waimea and the Central Otago. Lessons learned from these pilot assessments will be incorporated into a refined assessment system to be used to assess the overall performance of five fire authorities in 2006/07.

## Publications

The National Rural Fire Authority published two significant new advisory brochures during the year: Guidelines for Managing a Rural Fire Health and Fitness Programme and Farm Fire Safe. The publications were well received in the sector and complement a wide range of other advisory and publicity material maintained by the Authority.

## Rural Fire Prevention Campaign

The NRFA in partnership with the New Zealand Forest Association and the Department of Conservation funded the 2005/06 Rural Fire Prevention campaign. The campaign used television advertising and posters to maintain and increase public awareness during the summer months and to highlight the key message of calling 111 if they saw a wildfire.

## Acknowledgements.

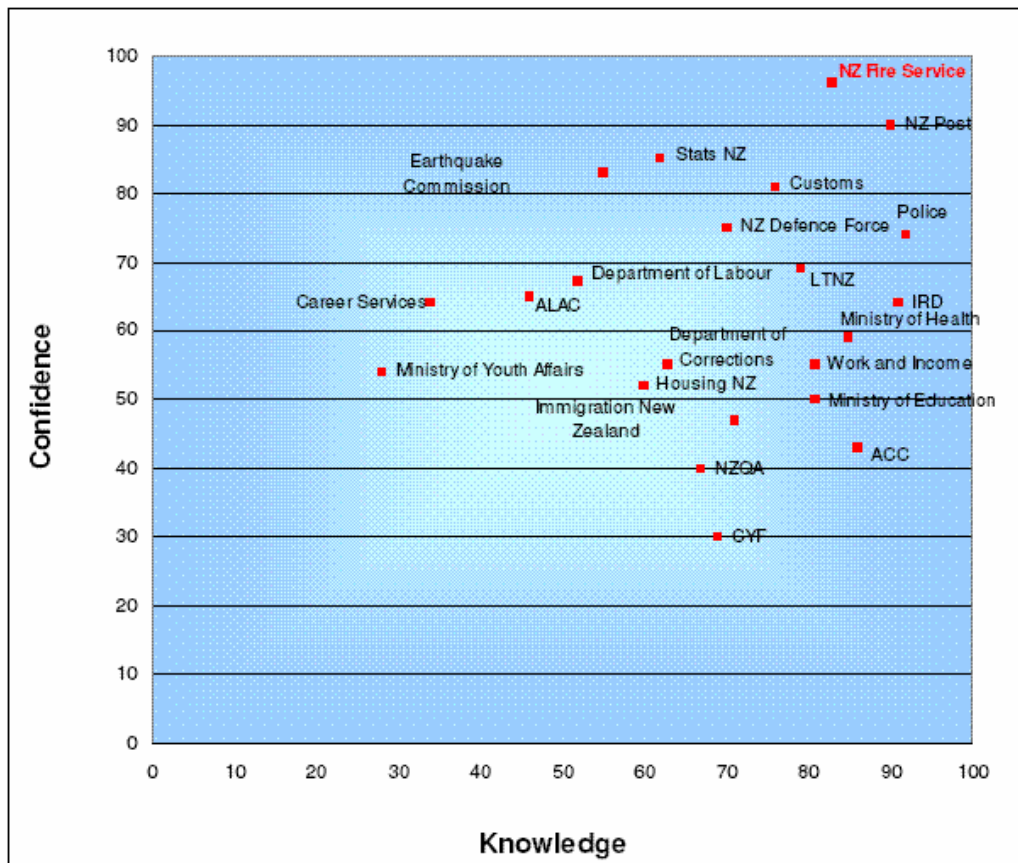
The rural fire sector is characterised by stakeholders involvement at all levels, from policy development and design through to the administration, management and delivery of services in the field. The National Rural Fire Authority acknowledges the support it receives from the sector and in particular expresses its appreciation of the services of the members of the National Rural Fire Advisory Committee and the chairpersons of the regional rural fire committees.

## Fire Service Overview

The Commission through the Fire Service and the National Rural Fire Authority aims to reduce the incidence and consequences of fire. This overview covers some of the significant events and achievements in 2005/06.

### Public Knowledge and Trust

The New Zealand Fire Service continues to retain the trust of New Zealanders. A six-monthly survey of 1000 New Zealanders shows the Fire Service tops the poll as the most trusted government agency. The service is also one of the government agencies New Zealanders feel they have most knowledge of.



### Natural Hazard Responses

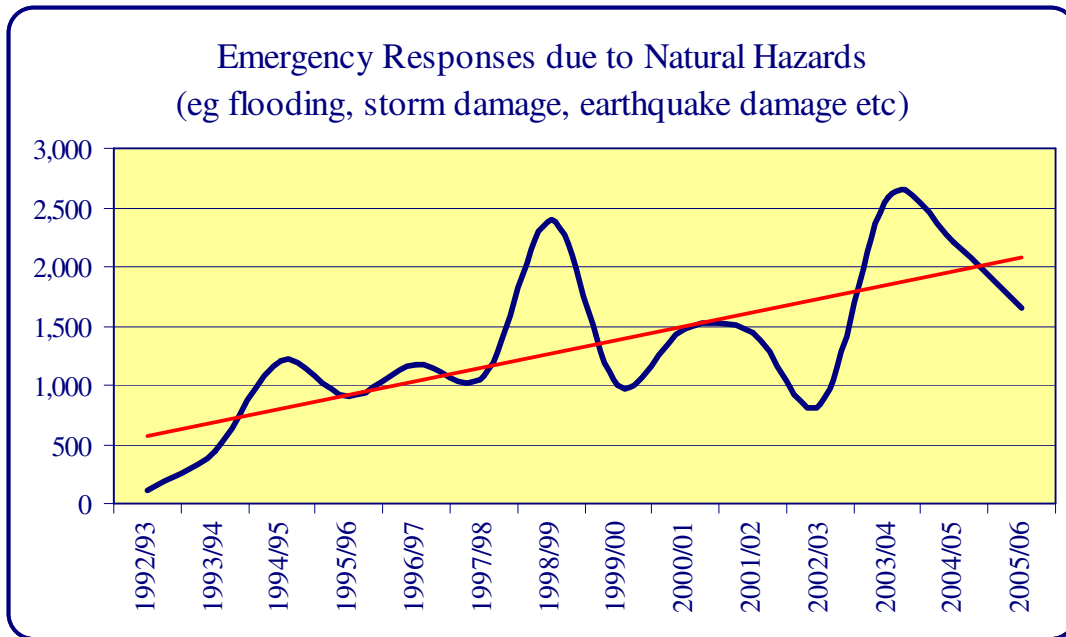
Since 1992/93, Fire Service responses to emergencies as a result of natural hazards have risen dramatically. The average number of responses in the last three years is over five times the response level of 1993/94. Emergencies arise from events such as severe weather causing flooding and storm damage to properties and infrastructure. For example, floods and slips in late April kept many brigades busy throughout the country.

The Fire Service plays a pivotal role in providing the initial critical response to these types of civil emergencies and in many cases the substantial cleanup capability to help communities



recover. The Fire Service is committed to working with local communities to make sure the effects of these types of civil emergencies are minimised. In addition to its response capability, the Fire Service works with communities through its participation in emergency management groups, emergency services coordinating committees and a range of other forums.

The graph below shows the number of emergency responses since 1992/93 with the trend line clearly showing an increasing call on Fire Service resources.



## Home Sprinklers

While the Fire Service has been advocating the installation of sprinklers in new residential homes for some time, the launch of an extensive advertising campaign this year has significantly raised the profile of sprinklers and their benefits to a far wider audience.

The support of a key partner in the promotion of home sprinklers has been instrumental. State Insurance, who has been associated with the Fire Service with initiatives like the Te Kotahitanga Fire Safety Advisors and the Fire Awareness Intervention programme, has supported the sprinkler campaign from the start.

To add momentum to the campaign, State Insurance is offering premium discounts on home and contents insurance to policyholders who install home sprinklers.

Evidence from overseas and New Zealand shows the installation of sprinklers provides the ultimate in fire safety as fires are extinguished in the room they start in before they get a chance to take hold. The flow-on benefits include the prevention of fire fatalities, a dramatically reduced damage bill and the obvious reduction in smoke and water pollution caused by fires and their containment.



## FireWise Years 7 & 8

Since its launch in 2001, the FireWise programme for years 7 and 8 (intermediate school) students has not enjoyed the acceptance among teachers and firefighters of its sister programme for years 1 and 2. children

A formal national survey of teachers and firefighters was conducted over 2005/06. It revealed that, while the content was appropriate, the programme was too long and cumbersome. Some respondents also commented it was not attractive to such a computer-savvy age group, nor did it challenge them.

A curriculum developer is now working with the Fire Service to re-develop the Years 7 and 8 programme with an emphasis on presenting it in a multimedia CD-ROM format accompanied by a small booklet for teachers to introduce the resource.



## A Year of Huge Chemical Fires



Fire Service statistics showed an increase in the number of big chemical fires, including two major incidents in Tauranga and Hastings.

VJ Distributors in Hastings caught fire on 4 March. Residents were up in arms when the reality of sharing a suburban neighbourhood with an industrial firm hit home.

Two days later on March 6 Tauranga firefighters battled a huge at Tyremovers.

Neither premises had sprinklers installed and the Fire Service took the opportunity to warn the warehouse and factory owners they were leaving themselves, their neighbours and the environment open to needless destruction by ignoring the use of sprinklers.

## Top training facility

Internal Affairs Minister Rick Barker officially opened the Fire Service's new National Training Centre at Rotorua at the same time as overseeing the first recruit graduation from the new facility.

The centre has modern features for operational training, such as a fully-functioning mock station and a specialised compartment-fire training building – where firefighters can experience first-hand fire behaviour in an enclosed space.

Environmental features include self-contained firefighting water, which is treated and re-used so as not to be released into Rotorua's waterways, and an oxidising tower to burn smoke from the compartment-fire building.



The facility will be used to train career and volunteer firefighters.

## Australasian Fire Authorities Council Conference

More than 1,000 senior urban and rural fire officers, researchers and experts attended an Australasian conference in Auckland hosted by the New Zealand Fire Service. The conference theme was innovation and technology. Conference topics included social change, technological change, climate change, human behaviour in fires and other technical advances.

It was the first time the Australasian Fire Authorities Council (AFAC) annual conference had been held in New Zealand in eight years. AFAC is a representative body for fire and emergency services and land management agencies in the Australasian region. It was established in 1993 and has 23 full members and 14 associate members, including Australian fire and emergency services and land management agencies, the Australian Council of State Emergency Services and the New Zealand, Papua New Guinea, Singapore, Hong Kong and East Timor Fire Services.



The agencies combine on research, training, purchasing and other joint initiatives. AFAC also provides a unified Australasian voice in the international firefighter arena on issues such as standards.

The Australian Bushfire Cooperative Research Centre conference was held jointly.

## Fireworks

The Fire Service, with help from the SPCA and New Zealand Police, initiated a debate on limitations on the sale of fireworks

Napier Chief Fire Officer Paul Baxter fronted a media campaign on a proposal to limit the use of fireworks to public displays. The campaign generated 400 print articles, television and radio stories.

The Fire Service started the campaign by revealing at the start of the sale period that public support for a retail fireworks ban – as measured by a BRC Research poll – was at 54 %.



There were several high-profile fires over the sale period, including a fire on top of Mt Victoria in central Wellington and one near Queenstown that forced the evacuation of 50 homes in an exclusive sub-division.

Fires and disorderly behaviour incidents reached a 10-year high, and public support for a ban climbed with it, to 66% in the December 2005 survey.

## Staying alive

The Hamilton Fire Brigade hosted Staying Alive expo at Mystery Creek in October 2005.

Each weekday, 2,000 school children came from around the region to the expo to hear a variety of safety messages, including how to report an emergency and how to survive a fire.



Two large outdoor displays grabbed the most attention: a field of white crosses – one for each road death in the Waikato region – with actual wrecks from fatal crashes strewn amongst them; and the House of Hazards – a house, trucked onto the site, which showed dangers in the home.

On the Saturday, the House of Hazards was set fire to for four minutes to demonstrate the speed of fire.

The expo coincided with the World Road Crash Rescue Championships, in which teams of firefighters from around the world competed to be the best at crash extrication.



## Keep on Truckin'

The Fire Service's programme of renewing and enhancing our fleet of trucks hit full swing in the 2005/06 year.

Brigades from Kaitia to Invercargill received new trucks, while the trucks they replaced found new homes at brigades that had previously had to make do with older models.

"Type 3" urban fire trucks and "Type 4" Scania's with a 17-metre ladder went out to city stations, while Wellington and Christchurch got a 32-metre aerial truck each.



As well as delivering new pump/rescue and pump/aerial trucks to 24-hour stations across the country, front-line firefighters were involved in the design of a fleet of all-purpose "Type 2" trucks for volunteer stations.

The Greytown Volunteer Fire Brigade received the first of the Iveco appliances in March, and after road-testing resulted in a few modifications, the remainder of the fleet are being built and rolled out.

The development didn't stop there. A number of Fire Service personnel, including enthusiastic firefighters from the Hamilton Fire Brigade, helped to develop a new Hazmat/command vehicle.

This state-of-the-art unit doubles as a response vehicle for hazardous substances call-outs – which happen increasingly frequent around the country – and a command unit for controlling large-scale incidents.

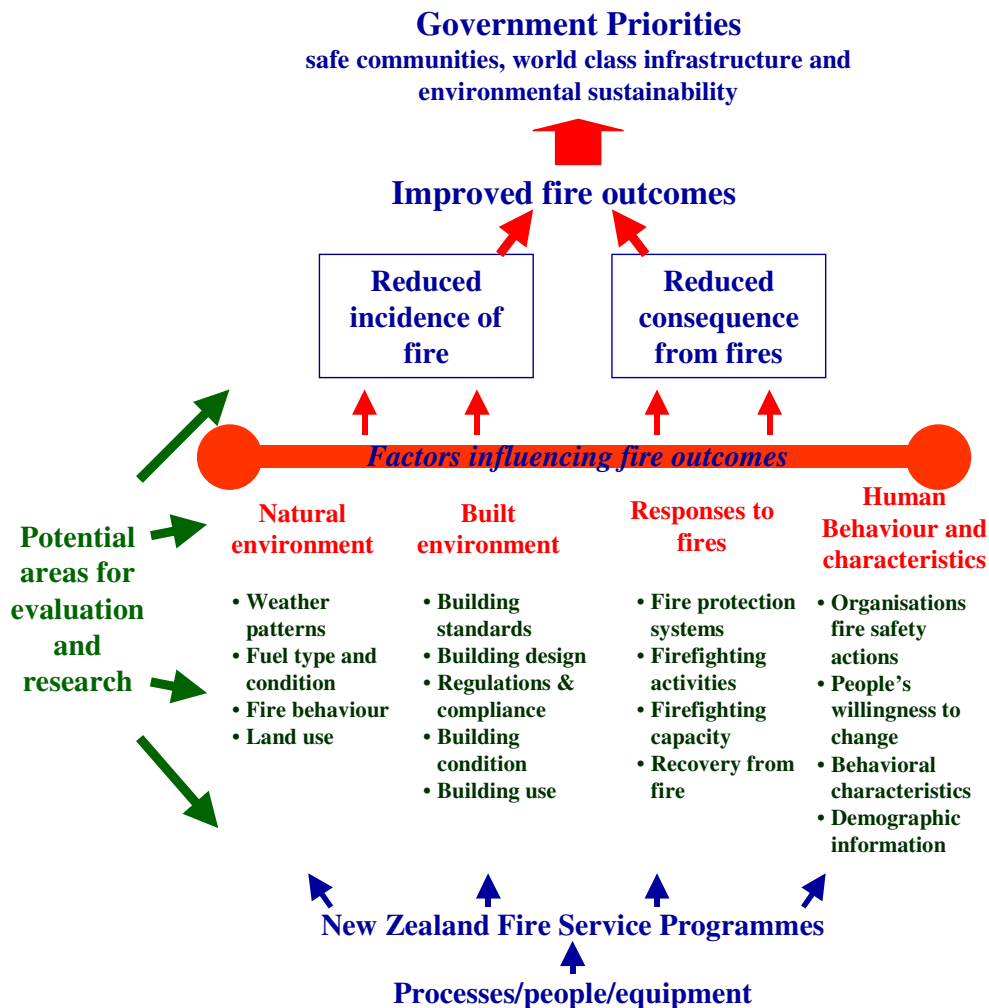
## Evaluation Framework

During 2005/06, the Commission developed a new framework for evaluating the effectiveness and efficiency of key New Zealand Fire Service and National Rural Fire Authority programmes. Evaluation is a practical management tool that:

- Provides feedback on the implementation of strategy
- Enables learning and continuous business improvement
- Helps us to understand and quantify the cause and effect relationship between services provided to the public and the impact of those services on the end results.

The diagram below shows the logical framework for the impact of the Commission’s services on improving fire outcomes and contributing to the Government’s priorities. Fire Service programmes and research aim to give us a better understanding of, or to influence, the key factors that affect either fire starts (incidence) or the impact of fires (consequences). By reducing the incidence and consequence of fires the Commission achieves improved fire outcomes. Underpinning Fire Service programmes and research are some key processes. Evaluation can be targeted at any level within the framework or targeted at an individual or a combination of factors.

Diagram of the New Zealand Fire Service Commission’s evaluation framework



## Evaluation results

The results of evaluation will enable the Fire Service to:

- Monitor national results against national goals (outcomes)
- Assess efficiency
- Identify and model cause and effect relationships between Fire Service programmes and services, external influences and the achievement of national goals (outcomes)
- Assess programme delivery against national standards
- Monitor programme effectiveness
- Monitor projects against national standards and make sure the longer-term benefits are being achieved.

## Evaluation programme

In 2006/07, the Commission proposes to undertake two pilot evaluations of high profile programmes using the new framework. Based on the results of the pilot evaluations, the framework will be reviewed and a three-year evaluation programme developed.

## Emergency Responses

The Fire Service responded to 66,953 emergency incidents during 2005/06. The following table provides a breakdown of the incidents.

	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	1999/00
Fires	23,659	21,837	21,580	22,626	20,298	21,270	20,358
Hazardous emergencies	2,961	2,917	3,073	3,051	2,857	2,481	2,448
Medical emergencies	3,707	3,841	2,171	2,974	3,040	3,250	2,515
Motor vehicle incidents (excluding fires)	5,211	5,039	4,619	4,803	4,820	4,774	5,467
False alarms	24,465	24,741	24,432	25,867	25,862	27,445	24,548
Other emergencies	6,950	7,086	8,629	4,845	5,560	5,258	4,529
<b>Total</b>	<b>66,953</b>	<b>65,461</b>	<b>64,504</b>	<b>64,166</b>	<b>62,437</b>	<b>64,478</b>	<b>59,865</b>

## Stakeholder Consultation

Strong emphasis on stakeholder consultation was continued during 2005/06.

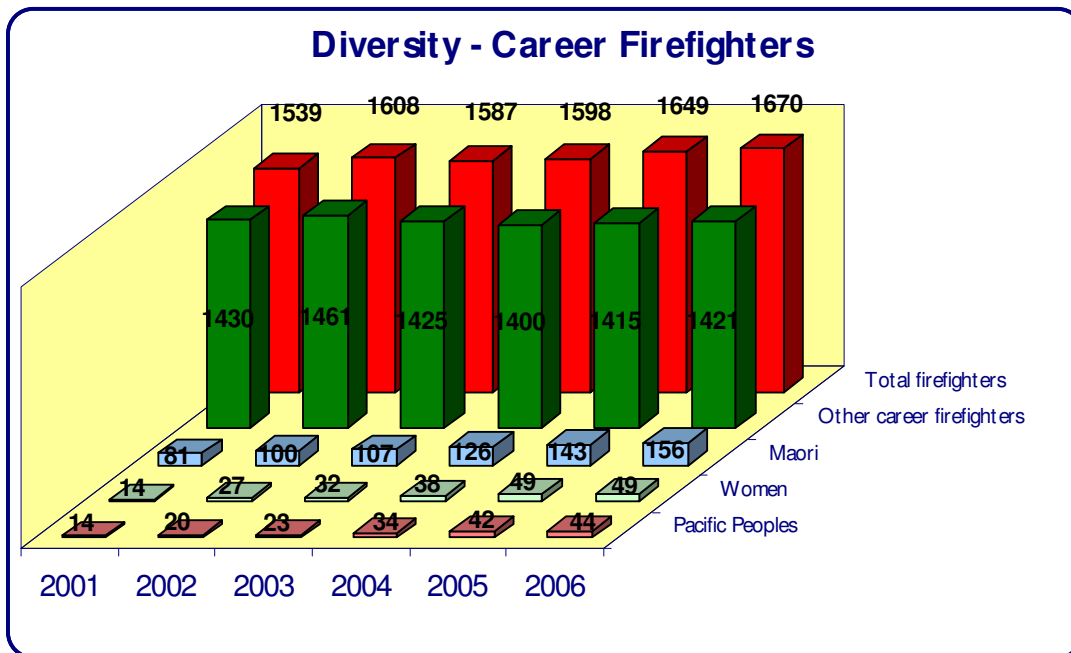
Consultation at the national level included:

- Briefings in November and April with insurance industry representatives. These briefings included the Commission's performance and consultation on the Commission's estimates of expenditure for 2005/06 as required by the Fire Service Act.
- Quarterly briefings with officials from government organisations including the Department of Internal Affairs, the State Services Commission, Treasury, the Office of the Controller and Auditor-General, Audit New Zealand and the Department of the Prime Minister and Cabinet on the Commission's performance and other issues.

- Occasional meetings with the Building Industry Authority, Building Research Association of New Zealand (BRANZ), Standards New Zealand and territorial authorities on building regulations and standards.
- Meetings with the United Fire Brigades Association (UFBA) concerning volunteer issues.
- Meetings with the Professional Firefighters Union on operational issues affecting paid firefighters.
- Regular meetings with representatives in the rural fire industry.

## Diversity

Positive progress was made in attracting, recruiting and retaining women, Maori and Pacific people into the Fire Service. The following graph shows the diversity profile of career firefighters from 2001 to 2006.



Key achievements of the Fire Service against its 2005/06 diversity programme included:

- **Finalising a five-year diversity strategy.** The draft five-year diversity strategy document was finalised after wide consultation internally and with key stakeholder groups. External consultation was undertaken with the Human Rights Commission, the State Services Commission and the EEO Trust. The strategy has received very positive feedback from these agencies, and it is being cited as a case study of good practice by a Crown Entity.
- **Developing a Fire Service definition of diversity.** To develop a clear definition of diversity for the New Zealand Fire Service, key stakeholder groups both inside and outside the service were consulted. The definition is based around the concepts of equity and fairness and is summarised in the statement “Appreciating and valuing our differences”.

- **Developing a communications strategy.** A comprehensive communications plan has been developed to raise awareness of the five-year diversity strategy. The communications strategy will be implemented in 2006/07.
- **Incorporating the EEO forum into “business as usual”.** The EEO forum was incorporated into existing annual conferences to increase audience awareness and to present diversity issues alongside other management topics. Sessions were held at the Chief Fire Officers Conference and the 2006 UFBA Conference.
- **Conducting a review of recruit training.** The Sunrise report provides a comprehensive analysis of the effect the culture surrounding recruit training has on firefighters throughout their career. The report was based on academic research conducted in the Cambridge Fire and Rescue Service, UK. Based on that report a review of New Zealand Fire Service recruit training was completed in 2006. As a result changes to the training culture were introduced from the April 2006 course onwards, and have had a positive impact on course pass rates and injury levels.
- **Developing language capability.** The Fire Service recognises that developing its language capability will help it to deliver critical fire safety messages to a wider range of communities. The Maori language grant policy was revised during 2005/06 to encourage requests from staff to do full-time, total immersion language training. The Dr Sir John Ahikaiata Turei Memorial Grant and a Pacific languages grant were again available for personnel to improve their language skills.
- **Reporting progress on Diversity.** Reporting on workforce diversity was enhanced during 2005/06 to include a diversity index measure. In addition, the All Personnel survey was revised to include a measure for personnel awareness of, and attitude to, workplace diversity.
- **Developing a work place harassment/bullying strategy.** Building on the work started in 2004/05, a workplace bullying and harassment policy was finalised and approved in 2005/06. The policy and an implementation plan were developed through a series of working party meetings. These meetings included active participation from internal stakeholders, the United Fire Brigades Association and the New Zealand Professional Firefighters Union.



## Organisational Risks

During 2004/05 the Fire Service developed and implemented a new risk management framework and assessment process. The key organisational risks were identified and included in the 2005/06 Statement of Intent. These key risks were actively managed throughout 2005/06 and a summary of actual performance against each of the risks follows:

### Levy collections

<b>Risk</b>	Levy collections do not meet the anticipated 2% increase included in each of the next three years.
<b>Financial Implication</b>	Potential shortfall in levy \$0-8m
<b>2005/06 Situation</b>	Levy collections for July 2005 to June 2006 were over budget by \$4.3m.

### Contracts of fire insurance

<b>Risk</b>	Products developed for contracts of fire insurance that reduce the amount of levy payable.
<b>Financial Implication</b>	Reduction in levy income \$0-10m
<b>Current Situation</b>	Products continue to be developed that minimise the Fire Service levy payable. Policies such as first loss policies and split or layered policies are becoming more prevalent. The Commission's internal levy advisory committee is monitoring these policies and determining the most appropriate response to these products.

### The Holidays Act

<b>Risk</b>	A court ruling the current collective employment agreement does not include provision for working on public holidays.
<b>Financial Implication</b>	Unplanned increase in expenditure \$5-7m
<b>Current Situation</b>	In August 2005, the Employment Court found in favour of the New Zealand Professional Firefighters Union against the New Zealand Fire Service. The question considered was whether previous agreements that firefighters' extended leave includes days in lieu of working rostered public holidays are valid under the Holidays Act 2003. A provision of \$5.953m was made in 2004/05 for the cost of backdating the ruling to April 2004. A further annual cost of approximately \$4.4m was accrued in 2005/06. The NZFS Commission has decided to appeal the decision. To enable this, an order staying the effects of the Employment Court decision has been obtained. The Court of Appeal granted leave for the Fire Service to appeal the Employment Court's judgment. Leave was granted on two grounds related to whether the Collective Employment Agreement complies with section 57 of the Holidays Act and in particular meets: <ul style="list-style-type: none"> <li>• The requirement in section 51(1)(a) that an alternative holiday be taken "on a day that is agreed between the employer and employee", and</li> <li>• The requirement in section 51(1)(b) that the alternative holiday "be a day that would otherwise be a working day for the employee".</li> </ul> The Court of Appeal has approved Business New Zealand to be joined in the Holidays Act appeal. The appeal date was set for 23 July 2006.

### Overtime levels exceed budget

<b>Risk</b>	Overtime levels exceed budget estimates.
<b>Financial Implication</b>	Increase in expenditure \$0-3m
<b>Current Situation</b>	The number of paid callbacks for the 12-months to March 2006 was 14% lower and overtime was 17% lower than 12 months ago. These levels are slightly better than budget. Analysis of callbacks has identified long-term sickness as a major driver of callback levels. The Fire Service has taken over the case management of these injuries and is starting to see improvements in the rehabilitation of people on long-term sickness.

## Statement of Responsibility

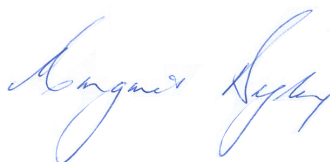
for the year ended 30 June 2006

Pursuant to the Public Finance Act 1989, the New Zealand Fire Service Commission and management of the New Zealand Fire Service accepts responsibility for:

The preparation of the financial statements and the judgements used therein.

The establishment and maintenance of a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.

In the opinion of the New Zealand Fire Service Commission and management of the New Zealand Fire Service, the financial statements for the year ended 30 June 2006 set out on pages 29 to 97 fairly reflect the financial position and operations of the New Zealand Fire Service Commission.



Dame Margaret Bazley DNZM  
Chairperson  
27 October 2006



Angela Foulkes  
Member of Commission  
27 October 2006



Mike Hall  
Chief Executive  
27 October 2006

## Audit Report

### To the readers of the New Zealand Fire Service Commission's financial statements for the year ended 30 June 2006.

The Auditor-General is the auditor of New Zealand Fire Service Commission (the Commission). The Auditor-General has appointed me, John O'Connell, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Commission, on his behalf, for the year ended 30 June 2006.

### Unqualified Opinion

In our opinion the financial statements of Commission on pages 29 to 97:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect:
  - the Commission's financial position as at 30 June 2006;
  - the results of its operations and cash flows for the year ended on that date; and
  - its service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 27 October 2006, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Commission and the Auditor, and explain our independence.

### Basis of Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Commission;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support our opinion above.

### **Responsibilities of the Commission and the Auditor**

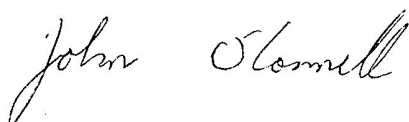
The Commission is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the Commission as at 30 June 2006. They must also fairly reflect the results of its operations and cash flows and service performance achievements for the year ended on that date. The Commission's responsibilities arise from the Public Finance Act 1989, the Crown Entities Act 2004 and the Fire Service Act 1975.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and the Public Finance Act 1989.

### **Independence**

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

In addition to the audit we have carried out assignments in the areas of contract tender assurance reviews and a review of proposed payment controls to be incorporated in the Commission's new Station Management system, which are compatible with those independence requirements. Other than the audit and these assignments, we have no relationship with or interests in the Commission.



John O'Connell  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand

## Statement of Service Performance

For the year ended 30 June 2006

The Crown Entities Act requires the Commission to report against the measures set out in the approved 2005/06 Statement of Intent. This section sets out the Commission's results against those impacts and outcomes, outputs and measures of output performance.

### Supporting the Government's Goals

The outcomes the Commission was responsible for during the year were the reduction in the incidence and consequence of fire. The Commission also uses its resources to contribute to a range of non-fire outcomes for which it is not the agency responsible. By achieving its national goals (outcomes) the Commission contributed to the achievement of the following Government goal.

*“Maintain trust in government by working in partnerships with communities, providing strong social services for all, **building safe communities** and promoting community development, keeping faith with the electorate, working constructively in Parliament and promoting a strong and effective public service.”*

Figure 1 shows how the Commission contributed to building safe communities through its delivery of services.

*Figure 1 – Contributing to Government Goals*



## **Statistical Reporting**

The number and consequences of fires shown in this annual report for earlier years may vary slightly from the same data given in previous annual reports. At the end of each year detailed information on a small percentage of incidents is not available. The incident data is proportionately increased across all incidents to address this difficulty. In the following year the detailed information becomes available and the incident statistics are revised accordingly.

Small changes in the fatality statistics are attributable to the outcomes of coronial inquests after the close of the year.

### **Completeness of Incident Statistics**

The Station Management System (SMS), which contains incident information, was 98.5% complete in 2005/06. The remaining 1.5% was proportionally spread across all incident types. This treatment is consistent with previous years. Completeness for each of the last four years was 99.3%, 98.6%, 99.3% and 98.7%.

## Fire Outcomes

This section details the Commission’s performance in the achievement of outcomes during 2005/06 with data from historic years included for comparison purposes.

Fire outcomes were measured through:

- The Fire Service’s in-house Station Management System (SMS). They reflect those incidents the Fire Service attended.
- Fire authority returns to the National Rural Fire Authority.

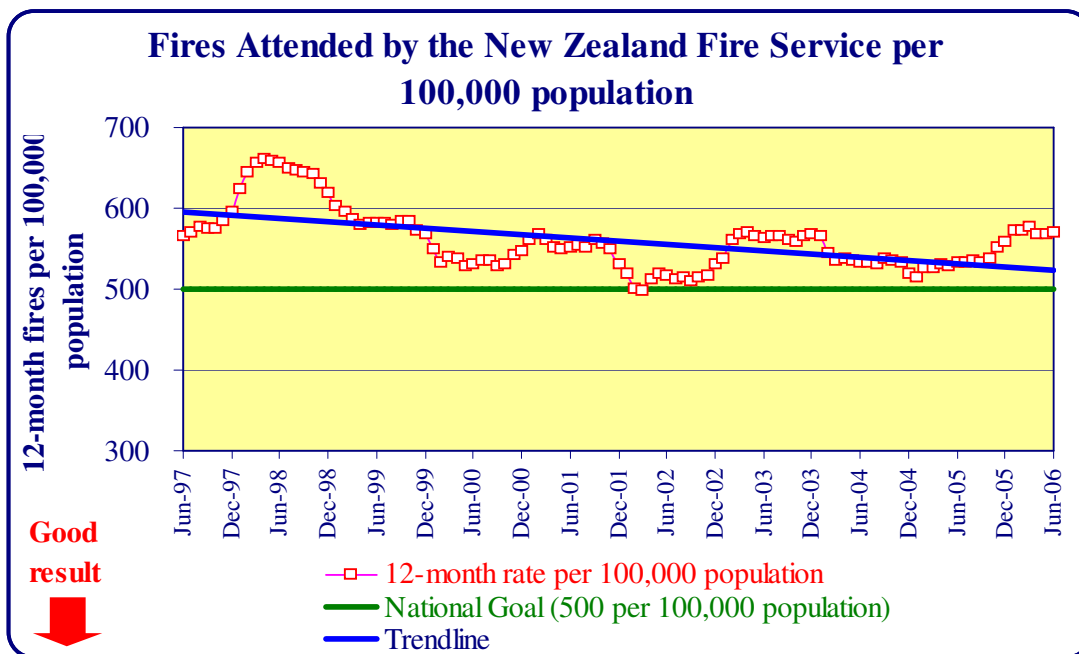
Intermediate outcomes were measured by an independent public survey carried out in August to September of each year and internal National Rural Fire Authority reporting.

Organisational outcomes were measured through a combination of in-house reporting processes and external surveys and assessments.

### Fire Outcome - Reduce the incidence of fire

**National Goal** Achieve and maintain the number of fires to less than 500 per 100,000 population.

The following graph shows the rolling 12-month rate of fires attended by the Fire Service in both urban and rural areas per 100,000 people. Fluctuations in this rate are affected by climatic conditions affecting vegetation fires in the summer months and heating-related fires in the winter. Overall, the rate has trended down over the last nine years.



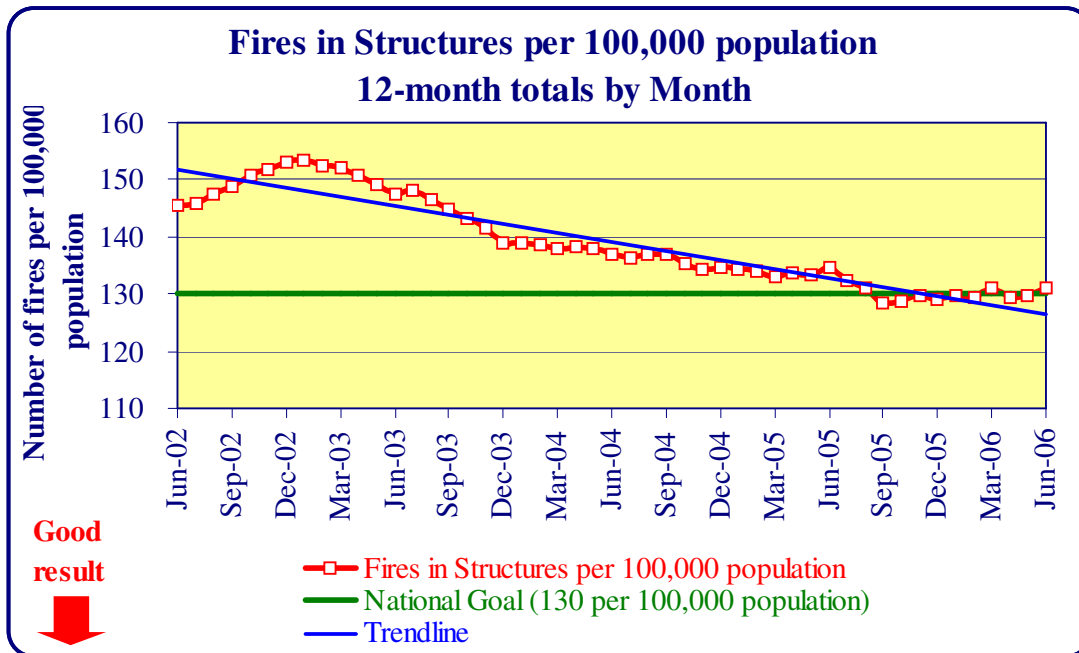
**National Goal** Achieve and maintain the number of fires in structures to less than 130 per 100,000 population.

The following graph shows the rolling 12-month rate of fires in structures attended by the Fire Service in both urban and rural areas per 100,000 people. The rate has reduced significantly over the last five years and is now at the level of the five-year national goal.

This is one of the principal result areas targeted by national fire safety education. Fire safety education covers informing people of the speed of fire and the associated risks, encouraging fire-safe behavioral changes and educating people on what to do in the event of a fire. Methods of fire safety promotions include the FireWise schools programme, national television advertising, local print media advertising and community-based promotions by firefighters such as home fire safety visits, promotions at home shows and fairs and smoke alarm advice and installations.

Key fire safety messages included don't cook and fry, the heater metre rule, night safety checks, safe use of matches and candles and electric blanket checks.

Separate results for the levels of fire safety knowledge and behaviour are on page 39 and results for fire safety education services are on page 48





## Fire Outcome – Reduce the consequences of fire to people

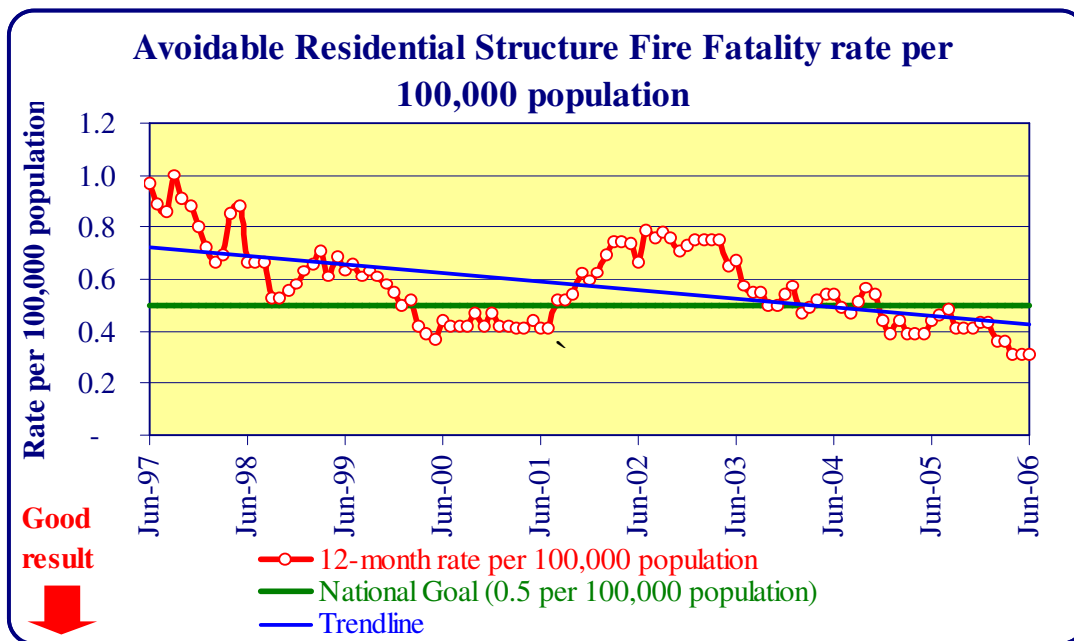
**National Goal** Achieve and maintain an avoidable residential structure fire fatality rate per 100,000 population of less than 0.5.

The following graph shows the rolling 12-month rate of avoidable residential structure fire fatalities per 100,000 people. The rate has reduced significantly over the last nine years and is now 0.31, below the level of the five-year national goal.

This is also one of the principal result areas (as with the previous result for fires in structures) targeted by fire safety education interventions. Fire safety education covers informing people of the speed of fire and the associated risks, encouraging fire-safe behavioral changes and educating people on what to do in the event of a fire. Methods of fire safety promotions include the FireWise schools programme, national television advertising, local print media advertising and community-based promotions by firefighters such as home fire safety visits, promotions at home shows and fairs and smoke alarm advice and installations.

Key fire safety messages included: the speed of fire, install and check smoke alarms, change your clock change your battery, get out and stay out, develop home escape plans and install home sprinklers.

Separate results for the levels of fire safety knowledge and behaviour are on page 39 and results for fire safety education services are on page 48



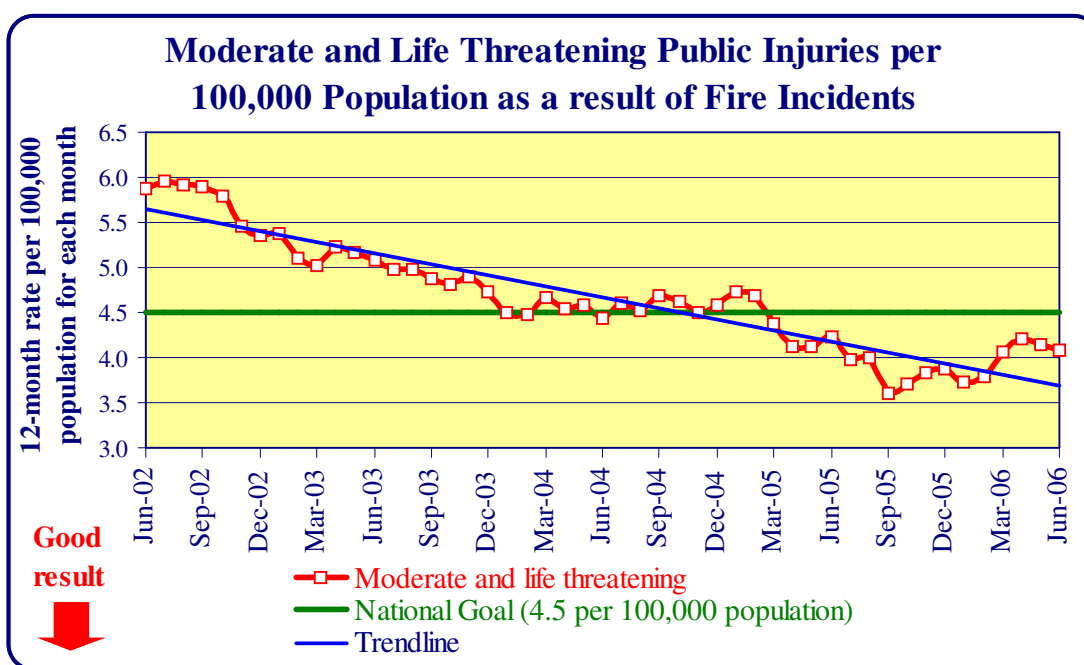
**National Goal** Achieve and maintain the number of life threatening and moderate injuries to the public from fire incidents to less than 4.5 per 100,000 population.

The following graph shows the rolling 12-month rate of life threatening and moderate injuries to the public from fire incidents per 100,000 people. The rate has reduced significantly over the last five years and is now 4.2, below the level of the five-year national goal.

This is also one of the principal result areas (as with the previous two results for fires in structures and avoidable residential fire fatalities) targeted by fire safety education interventions. Fire safety education covers informing people of the speed of fire and the associated risks, encouraging fire-safe behavioral changes and educating people on what to do in the event of a fire. Methods of fire safety promotions include the FireWise schools programme, national television advertising, local print media advertising and community-based promotions by firefighters such as home fire safety visits, promotions at home shows and fairs and smoke alarm advice and installations.

Key fire safety messages included: the speed of fire, install and check smoke alarms, change your clock change your battery, get out and stay out, develop home escape plans and install home sprinklers.

Separate results for the levels of fire safety knowledge and behaviour are on page 39 and results for fire safety education services are on page 48.

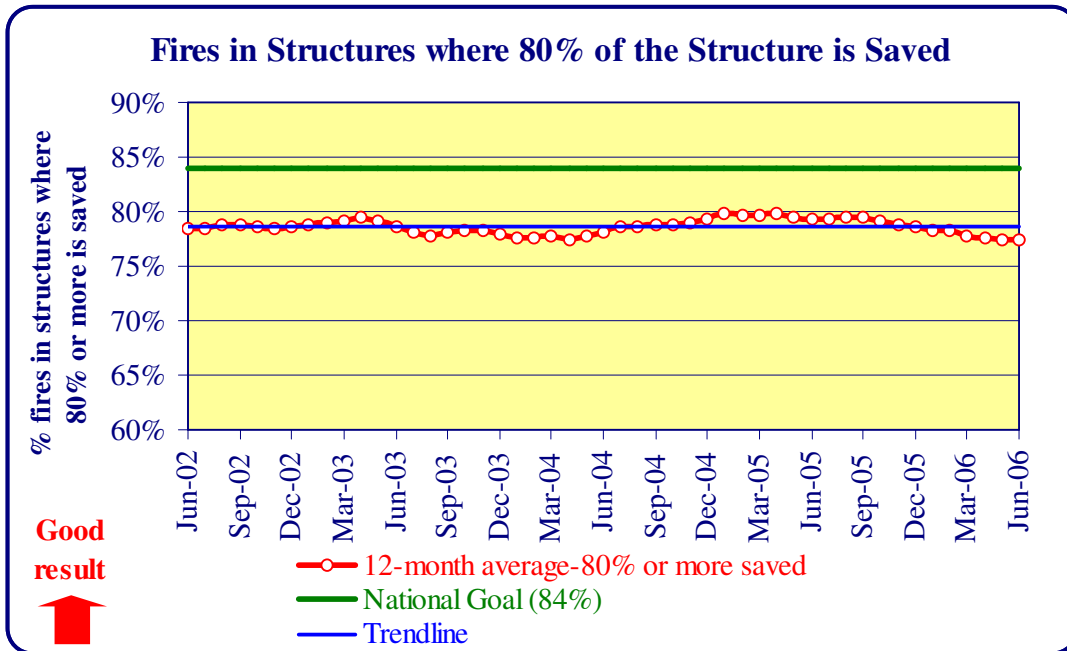


## Fire Outcome - Reduce the Consequences of fire to properties

**National Goal** Increase and maintain to 84% the percentage of fires in structures where at least 80% of the structure is saved.

The Commission currently uses its own incident statistics on the percentage of floor area damaged as a measure of damage to structures. It believes that best way to measure damage to structures is by estimating the dollar value of loss due to fire. The Commission is examining ways to achieve this and aims to have a more robust measure in place for 2006/07 reporting.

Key fire safety messages influencing this area included: install and check smoke alarms for early detection of fire, clean and check smoke alarms, get out and stay out and call the fire service, install automated fire detection and suppression systems in commercial buildings and install home sprinklers.

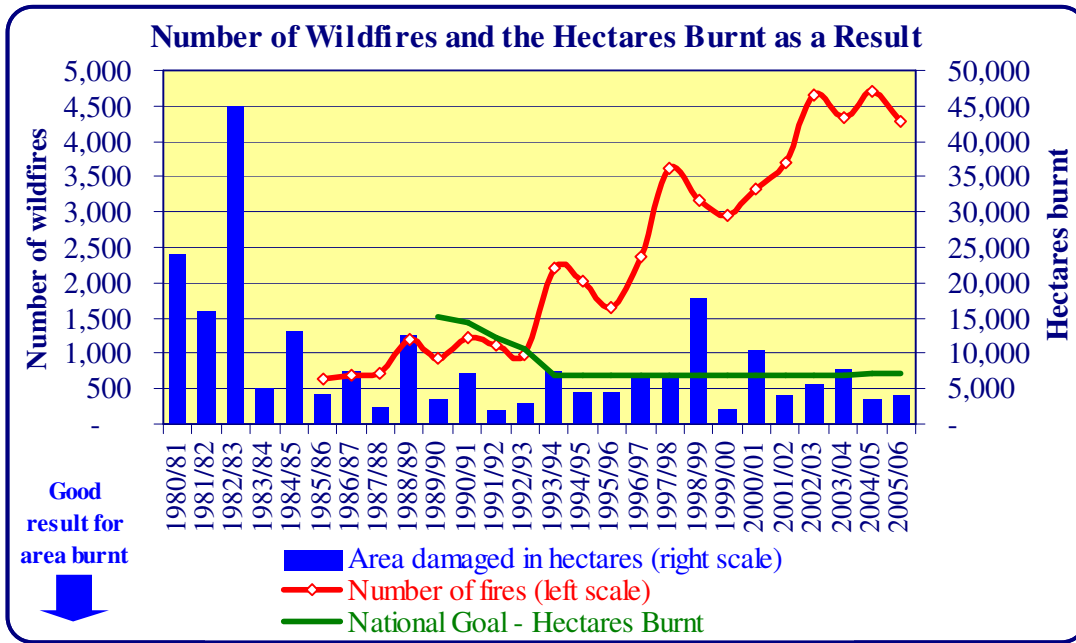


**National Goal** Annual area burnt by wildfires will be 5% less than the previous 10-year average upper 25th percentile.

The Commission monitors the area burnt each year as a result of wildfires. Fire authorities provide a return to the National Rural Fire Authority on the number of fires within their jurisdictions and the number of hectares burnt. The national goal developed for this area is to adopt a sinking lid approach by maintaining the area damage to 5% less than the upper 25<sup>th</sup> percentile for average area burnt over the previous 10 years.

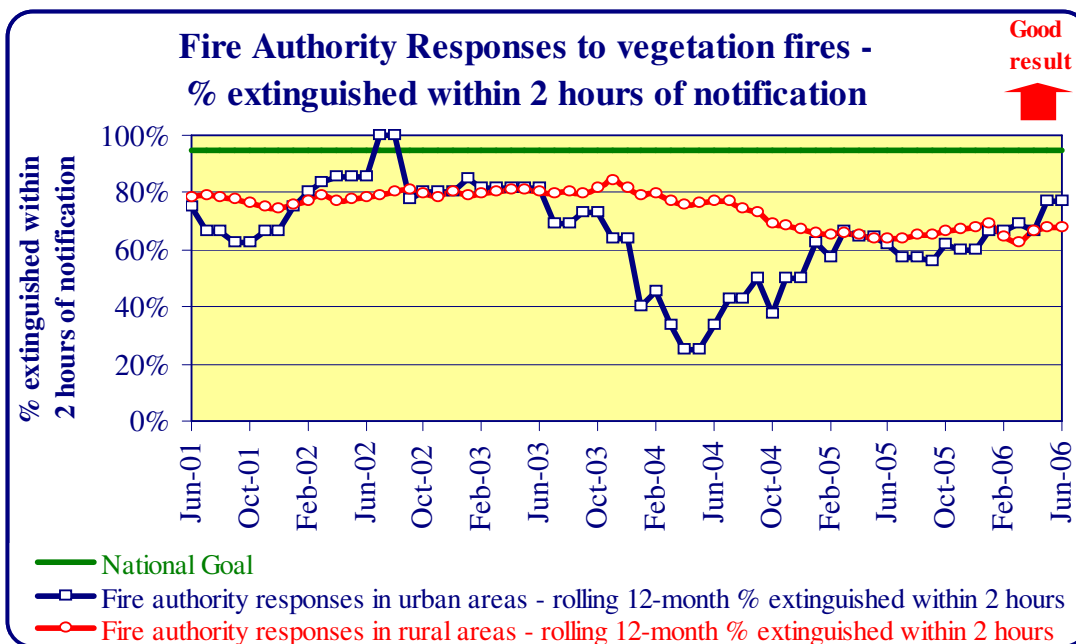
Key fire safety interventions influencing this area included: fire danger signs, taking more care in times of elevated fire danger, safe use of the outdoors and the use of restricted and total fire bans by fire authorities.

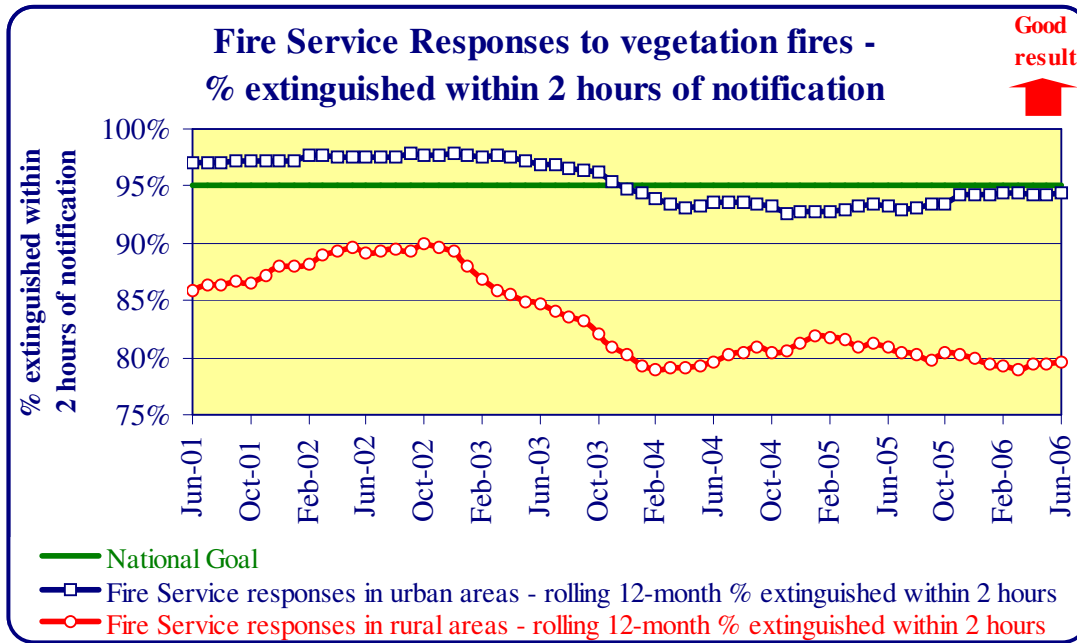
The following graph shows the area burnt from wildfire is significantly down compared to the early 1980's and the late 1990's, despite the number of reported fires increasing. This measure is significantly influenced by weather conditions in the hot dry summer months when fire danger is highest.



**National Goal** Ninety-five percent of all wildfires will be contained within two hours of being reported.

The following graphs show the rolling 12-month percentages of fires extinguished within two hours for responses by fire authorities and the Fire Service. Percentages are shown for vegetation fires in urban areas (inside Fire Service fire districts) and rural areas (outside Fire Service fire districts). The national goal of 95% was an initial level set without substantive supporting analysis. This level will be reassessed during 2006/07.





## Fire outcome - Reduce the Consequences of Fire to Communities

Projects were initiated as part of the contestable research fund covering:

- Identifying the communities, at the highest risk if a fire occurred in a major employer, historical site or other significant feature.
- Developing a process that allows the Fire Service to help manage the fire risk in partnership with these communities.

The findings from the projects will help the organisation set five-year goals for this area

## Reduce the Consequences of Fire on the Environment

Research projects have been requested for the development of management processes and performance measures for this outcome area and goals will be set by the end of June 2007.

The projects and goals will cover:

- The impact of the Commission's emergency response activities on the environment.
- The Commission's key material and energy resource flows and impacts.

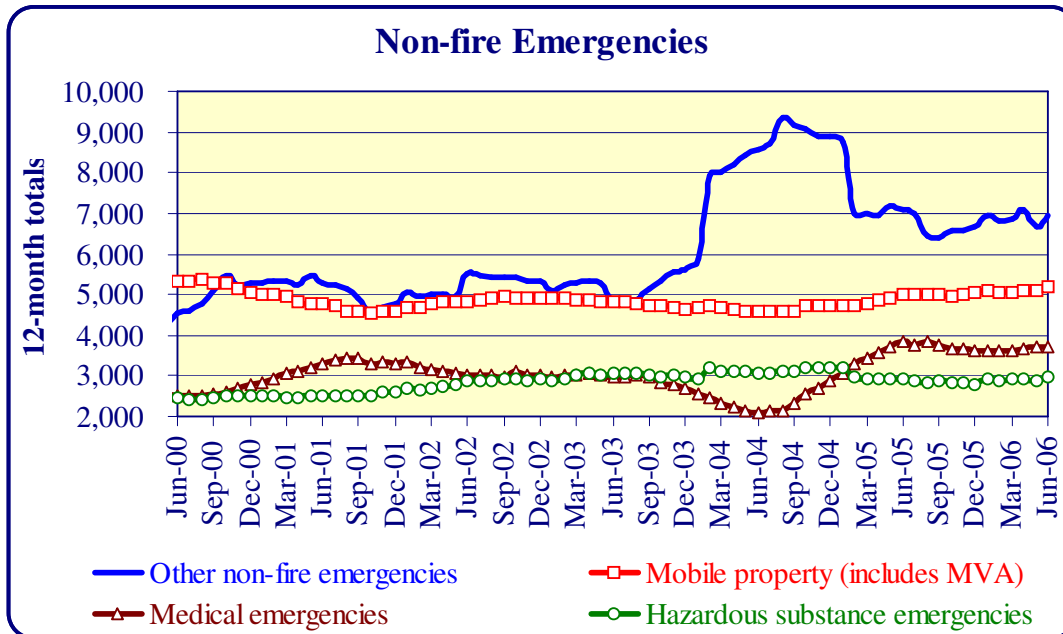
## Non-Fire Outcomes

### Response to other emergencies

**National Goal** Provide a professional response to non-fire emergencies.

The purpose of this outcome is to recognise and monitor the contribution the Commission makes reducing the consequences from non-fire emergencies. By using its existing response capability the Fire Service responds to a range of non-fire emergencies to minimise the resulting consequences. However, the legislative accountability for non-fire emergency

outcomes lies with other organisations. This outcome measure recognises the large call on resources for non-fire emergencies and seeks to quantify the size of that contribution. The graph shows the rolling 12-month totals for the number of non-fire emergency incidents attended. The steep spike in other non-fire emergencies is related to extreme weather conditions, particularly the flooding in early 2004.



## Urban Search and Rescue Capability

**National Goal** Three urban search and rescue teams developed and maintained to INSARAG medium level.

The three urban search and rescue teams were upgraded following equipment and training investments in the first quarter of 2005/06. These upgrades were to meet the draft INSARAG medium level requirements. The INSARAG medium level requirements were finalised during 2005/06 and included a significant change from the early draft. Meeting the final requirements involves further capital investment in 2006/07. The INSARAG medium level certification process is planned for 2006/07, following the final capital investment.

**National Goal** Volunteer staff trained to USAR Cat1 awareness level and career staff trained to USAR Cat1 response level.

Training has been conducted over the last two years for both paid and volunteer staff. A major review of the status of the training and employee capability will be carried out in early 2006/07. A revised training and assessment programme will be developed and implemented to achieve the national goal within the next two to three years. An ongoing maintenance training and reassessment programme will also be developed and implemented as part of the overall USAR capability.

## Intermediate Outcomes

This sub-section of the annual report summarises the results of the Commission's annual fire knowledge survey. The telephone survey asks people aged 13 years and over a series of fire safety questions and is carried out between August and September of each year. It monitors the effectiveness of fire safety promotions by measuring the direct impact services (outputs) have on maintaining and improving the level of public fire safety knowledge and fire-safe behaviour.

**National Goal** Improve the fire safety knowledge and behaviour of the public.

The 2006 survey shows good results against baseline surveys:

- Almost three-quarters of people surveyed (74%) were aware of fire safety messages fire safety message. This result compares favourably to the 1999 baseline of 56%.
- More houses have smoke alarms installed. Eighty-eight percent of houses have at least one smoke alarm installed. This compares favourably to the 1999 baseline of 79%.

The impact of the schools FireWise programme seems to be emerging in the results of the fire knowledge survey. Five key areas, where action has been taken as a result of hearing a fire safety message, have shown greater improvements in households where children are present. The actions include:

- Not leaving cooking unattended
- Keeping matches away from children
- Developing a plan of escape for the household
- Not leaving candles burning
- Teaching others in the household to be fire safe.

Detailed results from the survey are set out in the following pages under:

- Fire danger knowledge
- Fire-safe behaviour and practices
- Fire response skills.

### Intermediate Outcome – Fire Danger Knowledge

Three-quarters (74%) of people recalled seeing or hearing a fire safety message in 2006 compared to 56% in 1999. Knowledge that fires can develop rapidly and can become unsurvivable has increased to 86% compared to the 1999 base line of 70%.

The tables below set out some of the key findings from the survey over the last eight years.

Knowledge about fire	2006	2005	2004	2003	2002	2001	2000	1999
People who estimate a fire can become unsurvivable in five minutes or less	86%	92%	92%	88%	85%	80%	78%	70%
Recall of a fire safety message	74%	78%	73%	78%	77%	75%	74%	56%
Awareness of roadside fire danger signs in rural areas	87%	86%	83%	83%	80%	82%	85%	89%

Percentage of people who perceive each of the following to be a fire risk	2006	2005	2004	2003	2002	2001	2000	1999
Children having access to matches	89%	90%	91%	91%	93%	95%	91%	93%
Leaving clothing to dry in front of an open fire	84%	79%	86%	83%	82%	86%	80%	84%
Using candles in the bedroom unattended *	91%	77%	79%	80%	80%	82%	80%	80%
Leaving clothing to dry close to or on a heater	84%	76%	79%	79%	79%	81%	77%	76%
Leaving cooking unattended	84%	76%	72%	72%	69%	72%	70%	70%
Using multiple plugs in the same power socket	73%	64%	65%	65%	64%	67%	66%	63%
Leaving an electric heater on overnight	70%	54%	64%	62%	63%	62%	64%	63%
Using open flame heating without a fire guard**	81%	55%	60%	60%	55%	58%	50%	47%

\* In 2006 the question relating to candles added “unattended”.

\*\* In 2006 the question relating to open flame heating added “without a fire guard”.

## Intermediate Outcome – Fire-Safe Behaviour and Practices

The percentage of households with smoke alarms installed has increased to 88% in 2006 compared to 79% in the 1999 base year. Twenty-nine percent of households now have installed four or more smoke alarms. The percentage of households with an escape plan remains the same as last year at 54%.

The table below sets out some of the key findings from the 2006 survey.

Fire-safe behaviour and practice	2006	2005	2004	2003	2002	2001	2000	1999
Households with at least one smoke alarm installed	88%	85%	91%	87%	84%	81%	81%	79%
Households with four or more smoke alarms installed	29%	23%	23%	24%	25%	24%	19%	-
Belief that all smoke alarms are working*	-	90%	92%	87%	92%			
Households that clean smoke alarms	67%	59%	60%	64%	65%	66%	65%	71%
Fire escape plans developed	54%	54%	56%	58%	54%	54%	57%	-
Households with a fire escape plan who practice it	40%	35%	33%	36%	38%	36%	40%	-
Households where children do not have access to matches and lighters	80%	76%	80%	81%	70%	70%	67%	65%
People who are more fire-safe after seeing roadside fire danger signs **	93%	75%	75%	77%	73%	75%	81%	76%

\* In 2006 the question relating to smoke alarms was changed and no longer reported.

\*\* In 2006 the question was changed to ask people if they were more fire-safe after seeing the fire danger sign at high or extreme.

Some results from the survey continue to highlight the ongoing challenge of raising people awareness to such a level they can take responsibility for their own fire safety. This is clearly shown by the these results:

- Forty-six percent of the people surveyed considered that taking risks with fire is a part of human nature.
- Twenty-eight percent of people thought the most causes of serious house fires were beyond the householders' control.



These results have changed little over the last eight years despite extensive promotions covering these areas.

The table below sets out some of the key findings from the 2006 survey.

Fire-safe behaviour attitudes - people who agree "strongly" or "a little" with:	2006	2005	2004	2003	2002	2001	2000	1999
I consider I am very safety conscious when it comes to fire risk	87%	89%	89%	91%	88%	88%	89%	89%
I believe I am doing everything possible to prevent the risk of fire in my household	87%	83%	79%	82%	80%	79%	79%	74%
Taking risks with fire is part of human nature	46%	51%	44%	51%	49%	46%	49%	43%
A serious house fire is not something that is likely to happen to my household	30%	42%	34%	41%	36%	36%	32%	36%
Most causes of serious house fires are beyond the householders' control	28%	28%	26%	30%	28%	26%	31%	27%
The perceived cost of smoke alarms has made me think twice about installing one	23%	19%	19%	19%	22%	22%	20%	17%
As long as children have been taught to play with lighters and matches safely it is OK to leave them within their reach	8%	7%	8%	9%	8%	9%	8%	7%

Forty-nine percent of people reported taking action after they had seen or heard a fire safety message. A separate research initiative highlighted to the Fire Service that people were aware they needed to take action but were unsure of how to do it. The reduction in the percentage of people taking action in 2005/06 is consistent with this research. As a result the Fire Service is looking at ways of providing more practical advice about how to take action. The principal focus of national advertising will still be to raise awareness and deliver key messages but the subsequent reinforcement will start to focus at a practical "how to" level.

Action taken as a result of seeing a fire safety message	2006	2005	2004	2003	2002	2001	2000	1999
Installed smoke alarms	26%	32%	30%	43%	29%	25%	-	-
Checked the operation of smoke alarms	11%	26%	24%	36%	26%	13%	-	-
Kept matches away from children	4%	21%	22%	38%	21%	10%	-	-
Taught others in the household to be fire safe	3%	17%	23%	39%	20%	9%	-	-
Do night safety checks	-	13%	22%	25%	14%	7%	-	-
Developed an escape plan	6%	15%	16%	29%	16%	6%	-	-
Do not leave candles burning unattended	1%	14%	15%	28%	15%	6%	-	-
Do not leave cooking on the stove unattended	1%	16%	15%	29%	14%	6%	-	-
Do not leave clothes drying close to the heater	1%	12%	14%	26%	13%	6%	-	-
Stopped drinking or drinking less while cooking	1%	9%	11%	16%	7%	5%	-	-
<b>At least one action taken</b>	<b>49%</b>	<b>67%</b>	<b>60%</b>	<b>77%</b>	<b>65%</b>	<b>52%</b>		

## Intermediate Outcome - Fire Response Skills

The survey results show we have made progress in two key areas targeted by the Commission. Compared to eight years ago more people know that in the event of a fire they must first get everyone out of the house and secondly call the Fire Service. Unfortunately, 17% of people would still try to put the fire out despite knowing that fires grow quickly and become unsurvivable within a short space of time. As with last year, this highlights the continued challenge to change behaviour. People are prepared to take risks even when they are aware their behaviour is risky and the potential consequences are severe.

The table below sets out some of the key findings from the 2006 survey.

Aggregate of actions taken in the event of a serious fire	2006	2005	2004	2003	2002	2001	2000	1999
Get everyone out of the house	91%	91%	89%	95%	93%	96%	91%	86%
Ring 111 or the Fire Service	80%	72%	74%	75%	72%	71%	64%	64%
Get valuables out of the house	4%	2%	1%	5%	7%	6%	12%	13%
Try to put the fire out	17%	20%	17%	24%	21%	19%	16%	25%

## Intermediate Outcome - The Number and Percentage of Fire Authorities with an Approved Fire Plan

**National Goal** 98% of fire authorities will adopt a fire plan and provide a copy to the NRFA by 7 October 2005.

	Target	2005/06	2004/05 Actual	2003/04 Actual	2002/03 Actual	2001/02 Actual	2000/01 Actual
Number of fire authorities *	-	90	91	93	101	100	102
Number of fire authorities with an adopted fire plan and copy provided to the NRFA	-	87	89	91	99	99	97
<b>Percentage of fire authorities with an adopted fire plan and a copy provided to the NRFA</b>	<b>98%</b>	<b>97%</b>	<b>98%</b>	<b>98%</b>	<b>98%</b>	<b>99%</b>	<b>95%</b>

\* Several fire authorities merged into larger fire authorities during 2003/04 resulting in a large decrease in the total number of fire authorities.

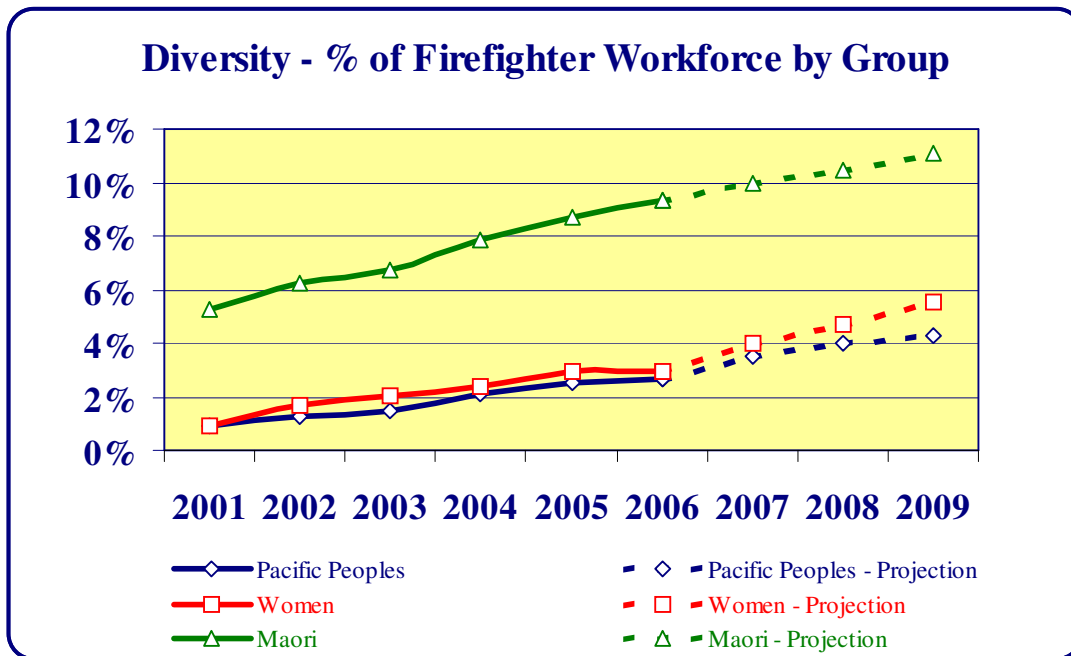
## Organisational Outcomes

This sub-section summarises the performance of the Commission’s internal support and infrastructure functions.

### Organisational Outcome – Human Resources

**National Goal** Improved diversity of the workforce so we reflect the communities we serve.

Positive progress was made in attracting, recruiting and retaining women, Maori and Pacific people into the Fire Service. The following graph shows the diversity profile of career firefighters for the years ended June 2001 to June 2006 and projections to June 2009.



**National Goal** Improve employee perception of leadership.

**National Goal** Improve the employee wellbeing index to 66% in 2005/06.

**National Goal** Improve the employee perception of adequacy of training.

The internal survey of staff (career and volunteer) is used to monitor progress against these three goals. Leadership focuses on the question “My immediate supervisor always shows good leadership”. Wellbeing and training are indices that use an aggregate of a number of questions where responses either agree or strongly agree with statements. Also included in the table are indices of overall employee satisfaction, communication and innovation/improvement.

	Overall Satisfaction	Leadership	Wellbeing	Communication	Innovation/Improvement	Training
2005/06	81	73	54	49	80	76
2004/05	81	73	55	49	80	-

**National Goal** Achieve ACC accreditation rating of tertiary each year.

The table below summarises the Commission’s Workplace Safety Management programme audit results for the last six years.

	2006	2005	2004	2003	2002	2001	2000
Primary							✓
Secondary					✓	✓	
Tertiary	✓	✓	✓	✓			

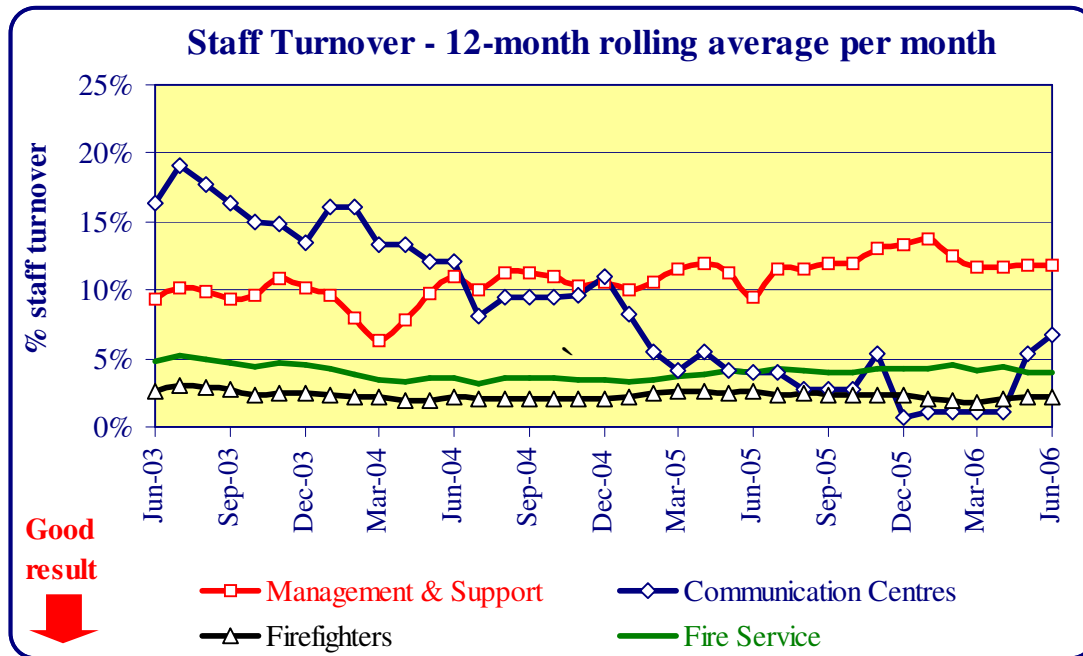
Source: ACC Accredited Employer Unit.

**National Goal** Reduce employee turnover rates.

Refined targets were developed during the year to maintain the rates below:

- 15% for management and support staff
- 15% for communication centre staff
- 6% for firefighters.

The three categories targeted are all below the established national goal levels as at 30 June 2006. This is especially pleasing given the current employment market and the high demand for skilled people.



## Organisational Outcome – Finances

**National Goal** Gross expenditure within the approved budget.  
Levy receipts less net expenditure to be in a range of \$0 to \$15m.  
Debt less investments to be within the range -\$25m to \$5m.

	SOI Target \$m	2005/06 Result \$m
Gross expenditure within approved budget	258.817	258.790
Debt less investments within the target range	-25 to 5	-27.0
Levy less net expenditure within the target range	0 to 15	9.5

## Organisational Outcome – Information Technology

**National Goal** IT server farm availability will be at least 97.83%.

**National Goal** IT helpdesk calls below the service level agreement of 850 per month.

The national goal level of 97.83% represents an average availability across 12 different IT server groups. The Commission achieved 99.9% availability in 2005/06.

This measure combined with the help desk calls is an indication of the overall health of the IT infrastructure. A further measure is being developed during 2006/07 to monitor the performance (speed) of the network and software applications. This will provide a more complete picture of the IT infrastructure and help to manage the overall investment better.

The number of help desk calls averaged 780 per month during 2005/06 and based on this result the national goal will be reduced to 800 per month for 2006/07.

## Organisational Outcome – Fire Service Levy Compliance

**National Goal** 95% of the value of fire service levy is paid as required.

The 2005/06 levy audit program covered 18 organisations. The programme included a mix of brokers, insurance companies and organisations responsible for making their own levy payments. The results of these audits and the results from the last five years are shown in the table below.

	2005/06 SOI target	2005/06 Actual	2004/05 Actual	2003/04 Actual	2002/03 Actual	2001/02 Actual	2000/01 Actual
Value of policies audited in compliance	95%	79%	92%	82%	96%	94%	85%

Levy audits examine only those fire insurance policies identified at greater risk of non-compliance due to their complexity or the size of the policy. The result for 2005/06 is therefore, potentially lower than the overall compliance level for all fire insurance policies.

## Organisational Outcome – Business Improvement

**National Goal** Achieve a business excellence score in the 500-point range.

The Commission submitted an award application to the Business Excellence Foundation (BEF) and was externally assessed against the BEF framework. This represented a significant investment of time and effort by both Fire Service staff and the BEF external assessors. The Commission received an award that translated to a score in the 350-450 point band. The Commission is committed to following through with many of the improvement opportunities identified in the BEF feedback report and will continue its business improvement focus in 2006/07.

**National Goal** Achieve an external audit rating of at least good each year.

	05/06	04/05	03/04	02/03	01/02	00/01	99/00	98/99	97/98
Financial Control Systems	G	G	G	G	G	G	G	S	-
Financial management Information Systems	G	G	G	G	G	G	G	G	G
Financial management Control Environment	G	G	G	G	G	G	G	S	JA
Service Performance Information and Information Systems	G	G	S	S	S	JA	S	S	S
Service Performance Management Control Environment	G	G	G	G	G	G	S	S	JA

G= Good      S=Satisfactory      JA= Just Adequate

## Output Costs

### Output Costs (Gross Expenditure)

	2005/06 Actual \$000	2005/06 Budget \$000	2004/05 Actual \$000
<b>Output Class 1 Fire prevention and other forms of fire safety resulting in reduced frequency and impact of fires.</b>	<b>38,471</b>	<b>39,766</b>	<b>37,840</b>
Output 1.1 Fire prevention and advice to the general public.	28,439	28,939	27,977
Output 1.2 Professional and technical advice to the Built Environment public.	2,550	2,711	2,617
Output 1.3 Fire Safety Legislation.	6,923	7,464	7,160
Output 1.4 Fire safety research.	559	652	86
<b>Output Class 2 Firefighting and other Fire Service operations.</b>	<b>212,943</b>	<b>214,035</b>	<b>201,071</b>
Output 2.1 Operational readiness.	179,095	179,712	169,056
Output 2.2 Operational responses to fire and other emergencies.	32,806	33,268	31,022
Output 2.3 Wider emergency management capability.	254	259	252
Output 2.4 Fire alarm systems monitoring and the reduction in avoidable false alarms.	788	796	741
<b>Output Class 3 National Rural Fire Authority administration.</b>	<b>2,781</b>	<b>3,016</b>	<b>3,070</b>
Output 3.1 Advice and support to fire authorities and rural fire committees.	1,035	1,081	1,091
Output 3.2 Administration of the Rural Fire Fighting Fund and grant assistance schemes.	1,093	1,227	1,258
Output 3.3 Maintenance and audit of the Rural Fire Management Code of Practice and management of the fire weather monitoring and prediction system.	231	248	252
Output 3.4 Advice to the public and to key groups in rural lands.	422	460	469
<b>Cost of Outputs (excluding funds expenditure)</b>	<b>254,195</b>	<b>256,817</b>	<b>241,981</b>
Funds Expenditure	4,595	2,000	1,541
<b>Total cost of Outputs</b>	<b>258,790</b>	<b>258,817</b>	<b>243,522</b>

Operating expenditure is exclusive of GST and is summarised on page 80. Funds expenditure is detailed under note 13 on page 93.

## Output Performance

### Actual Performance versus Targets

The introduction of the Station Management System (SMS) in 2004/05 provided firefighters with a station-based single interface to all the IT applications required. At its core is a tool that allows firefighters to plan, set targets, schedule and report at the station activity level. SMS has allowed for far greater detail and flexibility of planning and reporting of everyday performance. During 2004/05 detailed station and watch business plans were developed that included setting activity targets for 2005/06. This was the first year that SMS targets have been developed at the watch level and consolidated up to station, district, region and finally national level. As a result the Fire Service treated 2005/06 as a learning year for linking and quantifying the levels of station based activities with assessments of community fire risk, stakeholder expectations, operational planning and training requirements, health and safety obligations and the time expected to respond to emergency call outs.

The comparisons, therefore, between the targets set in the 2005/06 SOI and the actual performance may vary more than would normally be expected. Major feedback and review sessions were held at each of the eight fire regions during 2005/06 to help improve the process to set targets for the 2006/07 SOI.

### Output Class 1: - Fire Prevention And Other Forms Of Fire Safety Resulting In Reduced Frequency And Impact Of Fires And Other Emergencies

(Sections 20, 21, 21A and 29 of the Fire Service Act 1975 and sections 46, 47, 121, 131 and 132 of the Building Act 2004)

#### Output 1.1 Fire prevention and advice to the general public

This output comprised the delivery of fire safety education to the public that aimed to change behaviour through improved knowledge about fire risks and through improved knowledge of what actions to take to reduce those risks. It was delivered under the direction of the five-year national promotion plan. This plan:

- Identifies the key groups who are “at-risk” in terms of fire risk, such as:
  - Children
  - People on low incomes
  - People living in rental accommodation
  - Ethnic groups including Maori and Pacific peoples
  - Rural communities
  - The elderly
  - People with special needs
  - Commercial/manufacturing/retail sector (also covered under 1.2)
- Identifies the partnership groups who can work with the Fire Service to help deliver fire prevention and safety advice that targets those who need it most
- Helps to ensure fire prevention and advice is delivered in the most appropriate way to each of the target groups.



Delivery of fire safety education to at-risk groups used standard national material complimented with locally developed initiatives. National material was developed using a standard approach that involved five steps: research, consult, develop, test and promote. Examples of the programmes developed include the Firewise schools programme, The elderly kit, fire safety tip sheet, Marae fire safety programme and the Te Kotahitanga programme.

### How this output links to improved fire outcomes

The long-term aim of this output is to change people's knowledge, attitude and behaviour towards fire safety to:

- Reduce the risk of a fire starting
- Increase the installation of smoke alarms
- Ensure that smoke alarms are maintained adequately
- Increase the installation of residential sprinkler systems
- Detect and suppress fires early through the use of smoke alarms and residential sprinkler systems and to give early notification to the Fire Service
- Better prepare people to take the right actions in the event of a fire.

Changing the public's attitude and behaviour will reduce the number of fires and the consequences of fire to people, property, communities and the environment.

### Performance Measures

1.1.1 A total of 9,911 fire safety programmes were planned to be delivered to high-risk groups identified in the national promotions plan.

<i>Programmes were delivered to:</i>	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Children using Firewise	1,079	927	1,656
Young people using the Fire Awareness Intervention Programmes (FAIP)	822	761	49
Children using a range of other programmes	1,188	1,342	1,075
People with low incomes	2,912	1,278	2,768
People in rented properties	861	588	925
Ethnic groups including Maori and Pacific peoples	2,035	1,057	915
Rural communities	1,031	1,226	576
Elderly people	1,436	742	875
People with special needs	296	204	258
People in the commercial/industrial area	323	151	814

1.1.2 Quality of programmes were planned to be maintained through using the standard national promotion material for delivery of national programmes.

National programmes and promotions were delivered using nationally consistent material coordinated through a central electronic ordering system. Material covered general fire safety education, the Firewise schools programme, advice to at-risk groups, advice given during home visits.

A standard process was also used for delivering the FAIP programme.

1.1.3 Advice on home escape plans, other national programmes and local programmes was planned to be delivered to a range of people not included in the at-risk groups above.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Advice on home escape plans	6,396	3,310	6,635
Advice using other national programmes	925	761	1,962
Advice using local programmes	11,866	8,196	8,089

1.1.4 Smoke alarm programmes.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Total number of smoke alarm activities	13,866	10,973	7,687
Smoke alarms installed	28,707	18,823	9,218
Batteries replaced or installed	15,631	11,312	3,392
Smoke alarms cleaned and checked	24,007	18,448	1,705
Smoke alarms relocated	2,700	1,656	314

1.1.5 Fire safety education programme partners satisfaction with the overall service quality of the services provided by the Fire Service. \*

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Firewise partners satisfaction with overall service quality	93%	96%	80%

Note: In 2006, non-Firewise partners were not surveyed. For comparative purposes the 2004/05 result also does not include non-Firewise partners and is therefore different from result shown in the 2004/05 annual report.

1.1.6 Fire safety education programme partners level of overall expectations met. \*

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Meeting overall expectations of Firewise partners	95%	95%	80%

\* The Commission monitors customer satisfaction through an independent customer survey that covers knowledge and experience, courtesy and understanding, reliability, responsiveness and information needs. These combined factors result in an overall service quality that the Commission uses as its measure of customer satisfaction.

**New measure for 2006/07**

1.1.7 The Fire Service aimed to achieve at least 8.0 (on a ten point scale) for meeting people's expectations and satisfying their needs when they receive fire safety education. \*\*

	2005/06 Actual	2004/05 Actual	New target
Satisfaction of recipients of fire safety education	8.3	-	8.0
Level of expectations met for recipients of fire safety education	8.2	-	8.0

\*\* The Commission incorporated a new measure into its independent annual surveys that assessed public who received fire safety education. Customers were asked to rate on a scale of 1 to 10 (10 being the highest) on their levels of satisfaction and how well their expectations were met.

**Output 1.2 Professional and technical advice to the Built Environment public**

This output comprises the delivery of professional and technical advice to people involved in building standard setting, design, development, ownership and occupation. The aim of the advice is to:

- Increase the use of fire engineering, and sound fire safety features in building design
- Make sure buildings are used safely and in accordance with their design
- Make sure buildings are well managed in terms of maintaining a high level of fire safety.

To achieve national consistency, this advice is delivered under the direction of a five-year professional and technical national plan. The plan targets advice to the following at-risk categories of building:

- Aged and disability care facilities, particularly those providing sleeping accommodation
- Places of detention and restraint
- Sleeping accommodation buildings particularly boarding houses and inner city re-developments
- Heritage and historical buildings
- Schools and places of early childhood education
- Large industrial complexes.

The Fire Service works in partnership with key industry representatives to make sure they have consistent national fire safety standards within their respective businesses. The primary focus is on standards for automated fire safety systems and evacuation processes. The representative groups include the Ministry of Education, rest home associations, Housing New Zealand, the Department of Corrections, BRANZ, the Society of Fire Protection Engineers, the Building Officials Institute of New Zealand, the Building Industry Authority and building owners..

**How this output improves fire outcomes**

This output aims to increase the use of fire safety measures in buildings and improve the fire safety design of buildings. In simple terms this means that:

- The risk of a fire starting is reduced

- Fires are detected earlier allowing for the early containment of a fire and the safer evacuation of building occupants
- The spread of a fire is limited through better building design
- People are able to safely evacuate from buildings in the event of a fire
- Fire damage is limited through the use of sprinkler systems.

By achieving these aims there will be less loss of property, greater protection for heritage buildings, improved business continuity in the event of a fire and less potential for the loss of life.

### Performance measures:

- 1.2.1 Technical fire safety advice was planned to be delivered on sound fire safety features in building design.

<i>Technical Fire Safety Advice was delivered covering:</i>	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Compartmentation	48	66	37
Fire protection systems	673	728	105
Means of escape	455	333	131

- 1.2.2 Technical fire safety advice was planned to be delivered on making sure buildings are used safely and in accordance with their design.

<i>Technical Fire Safety Advice was delivered covering:</i>	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Building occupancy and fire loadings	177	145	53
People and activity management in buildings	282	223	58
Safe housekeeping matters	329	135	112

- 1.2.3 Technical fire safety advice was planned to be delivered on making sure buildings are well managed in terms of maintaining a high level of fire safety.

<i>Technical Fire Safety Advice was delivered covering:</i>	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Fire behaviour	107	58	41
Fire causes	292	232	429
Evacuating a building effectively and efficiently	3,237	1,592	1,091
Safe practices	466	233	93

- 1.2.4 Technical fire safety advice was planned to be delivered to organisations or individuals.

<i>Technical Fire Safety Advice was delivered to:</i>	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Building owner groups	168	279	39
Industry groups	178	299	90

1.2.5 Fire Service Memoranda were planned to be provided to territorial authorities on building consent applications.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Fire Service Memoranda provided	632	144	3,350 – 3,550

1.2.6 The quality of Fire Service Memoranda was planned to be reviewed during the year.

Two independent reviews of Fire Service Memoranda were carried out during the year. Both reviews found that the Fire Service, through the Design Review Unit, were meeting their obligations under the Building Act.

1.2.7 Advice to territorial authorities on building consent applications was planned to be made within 10 working days from receipt.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Memoranda provided within 10 days	100%	100%	100%
Average time to respond	7.4 days	7.5 days	-

1.2.8 Building owners satisfaction with the overall level of services provided by the Fire Service. \*

1.2.9 Building owners overall expectations with the overall level of services provided by the Fire Service. \*

<i>Performance measures 1.2.8 &amp; 1.2.9</i>	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Building owner satisfaction with overall service quality	90%	93%	90%
Meeting overall building owner expectations	92%	96%	90%

\* The Commission monitors customer satisfaction through an independent customer survey that covers knowledge and experience, courtesy and understanding, reliability, responsiveness and information needs. These combined factors result in an overall service quality that the Commission uses as its measure of customer satisfaction.

### Output 1.3 Fire Safety Legislation

This output covers the following three areas of fire safety law:

- Inspection of buildings for operational pre-planning purposes
- Buildings considered dangerous because they are a fire hazard
- Evacuation scheme approval and monitoring.

**Inspection of buildings** - This output includes the actions taken by the Fire Service to ensure buildings are safe from fire hazard and comply with the relevant fire safety law, and the actions taken for pre-planning purposes so that fire crews are familiar with a building's design, features and layout. Advice is given to the building owners, managers and occupiers on improving fire safety in the building. During these inspections any features of the building that do not comply with the Building Act 2004 are notified to the relevant territorial authority. The territorial authority has the jurisdiction to ensure non-compliance issues are rectified.

**Dangerous buildings** - This output also includes applying the fire safety law to buildings considered dangerous under section 121 of the Building Act 2004. The law is designed to ensure the public is not exposed to unacceptable fire risk in buildings. The Fire Service and territorial authorities administer fire safety law. The Fire Service gives advice to territorial authorities to help it determine whether a building is dangerous. Territorial authorities have the jurisdiction to enforce the legislation.

**Evacuation schemes** - Fire safety law relating to evacuation schemes is designed to ensure the public know how to and can evacuate safely from a building in the event of a fire. It also ensures the Fire Service can carry out fire fighting activities unobstructed. It is the responsibility of the building owner to develop an evacuation scheme for approval by the Fire Service.

The Fire Service is being more proactive in this area by developing and maintaining a national database of buildings and their assessed fire risk. A risk score is assigned to each building using the national risk management matrix contained in the Station Management System. The risk score allows the Fire Service to target services to high-risk buildings and their owners/occupiers. The database also identifies the buildings that require an evacuation scheme or have the potential to require one. This enables the Fire Service to track each building and ensure the building has an operable evacuation scheme where required. It is the building owner's responsibility to carry out regular trial evacuations to make sure the evacuation schemes work. However, the Fire Service also attends some of the trial evacuations in high-risk buildings to monitor whether they are performing as intended.

Where a building owner does not comply with the requirement to have an approved evacuation scheme in place the Fire Service may take legal action to either ensure compliance or close the building.

#### How this output improves fire outcomes

The principal aim of this output is to make sure that members of the public know how to and can safely evacuate a building in the event of a fire or other emergency. This reduces the potential for large loss of life in the event of a major building fire. The output also aims to make sure buildings are evacuated to enable the Fire Service to concentrate on firefighting

activities. This helps to reduce property damage and helps to minimise business down time due to fires.

This output also aims to minimise any property damage and the potential for loss of life in the event of a fire. This is achieved by reducing the number of non-complying buildings and making sure any buildings considered dangerous are either closed or made safe. The Fire Service also uses the information collected on buildings to update and improve firefighting tactics.

### Performance measures:

- 1.3.1 Non-compliance with the Building Act 2004 identified during building inspections were planned to be notified to the relevant territorial authority in accordance with section 29(5) of the Fire Service Act 1975.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Faults notified to territorial authorities	155	295	-

- 1.3.2 All identified dangerous buildings were planned to be notified to the relevant territorial authority together with sufficient information to enable them to act.
- 1.3.3 All buildings notified to the territorial authority (under 1.3.2) were planned to be monitored to ensure they were either closed, made safe or have legal action being taken.

<i>Performance measures 1.3.2 &amp; 1.3.3</i>	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Dangerous buildings notified to territorial authorities.	34	55	-
Dangerous buildings made safe, closed or legal action pending.	21	20	-
Work continuing in conjunction with territorial authorities.	13	35	-

- 1.3.4 The Fire Service planned to carry out approval processes that aimed to have 95% of high-risk buildings with an approved operable evacuation scheme.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Number of high risk buildings	5,620	5,606	-
Percent with an approved evacuation scheme	98.1%	93.8%	95%
Evacuation schemes approved for high risk buildings	284	336	-

1.3.5 Evacuation scheme for other buildings were planned to be approved where the owner provided a suitable draft scheme.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Evacuation schemes approved for non-high risk buildings	1,503	1,991	-

1.3.6 High-risk buildings, which had approved evacuation schemes, were planned to be monitored (including trial evacuations) to ensure the schemes remained operative.

<i>Number of Trial Evacuations:</i>	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Monitored	19,905	13,594	-
Attended by the Fire Service	4,229	4,348	-
Monitored for high-risk buildings	4,745	3,131	-
Monitored for other risk buildings	15,160	10,463	-

1.3.7 Buildings inspections for fire safety and / or pre-planning purposes were planned to be carried out.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Number of building inspections	4,096	3,901	2,898

#### Output 1.4 Fire safety research

This output includes fire safety research carried out under the contestable research fund. The \$500,000 per annum fund was established in 1998/99. The purpose of the fund is to advance knowledge in fire prevention and fire management. Typically research covers:

- Identifying and influencing vulnerable groups
- Home fire safety
- Social and economic impact of fires on communities
- Vegetation fires in rural areas
- Fire protection systems
- Post-earthquake fire
- Volunteers in the Fire Service
- Improving firefighting and loss control tactics.

In addition, the Commission funds a lectureship in fire engineering at the University of Canterbury. The lectureship aims to encourage masters programme graduates in fire engineering. The programme continues to generate innovative studies into fire behaviour in the New Zealand urban environment.



Fire research is reviewed and analysed to determine if changes to either Fire Service practices or to fire safety law would be beneficial. Where changes would result in improved fire outcomes at reasonable cost, the Commission takes appropriate actions to bring about change.

The results of the research are widely communicated and made available for the benefit of any interested parties. Also included in this output is providing technical legal advice on fire safety law to a number of external organisations.

### How this output improves fire outcomes

The aim of this output is to better understand the fire problem and actions the Commission can take to improve fire outcomes. A good example showing the worth of the fire-safety research was carried out in 1999/00. The Fire Service's fire incident data from 1991 to 1998 was analysed and compared with the New Zealand 1991 and 1996 indices of social and economic deprivation. The analysis showed that people living in the most deprived areas are two and a half times more likely to have a fire and five times more likely to have a fatal fire than those living in the least deprived areas. This research is used to target resources and fire safety education to communities most at risk from fire.

By targeting high-risk communities the Commission is applying resources to the areas where the greatest positive impact on fire outcomes can be made.

### Performance measures:

- 1.4.1 The Contestable Research Fund (CRF) was planned to be maintained and research projects commissioned using the independent process developed as part of evaluation and approval process for CRF proposals.

Research topics were agreed and expressions of interest were sought in the first quarter. The selection panel recommended projects to the Commission with successful proposals agreed in April 2006. Projects were commissioned and work has commenced.

- 1.4.2 Information was planned to be disseminated to inform relevant organisations of the research conducted under the contestable research fund.

- Seminar held in the first quarter to launch research publications.
- Publications available on the Fire Service website.
- Publications distributed to interested parties.

- 1.4.3 The number of masters courses completed through the University of Canterbury was planned to be monitored to ensure scholarship funding was effectively used.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Number of students graduating in Masters of Fire Engineering	14	10	-
Total graduates since 1994	111	97	-

## Output Class 2 - Fire Fighting and other Fire Service Operations

(Sections 17N, 17O, 23 to 26, 27, 27A, 28, 28A, 29, 30, 32, 34, 35, 36, 36A, 40, and 41 of the Fire Service Act) and the provisions of the Civil Defence Act.

### Output 2.1 Operational readiness

This output includes the activities that make sure the Fire Service is maintained in a state of operational readiness 24 hours of every day. Critical to this is staff training and the maintenance of equipment. The Fire Service verifies its own state of readiness by conducting operational readiness audits. Also included in this output are multi-agency exercises, monitoring of firefighting water supplies and operational pre-planning activities.

Fire Service operational readiness is continually being improved by research into better fire responses and by putting in place improvements identified in post-incident operations investigations.

**Multi-agency exercises** - This output also covers the Fire Service's participation in multi-agency training exercises for the response to community-scale incidents. Included in this activity is the co-ordination of fire services through formal co-ordination schemes.

**Water supplies** - Also included in this output are the activities to make sure the water supply needs for fire suppression and sprinkler systems are met. The successful functioning of the water supply systems for firefighting requires partnerships involving the Fire Service, the fire protection industry, water industry representatives and territorial authorities. The Fire Service updates and maintains a code of practice for water supply.

**Pre-planning** - This output includes the pre-planning the Fire Service does to ensure it takes the most appropriate actions in the event of an emergency incident. Tactical plans provide information for managing tactics and resources for incidents involving a significant specific risk (typically large industrial complexes or hospitals). Risk plans provide detailed fire risk information of individual properties to ensure the Fire Service is familiar with a property's layout and facilities.

The Fire Service reviews and updates these tactical and risk plans to make sure the information remains current.

### How this output improves fire outcomes

This output ensures the Fire Service is well trained and prepared to respond effectively to a wide range of emergency incidents. This means that when an emergency incident occurs the Fire Service is able to respond in an effective manner thereby reducing the consequences of the incident.

The output also allows the national commander to assess the adequacy of water supplies for firefighting in fire districts. Water supplies are needed for sustained Fire Service firefighting activities, the proper operation of sprinkler systems and the operation of built-in hose reels in buildings. Adequate water supplies mean that property damage and life loss is minimised in the event of a fire.

This output also makes sure that when fires occur decisions can be made about appropriate firefighting tactics based on current information. Therefore valuable time is not wasted in

gathering information on the building design, location of fire hydrants and the types of activities carried out in the building. In most cases the result will be a reduction in property damage and a reduced risk of the fire spreading beyond the building it started in.

### Performance measures:

- 2.1.1 Skills and equipment were planned to be maintained to ensure operational readiness by conducting recruits courses, running national training courses and maintaining equipment through a repairs and maintenance programme of \$2.7m on property and \$6.8m on fleet.

<i>Skills and equipment were maintained through:</i>	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Conducting recruits courses	3	4	3
Fleet maintenance spend	\$6.9m	\$5.9m	\$6.8m
Property maintenance spend	\$2.8m	\$2.3m	\$2.7m
National training courses completed as planned	✓	✓	✓

- 2.1.2 A total of 158 operational readiness audits were planned and required to be carried out in accordance with the National Commander's operational instructions. This instruction covered audits of paid, volunteer and industrial brigades.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Operational readiness audits conducted	135	138	158

- 2.1.3 A national report on the overall trends identified was planned to be produced as part of the operational readiness audit with key findings reported.

A national report was not produced in 2005/06 but the review of the operational readiness audits revealed an inconsistent approach across regions. A major review and update of the process and documentation is planned for 2006/07 to improve consistency.

- 2.1.4 Operational plans were planned to be reviewed or developed in accordance with the National Commander's operational instructions.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Operational plans developed	605	596	601
Operational plans reviewed	742	406	1,018

2.1.5 Fire hydrants were planned to be tested to monitor the number and percentage that met the predetermined standards in accordance with the Code of Practice for Water Supplies.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Hydrants inspected	19,852	22,378	12,678
Percentage meeting the standard	89%	87%	-
Hydrants flow tested	7,657	8,010	4,831
Percentage meeting the standard	96%	97%	-
Hydrants pressure tested	2,474	2,038	1,511
Percentage meeting the standard	97%	98%	-
Risers tested	36	15	-
Percentage meeting the standard	92%	93%	-
Alternative water supplies checked	324	176	-
Advice provided on fire risk classification and water supplies	210	66	-

2.1.6 Exercises were planned with other emergency management providers and/or agencies that are involved in the management of community scale incidents.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Airport exercises	34	57	68
Civil Defence exercises	58	41	39
Hazardous substance exercise	27	24	31
Multiple agency exercises	173	178	177
Rural fire exercises	47	37	32
Seaport exercises	9	11	19

2.1.7 A training assessment for effectiveness was planned through an :

- Effectiveness review of training needs against the training program.
- Effectiveness of national training programs as applied operationally.
- Effectiveness of organisational input into national training programs.

Deloitte conducted a review of training and a final report produced. The report provided ten recommendations to improve the structure, accountability, reporting and focus for operational training across the organisation. The recommendations and their implications are now being implemented where appropriate.

## Output 2.2 Operational responses to fire and other emergencies

This output includes the timely and tactically appropriate operational responses to fire and other emergencies. This includes:

- Suppressing fires to ensure the safety of people and property endangered by fire

- Stabilising, containing and minimising the impact of emergencies involving hazardous substances
- Attending incidents involving motor vehicles, for suppressing fire, for extricating people from motor vehicles, reducing the impact of injuries or otherwise assisting them, and for helping to stabilise and make safe the accident location
- Working to protect life and property through extrications, rescues and other special services
- A range of other emergency incidents
- Incidents that turn out to be false alarms.

Also included in this output are post-incident operations investigations. The investigations are carried out following major incidents the Fire Service has attended to review its performance. The investigations are used to:

- Highlight examples of good operational practice that can be shared throughout the organisation
- Identify opportunities for improvement.

### **How this output improves fire outcomes**

The principal focus of this output is to provide an effective operational response to a range of emergency incidents. Achieving this minimises the consequences of those incidents in terms of loss of life and injury, property damage, damage to the environment and loss to the wider community including business capacity.

This output also includes activities that review current performance to identify and put in place improvements to the way the Fire Service carries out its response activities. These improvements will result in better responses and tactics in future emergency incidents.

This output involves the post-incident investigation and follow-up to determine the cause of fire and the factors that have led to the fire starting and spreading. It also includes the sharing of knowledge and information gained from fire investigations to improve the management of fire risk. Fire investigations results are used to:

- Inform relevant organisations or individuals of fire risks to encourage them to take the correct actions to ensure similar incidents either do not happen in the future or the consequences from them are minimised
- Provide a basis from which to target fire safety advice and prevention programmes.

### **Performance measures:**

- 2.2.1 The Fire Service aimed to respond and take the appropriate action for all alarms of fire in fire districts.
- 2.2.2 Response times for fires in structures within fire districts were planned to be monitored for performance against the national targets:
- 2.2.3 The Fire Service aimed to respond and take the appropriate action for alarms of other emergency incidents inside fire districts where assistance could be rendered.
- 2.2.4 The Fire Service aimed to respond and take the appropriate action for alarms of fire outside fire districts where effective protection to life and property could be rendered.

- 2.2.5 The Fire Service aimed to respond and take the appropriate action for alarms of other emergency incidents outside fire districts where effective protection to life and property could be rendered.

<i>Performance measures 2.2.1 – 2.2.5</i>	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Responses to alarms of fire in fire districts	18,519	17,019	-
Responses within 7 minutes	87.7%	88.4%	90%
Responses within 10 minutes	97.7%	97.6%	99%
Responses to alarms of other emergency incidents inside fire districts	35,721	35,778	-
Responses to alarms of fire outside fire districts	5,139	4,818	-
Responses to alarms of other emergency incidents outside fire districts	7,574	7,847	-

- 2.2.6 Assistance was planned to be provided for all declared civil defence emergencies where the Fire Service was called.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Civil Defence emergencies attended	1	2	-

- 2.2.7 Obligations under the agreed civil defence plan were planned to be fulfilled, as shown through post-emergency audits.

A localised CD emergency in the Gisborne area for flooding. The Fire Service provided support and response capability as required.

- 2.2.8 Post incident operational reviews were planned to be carried out for all incidents meeting the National Commander's criteria and in accordance with the National Commander's operational instructions. Key findings on any national trends were planned to be reported.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Operational reviews carried out	20	16	-

Note: Operational reviews were planned to be analysed and key findings on national trends reported in 2006/07.

- 2.2.9 Specialist fire investigations were planned to be completed for all incidents meeting the National Commander's criteria and were required to be carried out in accordance with the National Commander's operational instructions.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Fire investigations conducted and reports produced	211	158	-

- 2.2.10 Response partners and recipients of response services satisfaction with the overall services provided by the Fire Service.\*
- 2.2.11 Response partners and recipients of response services level of overall expectations met.\*

<i>Performance measures 2.2.10 &amp; 2.2.11 *</i>	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Satisfaction with overall service quality		93%	90%
Meeting overall expectations		95%	90%
Satisfaction of recipients of response services	8.6		
Level of expectations met for recipients of response services	9.0		

\* In 2004/05 the Commission monitored customer satisfaction through an independent customer survey that covered knowledge and experience, courtesy and understanding, reliability, responsiveness and information needs. These combined factors resulted in an overall service quality that the Commission used as its measure of customer satisfaction.

In 2005/06 the Commission changed the way it assessed the level of satisfaction and expectations met for this area from a yes/no orientated question to a level on a ten point scale.

### **Output 2.3 Wider emergency management capability**

This output covers the work the Fire Service does in the wider emergency management field. It includes planning and research work relating to the low frequency but high impact events such as major earthquakes. It also includes working with and supporting the operation of emergency management groups and making sure Fire Service obligations under the National Civil Defence Plan can be met in the event of a major national emergency.

This output also includes work to better understand and reduce the risk of fires following a major earthquake. Work includes understanding the capabilities of the Fire Service to provide services if the transport infrastructure and water supply network is damaged. Also important is understanding the level of self-sufficiency of individual communities.

The Commission has made a large investment in urban search and rescue capability over the last three years. Three teams have been established in Auckland, Palmerston North and Christchurch. Each team was upgraded to the draft INSARAG medium level during 2005/06. In addition the Fire Service will be training all of its career staff to Cat1-response level and volunteers to Cat1-Awareness level. This initiative in partnership with a range of other government agencies represents a significant investment in capability.

#### **How this output improves fire outcomes**

The aim of this output is to make sure both the community and the Fire Service are well prepared to respond to a major emergency. The improved state of preparedness will help to minimise damage from an emergency and any resulting fire. The measure of the effectiveness of this output is difficult to gauge and will only be tested in the event of a real major emergency event.

**Performance measures:**

2.3.1 The Fire Service aimed to meet its legal obligations relating to the participation on emergency management groups/committees.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
EMG meetings attended	56	136	40

2.3.2 The Fire Service planned to upgrade its urban search and rescue capability to INSRAG medium in three locations.

Achieved in the first quarter with equipment upgrades to meet the draft medium level standard.

2.3.3 The Fire Service planned to contribute to the management of other emergencies through partnerships with, and participation in other emergency management organisations or committees.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Coordinating Executive Group meetings	78	99	40
Emergency management meetings with other organisations	142	256	59
Emergency Service Coordinating Committee meetings	60	80	33
Hazardous Substance Technical Liaison Committee meetings	77	75	38
Meetings with Territorial Authorities	488	486	195
Regional Rural Fire Committee meetings	32	70	37

2.3.4 The Fire Service aimed to improve its wider emergency management capability by increasing the number of senior personnel trained to the Level 2 or Level 4 CIMS courses.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Number of people undertaking CIMS 2 training	205	-	20
Number of people undertaking CIMS 4 training	41	-	

#### **Output 2.4 Fire alarm systems monitoring and the reduction in avoidable false alarms**

This output covers the actions the Fire Service takes to monitor the number of fire alarm system connections and the number of false alarms these types of systems generate. The purpose of this monitoring is to provide feedback to the building owners, fire alarm manufacturers and organisations involved in the installation of fire alarms. The Fire Service



aims to minimise the number of false alarms these systems generate through actively working with all interested groups. False alarms occupy Fire Service resources that could be better used elsewhere. A five-year plan to reduce the number of avoidable false alarms by 30% commenced in 2000/01.

### How this output improves fire outcomes

The purpose of this output is threefold. Firstly, to reduce the amount of time and effort the Fire Service uses in responding to false alarms. This will reduce the potential for more serious emergency incidents happening at the same time the Fire Service is responding to a false alarm call. While these incidents will always be responded to there is the potential for a delayed response due to resources being occupied by a false alarm. Delayed responses can lead to the fire getting larger than it would otherwise have got and causing more property damage or even loss of life.

Secondly, a high number of false alarms have the potential to create a public apathy to fire alarms in the belief it is just another false alarm. This could slow evacuation from buildings endangering lives or slow the notification of fire incidents to the Fire Service thereby giving a real fire incident more time to develop into a major fire.

Thirdly, unnecessary false alarms result in significant amount of lost productivity for the employers of volunteers, and for those volunteers who are self employed. The Commission has targeted a 30% reduction (from June 2001) in the number of avoidable false alarms from fire alarm systems by June 2006.

### Performance measures:

2.4.1 The Fire service planned to provide advice on fire safety systems to reduce false alarms.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Number of times advice provided	520	721	1,130

2.4.2 A six percent reduction in the number and rate of avoidable false alarms from 2004/05 was targeted.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Reduction in total equipment fault false alarms	(0.70)	1.5%	6%
Average monthly rate of equipment fault false alarms per 100 connected systems	4.82	5.46	-
Percent reduction in the average monthly rate of equipment fault false alarms per 100 connected systems	12%	6%	6%

## Output Class 3: National Rural Fire Authority Administration

(Sections 14A, 17X and 46A to 46L of the Fire Service Act and Section 18 of the Forest and Rural Fires Act)

### Output 3.1 Advice and support to fire authorities and rural fire committees

This output covers National Rural Fire Authority (NRFA) activities to maintain an administrative infrastructure to support firefighting services in rural areas.

Advice, including interpretations of the legal requirements of fire authorities, and assistance is provided to fire authorities and regional rural fire committees so they can carry out their roles.

The NRFA provides support to rural fire committees through the rural fire managers and the national rural fire officer.

Also included in this output is the establishing, amending or revoking of rural fire districts. This ensures value for money in rural firefighting through sharing resources and merging fire authorities where appropriate.

#### How this output improves fire outcomes

The aim of this output is to provide sound advice and assistance to fire authorities. Over the long term, this makes sure that sound, researched approaches to rural fire management are being applied within the industry. By applying modern approaches the number of unplanned fires occurring is minimised and the consequences of fires are managed in the appropriate way. It is important to note that in rural fire management extinguishing a fire may not always be the best approach depending on the circumstances involved.

#### Performance Measures

3.1.1 Regional rural fire committees were planned to be maintained by the national rural fire officer in accordance with Section 17X(1)(d) of the Fire Service Act 1975.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Regional rural fire committees in place	11	11	-

3.1.2 Administrative and technical support was planned to be provided for regional rural fire committees.

Support provided to regional rural fire committees as required.
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3.1.3 Members of regional rural fire committees satisfaction with administrative support and meeting facilitation as determined by independent survey.

<i>Percentage satisfied with:</i>	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Administrative support	92%	83%	95%
Meeting facilitation	95%	85%	95%

### 3.1.4 Rural fire districts established, amended and revoked in accordance with Section 4 of the Forest and Rural Fires Act 1977.

<i>Rural Fire Districts:</i>	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Established	-	1	-
Amended	1	0	-
Revoked	-	3	-

## Output 3.2 Administration of the Rural Fire Fighting Fund and grant assistance schemes

This output covers the administration of the grant assistance scheme and the rural fire fighting fund. The grant assistance scheme helps fire authorities achieve the required level of operational readiness. The rural fire fighting fund reimburses fire authorities for the majority of the expenses relating to putting out wildfires.

Included in this output is the requirement for the Commission to carry out its activities in a transparent way. It also provides for a mediation process if fire authorities have any issues to do with the decision process.

### How this output improves fire outcomes

This output is wholly concerned with administering funding mechanisms to fire authorities in the two areas outlined above. By administering these funding mechanisms fire authorities are able to carry out their roles in rural fire management. Ultimately, this will help to minimise the number of rural fires and the consequences of them.

### Performance Measures

#### 3.2.1 Rural fire authority applications for grant assistance were planned to be actioned during the year.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Number of applications for grant assistance actioned	58	61	45

#### 3.2.2 The NRFA planned to advise fire authorities of the results of their grant applications within two months of the application cut-off date.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Percentage advised within two months	100%	0%	100%

3.2.3 Grant assistance applications were planned to be processed in accordance with the rural fire management code of practice requirements and Fire Service Commission policy as verified by internal audit.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Approvals in accordance with the standard	100%	100%	100%

3.2.4 Claims under the rural fire fighting fund were planned to be actioned during the year.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Number of Rural Fire Fighting Fund claims actioned	120	77	100

3.2.5 The NRFA planned to be advise fire authorities of the results of their applications within two months of their applications being lodged with the National Rural Fire Authority.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Percentage advised within two months	81%	88%	90%

3.2.6 Claim decisions accepted without recourse to mediation.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Percentage accepted	100%	100%	95%

### **Output 3.3 Maintenance and audit of the Rural Fire Management Code of Practice and management of the fire weather monitoring and prediction system.**

This output has changed from previous years due to changes in legislation. The NRFA is now required to:

- Establish a schedule of rural fire standards and audit fire authorities compliance against those standards.
- Evaluate the performance of fire authorities under the Forest and Rural Fires Act.

This output includes the development and implementation of a schedule of rural fire standards and the auditing of fire authorities compliance against those standards. It includes the development and implementation of a process to evaluate fire authority performance under the Forest and Rural Fires Act.

This output also includes fire weather monitoring and information. Weather monitoring is an important tool for managing fire risk in rural areas. Information gathered enables fire

managers to assess the levels of preparedness and the resources needed to put the fires out and to keep fire losses to a minimum. The fire danger rating system measures the variable elements that cause day-to-day changes in fire risk. The information is used to:

- Define the fire season
- Determine the appropriate fire prevention measures
- Assess the likelihood of fire occurring
- Determine the fire fighting response and resources
- Inform the public
- Make decisions to close areas at high risk
- Issue or cancel burn permits
- Plan and conduct controlled burns.

The NRFA provides fire weather information to all fire authorities, so they can maintain the fire danger rating system. In addition, the NRFA issues fire danger notifications to the news media during the fire season when the fire danger is very high or extreme.

### **How this output improves fire outcomes**

This output aims to improve fire outcomes in two ways by:

- Making sure a schedule of rural fire standards are in place for fire authorities in terms of rural fire management.
- Providing information for fire authorities to assess the level of fire risk throughout the year.

Combined, this achieves better levels of operational readiness that results in improved responses to rural fire incidents.

### **Performance Measures**

3.3.1 A schedule of rural fire standards was planned to be developed and implemented.

Standards for fire equipment, fire weather observation, and protective clothing are ready for final approval by the National Rural Fire Advisory Committee in July 2006. The training standard was drafted and will be refined and finalised during 2006/07.

3.3.2 Ten audits of fire authorities were planned for compliance against the rural fire standards by 30 June 2006.

No audits were completed due to longer than anticipated time to develop and agree the standards.

3.3.3 Fire authorities provided with written audit reports within two months of the audit.

No standards audits completed.

- 3.3.4 A performance assessment criteria was planned to be developed and implemented for evaluating fire authority performance under the Forest and Rural Fires Act.

A draft assessment criterion was developed and two pilot assessments conducted resulting in further refinements to the criteria. During 2006/07 the NRFA will consult with stakeholders on the assessment process and begin the assessment process.

- 3.3.5 Five evaluations were planned of fire authorities performance under the Forest and Rural Fires Act.

Two pilot assessments completed.

- 3.3.6 The NRFA planned to provided fire authorities with a written draft performance evaluation report within two months of the evaluation taking place

No evaluation reports completed.

- 3.3.7 A 95% target was set for fire authority acceptance of performance evaluation reports without recourse to mediation.

No evaluation reports completed.

- 3.3.8 Fire weather information was planned to be available to all fire authorities on a daily basis during the fire season and at least monthly at other times.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Days available during the fire season	179	180	182
Percentage availability	98%	99%	100%
Total days available during the year	362	362	365
Percentage availability	99%	99%	100%

- 3.3.9 Fire weather information was planned to be updated daily by 3pm on 95% of days during the fire season.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Updated by 3pm during the fire season	98%	99%	95%

3.3.10 Fire danger notifications were planned to be issued to the news media during the fire season.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Number of notifications	1	1	90

3.3.11 Advice to relevant news media was planned to be transmitted by 3pm on 95% of the days when fire danger was very high or extreme.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Advice provided by 3 pm	100%	100%	95%

3.3.12 The national rural fire officer planned to declare prohibitions, if required, in accordance with section 20 of the Forest and Rural Fires Act 1977. Prohibitions were for when occurrence of weather or other conditions presented an extreme fire hazard whereby life and property was endangered by the outbreak of fires in a specified area.

One declared - A total fire ban declared by the national rural fire officer across North and Central Otago and Canterbury for the following 24 hours took effect from midday on 1 September 2005. Another notification was made in January 2006.

#### **Output 3.4 Advice to the public and to key groups in rural lands**

This output includes advice to the public and to key groups about:

- Mitigation and hazard reduction to reduce the consequences of wildfires on forest and rural lands
- Fire safety behaviour appropriate to the use and enjoyment of forest and rural land
- Liability that landowners and members of the public have for fires they cause.

The National Rural Fire Authority (NRFA) co-ordinates a national campaign to promote fire-safe behaviour in rural areas. The national campaign is run in conjunction with the New Zealand Forest Owners Association and the Department of Conservation.

The campaign focuses on fire prevention and making landowners and the general public aware of their legal obligations with respect to wildfires. Fire authorities also carry out local campaigns within their jurisdictions during the year.

The output also includes the training and education of people involved in preventing and suppressing rural fires.

The NRFA also promotes and encourages research in matters relating to rural fire control. The key component of this is the wildfire threat analysis. It provides a framework for systematically identifying the level of threat a particular area faces from wildfire. The level of wildfire threat is related to a combination of ignition potential, potential fire behaviour and the value of the property threatened.



## How this output improves fire outcomes

This output aims to change the behaviour of people using rural lands so they act in a manner that is fire-safe. Changing behaviour will reduce the number of fires starting and therefore reduce the consequences of fire.

Also included is the training of people who carry out rural fire management activities. Improving the skills of these people will result in improved understanding of the risk of fire and improved response skills. This will lead to better fire outcome results.

Research improves the level of knowledge and understanding of rural fire control. This enables more informed targeting and improved service delivery that will result in better fire outcomes in rural areas.

## Performance Measures

- 3.4.1 Coordination of an education and promotion campaign, in partnership with rural stakeholders, was planned during the fire season to raise public awareness of the hazards associated with fire in forest and rural areas.

National promotions on fire danger awareness and actions to take to prevent wildfires were carried out over January to March months on Television and radio. Other initiatives included Farm Fire Safe and FarmSmart Home owners' manual, which promotes fire safety in the farm environment.

- 3.4.2 In conjunction with fire authorities, advice to landowners was planned to ensure they:
- Were aware of their legal obligations
  - Had the knowledge to make fire safe decisions concerning the management of their own property and the safeguarding of neighbouring properties.

The summer promotions included information and advice to make sure landowners are aware of their obligations.

- 3.4.3 The NRFA planned to train people using the rural fire tutorial packages.

	2005/06 Actual	2004/05 Actual	2005/06 SOI target
Number of people trained	47	120	150

- 3.4.4 Rural fire course content aimed to provide the knowledge requirements of the relevant New Zealand Qualifications Authority unit standard.

The course content meets the requirements of the NZQA standard.

- 3.4.5 In partnership with rural stakeholders, promotion and encouragement of research in rural fire control was planned to: better manage the risk of fire, better understand fire behaviour in different fuel types, provide improved standards for fire preparedness and to improve the understanding of fire ecology in land management.

Research is on-going in the areas of rural fire management with emphasis on fire weather prediction, wildfire threat information and fire as a land management tool.

## Statement of Accounting Policies

for the year ended 30 June 2006

### Reporting entity

These are the financial statements of the New Zealand Fire Service Commission (the Commission), a Crown entity under the Crown Entities Act 2004 and the Public Finance Act 1989; and a body constituted under Section 4 (1) of the Fire Service Act 1975. These financial statements have been prepared in accordance with the Public Finance Act 1989.

### Measurement base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance, cash flows and financial position on a historical cost basis, modified by the revaluation of certain assets, have been applied in the preparation of these financial statements.

### Changes in accounting policies

There have been no changes in accounting policies. All other policies have been applied on a basis consistent with those used in the previous year.

### Accounting policies

The following accounting policies, which materially affect the measurement of financial performance and financial position, have been applied:

#### Budget

The budget figures are derived from the Estimates of Expenditure as approved by the Commission.

The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Commission for the preparation of the financial statements.

#### Revenue recognition

Section 48(12) of the Fire Service Act 1975 deems the proceeds of the fire service levy on contracts of fire insurance to be revenue of the Commission upon receipt. Levy proceeds are therefore recognised on a cash basis.

The revenue recognised in the Statement of Financial Performance includes all revenue from operating sources, including the Rural Fire Fighting Fund. The Rural Fire Fighting Fund has been established in accordance with S46A of the Fire Service Act 1975.

### Donated services

The operations of the Commission are dependent on the services provided by volunteer firefighters. Their contributions are essential for the provision of a comprehensive, efficient and effective emergency service throughout New Zealand. Donated services are not recognised in these financial statements because of the difficulty of determining their value with reliability.

### Donated assets

Individual fire brigades have independently acquired or received additional fixed assets, largely through fundraising and donations from local communities. While the majority of these assets are available for use in general operation, they are not considered to be “controlled” by the Commission as defined under the statement of concepts for general purpose financial reporting. For this reason, such assets are not included in the statement of financial position.

### Investments

Investments are valued at the lower of cost or net realisable value.

### Accounts receivable

Accounts receivable are stated at net realisable value after providing for doubtful debts.

### Property, plant and equipment

Land and buildings are stated at fair value, as determined by an independent registered valuer. Fair value is determined using market-based evidence and is determined by reference to the highest and best use of those assets. Land and buildings were revalued as at 30 June 2006.

The results of re-valuing land and buildings are credited or debited to the revaluation reserve for that class of asset. Where a revaluation results in a debit balance in the revaluation reserve, the debit balance will be expensed in the statement of financial performance.

All other fixed assets are valued at historical cost. Any write-down of an item to its recoverable amount is recognised in the statement of financial performance.

### Depreciation

Fixed assets, other than land and capital work in progress, are depreciated on a straight line basis at rates estimated to write off the cost (or revaluation), less the residual value, over their useful life. When buildings are revalued, a reassessment is made of their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Buildings (including components)	10-70 years	1-10%
Fire appliances (including components)	20-30 years	3-5%
Motor vehicles	4-20 years	5-25%
Communications equipment	5 years	20%
SITE	10 years	10%
Operational equipment	4-10 years	10-25%
Non-operational equipment	5-10 years	10-20%
Computer equipment	4-10 years	10-25%
Leasehold improvements	3-10 years	10-33%
Leased assets	Life of lease	

The cost of leasehold improvements is capitalised and depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is shorter.

Capital work in progress is not depreciated. The total cost of a project is transferred to the fixed asset class on its completion and then depreciated.

### **Employee and volunteer entitlements**

Provision is made in respect of the Commission's liability for annual leave, long service leave and gratuities. Annual leave has been calculated on an entitlement basis at current remuneration rates.

Long service leave and gratuities are calculated on an actuarial basis, an approach that recognises the liability attributable to employees' and volunteers' services already rendered, and the liability is measured using expected future cash outflows. In recent years the Commission provision has been higher than the actuarial calculation and has been decreasing by attrition. At 30 June 2006 the book value of the liability was \$29.176m compared to the actuarial calculation of \$26.485m.

The anticipated payment for long service leave and gratuities during the 2006/07 financial year is \$2.693m. This will bring the liability into line with the actuarial calculation at 30 June 2007.

### **Foreign currency**

The Commission uses foreign exchange contracts to manage its foreign currency exposure in relation to the purchase of material fixed assets. All costs relating to foreign currency instruments are capitalised to the related asset.

Foreign currency transactions are converted at the New Zealand dollar exchange rate at the date the contracted liability is established. Where a forward exchange contract has been entered into, the forward exchange rate is used to convert the transaction into New Zealand dollars. Consequently, no gain or loss resulting from the difference between the forward exchange contract rate and the settlement date value is recognised.

### **Financial instruments**

The Commission is party to financial instruments as part of its normal operations. These instruments include bank deposits/overdrafts, investments, accounts receivable, accounts payable and debt. All these financial instruments are recognised in the statement of financial position and all revenues and expenses in relation to these financial instruments are recognised in the statement of financial performance.

The financial instruments for the bank deposits/overdrafts and debt have been approved by the Ministers in accordance with the Crown Entities Act 2004.

### **Goods and Services Tax (GST)**

All items in the financial statements are exclusive of GST, with the exception of accounts receivable and accounts payable, which are stated with GST included.

### **Taxation**

The Commission is exempt from the payment of income tax in accordance with both the Income Tax Act 2004 and the Fire Service Act 1975.

### **Finance Leases**

Leases which effectively transfer to the Commission substantially all the risks and benefits incidental to ownership are classified as finance leases. These leases are capitalised at the lower of the fair value of the asset or the present value of the minimum lease payments. The leased assets corresponding to lease liabilities are recognised in the statement of financial position.

### **Operating leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are recognised as expenses in the periods in which they are incurred.

### **Commitments**

Future expenses and liabilities to be incurred on contracts that have been entered into at balance date are disclosed as commitments to the extent that there are equally unperformed obligations.

### **Contingent liabilities**

Contingent liabilities are disclosed at the point at which the contingency becomes evident.

### **Adoption of New Zealand International Financial Reporting Standards (NZ IFRS)**

The New Zealand Fire Service Commission will be adopting New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) for the financial year commencing 1 July 2007.

The Commission's process for managing the transition to NZ IFRS has been to establish a project team to:

- develop NZ IFRS compliant accounting policies that are consistent with the NZ IFRS accounting policies being developed by the Treasury for New Zealand Crown Entities
- identify the impacts of adopting these NZ IFRS compliant accounting policies
- ensure systems and processes are in place to capture NZ IFRS comparative information through the 2006/07 financial year in parallel with current reporting requirements.

The major change under the Commission's NZ IFRS accounting policies will be in relation to the valuation of fixed assets. The Commission will apply S44 of NZ IFRS 1 to use Fair Value as the deemed cost of these items. These values have been determined by Quotable Value New Zealand as at 1 July 2006.

## Statement Specifying Financial Performance

for the year ended 30 June 2006

The Commission approved the following financial targets shown in the budget. How the Fire Service performed against these targets is reflected in the actuals:

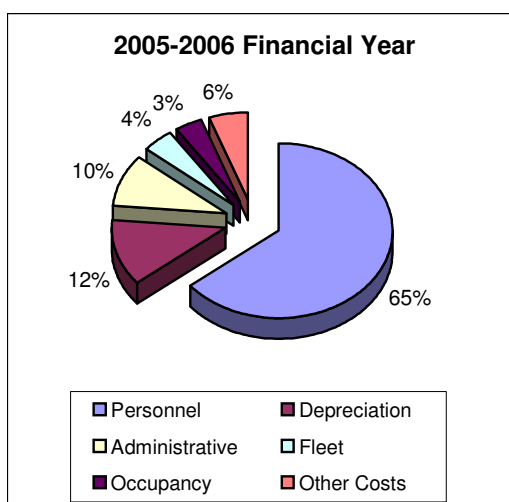
	<b>05/06 Actual \$000</b>	<b>05/06 Budget \$000</b>	<b>04/05 Actual \$000</b>
Total operating expenditure (excluding funds)	254,195	256,817	241,981
Levy receipts	254,276	250,084	249,040
Rural Fire Fighting Fund expenditure	4,595	2,000	1,123
Capital expenditure	28,554	42,493	33,654

### Total Operating Expenditure (excluding funds)

	<b>05/06 Actual \$000</b>	<b>05/06 Budget \$000</b>	<b>04/05 Actual \$000</b>
Total operating expenditure (excluding funds)	254,195	256,817	241,981

Operating expenditure between financial years was driven by:

- A 3% increase in salaries, wages and associated employment costs.
- Growth in depreciation costs through the purchase of operational equipment (mostly protective clothing), buildings and appliances.
- Higher utility charges across the board.
- Increased fuel and fleet maintenance charges either through general contract price adjustments or through greater investment in this area.
- Introduction of new operational clothing and increases in maintenance costs.

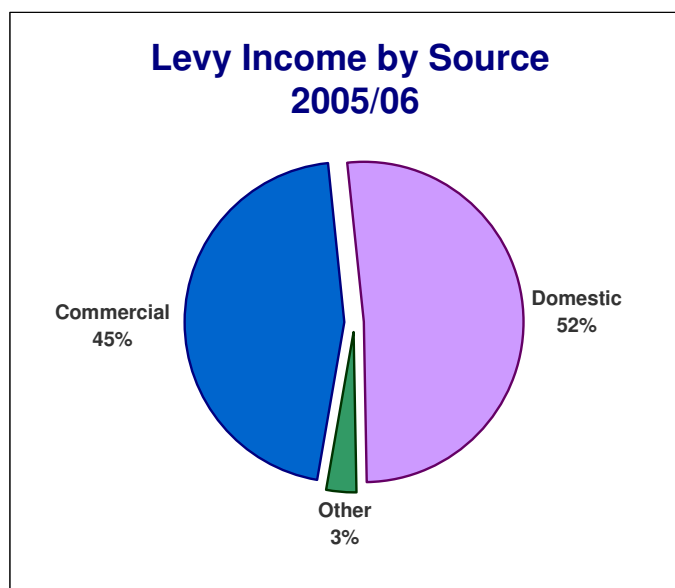


## Levy Receipts

	<b>05/06 Actual \$000</b>	<b>05/06 Budget \$000</b>	<b>04/05 Actual \$000</b>
Levy receipts	254,276	250,084	249,040
Less contribution to Rural Fire Fighting Fund	550	1,000	100
Net levy receipts	<u>253,726</u> =====	<u>249,084</u> =====	<u>248,940</u> =====

The levy rate remained constant throughout the year at 7.3 cents per \$100 of insured value. Interest and penalty surcharge were consistently imposed on levy payers who failed to meet their statutory obligations.

The contribution to the Rural Fire Fighting Fund from the levy is approved by the Minister of Internal Affairs. The Fund also receives a contribution from the Department of Conservation. The contributions from Fire Service Levy and Vote Conservation are in proportion to claims for costs of suppressing fires on Conservation estates or other properties.



## Fund Expenditure

	<b>05/06 Actual \$000</b>	<b>05/06 Budget \$000</b>	<b>04/05 Actual \$000</b>
Rural Fire Fighting Fund	4,595	2,000	1,123
Contestable Research Fund	0	0	418
Total fund expenditure	<u>4,595</u> =====	<u>2,000</u> =====	<u>1,541</u> =====

With the repeal of S58a of the Fire Service Act 1975 in 2005, all funds other than the Rural Fire Fighting Fund were closed and either incorporated within the normal operating expenditure of the Commission or held as a provision on the balance sheet.

The Rural Fire Fighting Fund, which was established and operated under s46 of the Fire Service Act 1975, is funded from a contribution from the Fire Service levy and from a grant provided from the Department of Conservation.

The expenditure from the fund is dependent upon the claims made on that fund in any one year. In 2005/06 there were 122 claims against the fund which were eligible for grant assistance. These claims are reflected in the high level of fund expenditure for the year. The most significant fires in terms of claims (greater than \$100,000) on the fund were: Canvastown, Ruapeka, Kaimaumuau Wetlands, Spencer Park, Onekura Road, Handyside Stream fire, Aston Drive/Bottle Lake Forest, Snake Point, Horse Range Road, Closeburn and Kaipatiki.

## Capital Expenditure

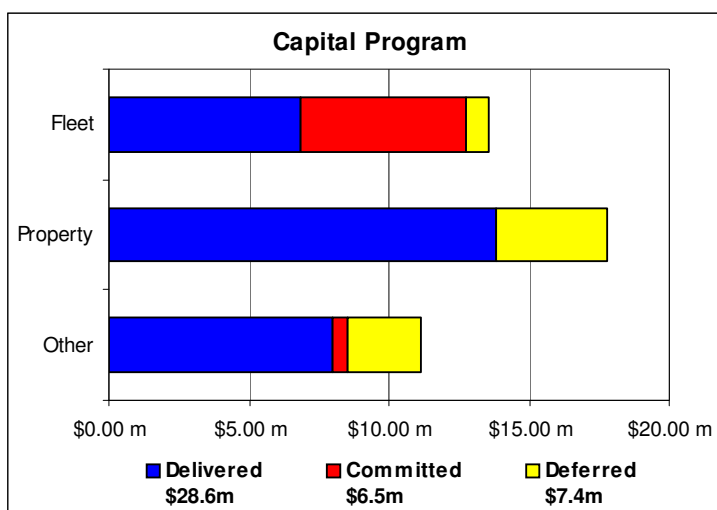
	<b>Actual 2006 \$000</b>	<b>Budget 2006 \$000</b>
Fleet	6,833	13,560
Property	13,754	17,767
Other	7,967	11,166
<b>Total Capital Expenditure</b>	<b>28,554</b>	<b>42,493</b>

As at 30 June 2006, the majority of programs for 2005/06 had been committed and had either been delivered or were in the process of being delivered. Actual expenditure includes expenditure committed in prior years and paid in the current year.

A commitment is reflected in the notes to the accounts when an order is raised with a supplier (creating an obligation on our behalf) but the goods ordered have, at

balance date, not been delivered. Commitments include \$6m for fleet (including 8x type 2, 6x type 3, 5x type 4 appliances) and \$500k for Communications Equipment.

Deferred capital expenditure includes \$800k for appliances and \$4m for property (\$2.3m for Takapuna fire station). Deferred other capital expenditure includes \$1.1m of Communications Equipment not required immediately.





## Statement of Financial Performance

for the year ended 30 June 2006

	Note	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
Levy receipts		254,276	250,084	249,040
Interest		2,613	1,700	2,040
Other revenue	1	11,367	11,090	9,792
<b>Total operating revenue</b>		<b>268,256</b>	<b>262,874</b>	<b>260,872</b>
<b>Operating Expenditure</b>				
Personnel expenditure	2	165,907	160,159	162,978
Other expenditure	3	88,288	96,658	79,003
<b>Total operating expenditure excluding funds</b>		<b>254,195</b>	<b>256,817</b>	<b>241,981</b>
<b>Fund expenditure</b>	4	<b>4,595</b>	<b>2,000</b>	<b>1,541</b>
<b>Total operating expenditure including funds</b>		<b>258,790</b>	<b>258,817</b>	<b>243,522</b>
<b>Net surplus/(deficit)</b>	4	<b>9,466</b>	<b>4,057</b>	<b>17,350</b>

*The statement of accounting policies and the accompanying notes form an integral part of these financial statements.*

## Statement of Movements in Equity

for the year ended 30 June 2006

	Note	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
<b>Equity at beginning of year</b>		<b>357,307</b>	<b>341,747</b>	<b>302,898</b>
Net surplus/(deficit) from operations	<b>4</b>	9,466	4,057	17,350
Reduction of fund accounts		0	0	(4,006)
Net increase in revaluation reserve	<b>14</b>	37,256	0	41,065
<b>Total movement in equity for the year</b>		<b>46,722</b>	<b>4,057</b>	<b>54,409</b>
<b>Equity at end of year</b>		<b>404,029</b>	<b>345,804</b>	<b>357,307</b>

*The statement of accounting policies and the accompanying notes form an integral part of these financial statements.*

## Statement of Financial Position

as at 30 June 2006

	Note	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
<b>Current assets</b>				
Cash and bank	6	39,460	23,221	29,898
Other current assets	7	6,383	2,850	3,304
<b>Total current assets</b>		<b>45,843</b>	<b>26,071</b>	<b>33,202</b>
<b>Non-current assets</b>				
Property, plant and equipment	8	441,823	388,852	405,886
<b>Total non-current assets</b>		<b>441,823</b>	<b>388,852</b>	<b>405,886</b>
<b>Total assets</b>		<b>487,666</b>	<b>414,923</b>	<b>439,088</b>
<b>Current liabilities</b>				
Employee and volunteer entitlements	10	21,421	11,494	16,257
Current portion of debt	11	4,649	2,396	4,993
Unamortised gain on sale and leaseback		475	475	257
Other current liabilities	12	21,556	16,796	20,342
<b>Total current liabilities</b>		<b>48,101</b>	<b>31,161</b>	<b>41,849</b>
<b>Non-current liabilities</b>				
Employee and volunteer entitlements	10	27,717	28,000	29,028
Unamortised gain on sale and leaseback		0	0	475
Term debt	11	7,819	9,958	10,429
<b>Total non-current liabilities</b>		<b>35,536</b>	<b>37,958</b>	<b>39,932</b>
<b>Total liabilities</b>		<b>83,637</b>	<b>69,119</b>	<b>81,781</b>
<b>Equity</b>				
Equity	9	154,609	146,821	142,458
Funds	13	-319	7,767	2,759
Revaluation reserve	14	249,739	191,216	212,090
<b>Total equity</b>		<b>404,029</b>	<b>345,804</b>	<b>357,307</b>
<b>Total liabilities and equity</b>		<b>487,666</b>	<b>414,923</b>	<b>439,088</b>

*The statement of accounting policies and the accompanying notes form an integral part of these financial statements.*

## Statement of Cashflows

for the year ended 30 June 2006

	Note	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
<b>Cash flows from operating activities</b>				
Cash was provided from:				
Levy		254,276	250,084	249,040
Interest		2,613	1,700	2,040
Other revenue		9,151	11,090	8,869
Net GST received/(paid)		788	(91)	(792)
		<b>266,828</b>	<b>262,783</b>	<b>259,157</b>
Cash was disbursed to:				
Employees		(158,656)	(160,158)	(153,861)
Suppliers		(61,965)	(65,635)	(54,364)
Interest		(934)	(970)	(959)
		<b>(221,555)</b>	<b>(226,763)</b>	<b>(209,184)</b>
<b>Net cash flows from operating activities</b>	<b>5</b>	<b>45,273</b>	<b>36,020</b>	<b>49,973</b>
<b>Cash flows from investing activities</b>				
Cash was provided from:				
Disposal of fixed assets		378	3,659	60
Disposal of investments		3	0	3
		381	3,659	63
Cash was disbursed to:				
Purchase of fixed assets		(33,137)	(40,715)	(35,744)
<b>Net cash flows from investing activities</b>		<b>(32,756)</b>	<b>(37,056)</b>	<b>(35,681)</b>
<b>Cash flows from financing activities</b>				
Cash was disbursed to:				
Repayment of debt		(2,955)	(5,631)	(6,569)
<b>Net cash flows from financing activities</b>		<b>(2,955)</b>	<b>(5,631)</b>	<b>(6,569)</b>
<b>Net increase/(decrease) in cash and bank</b>		<b>9,562</b>	<b>(6,667)</b>	<b>7,723</b>
Add cash and bank at beginning of year		29,898	29,888	22,175
<b>Cash and bank at end of year</b>		<b>39,460</b>	<b>23,221</b>	<b>29,898</b>

*The statement of accounting policies and the accompanying notes form an integral part of these financial statements.*

## Statement of Commitments

as at 30 June 2006

	Actual 2006 \$000	Actual 2005 \$000
<b>Capital commitments</b>	<b>16,534</b>	<b>15,163</b>
<b>Operating lease commitments</b>		
Not later than one year	3,467	3,485
Later than one year and not later than two years	2,371	2,499
Later than two years and not later than five years	3,988	4,092
Later than five years	4,499	4,060
<b>Total operating lease commitments</b>	<b>14,325</b>	<b>14,136</b>
<b>Total commitments</b>	<b>30,859</b>	<b>29,299</b>

Capital commitments relate to firm orders placed before the end of year. The majority of these are contracts for fire appliances. Commercial penalties exist for the cancellation of these contracts.

Operating lease commitments include lease payments for motor vehicles, office premises, computer equipment and office equipment.

## Statement of Contingent Liabilities

as at 30 June 2006

Contingent liabilities are disclosed at the estimated cost of a possible financial settlement.

	Actual 2006 \$000	Actual 2005 \$000
Personal grievances	0	5
Legal proceedings	0	0
<b>Total contingent liabilities</b>	<b>0</b>	<b>5</b>

The Commission is currently contesting other claims which have not been quantified due to the nature of the issues, uncertainty of the outcome and/or the extent to which the Commission has a responsibility to a claimant.

*The statement of accounting policies and the accompanying notes form an integral part of these financial statements.*

## Notes to the Financial Statements

for the year ended 30 June 2006

### Note 1 – Other Revenue

	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
Commercial services	426	1,553	135
Private fire alarms revenue	1,539	1,424	1,582
Rural fire fighting contributions	867	1,200	623
False alarms	2,774	1,594	1,519
Rents	447	283	371
Contributions	2,159	2,066	1,966
Amortisation of gain on sale and leaseback	257	89	430
Fund reserve adjustments	0	0	1,396
Adjustments to Provisions	1,094	0	0
Miscellaneous revenue	1,804	2,881	1,770
<b>Total other revenue</b>	<b>11,367</b>	<b>11,090</b>	<b>9,792</b>

Contributions of \$2.159m (2005 \$1.966m) were received from "good corporate citizens". These are entities that do not insure their property portfolios against fire and have no liability for Fire Service levy payments.

Fund reserve adjustments in 2005 relate to the write back of the Contestable Research Fund, Physical Competency Transition Fund and the Volunteer Needs Fund per the repeal of Section 58A of the Fire Service Act 1975.

Adjustments to Provisions follows the revaluation of the ACC Partnership Provision (see Note 12).

### Note 2 - Personnel Expenditure

	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
Salaries and wages	132,121	133,258	128,960
Holidays Act Provision	4,334	0	5,953
Superannuation subsidy	12,214	12,653	11,784
ACC	1,386	1,911	1,231
Volunteers	4,012	4,217	3,760
Other personnel expenditure	11,840	8,120	11,290
<b>Total personnel expenditure</b>	<b>165,907</b>	<b>160,159</b>	<b>162,978</b>

The increase in personnel expenditure resulted from:

- Increase in salaries and wages per the collective agreement
- Judgement of the Employment Court in relation to the interpretation of entitlements under the Holidays Act 2003.

**Note 3 - Other Expenditure**

	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>2006</b>	<b>2006</b>	<b>2005</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Remuneration of auditors - audit fees	156	156	149
Remuneration of auditors - other services	35	100	39
Fees paid to Commissioners	113	112	112
Depreciation:			
Buildings	10,529	10,201	10,148
Fire appliances	4,731	4,732	4,565
Motor vehicles	167	193	132
Communications equipment	913	1,153	1,221
SITE	1,621	1,621	1,621
Operational equipment	1,780	3,269	1,686
Non-operational equipment	691	720	612
Computer equipment	2,925	3,586	2,961
Leasehold improvements	424	422	304
Leased communications equipment	625	602	711
Leased operational equipment	5,109	3,606	3,904
Leased non-operational equipment	56	55	56
Leased computer equipment	497	566	524
Total depreciation	30,068	30,726	28,445
Fixed asset write-offs			
Land	18	0	0
Buildings	397	1,328	165
Fire appliances	33	0	17
Motor vehicles	1	0	3
Computer equipment	2	0	4
Communications equipment	0	0	2
Operational equipment	305	0	21
Non-operational equipment	2	0	1
Total fixed asset write-offs	758	1,328	213
Increase in provision for doubtful debts	411	53	21
Interest	24	78	4
Finance charge on finance lease	904	892	875
Rental expense on operating leases	4,617	5,073	3,550
Occupancy	7,902	7,925	6,920
Fleet	10,254	9,486	8,507
Supplies and consumables	7,082	5,767	5,388
Communications	5,764	5,587	5,326
Publicity and advertising	3,729	5,399	3,597
Other	16,471	23,976	15,895
<b>Total other expenditure</b>	<b>88,288</b>	<b>96,658</b>	<b>79,042</b>

The provision for doubtful debts reflects the uncertainty around some false alarm invoices taken over by the Fire Service when the monitoring provider was changed.

**Note 4 - Net Surplus/(Deficit)**

	Revenue	Expenditure	Net surplus/ (deficit)	Net surplus/ (deficit)
	2006	2006	2006	2005
	\$000	\$000	\$000	\$000
Rural Fire Fighting Fund	1,517	(4,595)	(3,078)	(499)
Other Funds	0	0	0	3
<b>Total surplus/(deficit) from funds</b>	<b>1,517</b>	<b>(4,595)</b>	<b>(3,078)</b>	<b>(496)</b>
<b>Total surplus/(deficit) from operations</b>	<b>266,739</b>	<b>(254,195)</b>	<b>12,544</b>	<b>17,846</b>
<b>Net surplus</b>	<b>268,256</b>	<b>(258,790)</b>	<b>9,466</b>	<b>17,350</b>

The Rural Fire Fighting Fund revenue includes levy funding of \$0.55m (2005 \$0.1m).

**Note 5 - Reconciliation of Net Surplus/(Deficit) with the Net Cash Flows from Operating Activities**

	Actual 2006 \$000	Actual 2005 \$000
<b>Net surplus/(deficit)</b>	<b>9,466</b>	<b>17,350</b>
<b>Add/(subtract) non-cash items:</b>		
Depreciation	30,068	28,445
Increase in provision for doubtful debts	411	21
Amortisation of gain on sale and leaseback	(257)	(430)
Fixed asset write-offs	758	213
Movement of non-current assets to current	3,155	0
Reduction in provisions	(1,091)	(1,814)
(Decrease) in provision for non-current employee and volunteer entitlements	1,311	(1,311)
<b>Total non-cash items</b>	<b>31,733</b>	<b>25,241</b>
<b>Add/(subtract) movements in working capital:</b>		
Increase/(decrease) in accounts payable and accruals	2,305	2,937
Increase/(decrease) in current employee and volunteer entitlements	5,164	6,985
Increase/(decrease) in provision accounts	0	(2,192)
Increase/(decrease) in other current assets	(3,926)	(458)
<b>Net movements in working capital</b>	<b>3,544</b>	<b>7,272</b>
<b>Add items classified as investing activities:</b>		
Loss on disposal of fixed assets	530	110
<b>Total investing activity items</b>	<b>530</b>	<b>110</b>
<b>Net cash flows from operating activities</b>	<b>45,273</b>	<b>49,973</b>



## Note 6 - Bank Overdraft

The bank overdraft facility available totals \$250,000 and is unsecured. The current interest rate on the bank overdraft is 9% per annum (2005 11%). This is a floating rate set by the bank. The Commission maintained a wholesale advance facility up to a maximum of \$10 million with the Westpac Bank which expired on 30 June 2006.

In addition, the Commission has committed and uncommitted borrowing facilities available to it from financial institutions.

## Note 7 - Other Current Assets

	2006	2005
	\$000	\$000
Accounts receivable	4,300	3,114
Less provision for doubtful debts	(575)	(164)
	3,725	2,950
Prepayments	350	354
Properties for sale	2,308	0
<b>Total</b>	<b>6,383</b>	<b>3,304</b>

In 2006 the Fire Service took over the charging of false alarms following the restructure of the signal transport system. This is reflected in the increase in accounts receivable and provision for doubtful debts.

Properties for sale includes two Auckland properties planned to be sold within 12 months.

**Note 8 - Property, Plant and Equipment**

	<b>Cost or Revaluation 2006 \$000</b>	<b>Accumulated depreciation 2006 \$000</b>	<b>Net book value 2006 \$000</b>
Land	139,959	0	139,959
Buildings	190,280	3,306	186,974
Fire appliances	166,181	108,680	57,501
Motor vehicles	2,423	1,465	958
Communications equipment	8,715	5,878	2,837
SITE	17,904	14,527	3,377
Operational equipment	20,401	10,783	9,618
Non-operational equipment	6,661	4,468	2,193
Computer equipment	19,747	9,153	10,594
Leasehold improvements	3,319	1,285	2,034
Leased assets:			
Communications equipment	1,371	1,336	35
Operational equipment	20,349	9,013	11,336
Non-operational equipment	167	112	55
Computer equipment	1,373	1,021	352
Work in progress:			
Buildings	4,032	0	4,032
Fire appliances	8,668	0	8,668
Computer equipment	1,211	0	1,211
Other	89	0	89
Total work in progress	14,000	0	14,000
<b>Total</b>	<b>612,850</b>	<b>171,027</b>	<b>441,823</b>

**Note 8 - Property, Plant and Equipment (cont...)**

	<b>Cost or Revaluation 2005 \$000</b>	<b>Accumulated depreciation 2005 \$000</b>	<b>Net book value 2005 \$000</b>
Land	128,042	0	128,042
Buildings	162,879	2,524	160,355
Fire appliances	157,389	105,826	51,563
Motor vehicles	2,299	1,458	841
Communications equipment	7,268	4,978	2,290
SITE	17,904	12,906	4,998
Operational equipment	18,504	9,159	9,345
Non-operational equipment	6,234	3,802	2,432
Computer equipment	15,407	6,454	8,953
Leasehold improvements	2,727	861	1,866
Leased assets:			
Communications equipment	1,349	711	638
Operational equipment	17,592	3,905	13,687
Non-operational equipment	167	56	111
Computer equipment	1,346	524	822
Work in progress:			
Buildings	4,985	0	4,985
Fire appliances	12,025	0	12,025
Computer equipment	1,971	0	1,971
Other	962	0	962
Total work in progress	19,943	0	19,943
<b>Total</b>	<b>559,050</b>	<b>153,164</b>	<b>405,886</b>

Land and buildings were re-valued at fair value by Quotable Value New Zealand Limited, members of the New Zealand Institute of Valuers, as at 30 June 2006. Building components not revalued totalled \$18.061m (2005 \$11.36m). Included in the buildings not revalued in 2006 was the Fire Service Training Centre (\$10.13m) which was opened in July 2006.

All land and buildings for disposal are subject to a consultative clearance process set up for the settlement of Maori land claims.

The Shared Information Technology Environment (SITE) asset is the systems and technology platform that supports receiving emergency calls and dispatching resources to emergency incidents. These SITE assets include the computer aided dispatch software, Land Mobile Radio (LMR) network and associated telecommunications infrastructures. This asset is primarily housed in the communication centres shared with the New Zealand Police. The value capitalised reflects the Fire Service's proportional ownership of the SITE asset.

The Fire Service has no proprietary interest in the leased assets and cannot dispose of them.

**Note 9 - Equity**

	Note	2006 \$000	2005 \$000
Equity at beginning of year		142,458	124,501
Revaluation realised on disposal of land and buildings	14	(393)	111
Net surplus from operations	4	12,544	17,846
<b>Total movement from operations</b>		<b>154,609</b>	<b>142,458</b>
Funds	13	(319)	2,759
Revaluation Reserve	14	249,739	212,090
		<b>404,029</b>	<b>357,307</b>

**Note 10 - Employee and Volunteer Entitlements**

	2006 \$000	2005 \$000
<b>Current entitlements</b>		
Accrued salaries and wages	15,107	10,080
Accrued annual leave	4,855	4,649
Provision for long service leave and gratuities	1,459	1,528
<b>Total entitlements</b>	<b>21,421</b>	<b>16,257</b>
<b>Non-current entitlements</b>		
Provision for long service leave and gratuities	27,717	29,028
<b>Total non-current entitlements</b>	<b>27,717</b>	<b>29,028</b>
<b>Total employee and volunteer entitlements</b>	<b>49,138</b>	<b>45,285</b>

Accrued salaries and wages include \$4.334m provision for the Employment Court judgement in relation to the interpretation of the Holidays Act 2003. In total the Commission has provided \$10.4m to 30 June 2006 in the event the Holidays Act judgement goes against it.

**Note 11 - Debt**

	<b>2006</b>	<b>2005</b>
	<b>\$000</b>	<b>\$000</b>
Debt balances are comprised of the following:		
Capital expenditure debt	12,468	15,422
	<b>12,468</b>	<b>15,422</b>
<b>(a) Current</b>		
Finance lease liabilities	4,649	4,993
Unsecured debt	0	0
<b>Total current debt</b>	<b>4,649</b>	<b>4,993</b>
<b>(b) Non-current</b>		
Finance lease liabilities	7,819	10,429
Unsecured debt	0	0
<b>Total non-current debt</b>	<b>7,819</b>	<b>10,429</b>
<b>Analysis of finance lease liabilities</b>		
Payable no later than 1 year	5,347	5,762
1-3 years	6,765	8,098
3-5 years	1,689	3,092
	13,801	16,952
Future finance charges	(1,333)	(1,530)
<b>Total finance lease liability</b>	<b>12,468</b>	<b>15,422</b>

The effective interest rate on the finance leases is 7.81% (2005 6.57%). The finance leases are secured over the assets to which they relate.

**Note 12 – Other Current Liabilities**

	<b>2006</b>	<b>2005</b>
	<b>\$000</b>	<b>\$000</b>
Accruals	7,313	4,497
Accounts payable	8,565	9,695
Provisions	1,098	2,189
Other creditors	4,580	3,961
	<b>21,556</b>	<b>20,342</b>

The movement in Provisions resulted from the revaluation of the ACC Partnership Provision. This reserve comprises three parts:

- Outstanding costs for current (or reported) claims;
- Outstanding costs for claims up to 30 June 2006 not yet reported;
- Additions for claims management expenses and for possible post-position handover claims costs.

Movements in the provisions were as follows:

	<b>\$000</b>
Balance 2005	2,189
Contributions to Loss of Medical (Residual)	3
Revaluation adjustment ACC Partnership	<u>(1,094)</u>
Balance 2006	<u>1,098</u>

### Note 13 – Rural Fire Fighting Fund

The Rural Fire Fighting Fund was established under section 46A of the Fire Service Act 1975. The fund is financed by a first charge against the proceeds of the levy and a crown grant through the Department of Conservation. Money from the fund is applied towards meeting costs of fire authorities in the control, restriction, suppression or extinction of fires.

All other funds were closed in the 2004/05 financial year based on the repeal of section 58A of the Fire Service Act 1975. The balances were written back as revenue or, in the case of the Accident Compensation Commission partnership fund and loss of medical (residual) fund, as provision accounts.

		<b>2006</b>	<b>2005</b>
		<b>\$000</b>	<b>\$000</b>
Balance at beginning of year		2,759	3,258
Contributions from:			
Levy	550		100
Department of Conservation	720		200
Other income	147		324
Prior year adjustment	100		
		<u>1,517</u>	<u>624</u>
		4,276	3,882
Claims		(4,595)	(1,123)
<b>Balance at end of year</b>		<b><u>(319)</u></b>	<b><u>2,759</u></b>

As the claims on the fund exceed the amount available, the Minister was advised per the requirement of Section 46J of the Fire Service Act 1975. It was deemed unnecessary for a Crown loan to be raised as it is expected there will be sufficient funds to meet the cost of the 2005/06 claims as they are processed.

## Note 14 - Revaluation Reserve - Land and Buildings

	<b>Land 2006 \$000</b>	<b>Buildings 2006 \$000</b>	<b>Total 2006 \$000</b>
<b>Revaluation reserve at beginning of year</b>	118,724	93,366	212,090
Revaluations	13,505	23,751	37,256
Realisation on disposal	36	357	393
<b>Revaluation reserve at end of year</b>	<b>132,265</b>	<b>117,474</b>	<b>249,739</b>

	<b>Land 2005 \$000</b>	<b>Buildings 2005 \$000</b>	<b>Total 2005 \$000</b>
<b>Revaluation reserve at beginning of year</b>	88,066	83,070	171,136
Revaluations	30,658	10,407	41,065
Realisation on disposal	0	(111)	(111)
<b>Revaluation reserve at end of year</b>	<b>118,724</b>	<b>93,366</b>	<b>212,090</b>

On disposal of an item of land or buildings the portion of the revaluation reserve that relates to that item is taken out of the revaluation reserve, and is transferred to equity.

## Note 15 - Financial Instruments

The Commission is party to financial instruments as part of its everyday operations. These financial instruments include bank accounts, investments, accounts receivable, accounts payable, debt and foreign currency forward contracts.

### Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in exchange rates.

The Commission enters into foreign exchange forward contracts to manage its foreign currency exposure in relation to supply contracts entered into for the purchase of fixed assets. There were no foreign exchange forward contracts in place at 30 June 2006.

### Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Fire Service Act 1975 does not provide for the Commission to enter into hedging transactions, and therefore interest rate investments and debt are not hedged. To limit the interest rate risk the Commission's policy restricts the range of financial instruments that can be entered into.

### Credit risk

Credit risk is the risk that a third party will default on its obligation to the Commission, causing a loss to be incurred.

In the normal course of business the Commission incurs credit risk from trade debtors and transactions with financial institutions.

The Commission places its funds with financial institutions that have a high credit rating as required by S161 of the Crown Entities Act 2004. There is no significant concentration of credit risk arising from trade debtors.

### Fair values

The fair values of financial instruments at 30 June are as follows:

	<b>2006</b>	<b>2005</b>
	<b>\$000</b>	<b>\$000</b>
Cash and bank	39,460	29,898
Accounts receivable	3,725	2,950
Employee and volunteer entitlements	49,138	45,285
Debt	12,468	15,422
Accounts payable and accruals	20,458	18,153
Foreign exchange forward contracts	0	1,581

### Note 16 - Related Party Disclosures

The Commission is a Crown Entity. Crown Entities are required to give effect to government policy. All transactions entered into with government departments, state owned enterprises and other Crown Entities are conducted at arms length on normal business terms.

The office of the Commission maintains a conflict of interest register for members of the Commission. During the period no transactions were entered into with members of the Commission (other than payment of their fees and reimbursement of their expenses).

There were no other related party transactions.



## Note 17 - Remuneration of Commissioners and Committee Members

Remuneration received by members during the year was:

	2006 \$	2005 \$
Dame Margaret Bazley, DNZM	50,000	50,000
Mr Terry Scott	16,185	15,500
Mr John Hercus	15,500	15,500
Dr Piers Reid	15,500	15,500
Ms Angela Foulkes	15,500	15,500
Mr Alan Isaac	5,425	5,600
	<b>118,110</b>	<b>117,600</b>

## Note 18 - Employee Remuneration

Number of employees receiving total remuneration over \$100,000 per annum:

Band \$000	2006 Current Staff		2006 Ceased Staff	
	Non- operational	Operational	Non- operational	Operational
100 - 110	13	13		1
110 - 120	7			
120 - 130	3			
130 - 140	1			
140 - 150	1			
150 - 160	1			
160 - 170	1			
170 - 180				
180 - 190	2			
190 - 200				
200 - 210	1		1	
210 - 220				
220 - 230	1			
300 - 310 *	1			

\* Chief Executive

Band \$000	2005 Current Staff		2005 Ceased Staff	
	Non- operational	Operational	Non- operational	Operational
100 - 110	14	12		3
110 - 120	3	1		
120 - 130	3			
130 - 140	4			
140 - 150	2			
150 - 160	2			
160 - 170	2			
170 - 180				
180 - 190	3			
190 - 200	1			
200 - 210				
270 - 280 *	1			

\* Chief Executive

The number of operational employees receiving over \$100,000 has reduced as a result of a reduction in the number of officer vacancies in Auckland.

There were no severance payments made in the 2005/06 year.

### **Note 19 - Segmental Reporting**

The Commission operates in the industry of providing fire safety and other fire emergency services. These services are provided throughout New Zealand. The Commission is also the National Rural Fire Authority. This function involves the co-ordination of fire services provided by fire authorities. These authorities include district councils, some forest owners and land owning government departments.