



NEW ZEALAND  
**FIRE  
SERVICE  
COMMISSION**  
*Whakararanga Tui*

# National Organisation Local Delivery



**ANNUAL REPORT**

FOR THE YEAR ENDED  
30 JUNE 2007



# Our Vision

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Working with communities to protect what they value.

# Our Mission

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

# Our Values

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## **Serving our Community**

We serve our communities and retain their trust and confidence by understanding what they value and going the extra mile to meet their needs. We deliver on our commitments and can be relied upon.

## **Integrity**

As individuals and collectively, we strive for the highest personal and professional standards. We should act ethically and consistently in our dealings with each other, the public, our suppliers and business partners. We aim to always 'do the right thing' and give effect to the Government's expectations.

## **Adaptability**

We make the most of what we have. With flexibility, 'kiwi ingenuity' and agility, we can respond and adapt to any situation. By working constructively with others, we can achieve more than acting alone.

## **Skill**

We are prepared, capable and professional in all that we do. We strive to 'get it right first time' and value ongoing learning. By continuously reviewing our performance and practicing our skills, we will become more effective individuals and a better organisation.

## **Comradeship**

We respect and support each other. We are loyal to our teams and to the wider Fire Service. As with any family, we look after each other in times of difficulty, accept differences and handle conflicts with honesty.



# New Zealand Fire Service Commission Annual Report

FOR THE YEAR ENDED 30 JUNE 2007

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## Table of Contents

Transmittal Letter .....	2
Local Delivery – National Service.....	4
National Rural Fire Authority Overview .....	8
Fire Service Overview .....	10
Statement of Responsibility .....	17
Audit Report.....	18
Statement of Service Performance .....	20
Statement of Accounting Policies .....	58
Statement Specifying Financial Performance.....	61
Statement of Financial Performance .....	64
Statement of Movements in Equity .....	65
Statement of Financial Position .....	66
Statement of Cashflows.....	67
Statement of Commitments .....	68
Statement of Contingent Liabilities.....	68
Notes to the Financial Statements.....	69

30 October 2007

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 2007.**

### **Fire Outcomes**

The principal responsibility of the Commission is to reduce the incidence of fire and its consequences for people, property, communities and the environment. This annual report sets out how we performed across a wide range of strategies and programmes designed to meet that responsibility. During the course of each year the Commission tracks four key indicators to monitor performance. One indicator of the outcomes of fires for people is residential fire fatalities. I am pleased to report our world-class achievements of recent years were maintained in 2006/2007 with just 15 residential fire fatalities recorded. This represents a fire fatality rate of 0.36 deaths per 100,000 population and cements New Zealand's performance close to the best in the world on this measure.

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 in Structures		Hectares lost to Wildfire	
2006/07	2005/06	2006/07	2005/06	2006/07	2005/06	2006/07	2005/06
15	13	376	370	5,574	5,425	4,287	3,983

As long-run climate and short-run seasonal factors have a substantial bearing on the incidence and severity of unwanted fires it is imprudent to accord too much weight to a single year's performance. This is particularly so for indicators such as hectares lost to wildfire. It is important, therefore, to consider the longer-term trends rather than just 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 in Structures		Hectares lost to Wildfire	
2006/07	10 Yrs	2006/07	10 Yrs	2006/07	5 Yrs	2006/07	10 Yrs
15	20	376	380	5,574	5,630	4,287	6,785

## Local Delivery – National Organisation

In recent years our annual reports have explored various themes associated with the contribution New Zealand's fire services make to community security and to the management of a broad range of emergencies far removed from firefighting. This year our report looks at the structure and deployment of fire service resources. The theme *Local Delivery – National Organisation* is intended to underscore the point that, with very few exceptions, all our services are delivered locally – whether they are proactive fire safety public education programmes or reactive responses to particular emergencies. Our focus is at the local level where we engage with communities to protect what they value. The theme also draws out the critical contribution national support systems – the communication centres that connect emergency callers to their local brigades, the national training centre, the national fire weather remote-monitoring system and the like – make to the quality of local service delivery.

## Strategic Review

During 2006/2007, the Commission reviewed the strategic framework it employs to structure its high-level intervention strategies and programmes. Following that work we restated our priority areas to guide business planning and service delivery in 2007/2008. The revised priority areas are:

- Improve community fire outcomes
- Integrate urban and rural service delivery
- Enhance community security
- Improve business performance and accountability
- Develop and protect our people.

## Acknowledgements

I thank the members of the Commission for their unfailing support during the year. On behalf of the Commission I express our appreciation of the services of the Chief Executive, Mike Hall, his senior management team and all our staff and volunteers.

Yours sincerely

**Dame Margaret Bazley, DNZM**

**Chairperson**

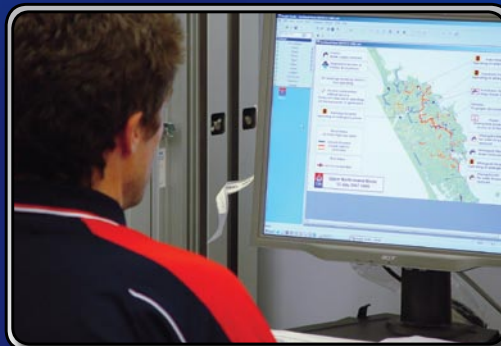
## Local Delivery – National Service

### Mapping the Right Response

*Located beneath Parliament Buildings, the National Crisis Management Centre (NCMC) is prepared, 24 hours each day, to provide a co-ordinated inter-agency response to natural disasters or civil emergencies.*

To provide a common operating picture in the event of such a disaster, and to enhance operations, the New Zealand Fire Service made the decision to give the Ministry of Civil Defence & Emergency Management (MCDEM) access to its mapping and status tools in the NCMC during activations.

The benefits of this were clearly seen during the 2007 Northland and Coromandel floods where MCDEM staff were easily able to identify impassable roads, isolated communities, locations of evacuation centres and areas without power or phone and direct emergency and utility services to them.



### Straight Through–First Time

*The Communication Centre (Comcen) telephone system was upgraded this year with the introduction of the new SOLIDUS system.*



The new system allows the Fire Service and police to develop a 'virtual' telephone process across the country. Previously, when a 111 call was made it was presented to the nearest Comcen. If it was unanswered, it was manually pulled back before being presented to the next Comcen and, if it was still unanswered, it was pulled back and presented to the last Comcen. This frustrating process took valuable time in an emergency situation.

The new system will 'look' first at the nearest Comcen for a free line and, if all the lines are busy, it will automatically present the call to an available call-taker in another centre. This process will save considerable time and will have a positive impact on the lives and property of communities.

## When the Signal Must get Through

*Historically, the only way to alert volunteer firefighters to a callout was by station siren. When volunteers worked and lived out of earshot of the siren, they were given pagers with a 1–2 km reception.*

In the mid-1990's, the Fire Service went onto Telecom's flex paging network which offered a far wider coverage. But there were still 73 volunteer brigades located in areas with marginal paging coverage which compromised the effective callout of volunteers to an emergency incident.

Now, with the introduction of satellite paging, these coverage issues are almost gone. The Fire Service uses the Sky TV satellite to bounce a signal from the communication centre to the Sky Digital dish at the fire station and from there to the volunteers' pagers.

All satellite-paging systems have back-up systems in place in case the original satellite signal fails for any reason. Back-up systems are tested and inspected regularly to ensure they will be ready when required.



## C'mon. Keep it Green

*The 2006/2007 rural fire prevention campaign continues to inform the general public about the need to remain aware of the daily fire danger within forest and rural areas throughout New Zealand.*



The public's recall of the key television campaign message of "If you see a wildfire, Dial 111" and its reference to the role of the 'half-grapefruit' Fire Danger sign remains high. Financial contributions from the National Rural Fire Authority, New Zealand Forest Owners Association and Department of Conservation ensure this annual fire prevention campaign continues.

The television campaign is supported by regional fire prevention initiatives undertaken and funded locally by fire authorities.

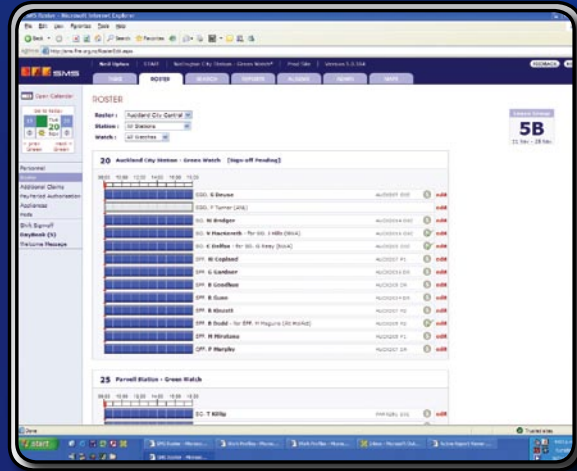


## Managing Workloads and Pay Claims

*In May 2007, the Fire Service launched a national roster and pay claim process as part of its Station Management System (SMS).*

This process allows all career crews to use the same national roster and to make pay claims electronically through the same system.

SMS is an online planning, incident reporting and parade/roster system. All personnel can review the content, enter or forecast planned work-loads arising from the business planning process, report unscheduled tasks that arise, and provide shift and rostering support. It is also the first entry point for completing incident reports.



## Structured Training

*In August this year, the new Training and Progression System (TAPS) was officially rolled out. TAPS governs the career progression of every firefighter through the ranks, from the newest recruits to chief fire officers and above.*

New career firefighters start in an 11-week recruitment programme before moving into the Qualified Firefighter (QFF) programme.

The TAPS system has been in the making for 6 years. Volunteers were the first to be exposed to it. Since then, programme trainers have been qualified and assigned, markers prepared and a rigorous set of training programmes and learning modules drawn up.

TAPS is a New Zealand Qualifications Authority accredited system, which means the skills learnt are applicable outside the Fire Service.

**TAPS**  
TRAINING AND PROGRESSION SYSTEM





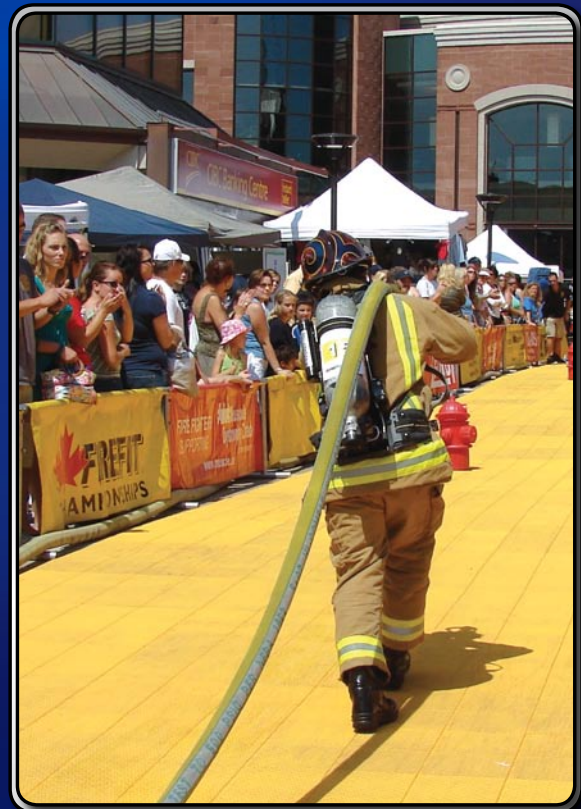
## The Toughest Two Minutes

*Firefighters are a competitive lot. If the challenges of real-life emergency incidents aren't enough, they start setting up new ones to do off duty!*

The New Zealand Firefighter Combat Challenge has been billed as New Zealand's toughest two minutes in sport. Managed by the United Fire Brigades Association (UFBA), the Combat Challenge pits volunteer and career crews from around the country in a series of regional heats. The final takes place at the UFBA annual conference.

The challenge involves carrying 19 kilograms of hose up six flights of stairs then reeling up another 19 kilograms of hose tied to 16 metres of rope, swinging a 4.5 kilogram mallet into a weight moving it 5 feet, sprinting 42 metres through an obstacle course, firing a hose into a target and then dragging an 80 kilogram dummy 30 metres to the finish line.

Giving firefighters the opportunity to hone their skills for emergencies and to show them off in a contemporary competitive environment is a win/win situation for all involved.



## National Rural Fire Authority Overview

Statutory responsibility for the delivery of rural fire prevention and suppression services rests with fire authorities. These are mostly territorial authorities but also the Department of Conservation, the New Zealand Defence Force, and special-purpose groupings of plantation forest owners, local governments and other stakeholders. The National Rural Fire Authority is responsible for the administering and co-ordinating rural fire policy and operations at a national level. This includes establishing national standards, auditing compliance with those standards, assessing the overall performance of rural fire authorities, processing claims from rural fire authorities for reimbursement of fair and reasonable costs incurred in suppressing fires and co-ordinating the deployment of additional resources requested by fire authorities.

### 2006/2007 Fire Season

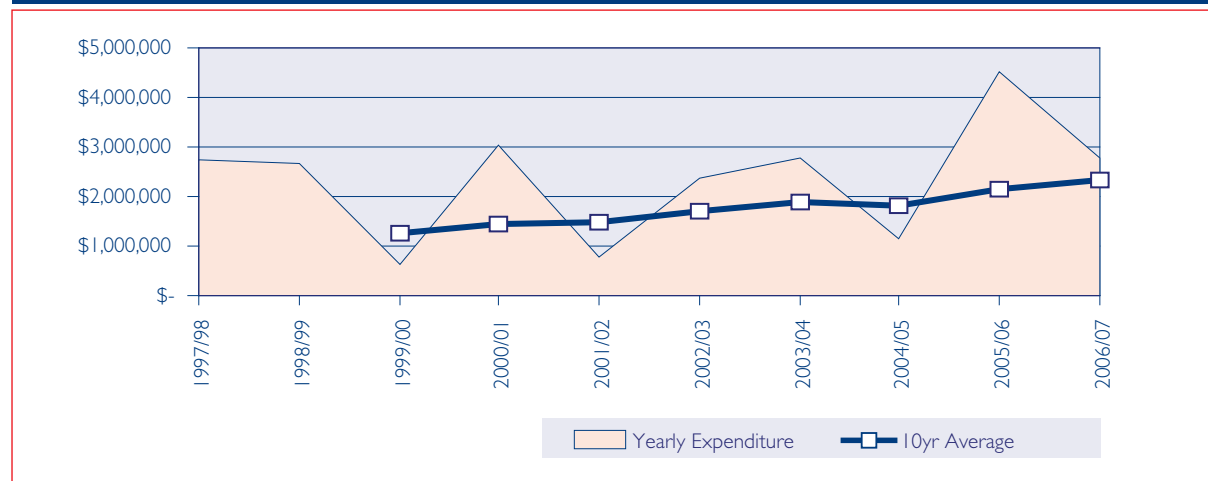
Longer-run climatic and shorter-term seasonal factors exert a significant influence on rural fire outcomes. The weather conditions experienced in the 2006/2007 fire season proved relatively benign. Contrary to pre-season forecasts there were no prolonged periods of elevated fire danger at a regional level. The dry lead-up to spring produced some early worrying signs but a relatively wet November and December reduced the fire danger across much of the country. There was a further period of localised elevated fire danger from mid-February to early March but fortunately this was relatively short lived.

### Administration of the Rural Fire Fighting Fund

Claims on the Rural Fire Fighting Fund for 2006/2007 were \$0.8 million more than budgeted. A total of 94 separate claims were lodged on the fund and a total of \$2.8 million was paid out. Forty-two claims were for fires originating in areas under the control of the Department of Conservation and 52 claims were for fires originating within other fire authority areas. Significant claims on the fund included the following:

Fire Authority	Fire Name	Fire Date	Payment from RFFF \$000
DOC, Northland Conservancy	Tekateka Rd, Waipoua Forest	1 Feb 07	\$625
Wairoa District Council	McLeans Road	12 Nov 06	\$206
Dunedin City Council	Logan Park	28 Sep 06	\$185
Hastings District Council	Glengarry Road	14 Mar 07	\$144
DOC, Otago Conservancy	Remarkables	14 Sep 06	\$115
Hastings District Council	Omarunui Road	19 Nov 06	\$104

#### Rural Fire Fighting Fund Expenditure



## Significant Fires not Eligible for Claims on the Fund

The Santoft Road, Bulls, fire on 26 February 2007 would have cost the Rural Fire Fighting Fund approximately \$330,000 had the Rangitikei District Council lodged a claim. However, the Council decided to forgo this option and is pursuing direct cost recovery from the person responsible for the fire.

## Burnover Incidents

In March 1998 a crew of eight rural firefighters were caught in a burnover incident north of Dunedin. Three firefighters sustained burn injuries, one seriously. A comparable event with a number of common factors occurred in a New Zealand deployment to Victoria, Australia in December 2006. A total of 112 New Zealander firefighters were sent to help the Department of Sustainability and Environment with extended wildfire events in the Gippsland ranges: the first contingent in December 2006, and the second in early January 2007.

During the December 2006 deployment an incident occurred at the Mount Terrible fire 30 kilometres south east of Mansfield. The incident involved 40 of the 48-strong New Zealand fire fighter contingent. While they were containing a spot fire, the main fire developed unexpectedly and impacted on the group, six of whom suffered burns and smoke inhalation and were admitted to hospital. A further five were treated for minor injuries. All those injured have fully recovered.

The Mansfield burnover incident was a timely reminder that firefighter safety cannot be compromised. The Commission acting as the National Rural Fire Authority has approved 36 separate remedial actions and programmes to address the findings of the Victorian fire authorities' investigation into the incident. These programmes include raising rural firefighters' awareness of situational factors which contribute to wildfire burnover events.

## Rural Fire Authority Performance Assessment

As a result of the Fire Service Amendment Act 2005 a new process has been developed to evaluate the performance of fire authorities. This system is based on an internationally-proven evaluation system, the Business Excellence Framework. This framework has been modified to enable the evaluation of systems, processes and procedures required for the effective day to day management of a fire authority.

A key part of the effective and fair monitoring and evaluation process is the Performance Assessment Criteria (PAC) report which outlines a fire authority's strengths and how it can improve its performance. Five fire authorities were selected for a performance assessment in 2006/2007. Four of them had their final report delivered by the end of June while the fifth will be delivered in August 2007. The performance of all five fire authorities has been assessed as satisfactory.

## National Rural Fire Advisory Committee

The National Rural Fire Advisory Committee continues to make a valuable contribution to the strategic leadership of the sector in New Zealand. We acknowledge the input of representatives from local government, the plantation forest industry, Federated Farmers, the New Zealand Defence and the Department of Conservation is a key factor in the Commission's meeting its responsibilities as the National Rural Fire Authority. In addition a number of multi agency rural fire working groups looking at training, equipment, wildfire threat analysis, Fire Management Guidelines for Railways continue to produce good outputs to the sector.

## 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

This overview covers some of our significant events and achievements in 2006/2007.

### Incident Trends

The Fire Service responded to 71,690 emergency incidents during 2006/2007. The main categories were:

Fires	25,181
Hazardous emergencies	3,291
Medical emergencies	4,385
Motor vehicle incidents (excluding fires)	5,821
False alarms	26,482
Other emergencies	6,530

The key trend over the last few years has been the increasing proportion of non-fire related incidents the Fire Service attends. In 2006/2007 29% of incidents were non-fire related emergencies compared to 24% in 2000/2001.

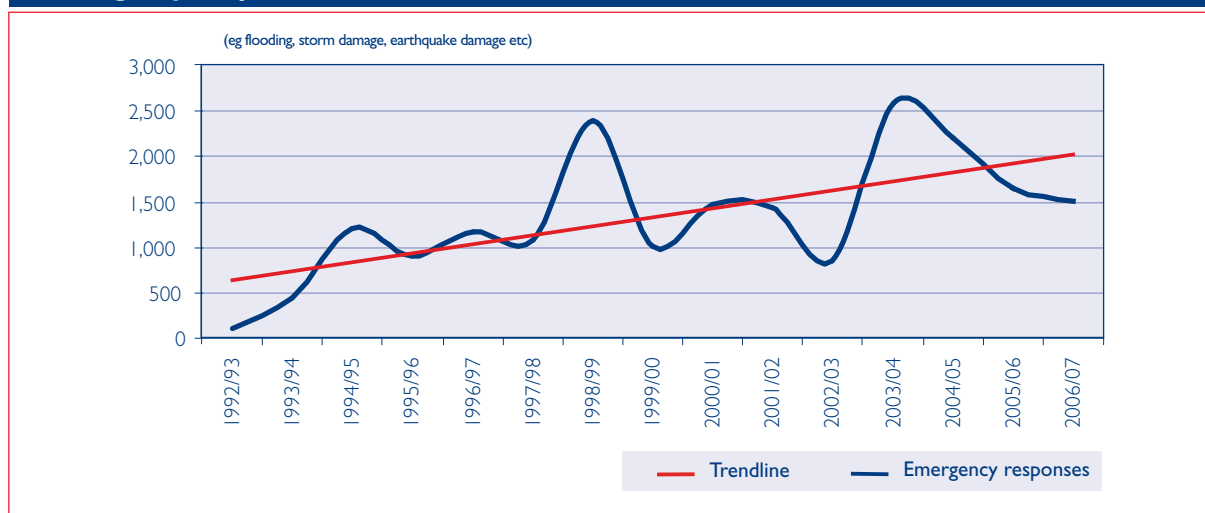
### Natural Hazard Responses

Since 1992/1993, Fire Service responses to natural hazard emergencies have risen dramatically. Emergencies arise from events such as severe weather causing flooding and storm damage to properties and infrastructure. For example, the floods and slips in late April 2007 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 works with communities through its participation in emergency management groups, emergency services co-ordinating committees and a range of other forums.

The graph below shows the number of emergency responses since 1992/1993, with the trend line clearly showing an increasing call on Fire Service resources.

**Emergency Responses due to Natural Hazards**



### Evaluation of Programmes

During 2006/2007, the Commission let three contracts to evaluate the success of some of its key fire safety education programmes. The results of these evaluations are expected in early 2008 and will be used to refine the Commission's evaluation framework and its five-year evaluation programme.

The five-year evaluation programme will enable the Fire Service to:

- Monitor national results against national goals (outcomes)
- Assess efficiency of programmes
- 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.

## Stakeholder Consultation

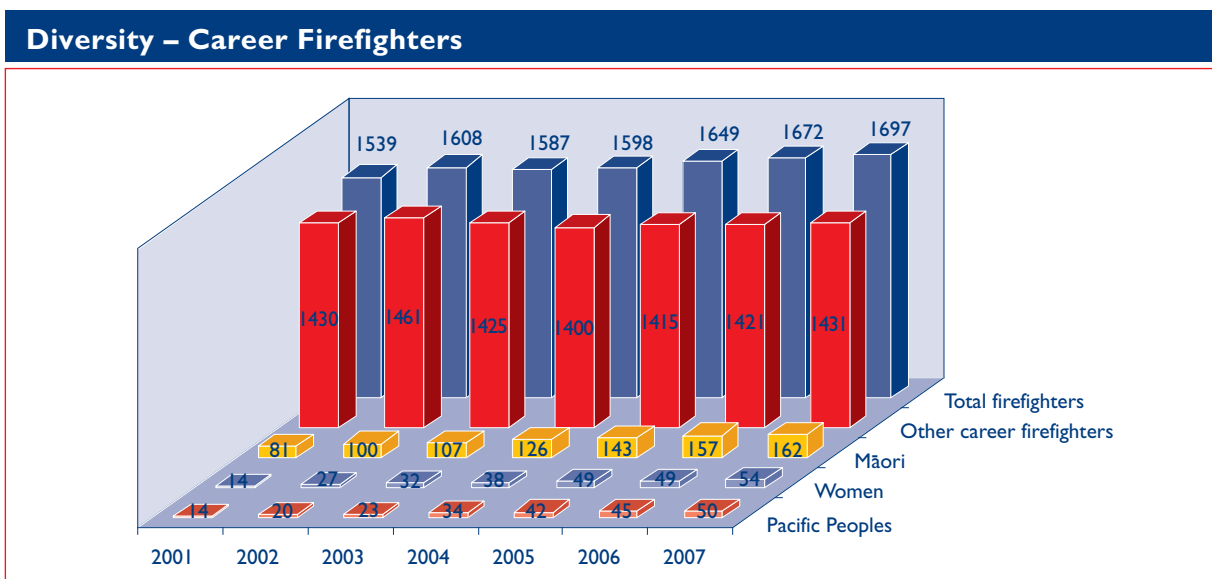
The Fire Service continued its strong emphasis on stakeholder consultation during 2006/2007.

Consultation at the national level included:

- Briefings with insurance industry representatives. These briefings included the Commission's performance and consultation on the Commission's estimates of expenditure for 2007/2008 as required by the Fire Service Act 1975.
- 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 Department of Building & Housing, 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) on volunteer issues.
- Meetings with the Professional Firefighters Union on operational issues affecting paid firefighters.
- Regular meetings with representatives in the rural fire industry.

## Diversity and Fairness

The Fire Service made positive progress in attracting, recruiting and retaining women, Māori and Pacific people into the Fire Service. The following graph shows the diversity profile of career firefighters from June 2001 to June 2007.



In 2006, we determined to reposition EEO as “Diversity and Fairness”. The annual programme is now titled the Diversity and Fairness programme. Key achievements for 2006/2007 under each of the four strategies follow.

## Strategy 1 – Raising awareness of diversity and fairness

The diversity and fairness group's terms of reference were revised to reflect the change in focus. Articles about diversity and fairness have featured in the internal K99 video and the Fire and Rescue magazine. An award application was made to the 2007 EEO Trust Awards. The application profiles the Fire Service's efforts in the area of diversity over the past five years.

## Strategy 2 – Changing views of diversity and fairness

A communications strategy was developed to promote the positive benefits of diversity and fairness. We made particular effort to addressing internal misconceptions of the existence of recruitment quotas. The communications strategy emphasised the transparency and rigour of the recruitment process, and the capacity of the Fire Service to deliver fire prevention programmes to different ethnic groups using the language skills of its frontline firefighters.

## Strategy 3 – Changing behaviour and business processes to support diversity and fairness

Performance agreements for senior management were revised to include responsibility for leading diversity and fairness in their regions and business units.

The good employer policy was revised and approved by the Commission during the year. A job-share pilot was agreed to with the New Zealand Professional Firefighters Union (NZPFU) and the Public Service Association Collective Employment Agreement includes extensive provisions for work flexibility.

The revised Harassment and Bullying policy was presented to all regions and business units through joint Fire Service/NZPFU workshops. A further audit of recruit training was done against the principles contained in the Sunrise report, and these principles are being extended to other training programmes.

## Strategy 4 – Maintaining change and monitoring results

The annual report to the Commission on workforce diversity was expanded to include total workforce diversity, including volunteers. Attitudes to workforce diversity and inappropriate behaviour were measured in the 2006 All Personnel Survey. The results provide a useful benchmark against which we can measure how attitudes change in the future. More in-depth analysis of the survey results provided a greater insight into where we can direct future communications.

The Māori Language Scholarship was revised to provide for longer-term intensive study options. The first recipients of the revised grant have completed their studies and show a significantly improved capacity to apply their language skills to fire prevention programmes. We intend to make a similar change to the grant process for those with Pacific Island languages.

## Employer Recognition

In 2006 a pilot Employer Recognition programme (ERP) was run. The programme recognises the contribution of employers who permit Fire Service volunteers to attend emergency incidents during their hours of work. Nine brigades participated in the pilot: these were Kaitaia, Tuakau, Cambridge, Dannevirke, Ohakune, Motueka/ Kaiteriteri; Greymouth, Ohai and Alexandra. These brigades were supported by 147 employers of volunteers, ranging from seven to 24 employers per brigade. The ERP comprises a range of formal acknowledgements of the employer within the local community and the opportunity for the employer to use an 'Employer of Volunteers' brand.

The main elements of the ERP are:

- A decal with the specific Employer of Volunteers brand placed on the brigade appliance
- An advertisement placed in the local paper
- A contribution of funding towards a recognition evening
- A presentation folder for the employer incorporating a certificate of appreciation, lapel badge, window decal, brochure and an application form to access the New Zealand Fire Service Employer of Volunteer brand to use on their stationery and promotional material
- An acknowledgement on the fire station website at [www.fire.org.nz](http://www.fire.org.nz).

The evaluation criteria for the pilot programme were:

- Uptake and support of the programme by brigades
- Local community involvement in awards nights
- Media coverage
- Employer response
- All Personnel Survey.

**Uptake and support of the programme by brigades:** All nine pilot brigades welcomed the initiative and fully supported the programme. Feedback from Chief Fire Officers has been extremely positive. The pilot brigades have become strong advocates for the programme and have raised considerable interest amongst other brigades that now wish to enrol in the programme.

**Local community involvement in award nights:** The award nights were significant local celebrations that local mayors and members of Parliament were invited to attend. This community involvement added to the level of recognition the employers got through the award nights.

**Media coverage:** Local media covered the award nights and in some cases profiled specific employers, quoting their appreciation of the programme. The media coverage has been entirely positive.

**Employer response:** All 147 employers have been acknowledged through the ERP. Employers have appreciated the increased recognition and community profile gained through the programme. There is evidence employers see the ERP and their support of volunteers as an extension of their community connection and an expression of their social responsibility. Some employers have begun to integrate the Employer of Volunteers brand into their websites and company stationery.

**All Personnel Survey:** The 2006 All Personnel Survey ran in September and October at which point not all pilot brigades had fully implemented the Employer Recognition Programme. Data from the nine pilot brigades was separately tagged to enable comparisons to be made against the overall volunteer response. The pilot brigades were more likely to agree with the statement "My employer/business gains some recognition for my efforts as a volunteer". Those brigades had a favourable response rate of 42% compared to the average national response rate of 30%.

The programme will be extended to 100 brigades during 2007/2008 to further show the Fire Service's appreciation of employers contributions to volunteer brigades.

## Training

The Fire Service's National Training Centre at Eastgate, Rotorua, was in its first full year of operation in 2006/2007. The centre offers a world-class training venue for career and volunteer firefighters. Some of the key national courses delivered during 2006/2007 were:

- Three 13-week recruit courses
- Six station officer courses
- Two executive officer courses
- Three fire investigation courses
- One Fire Awareness Intervention programme course
- Two accident investigation courses
- Ten firefighter phased-training courses
- One Urban Search and Rescue category two course
- Eight other training courses.

In addition, the National Training Centre was made available to government and local government organisations for a range of meetings, conferences and courses.

## Organisational Risks

This sub-section provides commentary on the actual situation at the end of 2006/2007 compared to the key organisational risks identified when developing the 2006/2007 Statement of Intent.

### Alerting Volunteer Brigades

<b>Risk</b>	Transmissions to alert some remote volunteer stations of emergency incidents are not received in a timely manner.
<b>Potential Impact</b>	Individuals do not receive the service they expect and require resulting in poor fire outcomes for some incidents.
<b>2006/2007 Situation</b>	The Commission continued to improve its station-alerting process. Some issues were reported during the year but they were isolated cases. The overall alerting system remains sound and provides a reliable service.

### Fire Appliance Replacement Programme

<b>Risk</b>	The fire appliance replacement programme does not meet Fire Service needs.
<b>Potential Impact</b>	<ul style="list-style-type: none"> <li>• Operating costs could increase between \$0.2–1.5m as older appliances are maintained longer than planned.</li> <li>• There is an increased risk of accidents through the use of appliances older than 25 years.</li> <li>• The Fire Service is unable to take advantage of improvements to vehicle technology and safety.</li> </ul>
<b>2006/2007 Situation</b>	National contracts are in place for building 41 fire appliances. An additional 35 cab/chassis units have been purchased and a tender process is underway for the body build of those appliances. A national contract is also in place for building 17 specialist incident command/hazmat units.

### Levy Collections

<b>Risk</b>	Revenue and levy received is insufficient to cover the planned expenditure programme.
<b>Potential Impact</b>	<p>The organisation is forced to raise debt to cover expenditure in the short term. Over the medium and longer-term some activities would need to be stopped.</p> <p>Loss in levy collections and revenue could be between \$0-8m.</p>
<b>2006/2007 Situation</b>	Levy collections were stronger than budgeted by \$13m.

### Fire-Safe Public

<b>Risk</b>	<p>Members of the public:</p> <ul style="list-style-type: none"> <li>• do not understand fire risks</li> <li>• demonstrate unsafe fire behaviours</li> <li>• do not respond appropriately to fire or fire alarms.</li> </ul>
<b>Potential Impact</b>	The organisation does not achieve its national goals and the impact of fire is worse than expected. The claims on the Rural Fire Fighting Fund for the cost of wildfires could be higher by \$0.1-1.0m.
<b>2006/2007 Situation</b>	National promotions continued through 2006/2007. National goals are all trending down over the longer-term and the 2007 fire knowledge survey showed continued good results on fire safe knowledge and behaviour.



## Incident Hazards

<b>Risk</b>	Fire Service personnel become injured or sick because of hazards at an emergency incident, eg from hazardous substances, heat stress, infectious diseases.
<b>Potential Impact</b>	An employee suffers from a long-term sickness or injury that costs between \$0.1-0.5m.
<b>2006/2007 Situation</b>	No major incidents reported during 2006/2007.

## Holidays Act

<b>Risk</b>	The Court of Appeal will confirm the judgment of the High Court that the collective employment agreement does not meet certain provisions of the Holidays Act 2004.
<b>Potential Impact</b>	The logistics of maintaining minimum shift staffing, with effectively reduced staff availability. The financial implications of the decision have been budgeted for.
<b>2006/2007 Situation</b>	The issue was resolved as part of the collective employment agreement with the NZPFU.

## Resource Changes

<b>Risk</b>	The Fire Service is unable to make strategic changes to existing resources so as to better match resources to fire risk.
<b>Potential Impact</b>	Resource requirements to cover significant demographic changes require additional resources rather than relocating existing resources. The financial impact could be \$1.4-7.2m.
<b>2006/2007 Situation</b>	The Commission successfully implemented resource improvements to the Hutt Valley and continues to work with its stakeholders to provide effective resource allocation to New Zealand communities.

## Overtime Levels Exceed Budget

<b>Risk</b>	Overtime levels will exceed budget estimates.
<b>Potential Impact</b>	Costs could exceed the budgeted expenditure by \$0-3m
<b>2006/2007 Situation</b>	Overtime levels exceeded budget by \$1.1m. However, this was accommodated within the overall salaries and wages budget.

## Litigation

<b>Risk</b>	The Fire Service makes a wrong judgment call on an opinion and loses a court case, eg Rural Fire Fighting Fund cost recovery or levy litigation.
<b>Potential Impact</b>	The loss of revenue or a failure to recover expenditure The financial impact could be \$1m+.
<b>2006/2007 Situation</b>	There were no court cases taken that resulted in adverse financial implications.

## Fire Service Levy

The New Zealand Fire Service is funded by a levy on contracts of fire insurance. Section 48 of the Fire Service Act 1975 requires insurance companies, insurance brokers, parties that self insure, parties that insure property located in New Zealand offshore and certain others to collect a levy on all contracts of fire insurance and to remit the proceeds to the New Zealand Fire Service Commission. The proceeds of the levy are applied to the Rural Fire Fighting Fund and the actual net expenditure of the Commission.

The levy arrangements were introduced on a temporary basis in 1994 but remain in force today. Section 51 of the Fire Service Act provides the Commission with powers to verify the levy that it is due has been correctly calculated and remitted by levy payers. Under these powers the Commission annually audits a sample of insurance companies, brokers and corporate levy payers according to risk-based criteria. The results of the Levy Audit programme for 2006/2007 are set out below.

	2006/ 2007 SOI target	2006/ 2007 Actual	2005/ 2006 Actual	2004/ 2005 Actual
Value of policies audited	-	\$14.6m	\$13.50m	\$14.60m
Value of levy recovered *	-	\$0.34m	\$0.37m	\$0.05m
Percentage recovered	-	2.3%	2.7%	0.3%
Implied value of policies in compliance	95%	97.7%	97.3%	99.7%

\* An additional \$0.8m in potential recoveries is being pursued making a total recovery of \$1.1m.

The levy audits also found other non-compliance issues contributing to the underpayment of levy. These were mostly of an administrative nature.

- The majority of non-compliant errors were for late remittance. While these errors incur penal charges they have no impact on the value of total levy payable
- The omission of levy on policy extensions – this usually has a minimal fiscal impact on large commercial policies. However, when identified, these omissions result in a non-compliance assessment
- The other most recurrent breaches, such as a lack of valid indemnity value support, are usually resolved following the audit with the presentation of valid supporting documents.

**Late levy payments:** Late levy payers were charged \$530,724 in penal interest and \$448,848 in surcharges for the 2006/2007 financial year.

**Policy Extensions:** The omission of levy on automatic extensions, miscalculations and systematic omissions were high frequency errors but had a low financial impact. Less common were overpayments resulting from calculation errors, which to some extent cancelled out under payments.

**Lack of support for indemnity value:** This is the least common non-compliance issue of the three, but it results in substantial variances between a client's levy payment and our audit finding. In most cases the error is corrected by a valid owner's declaration or a valuer's certificate being supplied by the auditees subsequent to the audit. Retrospective submission is allowed under section 48(6)(c).

# Statement of Responsibility

**for the year ended 30 June 2007**

Pursuant to the Crown Entities Act 2004, 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 statement of service performance 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 and the statement of service performance for the year ended 30 June 2007 set out on pages 20 to 82 fairly reflect the financial position and operations of the New Zealand Fire Service Commission.

**Dame Margaret Bazley DNZM**

Chairperson  
31 October 2007

**Angela Foulkes**

Member of Commission  
31 October 20067

# Audit Report

## To the readers of the New Zealand Fire Service Commission's financial statements and performance information for the year ended 30 June 2007.

The Auditor-General is the auditor of the 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 on his behalf. The audit covers the financial statements and statement of service performance included in the annual report of the Commission for the year ended 30 June 2007.

## Unqualified Opinion

In our opinion:

- The financial statements of the Commission on pages 58 to 82:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect:
    - » the Commission's financial position as at 30 June 2007; and
    - » the results of its operations and cash flows for the year ended on that date.
- The statement of service performance of the Commission on pages 20 to 57
  - complies with generally accepted accounting practice in New Zealand; and
  - fairly reflects for each class of outputs:
    - » its standards of delivery performance achieved, as compared with the forecast standards outlined in the statement of forecast service performance adopted at the start of the financial year; and
    - » its actual revenue earned and output expenses incurred, as compared with the forecast revenues and output expenses outlined in the statement of forecast service performance adopted at the start of the financial year.

The audit was completed on 31 October 2007 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 and statement of service performance 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 and the statement of service performance. 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 and statement of service performance. 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 and statement of service performance disclosures are adequate.

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

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

## Responsibilities of the Commission and the Auditor

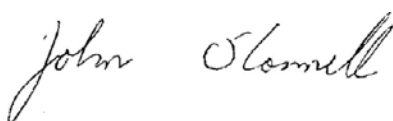
The Commission is responsible for preparing financial statements and a statement of service performance in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the Commission as at 30 June 2007 and the results of its operations and cash flows for the year ended on that date. The statement of service performance must fairly reflect, for each class of outputs, the Commission's standards of delivery performance achieved and revenue earned and expenses incurred, as compared with the forecast standards, revenue and expenses adopted at the start of the financial year. The Commission's responsibilities arise from the Crown Entities Act 2004 and the Fire Service Act 1975.

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.

## 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 assurance reviews over the sale of 2 Kerrs Road Manukau, the statutory leave entitlement calculation and probity reviews over the digital orthophotography tender, the professional service engagement for Te Atatu fire station. Since 30 June 2007 we have carried out probity reviews of the fire appliance tender and the Paraparaumu fire station new build tender. These assignments are compatible with those independence requirements. Other than the audit and these assignments, we have no relationship with or interest in the Commission.



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

### Matters relating to the electronic presentation of the audited financial statements

This audit report relates to the financial statements of New Zealand Fire Service Commission (NZFSC) for the year ended 30 June 2007 included on NZFSC's website. The Chief Executive is responsible for the maintenance and integrity of the NZFSC's website. We have not been engaged to report on the integrity of the NZFSC's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

We have not been engaged to report on any other electronic versions of the NZFSC's financial statements, and accept no responsibility for any changes that may have occurred to electronic versions of the financial statements published on other websites and/or published by other electronic means.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 31 October 2007 to confirm the information included in the audited financial statements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# Statement of Service Performance

For the year ended 30 June 2007

The Crown Entities Act 2004 requires the Commission to report against the measures set out in the approved 2006/2007 Statement of Intent. This section sets out the Commission's results against those impacts and outcomes, outputs and measures of output performance.

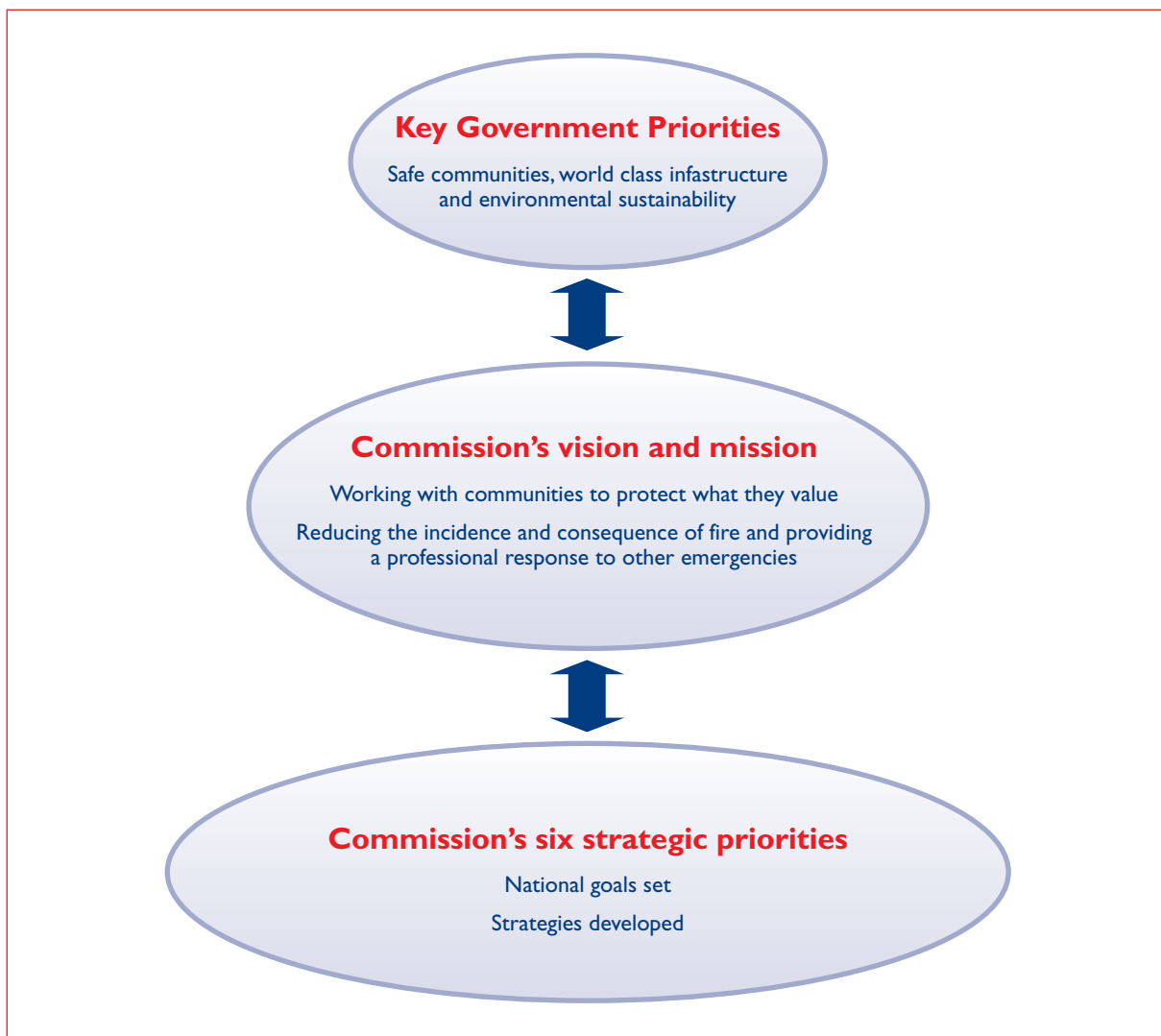
## Supporting the Government's Goals

The Commission contributes to **safe communities** by reducing the incidence and consequence of fires and responding to other emergencies. Through the National Rural Fire Authority, the Commission sets standards for fire suppression in rural areas and co-ordinates fire authorities.

The Commission contributes to **world-class infrastructure** by providing a modern and effective emergency management capability and by promoting modern fire protection systems and safe evacuation processes in New Zealand buildings and homes.

The Commission contributes to **environmental sustainability** by coordinating vegetation fire control measures and by implementing environmentally-sound business practices.

The following figure shows how the Commission contributes to the high-level government priorities.



## 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 98.1% complete in 2006/2007. The remaining 1.9% was proportionally spread across all incident types. This treatment is consistent with previous years. Completeness for each of the last four years was 98.5%, 99.3%, 98.6% and 99.3%.

## Fire Outcomes

This section details the Commission's performance in the achievement of outcomes during 2006/2007. We have included data from historic years for comparison purposes.

Fire outcomes were measured through:

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

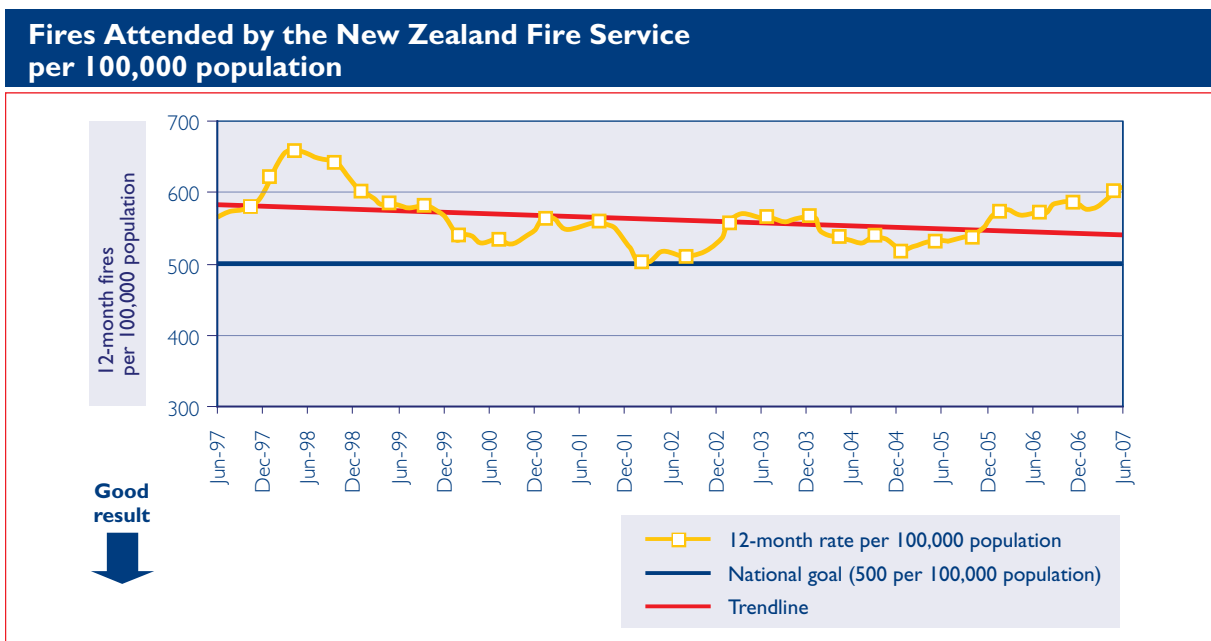
Intermediate outcomes were measured by an independent public survey carried out in August to September of each year and by internal National Rural Fire Authority reporting.

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. In addition, the level of reporting fires to the Fire Service has increased over the last five years. 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.

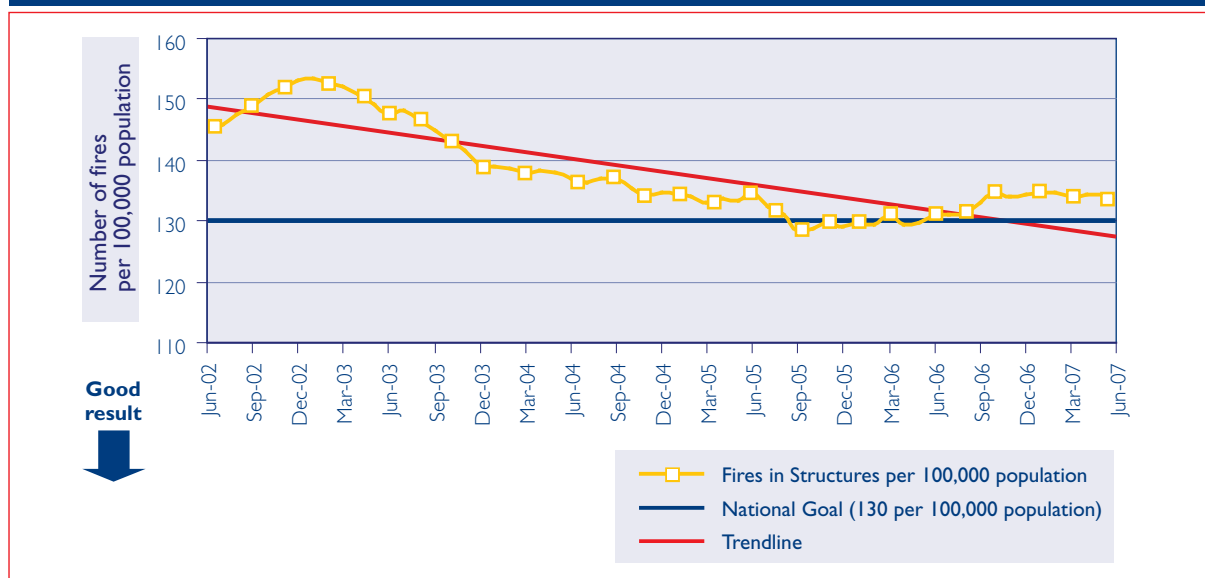
The following graph shows the rolling 12-month rate of fires in structures attended by the Fire Service in both urban and rural areas per 100,000 people. The rate has reduced significantly over the last five years and is now around the level of the five-year national goal.

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 promoting fire safety 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, the safe use of matches and candles and electric blanket checks.

Separate results for the levels of fire safety knowledge and behaviour are on page 27 and results for fire safety education services are on page 38

### Fires in Structures per 100,000 population 12-month totals by Month



## 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 10 years and is now 0.36, below the level of the five-year national goal.

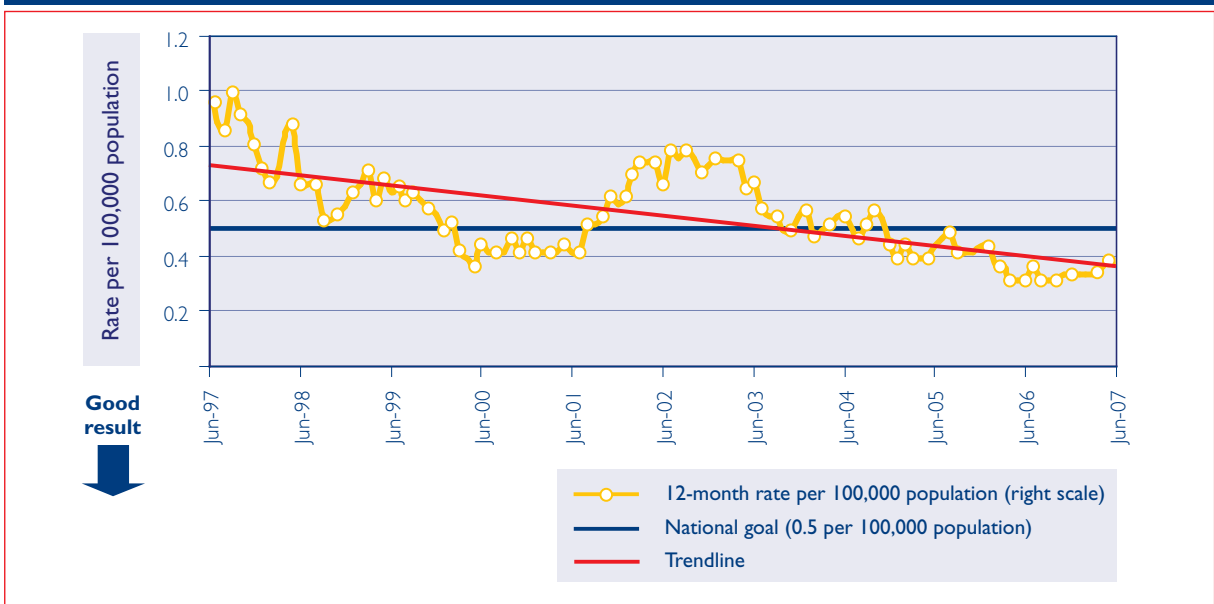
This is also one of the principal result areas (like the previous result for fires in structures) targeted by fire safety education interventions. Fire safety education covers informing people of the speed of fire and the associated risks, encouraging fire-safe behavioral changes and educating people on what to do in the event of a fire. Methods of promoting fire safety 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 27 and results for fire safety education services are on page 38



### Avoidable Residential Structure Fire Fatality rate per 100,000 population



**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.

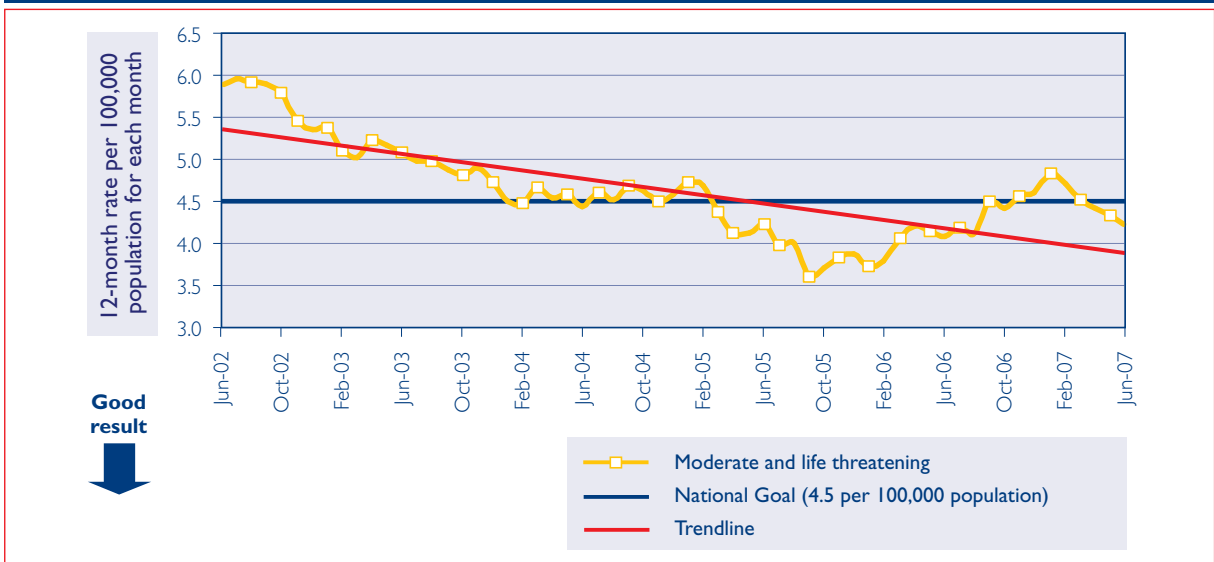
The following graph shows the rolling 12-month rate of life threatening and moderate injuries to the public from fire incidents per 100,000 people. The rate has reduced significantly over the last five years and is now 4.2, below the level of the five-year national goal.

This is also one of the principal result areas (like 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 promoting fire safety 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 27 and results for fire safety education services are on page 38.

### Moderate and Life Threatening Public Injuries per 100,000 Population as a result of Fire Incidents

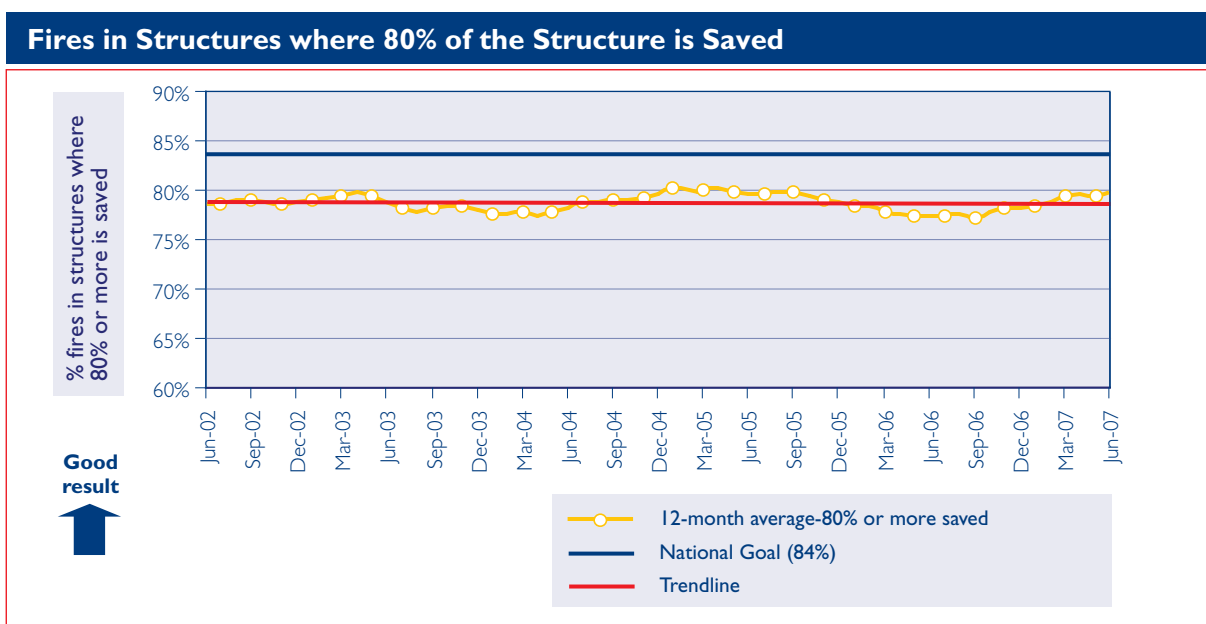


## Fire Outcome – Reduce the Consequences of Fire to Properties

**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. The Commission believes the best way to measure damage to structures is by estimating the dollar value of loss due to fire. New measures reflecting this approach have been developed and included in the 2007-2010 Statement of Intent.

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.

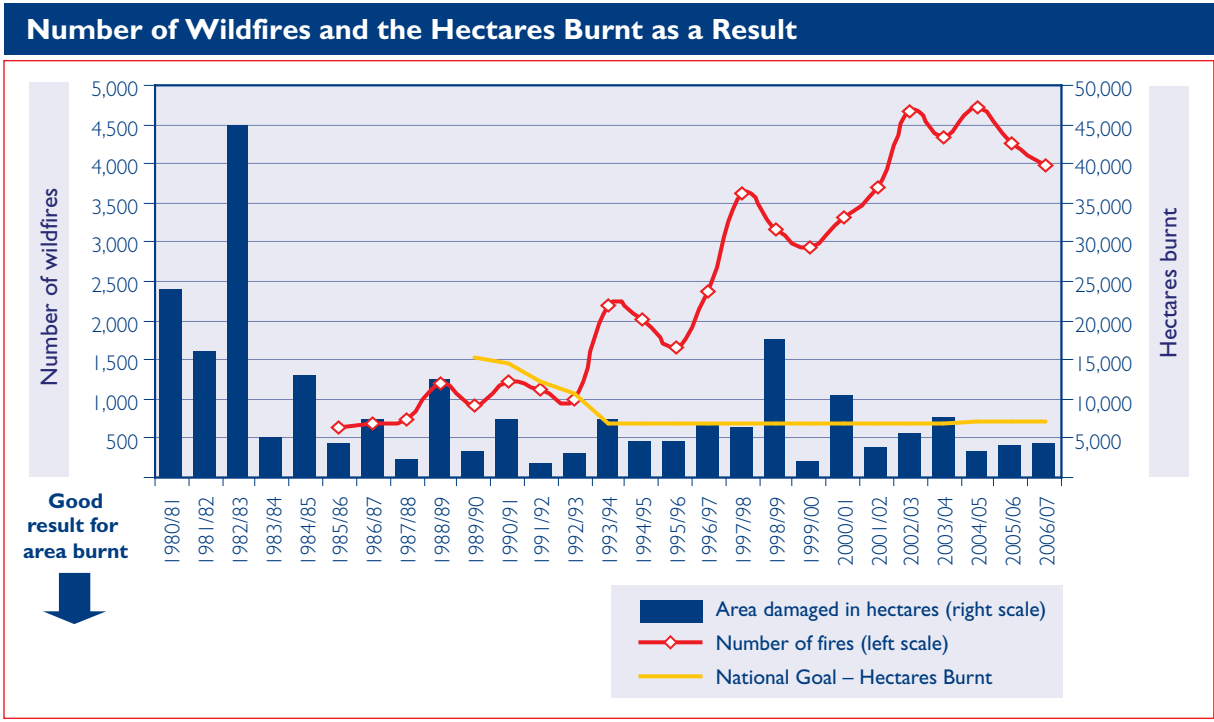


**National Goal** Annual area burnt by wildfires will be 5% less than the previous 10-year average upper 25th percentile.

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 the average area burnt over the previous 10 years.

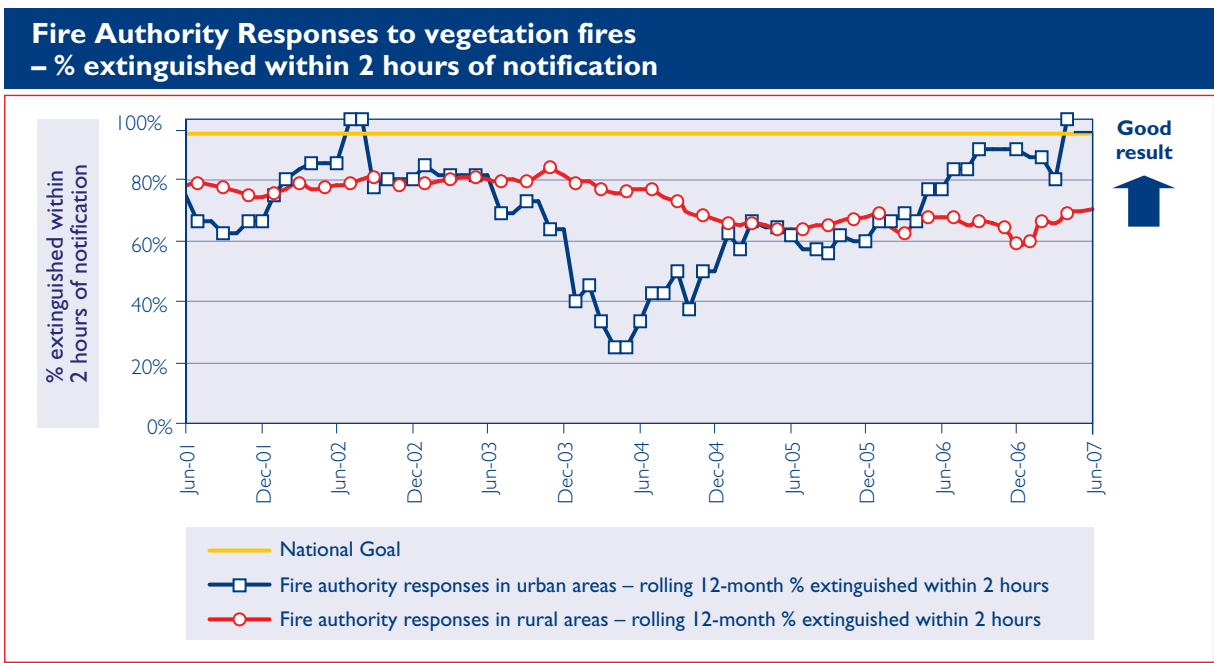
Key fire safety interventions influencing this area included: fire danger signs, taking more care in times of elevated fire danger, the safe use of the outdoors and the use of restricted and total fire bans by fire authorities.

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

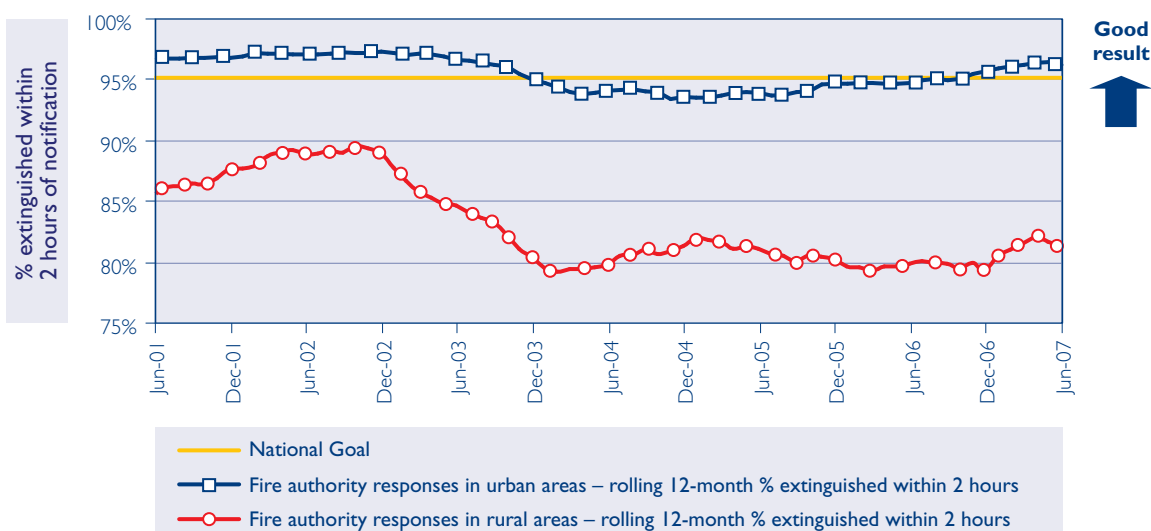


**National Goal** Ninety-five percent of all wildfires will be contained within two hours of being reported.

The following two 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 the Fire Service’s fire districts) and rural areas (outside the Fire Service’s fire districts). The national goal of 95% was an initial level set without substantive supporting analysis. This level will be reassessed during 2007/2008.



## Fire Service Responses to vegetation fires – % extinguished within 2 hours of notification



## Fire Outcome – Reduce the Consequences of Fire to Communities

Projects were completed as part of the contestable research fund for:

- 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 have been used to establish new targets which were incorporated into the 2007–2010 Statement of Intent.

## Fire Outcome – Reduce the Consequences of Fire on the Environment

Research projects were completed for the development of management processes and performance measures for this outcome and goals established for completion by June 2008. The projects covered:

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

The findings from the projects have been used to establish new targets which were incorporated into the 2007–2010 Statement of Intent.

## Non-fire Outcomes

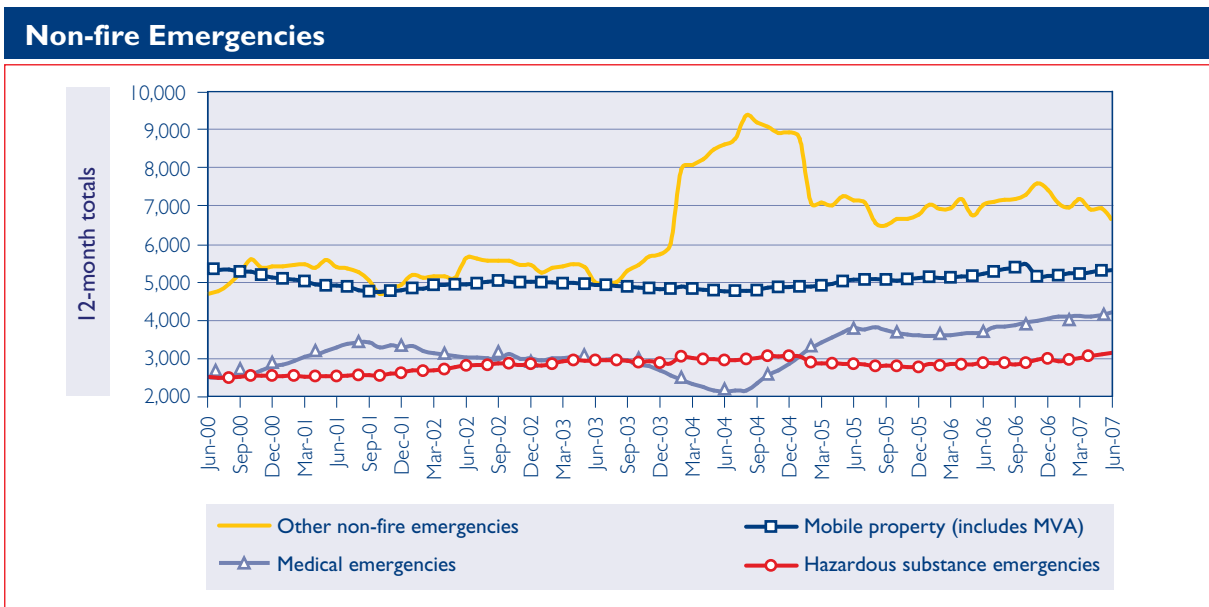
This sub-section summarises the Commission's performance in achieving its non-fire outcomes. The Commission provides a range of services to minimise the consequences of non-fire emergencies for communities.

### 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 to 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 our resources for non-fire emergencies and seeks to quantify the size of our 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.



**National Goal** Adopt national standards for response activities.

The Fire Service commenced research and development of national response standards during 2006/2007. Development work will continue in 2007/2008 before standards can be finalised and used to locate and deploy resources.

## Urban Search and Rescue (USAR) Capability

**National Goal** Three urban search and rescue teams developed and maintained to International Search and Rescue Advisory Group (INSARAG) medium level.

The three urban search and rescue teams were upgraded following equipment and training investments in the first quarter of 2006/2007. These upgrades were to meet the final INSARAG medium level requirements.

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

Training has been conducted over the last two years for both career and volunteer staff. A major review of the status of the training and employee capability will be carried out in early 2007/2008. 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.

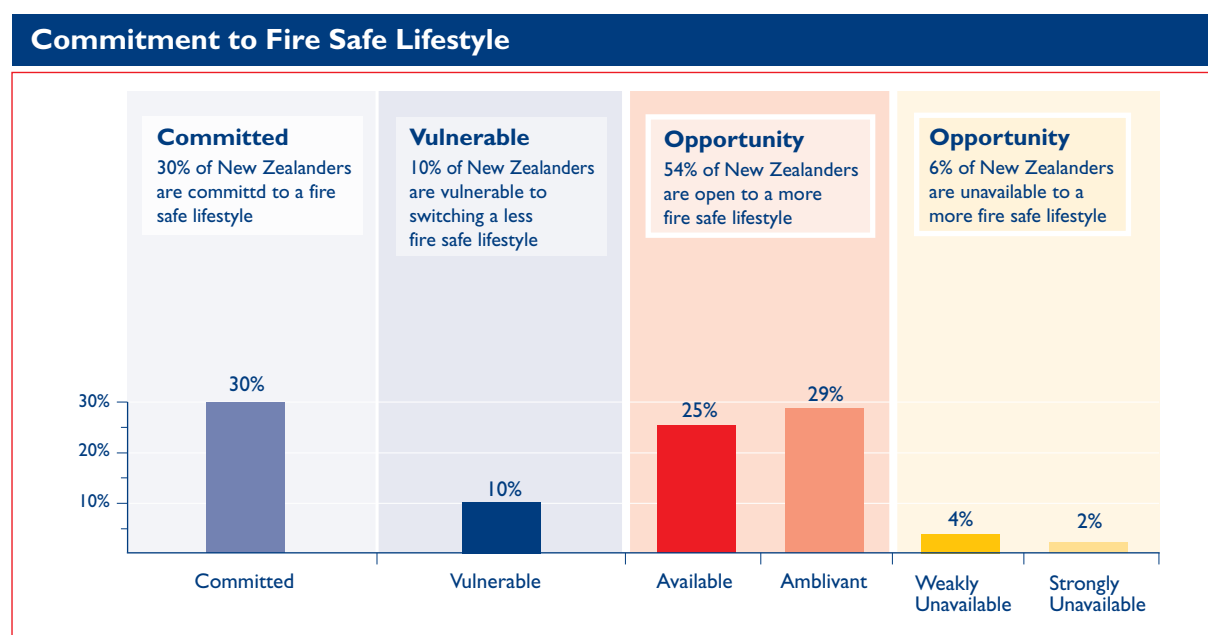
## Intermediate Outcomes

This sub-section 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.

	2006/2007 Actual	SOI Target for 2011
People who estimate a fire can become unsurvivable in five minutes or less	87%	98%
Recall of a fire safety message	54%	85%
Homes will have at least one smoke alarm installed	81%	96%

In 2006 and 2007 the conversion model was included in the fire knowledge survey. The conversion model measures people's commitment to a fire-safe lifestyle and clusters people into groups depending on the level of their commitment to that lifestyle. The picture below shows the results from the 2007 survey.



The Commission has successfully converted six percent of the population to a more fire-safe lifestyle. In 2006, 60% were in the opportunity category and 34% were committed. By 2007 the number of people committed to a fire-safe lifestyle had risen to 40%. The percent in the opportunity category had dropped by a corresponding six percent to 54%.

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

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

## Intermediate Outcome – Fire Danger Knowledge

Just over one half (54%) of the people surveyed recalled seeing or hearing a fire safety message in 2007 compared to 56% in 1999. Knowledge that fires can develop rapidly and can become unsurvivable was 87% compared to the 1999 base line of 70%.

It is important to note that in the few months before the survey the Fire Service was reviewing its media programme and undertaking a tender process for its media and communications. During that time limited national promotions were undertaken which may affect the message recall and awareness levels recorded.

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

<b>Knowledge about fire</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2002</b>	<b>1999</b>
People who estimate a fire can become unsurvivable in five minutes or less	87%	86%	92%	85%	70%
Recall of a fire safety message	54%	74%	78%	77%	56%
Awareness of roadside fire danger signs in rural areas	81%	87%	86%	80%	89%

<b>Percentage of people who perceive each of the following to be a fire risk</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2002</b>	<b>1999</b>
Children having access to matches	86%	89%	90%	93%	93%
Leaving clothing to dry in front of an open fire	85%	84%	79%	82%	84%
Using candles in the bedroom unattended *	89%	91%	77%	80%	80%
Leaving clothing to dry close to or on a heater	79%	84%	76%	79%	76%
Leaving cooking unattended	84%	84%	76%	69%	70%
Using multiple plugs in the same power socket	70%	73%	64%	64%	63%
Leaving an electric heater on overnight	65%	70%	54%	63%	63%
Using open flame heating without a fire guard**	88%	81%	55%	55%	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 was 87% in 2007 compared to 79% in the 1999 base year. Thirty percent of households now have installed four or more smoke alarms. The percentage of households with an escape plan remains similar to last year at 56%.

The table below sets out some of the key findings from the 2007 survey.

<b>Fire-safe behaviour and practice</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2002</b>	<b>1999</b>
Households with at least one smoke alarm installed	87%	88%	85%	84%	79%
Households with four or more smoke alarms installed	30%	29%	23%	25%	-
Households that clean smoke alarms	61%	67%	59%	65%	71%
Fire escape plans developed	56%	54%	54%	54%	-
Households with a fire escape plan who practice it	35%	40%	35%	38%	-
Households where children do not have access to matches and lighters	86%	80%	76%	70%	65%
People who are more fire-safe after seeing roadside fire danger signs **	87%	93%	75%	73%	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.

Consistent with previous years, some survey results continue to highlight the ongoing challenge of raising peoples' awareness to such a level they can take responsibility for their own fire safety. This is clearly shown by the figures below:

- Forty-eight percent of the people surveyed considered taking risks with fire is a part of human nature.
- Twenty-three percent of people thought most causes of serious house fires are beyond the householders' control. This is inconsistent with Fire Service statistics that show the vast majority of fires are caused by people and are mostly preventable.

The table below sets out some of the key findings from the 2007 survey.

<b>Fire-safe behaviour attitudes – people who agree “strongly” or “a little” with:</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2002</b>	<b>1999</b>
I consider I am very safety conscious when it comes to fire risk	82%	87%	89%	88%	89%
I believe I am doing everything possible to prevent the risk of fire in my household	81%	87%	83%	80%	74%
Taking risks with fire is a part of human nature	48%	46%	51%	49%	43%
A serious house fire is not something that is likely to happen to my household	35%	30%	42%	36%	36%
Most causes of serious house fires are beyond the householders' control	23%	28%	28%	28%	27%
The perceived cost of smoke alarms has made me think twice about installing one	26%	23%	19%	22%	17%
As long as children have been taught to play with lighters and matches safely it is OK to leave them within their reach	9%	8%	7%	8%	7%

Fifty-seven percent of people reported taking action after they had seen or heard a fire safety message. The most common actions were to install smoke alarms (27%) and to check the operation of smoke alarms (15%).

<b>Action taken as a result of seeing a fire safety message</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2002</b>	<b>1999</b>
Installed smoke alarms	27%	26%	32%	29%	-
Checked the operation of smoke alarms	15%	11%	26%	26%	-
Kept matches away from children	6%	4%	21%	21%	-
Taught others in the household to be fire safe	10%	3%	17%	20%	-
Do night safety checks	2%	-	13%	14%	-
Developed an escape plan	6%	6%	15%	16%	-
Do not leave candles burning unattended	1%	1%	14%	15%	-
Do not leave cooking on the stove unattended	3%	1%	16%	14%	-
Do not leave clothes drying close to the heater	1%	1%	12%	13%	-
Stopped drinking or drinking less while cooking	1%	1%	9%	7%	-
<b>At least one action taken</b>	<b>57%</b>	<b>49%</b>	<b>67%</b>	<b>65%</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, 20% of people would still try to put the fire out despite knowing fires grow quickly and become unsurvivable within a short space of time. Like last year, this result highlights the ongoing 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 2007 survey.

Aggregate of actions taken in the event of a serious fire	2007	2006	2005	2002	1999
Get everyone out of the house	93%	91%	91%	93%	86%
Ring 111 or the Fire Service	71%	80%	72%	72%	64%
Get valuables out of the house	5%	4%	2%	7%	13%
Try to put the fire out	20%	17%	20%	21%	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 October 2006.

	Target	2006/ 2007	2005/ 2006	2004/ 2005	2003/ 2004	2002/ 2003	2001/ 2002
Number of fire authorities *	-	90	90	91	93	101	100
Number of fire authorities with an adopted fire plan and copy provided to the NRFA	-	89	87	89	91	99	99
<b>Percentage of fire authorities with an adopted fire plan and a copy provided to the NRFA</b>	<b>98%</b>	<b>99%</b>	<b>97%</b>	<b>98%</b>	<b>98%</b>	<b>98%</b>	<b>99%</b>

\* Several fire authorities merged into larger fire authorities during 2003/2004 resulting in a large decrease in the total number of fire authorities.

## Organisational Outcomes

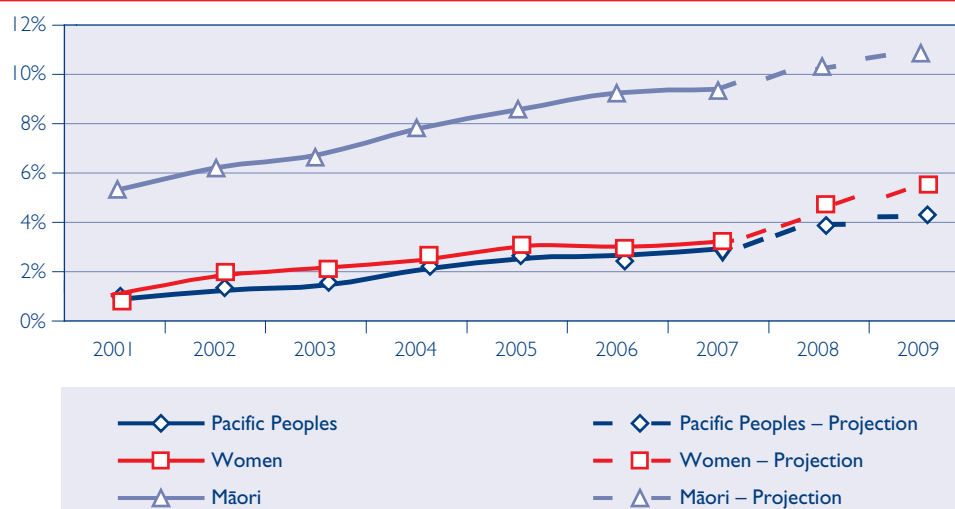
This sub-section summarises the performance of the Commission's internal support and infrastructure functions.

### Organisational Outcome – Human Resources

**National Goal** Improved diversity of the workforce so we reflect the communities we serve. Targets sought by 2009:

- 11% of operational firefighter will be of Māori origin.
- 4.25% of operational firefighters will of Pacific People origin.
- 5.5% of operational firefighters will be female.

### Diversity – % of Firefighter Workforce by Group



Positive progress was made in attracting, recruiting and retaining women, Māori and Pacific people into the Fire Service. The above graph shows the diversity profile of career firefighters for the years ended June 2001 to June 2007 and projections to June 2009.

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

**National Goal** Improve the employee wellbeing index to 56% in 2006/2007.

**National Goal** Improve the employee perception of adequacy of training index to 79% in 2006/2007.

**National Goal** Improve communication index to 53% in 2006.

The internal survey of staff (career and volunteer) is used to monitor progress against these four goals. Leadership focuses on the statement “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 following table are indices of overall employee satisfaction and how employees see the organisation’s performance for communication and innovation/improvement.

	Overall Satisfaction	Leadership	Wellbeing	Communication	Innovation/Improvement	Training
2006/2007	79	75	54	49	79	76
2005/2006	81	73	54	49	80	76
2004/2005	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 eight years.

	2007	2006	2005	2004	2003	2002	2001	2000
Primary								✓
Secondary						✓	✓	
Tertiary	✓	✓	✓	✓	✓			

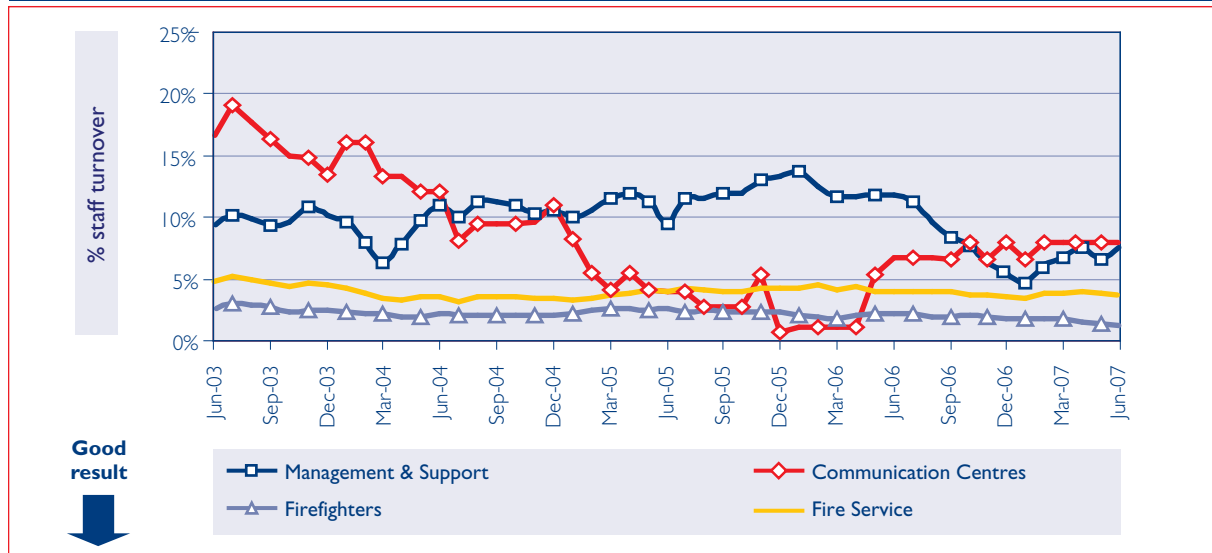
Source: ACC Accredited Employer Unit.

**National Goal** Reduce employee turnover rates below:

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

The rates for the three targeted categories are all below the established national goal levels as at 30 June 2007. This is especially pleasing given the current employment market and the high demand for skilled people.

### Staff Turnover – 12-month rolling average per month



## 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.

	2006/2007 SOI target \$m	2006/2007 Actual \$m
Gross expenditure within approved budget	268.902	268.832
Debt less investments within the target range	-25-5	-49.6*
Levy less net expenditure within the target range	0-15	14.3

\* Actual investments of \$59.0m exceeded budgeted investments of \$23.8m, principally because:

- Cash received from levy and interest income exceeded budget by \$16m
- Cash disbursed to employees and suppliers was below budget by \$18m.

## 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 800 per month.

The national goal level of 97.83% represents an average availability across 12 different IT server groups. The Commission achieved 99.8% availability in 2006/2007.

This measure combined with that for help desk calls is an indication of the overall health of the IT infrastructure. A further measure was developed during 2006/2007 to monitor the performance (speed) of the network and software applications. Overall performance was within the target range to provide acceptable performance to users.

The number of help desk calls averaged 609 (780 last year) per month during 2006/2007. Based on this result the national goal was reduced to 650 (800 previously) per month for 2007/2008.

## Organisational Outcome – Fire Service Levy Compliance

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

The 2006/2007 levy audit programme covered 25 organisations. These 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 last year are shown in the table below.

	2006/ 2007 SOI target	2006/ 2007 Actual	2005/ 2006 Actual
Number of policies reviewed*	-	829*	473
Value of policies audited	-	\$14.6m	\$13.50m
Value of levy recovered	-	\$0.34m	\$0.37m
Percentage recovered	-	2.3%	2.7%
Implied value of policies in compliance	95%	97.7%	97.3%

\*The number of levy auditors was increased from 1 to 2 during 2006/2007 resulting in an increased number of policies audited.

## Organisational Outcome – Business Improvement

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

The Commission continued to focus on improving its business and to conduct internal assessments using the Business Excellence Framework (BEF). A cut down version of the BEF was developed for use at the local level. This concept will be trialed in early 2007/2008 and will provide a systematic tool to aid business improvement throughout the Fire Service. The Commission is committed to developing an award application in 2007/2008 to gain further improvement ideas.

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

	2006/ 2007	2005/ 2006	2004/ 2005	2003/ 2004	2002/ 2003	2001/ 2002	2000/ 2001	1999/ 2000	1998/ 1999
Financial control systems	G	G	G	G	G	G	G	G	S
Financial management information systems	G	G	G	G	G	G	G	G	G
Service performance information and information systems	Not graded	G	G	S	S	S	JA	S	S
Financial management control environment*	na	G	G	G	G	G	G	G	S
Service performance management control environment*	na	G	G	G	G	G	G	S	S

\*The audit grading changed in 2006/2007 and these categories are no longer graded as part of the annual audit.

### Grade Explanation

2006/2007 onwards:

Very good	We recommend that no improvements are necessary.
Good	We recommend that improvements would be beneficial and the entity addresses these
Needs improvement	We recommend that improvements are necessary and should be addressed at the earliest reasonable opportunity.
Poor	We recommend that major improvements are required, to which the entity should give urgent attention.

2005/2006 and prior:

G = Good	S = Satisfactory	JA = Just Adequate
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## Output Classes – Revenue

	2006/07 Actual revenue \$000 GST excl.	2006/07 Actual levy receipts \$000 GST excl.	2006/07 Forecast revenue \$000 GST excl.	2006/07 Forecast levy receipts \$000 GST excl.
<b>Output Class 1: Fire prevention and other forms of fire safety resulting in reduced frequency and impact of fires.</b>	<b>1,772</b>	<b>42,635</b>	<b>1,450</b>	<b>40,556</b>
Output 1.1: Fire prevention and advice to the general public.	1,014	31,527	830	29,990
Output 1.2: Professional and technical advice to the Built Environment public.	758	2,291	620	2,179
Output 1.3: Fire safety legislation.	0	8,122	0	7,726
Output 1.4: Fire safety research.	0	695	0	661
<b>Output Class 2: Firefighting and other Fire Service operations.</b>	<b>13,294</b>	<b>222,182</b>	<b>10,876</b>	<b>211,347</b>
Output 2.1: Operational readiness.	9,623	187,719	7,873	178,565
Output 2.2: Operational responses to fire and other emergencies.	3,671	33,309	3,003	31,685
Output 2.3: Wider emergency management capability.	0	281	0	267
Output 2.4: Fire alarm systems monitoring and the reduction in avoidable false alarms.	0	873	0	830
<b>Output Class 3: Rural fire leadership and coordination.</b>	<b>0</b>	<b>3,255</b>	<b>0</b>	<b>3,097</b>
Output 3.1: Advice and support to Fire Authorities and rural fire committees.	0	1,152	0	1,096
Output 3.2: Administration of the Rural Fire Fighting Fund and grant assistance schemes.	0	1,338	0	1,273
Output 3.3: Rural fire standards, audit, evaluation of Fire Authority performance and management of the fire weather monitoring and prediction system.	0	267	0	254
Output 3.4: Advice to the public and to key groups in rural lands.	0	498	0	474
<b>Total revenue assigned to outputs</b>	<b>15,066</b>	<b>268,072</b>	<b>12,326</b>	<b>255,000</b>

In the Statement of Intent, budgeted sponsorship revenue totalling \$530k was netted off against the corresponding expenditure. In the Budget numbers above, the sponsorship revenue and expenditure have been grossed up.

## Output Classes – Gross Expenditure

	2006/07 Actual gross expenditure \$000 GST excl.	2006/07 Forecast gross expenditure \$000 GST excl.	2005/06 Actual gross expenditure \$000 GST excl.
<b>Output Class 1: Fire prevention and other forms of fire safety resulting in reduced frequency and impact of fires.</b>	<b>42,255</b>	<b>42,006</b>	<b>38,505</b>
Output 1.1: Fire prevention and advice to the general public.	30,987	30,820	28,440
Output 1.2: Professional and technical advice to the Built Environment public.	2,784	2,799	2,551
Output 1.3: Fire safety legislation.	7,732	7,726	6,955
Output 1.4: Fire safety research.	752	661	559
<b>Output Class 2: Firefighting and other Fire Service operations.</b>	<b>223,595</b>	<b>223,799</b>	<b>217,678</b>
Output 2.1: Operational readiness.	183,295	188,014	182,555
Output 2.2: Operational responses to fire and other emergencies.	39,089	34,688	34,050
Output 2.3: Wider emergency management capability.	270	267	254
Output 2.4: Fire alarm systems monitoring and the reduction in avoidable false alarms.	941	830	819
<b>Output Class 3 Rural fire leadership and coordination.</b>	<b>2,982</b>	<b>3,097</b>	<b>2,781</b>
Output 3.1: Advice and support to Fire Authorities and rural fire committees.	1,074	1,096	1,035
Output 3.2: Administration of the Rural Fire Fighting Fund and grant assistance schemes.	1,208	1,273	1,093
Output 3.3: Rural fire standards, audit, evaluation of Fire Authority performance and management of the fire weather monitoring and prediction system.	245	254	231
Output 3.4: Advice to the public and to key groups in rural lands.	455	474	422
<b>Total cost of outputs</b>	<b>268,832</b>	<b>268,902</b>	<b>258,964</b>

In the Statement of Intent, budgeted sponsorship revenue totalling \$530k was netted off against the corresponding expenditure. In the Budget numbers above, the sponsorship revenue and expenditure have been grossed up.

Also in the 2005/06 Annual Report, gains on the disposal of fixed assets totalling \$174k were netted off against losses on disposal of fixed assets. In 2006/07 these gains were separately disclosed in revenue so the comparative figures for 2005/06 have been adjusted accordingly.

In the 2005/2006 annual report the output costs showed funds expenditure as a separate line. In 2006/2007 funds expenditure is not shown separately, therefore the 2005/2006 actual gross expenditure has been restated to include funds expenditure for comparative purposes.

## Output Performance

### 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 comprises the delivery of fire prevention to the public. Fire prevention aims to change behaviour through improved knowledge about fire risks and through improved knowledge of what actions to take to reduce those risks. It is 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:
  - Children
  - People on low incomes
  - People living in rental accommodation
  - Ethnic groups including Māori 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 uses standard national material complimented with locally developed initiatives. National material has been developed using a standard approach. The approach involves 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, Marea fire safety programme and the Te Kotahitanga programme.

#### How this output links to improved fire outcomes

The 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 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 Delivery of fire safety education messages was planned targeting at-risk groups under the national promotion plan.

Programmes were delivered to:	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Children using Firewise	1,043	1,079	957
Young people using the Fire Awareness Intervention Programmes (FAIP)	889	761	106
Visits to households *	13,361	-	1,716
At-risk groups:			
• percent of homes with people on low incomes	39%	-	56%
• percent of homes that are rented	26%	-	51%
• percent of homes with ethnic groups including Māori and	24%	-	33%
• percent of homes in rural areas	15%	-	7%
• percent of homes with elderly people	42%	-	37%
• percent of homes containing people with special needs	6%	-	18%
Other:			
• percent of homes containing European people	67%	-	8%
Programmes to people in the commercial/industrial area.	608	323	215

\* Note: the composition of a households can fall into multiple demographic categories, therefore the percent information totals greater than 100%.

### Comment on variance between target and actual for visits to households

This measure was new in 2006/2007 and the target developed for the SOI was for proactive visits to households. The SOI target did not include estimates for responding to requests from the public for services such as help with developing home escape plans, fire safety education and installing smoke alarms. Actual performance exceeded target due to a combination of the large component of reactive service delivery that was not included in the SOI target and a conservative approach to the development of the SOI target. The target for the SOI 2007/2008 was refined and includes more realistic reactive and proactive components of the service.

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 Smoke alarms were planned to be installed and checked.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Smoke alarms installed	24,665	28,707	3,746
Batteries replaced or installed	13,994	15,631	2,316
Smoke alarms cleaned and checked	24,461	24,007	1,883
Smoke alarms relocated	4,611	2,700	260

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

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

Performance measures 1.1.4 & 1.1.5	2006/07 Actual	2005/06 Actual	New target
Satisfaction of recipients of fire safety education	9.0	8.3	8.0
Level of expectations met for recipients of fire safety education	9.0	8.2	8.0

\* In 2007 programme partners were not surveyed. The Commission instead widened its measure to overall customer satisfaction with fire safety education services. The independent survey asked a sample of the general public, who had received fire safety education, to rate the service 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:

I.2.1 Technical fire safety advice was planned to be delivered on sound fire safety features in building design.

Technical Fire Safety Advice was delivered covering:	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Compartmentation	184	48	50-100
Fire protection systems	1,178	673	600-800
Means of escape	960	455	400-600

I.2.2 Technical fire safety advice was planned to be delivered on making sure buildings are used safely and in accordance with their design.

Technical Fire Safety Advice was delivered covering:	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Building occupancy and fire loadings	581	177	150-250
People and activity management in buildings	625	282	250-350
Safe housekeeping matters	484	329	250-350

I.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.

Technical Fire Safety Advice was delivered covering:	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Fire behaviour	288	107	75-150
Fire causes	505	292	200-300
Evacuating a building effectively and efficiently	2,002	3,237	3,000-3,500
Safe practices	555	466	450-550

I.2.4 Technical fire safety advice was planned to be delivered to organisations or individuals.

Technical Fire Safety Advice was delivered to:	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Building owner groups	96	168	200-300
Industry groups	74	178	200-300

I.2.5 Fire Service Memoranda were planned to be provided to territorial authorities on building consent applications.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Fire Service Memoranda provided	564	632	700-1,200

I.2.6 The quality of Fire Service Memoranda was planned to be reviewed during the year.

All memoranda were reviewed using a three-step internal peer review process. In addition, an internal audit was conducted on fire safety advice that included memoranda to consent authorities. The audit found that adequate controls were in place to mitigate the risks associated with giving the wrong advice and that there was reasonable assurance that the accurate and appropriate advice was given to building consent authorities.

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

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Memoranda provided within 10 days	100%	100%	100%
Average time to respond	7.7 days	7.4 days	-

1.2.8 Building owners satisfaction with the overall level of services provided by the Fire Service was planned to be at least 90%.

1.2.9 Building owners overall expectations with the overall level of services provided by the Fire Service was planned to be at least 90%.

### Performance measures 1.2.8 & 1.2.9

This measure was used to assess building owner satisfaction and level of expectations met with evacuation scheme advice and approval services. Legislation covering this area changed during the year resulting in a major change in the type of service provided by the Fire Service. As a result the survey was no longer the appropriate measurement tool and was not conducted in 2006/2007. The Commission is considering new options for reporting against this measure in 2007/2008.

## 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:

- I.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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Faults notified to territorial authorities	218	155	-

- I.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.

- I.3.3 All buildings notified to the territorial authority (under I.3.2) were planned to be monitored to ensure they were either closed, made safe or have legal action being taken.

Performance measures I.3.2 & I.3.3	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Dangerous buildings notified to territorial authorities.	37	34	-
Dangerous buildings made safe, closed or legal action pending.	28	21	-
Work continuing in conjunction with territorial authorities.	9	13	-

- I.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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Number of high risk buildings	5,668	5,620	-
Percent with an approved evacuation scheme	99.8%	98.1%	95%
Evacuation schemes approved for high risk buildings	254	284	-

- I.3.5 Evacuation scheme for other buildings were planned to be approved where the owner provided a suitable draft scheme.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Evacuation schemes approved for non-high risk buildings	1,980	1,503	-

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.

Number of Trial Evacuations:	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Monitored	16,043	19,905	-
Attended by the Fire Service	2,192	4,229	-
Monitored for high-risk buildings	3,721	4,745	-
Monitored for other risk buildings	12,322	15,160	-

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

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Number of building inspections	2,233	4,096	3,500-4,500

## 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:

- I.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 March 2007. Projects were commissioned and work has commenced.

- I.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.

- I.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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Number of students graduating in Masters of Fire Engineering	5	9*	-
Total graduates since 1994	112	107*	-

\* Updated data from Canterbury University resulted in restating the 2005/2006 data from the information published in the 2005/2006 annual report (previously published as 14 and 111)

## 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

Skills and equipment were maintained through:	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Conducting recruits courses	3	3	3
Fleet maintenance spend	\$7.6	\$6.9m	\$7.1m
Property maintenance spend	\$3.2	\$2.8m	\$2.6m
National Training courses delivered*	✓	✓	✓

\* see page 17 for a list of the key national courses delivered in 2006/2007.

- 2.1.2 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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Operational readiness audits conducted	125	135	90-150

- 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.

In 2005/2006 the review of the operational readiness audits revealed an inconsistent approach across regions. A major review and update of the process and documentation was planned for 2006/2007 to improve consistency. Work commenced to improve the internal operational readiness audit process and will be finished in 2007/2008. Formal national reports and trend information will recommence in 2007/2008.

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

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Operational plans developed	580	605	575-675
Operational plans reviewed	875	742	725-800



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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Hydrants inspected	23,172	19,852	20,000-23,000
Percentage meeting the standard	86%	89%	-
Hydrants flow tested	5,780	7,657	7,500-9,000
Percentage meeting the standard	96%	96%	-
Hydrants pressure tested	2,177	2,474	1,750-2,750
Percentage meeting the standard	98%	97%	-
Risers tested	26	36	-
Percentage meeting the standard	92%	92%	-
Alternative water supplies checked	426	324	-
Advice provided on fire risk classification and water supplies	225	210	-

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

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Airport exercises	45	34	40-60
Civil Defence exercises	31	58	40-60
Hazardous substance exercise	9	27	10-25
Multiple agency exercises	199	173	140-175
Rural fire exercises	21	47	30-50
Seaport exercises	15	9	5-15

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 in 2005/2006 that provided ten recommendations to improve the structure, accountability, reporting and focus for operational training across the organisation. The recommendations and their implications were implemented in 2005/2006 and 2006/2007. A further internal review of firefighter training courses is planned for 2007/2008.

## 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.

Performance measures 2.2.1 – 2.2.5	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Responses to alarms of fire in fire districts	19,968	18,519	-
Responses within 7 minutes	89%	87.7%	90%
Responses within 10 minutes	98%	97.7%	99%
Responses to alarms of other emergency incidents inside fire districts	38,655	35,721	-
Responses to alarms of fire outside fire districts	5,319	5,139	-
Responses to alarms of other emergency incidents outside fire districts	7,978	7,574	-

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

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Civil Defence emergencies attended	0	1	-

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

There were no declared national or regional civil defence emergencies in 2006/2007. The Fire Service responded to and provided emergency response and clean-up capability at many local scale emergencies.

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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Operational reviews carried out	24	20	-

Key findings from the operations reviews were being analysed and a report planned for publication in 2007/2008.

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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Fire investigations conducted and reports produced	282	211	-

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.\*

Performance measures 2.2.10 & 2.2.11 *	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Overall satisfaction with response services	9.2	8.6	90%
Level of overall expectations met for response services	8.8	9.0	90%

\* In 2007 response partners were not surveyed. The independent survey asked a sample of the general public, who had received emergency response services, to rate the service on a scale of 1 to 10 (10 being the highest) on their levels of satisfaction and how well their expectations were met.

## 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 International Search and Rescue Advisory Group (INSARAG) medium level during 2005/06. In addition the Fire Service will be training all of its career staff to Category I-response level and volunteers to Category I-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 (EMG)/committees.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
EMG meetings attended	34	56	50

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

Achieved with equipment upgrades to meet the 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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Coordinating Executive Group meetings	83	78	80-120
Emergency Service Coordinating Committee meetings	69	60	40-60
Hazardous Substance Technical Liaison Committee meetings	43	77	70-90
Regional Rural Fire Committee meetings	33	32	40-80

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.\*

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Number of people undertaking CIMS 2 training	171	205	-
Number of people undertaking CIMS 4 training	21	41	20

\*The SOI refers to Level 4 or 6. This should have read Level 2 or 4 as reported in this annual report and last years annual report.

## 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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Number of times advice provided	225	520	250-400

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

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Reduction in total equipment fault false alarms	(5.2%)*	(0.70%)*	6%
Average monthly rate of equipment fault false alarms per 100 connected systems	5.00	4.82	-
Percent reduction in the average monthly rate of equipment fault false alarms per 100 connected systems	(1.6%)*	12%	6%

\*The numbers in brackets () represent an increase in the number or rate of false alarms against a targeted reduction.

### Comment on variance between target and actual

False alarms due to equipment faults increased in total by 5.2% and by 1.6% for the rate per 100 connected systems. Although this is a poor result the overall trend since June 2001 remains positive with the number false alarms down 10% and the rate per 100 connected systems down 18%. The Fire Service continues to work with building owners and alarm monitoring and installation agents to improve the reliability and design of fire alarm systems in buildings. In many instances further reductions rely on investments from building owners to upgrade their alarms systems and this factor is outside the control of the Fire Service.

## Output Class 3: Rural Fire Leadership and Coordination

(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.

	2006/07 Actual	2005/06 Actual	2006/07 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.

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

Percentage satisfied with:	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Administrative support	89%	92%	95%
Meeting facilitation	89%	95%	95%

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

Rural Fire Districts:	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Established	1	-	-
Amended	2	1	-
Revoked	1	-	-

## 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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Number of applications for grant assistance actioned	60	58	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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Percentage advised within two months	100% by August 2006	100%	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.

	2006/07 Actual	2005/06 Actual	2006/07 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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Number of Rural Fire Fighting Fund claims actioned	94	120	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 NRFA.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Percentage advised within two months	54%	81%	90%

### Comment on variance between target and actual

Many of the claims against the rural fire fighting fund required significant research and collection of further information before the claim could be processed and finalised. As a result of this further work many of the claims against the fund were finalised outside the targeted two month time period.

3.2.6 Claim decisions accepted without recourse to mediation.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Percentage accepted	100%	100%	95%

### Output 3.3 Rural fire standards, audit, evaluation of Fire Authority performance 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 finalised

Standards for fire equipment, fire weather observation, and protective clothing were approved. The training standard was drafted and consultation undertaken. A large response meant a further revised standard and further consultation was required. The standard will be finalised during 2007/08.

3.3.2 Fire and equipment and weather station standards audits and training standards audits were planned to be completed by 30 June 2007.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Fire and equipment and weather station standards audits	15	0	25
Training standards audits	0	0	5



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

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Percentage advised within two months	93%	0	100%

### 3.3.4 Assessments of Fire Authorities performance under the Forest and Rural Fires Act were planned to be completed.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Assessments of Fire Authorities	4	na	5

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

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Percentage completed within two months	25%	-	100%

#### Comment on variance between target and actual

The application of the new assessment process and the trial assessments carried out in 2006/2007 were a major undertaking and represented a significant change to the way the rural fire sector reviewed its performance. As a result of the complexity and consultative nature of the trial assessments only four were carried out compared to the five planned. The assessment process was improved as a result of the trial assessments conducted and will be further rolled out in 2007/2008. A flow on consequence of this consultative process was a delay in providing written reports within two months as set out in the measure below (3.3.5).

### 3.3.6 Fire authority acceptance of performance evaluation reports without recourse to mediation.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Percentage accepted	100%	-	95%

### 3.3.7 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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Days available during the fire season	180*	179	182
Percentage availability	99%*	98%	100%
Total days available during the year	361*	362	365
Percentage availability	99%*	99%	100%

\*A significant upgrade to the fire weather monitoring system and an improved performance reporting module were being implemented in 2006/2007 and into 2007/2008 which resulted in estimated results for system availability.

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

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Updated by 3pm during the fire season	90%*	98%	95%

\*A significant upgrade to the fire weather monitoring system and an improved performance reporting module were being implemented in 2006/2007 and into 2007/2008 which resulted in estimated results.

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

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Number of notifications	3	1	6

3.3.10 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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Advice provided by 3 pm	67%	100%	95%

#### Comment on variance between target and actual

There were only three notifications issued compared to the six planned. Of the three notifications one (33%) was outside the 3pm timeframe. The percentage of notifications within the 3pm timeframe was only 67% but was largely distorted by the small number of notifications.

3.3.11 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.

None declared.

### 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 results in well targeted and improved service delivery and will produce better fire outcomes in rural areas.

## Performance Measures

3.4.1 Coordinate an education and promotion campaign during the fire season, in partnership with rural stakeholders, 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 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.

	2006/07 Actual	2005/06 Actual	2006/07 SOI target
Number of people trained	49	47	40

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 2007

## 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 a body constituted under Section 4 (1) of the Fire Service Act 1975. These financial statements have been prepared in accordance with the Crown Entities Act 2004.

## 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 policies have been applied on a basis consistent with those used in the previous year.

## Accounting policies

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

### Budget

The budget figures are derived from the Statement of Intent as approved by the Ministers of Internal Affairs and Finance.

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 Section 46A 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 2007.

The results of revaluing 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 have been calculated on an actuarial basis. This approach recognises the liability attributable to employees' and volunteers' services already rendered, and the liability is measured using expected future cash outflows.

## 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.

Monetary assets and liabilities held in foreign currencies are translated at the closing mid-point exchange rate at balance date and the resulting unrealised gain or loss is recognised in the statement of financial performance.

## 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.

## Statement of Cash Flows

1. Cash is defined as notes and coins and current bank balances that can be converted to cash within two days.
2. Operating activities include cash received from all income sources and records the cash payments made for the supply of goods and services.
3. Investing activities are those activities relating to the acquisition and disposal of non-current assets.
4. Financing activities are those activities that result in changes to equity or debt.

## Output costing

The outputs are costed against gross expenditure, including funds.

The Commission has derived the cost of outputs using the following cost allocation system:

1. Direct costs are attributed to outputs (Direct costs are those costs directly attributable to an output).
2. Indirect costs relating to output delivery, administration and financing costs are allocated to the Operational Readiness output (Indirect costs include all costs other than direct costs).

## New Zealand International Financial Reporting Standards (NZ IFRS)

The New Zealand Fire Service Commission has adopted New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) for the financial year commencing 1 July 2007. The Commission has systems and processes in place to capture NZ IFRS comparative information in parallel with current reporting requirements. A separate set of accounting policies and financial statements for comparative purposes will be published under NZ IFRS.

The key difference in accounting policies arising from the transition to NZ IFRS is in relation to the valuation of fixed assets, where the Commission has applied Section 44 of NZ IFRS 1, First-time Adoption of New Zealand Equivalents to International Reporting Standards, to use Fair Value as the deemed cost of land and buildings. These values were determined by Quotable Value New Zealand Limited as at 1 July 2006.

The Commission has also determined further impacts from the adoption of NZ IFRS as follows:

Transfer of non-current SITE assets cost to intangibles	\$17.9m
Transfer of non-current software assets cost to intangibles	\$13.3m
Transfer to retained earnings of the revaluation reserve arising from the use of the deemed cost exemption described above	\$249.7m
Transfer of accumulated depreciation on SITE assets to amortisation	\$14.5m
Transfer of accumulated depreciation on software assets to amortisation	\$5.5m
Estimated liability from a defined benefit superannuation scheme	\$1.2m

The adoption of NZ IFRS could have further material impact on the basis on which net surplus/(deficit) is calculated.

# Statement Specifying Financial Performance

for the year ended 30 June 2007

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

	06/07 Actual \$000	06/07 Budget \$000	05/06 Actual \$000
Total operating expenditure (excluding funds)	266,046	266,902	254,369
Rural Fire Fighting Fund expenditure	2,786	2,000	4,595
Total operating expenditure	268,832	268,902	258,964
Levy receipts	268,072	255,000	254,276
Capital expenditure	26,065	43,160	28,554

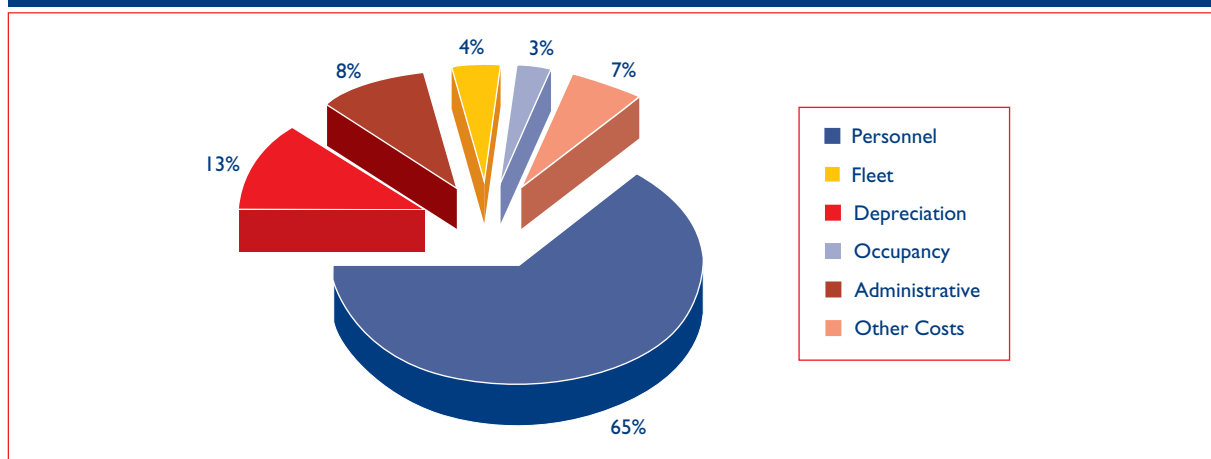
## Total Operating Expenditure (excluding funds)

	06/07 Actual \$000	06/07 Budget \$000	05/06 Actual \$000
Total operating expenditure (excluding funds)	266,046	266,902	254,369

Operating expenditure between financial years was driven by:

- A 4% increase in salaries, wages and associated employment costs, less the write back of accruals under the Holidays Act and the alignment of the provision for gratuities and long service leave to actuarial valuation.
- Growth in depreciation costs through the purchase of operational equipment (mostly protective clothing), buildings and appliances.
- Higher utility charges across the organisation.
- 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.

### 2006/07 Financial Year



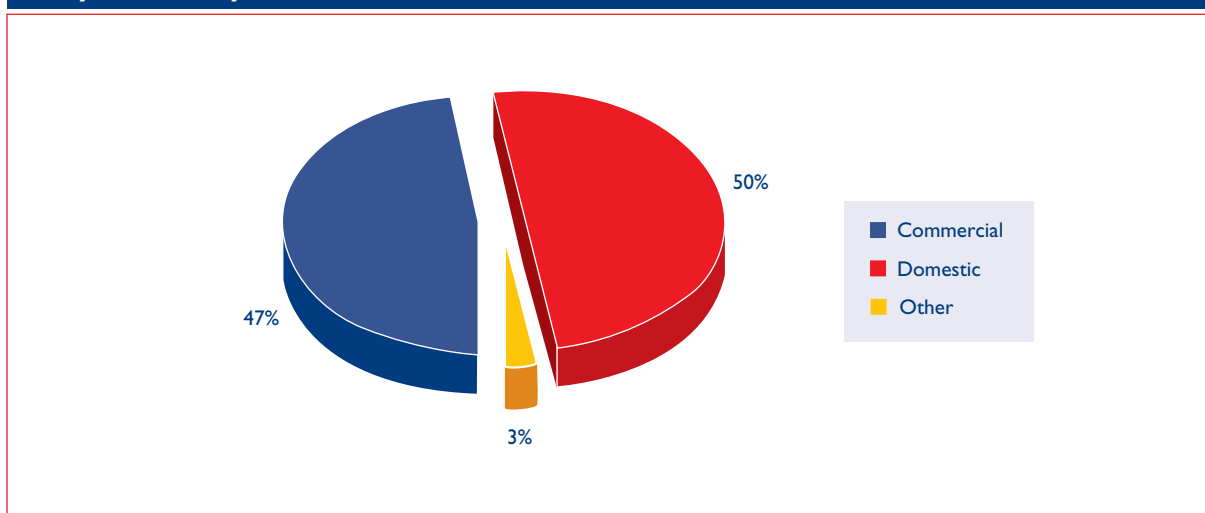
## Levy Receipts

	06/07 Actual \$000	06/07 Budget \$000	05/06 Actual \$000
Levy receipts	268,072	255,000	254,276
Less contribution to Rural Fire Fighting Fund	3,450	100	550
Net levy receipts	264,622	254,900	253,726

The levy rate remained constant throughout the year at 7.3 cents per \$100 of insured value.

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 the Department of Conservation are in proportion to claims for costs of suppressing fires on Conservation estates or other properties.

### Levy Income by Source 2006/2007



## Rural Fire Fighting Fund Expenditure

	06/07 Actual \$000	06/07 Budget \$000	05/06 Actual \$000
Rural Fire Fighting Fund	2,786	2,000	4,595

The Rural Fire Fighting Fund, which was established and operates under Section 46 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 2006/07 there were 94 claims (2005/06 122 claims) against the fund which were eligible for grant assistance. The most significant fires in terms of claims (greater than \$100,000) on the fund were: Waipoua Forest, McLeans Road, Logan Park, Glengarry Road, Remarkables and Omarunui Road fires.



## Capital Expenditure

	Actual 2007 \$000	Budget 2007 \$000	Actual 2006 \$000
Fleet	10,335	15,086	6,833
Property	5,725	16,298	13,754
Other	10,005	11,776	7,967
<b>Total capital expenditure</b>	<b>26,065</b>	<b>43,160</b>	<b>28,554</b>
Adjustments for accruals	7,102	(890)	4,583
<b>Capital expenditure cash flow</b>	<b>33,167</b>	<b>42,270</b>	<b>33,137</b>

The Capital programme for the year ending 30 June 2007 on an accruals basis was \$43m, of which a total of 60% was spent and 40% deferred.

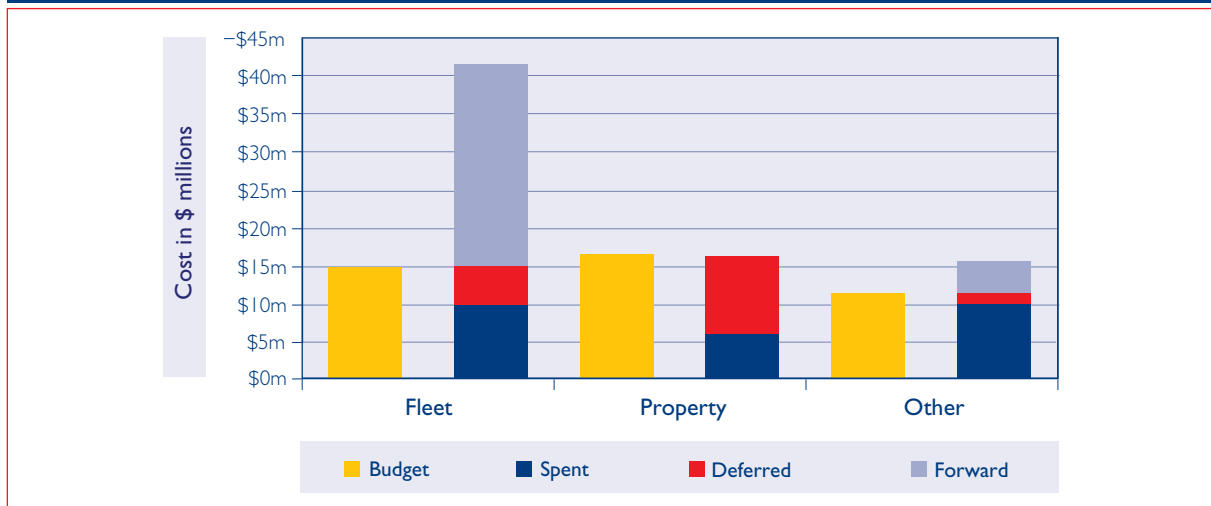
The graph shows the breakdown of the budget for the major categories, between the portion spent and the portion deferred.

Part of the fleet programme was deferred because of the late delivery of cab/chassis and aerial platforms from overseas. Delays were also caused by the new model type 3 appliance, which required some modification before the full order could be placed.

\$10.5m (65%) of the property budget was deferred during the year, primarily due to delays caused by the consent process or through the inability to locate sites for development.

Initiatives were taken to address deferrals of capital expenditure by bringing forward future capital expenditure programmes. This is shown in the graph by the forward portion. \$27m of planned future fleet capital expenditure was committed before year end, together with \$3m of other capital expenditure, mostly IT related.

### Capital Programme 2006/07



# Statement of Financial Performance

for the year ended 30 June 2007

	Note	Actual 2007 \$000	Budget 2007 \$000	Actual 2006 \$000
<b>Operating revenue</b>				
Levy receipts		268,072	255,000	254,276
Interest		3,936	621	2,613
Other revenue	1	11,130	11,705	11,541
<b>Total operating revenue</b>		<b>283,138</b>	<b>267,326</b>	<b>268,430</b>
<b>Operating Expenditure</b>				
Personnel expenditure	2	171,863	171,538	162,508
Other expenditure	3	94,183	95,364	91,861
<b>Total operating expenditure excluding funds</b>		<b>266,046</b>	<b>266,902</b>	<b>254,369</b>
<b>Rural Fire Fighting Fund</b>		<b>2,786</b>	<b>2,000</b>	<b>4,595</b>
<b>Total operating expenditure including funds</b>		<b>268,832</b>	<b>268,902</b>	<b>258,964</b>
<b>Net surplus/(deficit)</b>	4	<b>14,306</b>	<b>(1,576)</b>	<b>9,466</b>

The impact of the increase in Levy receipts during the year is a change from a budgeted deficit of \$1.6m to a surplus of \$14.5m.

The increase in Levy receipts has enabled an increase in the level of investments to be made resulting in an increased level of interest revenue.

In the Statement of Intent, budgeted sponsorship revenue totalling \$530k was netted off against the corresponding expenditure. In the Budget numbers above, the sponsorship revenue and expenditure have been grossed up.

In the 2005/06 Annual Report, grants to UFBA, volunteer brigades and social grants totalling \$3.399m were disclosed under other personnel expenditure. In 2006/07 and the Statement of Intent these grants are not disclosed under other personnel expenditure, so the comparative figures for 2005/06 have been adjusted accordingly.

Also in the 2005/06 Annual Report, gains on the disposal of fixed assets totalling \$174k were netted off against losses on disposal of fixed assets. In 2006/07 these gains were separately disclosed in revenue so the comparative figures for 2005/06 have been adjusted accordingly.

*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 2007

	Note	Actual 2007 \$000	Budget 2007 \$000	Actual 2006 \$000
<b>Equity at beginning of year</b>		<b>404,029</b>	<b>367,329</b>	<b>357,307</b>
Net surplus/(deficit)	4	14,306	(1,576)	9,466
Net increase in revaluation reserve	14	29,935	0	37,256
<b>Total movement in equity for the year</b>		<b>44,241</b>	<b>(1,576)</b>	<b>46,722</b>
<b>Equity at end of year</b>		<b>448,270</b>	<b>365,753</b>	<b>404,029</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 2007

	Note	Actual 2007 \$000	Budget 2007 \$000	Actual 2006 \$000
<b>Current assets</b>				
Cash and bank	6	59,046	23,819	39,460
Inventory		89	0	0
Property held for sale		7,377	0	2,308
Accounts receivable and prepayments	7	3,154	4,149	4,075
<b>Total current assets</b>		<b>69,666</b>	<b>27,968</b>	<b>45,843</b>
<b>Non-current assets</b>				
Property, plant and equipment	8	460,073	402,036	441,823
<b>Total non-current assets</b>		<b>460,073</b>	<b>402,036</b>	<b>441,823</b>
<b>Total assets</b>		<b>529,739</b>	<b>430,004</b>	<b>487,666</b>
<b>Current liabilities</b>				
Employee and volunteer entitlements	10	24,946	3,385	21,421
Current portion of debt	11	2,585	2,442	4,649
Unamortised gain on sale and leaseback		355	(21)	475
Other current liabilities	12	19,865	22,081	21,556
<b>Total current liabilities</b>		<b>47,751</b>	<b>27,887</b>	<b>48,101</b>
<b>Non-current liabilities</b>				
Employee and volunteer entitlements	10	25,976	30,464	27,717
Unamortised gain on sale and leaseback		888	0	0
Term debt	11	6,854	5,900	7,819
<b>Total non-current liabilities</b>		<b>33,718</b>	<b>36,364</b>	<b>35,536</b>
<b>Total liabilities</b>		<b>81,469</b>	<b>64,251</b>	<b>83,637</b>
<b>Equity</b>				
Equity	9	168,170	152,967	154,609
Rural Fire Fighting Fund	13	1,782	468	(319)
Revaluation reserve	14	278,318	212,318	249,739
<b>Total equity</b>		<b>448,270</b>	<b>365,753</b>	<b>404,029</b>
<b>Total liabilities and equity</b>		<b>529,739</b>	<b>430,004</b>	<b>487,666</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 2007

	Note	Actual 2007 \$000	Budget 2007 \$000	Actual 2006 \$000
<b>Cash flows from operating activities</b>				
Cash was provided from:				
Levy		268,072	255,000	254,276
Interest		3,936	621	2,613
Other revenue		10,278	10,700	9,151
Net GST received/(paid)		(574)	1,704	788
		<b>281,712</b>	<b>268,025</b>	<b>266,828</b>
Cash was disbursed to:				
Employees		(169,321)	(181,825)	(158,656)
Suppliers		(57,415)	(63,172)	(61,965)
Interest		(859)	(819)	(934)
		<b>(227,595)</b>	<b>(245,816)</b>	<b>(221,555)</b>
<b>Net cash flows from operating activities</b>	<b>5</b>	<b>54,117</b>	<b>22,209</b>	<b>45,273</b>
<b>Cash flows from investing activities</b>				
Cash was provided from:				
Disposal of fixed assets		1,665	11,705	378
Disposal of investments		0	0	3
		1,665	11,705	381
Cash was disbursed to:				
Purchase of fixed assets		(33,167)	(42,270)	(33,137)
<b>Net cash flows from investing activities</b>		<b>(31,502)</b>	<b>(30,565)</b>	<b>(32,756)</b>
<b>Cash flows from financing activities</b>				
Cash was disbursed to:				
Repayment of debt		(3,029)	(3,283)	(2,955)
<b>Net cash flows from financing activities</b>		<b>(3,029)</b>	<b>(3,283)</b>	<b>(2,955)</b>
<b>Net increase/(decrease) in cash and bank</b>		<b>19,586</b>	<b>(11,639)</b>	<b>9,562</b>
Add cash and bank at beginning of year		39,460	35,458	29,898
<b>Cash and bank at end of year</b>		<b>59,046</b>	<b>23,819</b>	<b>39,460</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 2007

	Actual 2007 \$000	Actual 2006 \$000
<b>Capital commitments</b>	<b>31,219</b>	<b>16,534</b>
<b>Operating lease commitments</b>		
Not later than one year	4,735	3,467
Later than one year and not later than two years	2,029	2,371
Later than two years and not later than five years	3,232	3,988
Later than five years	2,754	4,499
<b>Total operating lease commitments</b>	<b>12,750</b>	<b>14,325</b>
<b>Total commitments</b>	<b>43,969</b>	<b>30,859</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 2007

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

The estimated liability at balance date was \$14k (2006 nil).

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.

# Notes to the Financial Statements

for the year ended 30 June 2007

## Note I – Other Revenue

	Actual 2007 \$000	Budget 2007 \$000	Actual 2006 \$000
Commercial services	380	707	426
Private fire alarms revenue	1,833	1,709	1,539
Rural fire fighting contributions	1,437	2,200	867
False alarms	2,014	2,806	2,774
Rents	469	418	447
Good corporate citizen contributions	2,073	2,025	2,159
Gain on disposal of fixed assets	600	0	174
Amortisation of gain on sale and leaseback	653	475	257
Adjustments to provisions	0	0	1,094
Sponsorship	694	530	964
Miscellaneous revenue	977	835	840
<b>Total other revenue</b>	<b>11,130</b>	<b>11,705</b>	<b>11,541</b>

Contributions of \$2.073m (2006 \$2.159m) 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.

Adjustments to Provisions in 2006 follows the revaluation of the ACC Partnership Provision (see Note 12) and the provisions for long service leave and gratuities.

In the Statement of Intent, budgeted sponsorship revenue totalling \$530k was netted off against the corresponding expenditure. In the Budget numbers above, the sponsorship revenue and expenditure have been grossed up.

In the 2005/06 Annual Report, gains on the disposal of fixed assets totalling \$174k were netted off against losses on disposal of fixed assets. In 2006/07 these gains were separately disclosed in revenue so the comparative figures for 2005/06 have been adjusted accordingly.

## Note 2 - Personnel Expenditure

	Actual 2007 \$000	Budget 2007 \$000	Actual 2006 \$000
Salaries and wages	141,164	143,893	132,121
Holidays Act provision	0	0	4,334
Superannuation subsidy	13,034	12,901	12,214
ACC	1,682	1,389	1,386
Volunteers	4,693	4,500	4,012
Other personnel expenditure	11,290	8,855	8,441
<b>Total personnel expenditure</b>	<b>171,863</b>	<b>171,538</b>	<b>162,508</b>

The increase in personnel expenditure in 2007 compared to 2006 is primarily because of the settlement of the Uniformed and Communications Centre Employees collective agreement and the Holidays Act.

	\$m
Contract settlement 1/1/07-30/6/07	2.83
Holidays Act settlement	<u>9.56</u>
	12.39

Actual salaries and wages are less than budget primarily because of the accruals for these settlements:

	\$m
Total settlement as above	12.39
Budgeted Holidays Act accrual	15.03
Residual budget available after 1/7/06 settlement	<u>0.73</u>
	15.76
Over provided	<u>3.37</u>

There was one severance payment made during the year amounting to \$16,373 (2006 nil).

In the 2005/06 Annual Report, grants to UFBA, volunteer brigades and social grants totalling \$3.399m were disclosed under other personnel expenditure. In 2006/07 and the Statement of Intent these grants are not disclosed under other personnel expenditure, so the comparative figures for 2005/06 have been adjusted accordingly.



## Note 3 - Other Expenditure

	Note	Actual 2007 \$000	Budget 2007 \$000	Actual 2006 \$000
Remuneration of auditors—audit fees		164	191	156
Remuneration of auditors—audit fees for NZ IFRS		20	0	0
Remuneration of auditors—other services		24	55	35
Fees paid to Commissioners	17	131	112	113
Depreciation:				
Buildings		13,298	10,898	10,529
Fire appliances		5,390	5,071	4,731
Motor vehicles		171	119	167
Communications equipment		968	1,028	913
SITE		1,621	1,621	1,621
Operational equipment		1,949	1,999	1,780
Non-operational equipment		747	813	691
Computer equipment		3,243	3,762	2,925
Leasehold improvements		420	389	424
Leased communications equipment		167	703	625
Leased operational equipment		5,378	5,735	5,109
Leased non-operational equipment		54	65	56
Leased computer equipment		331	639	497
Total depreciation		33,737	32,842	30,068
Fixed asset write-offs				
Land		0	0	18
Buildings		123	0	397
Fire appliances		166	0	33
Motor vehicles		5	0	1
Computer equipment		3	0	2
Operational equipment		0	0	305
Non-operational equipment		648	0	2
Total fixed asset write-offs		945	0	758
Increase in provision for doubtful debts		(21)	0	411
Interest		6	0	24
Finance charge on finance lease		771	820	904
Rental expense on operating leases		5,027	5,038	4,617
Occupancy		8,375	9,969	7,902
Fleet		10,899	11,598	10,254
Supplies and consumables		6,389	5,673	7,082
Communications		5,783	5,958	5,764
Publicity and advertising		4,073	3,764	3,729
Foreign exchange loss		360	0	0
Other		17,500	19,344	20,044
<b>Total other expenditure</b>		<b>94,183</b>	<b>95,364</b>	<b>91,861</b>

The provision for doubtful debts in 2006 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)

	Actual 2007 \$000	Actual 2006 \$000
<b>Rural Fire Fighting Fund</b>		
Revenue	4,887	1,517
Expenditure	(2,786)	(4,595)
<b>Net surplus/(deficit) from Rural Fire Fighting Fund</b>	<b>2,101</b>	<b>(3,078)</b>
<b>Fire Service Operations</b>		
Revenue	278,251	266,739
Expenditure	(266,046)	(254,195)
<b>Net surplus/(deficit) from Fire Service operations</b>	<b>12,205</b>	<b>12,544</b>
<b>Net surplus</b>	<b>14,306</b>	<b>9,466</b>

The Rural Fire Fighting Fund revenue includes levy funding of \$3.45m (2006 \$0.55m), which is eliminated upon consolidation.

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

	Actual 2007 \$000	Actual 2006 \$000
<b>Net surplus/(deficit)</b>	<b>14,306</b>	<b>9,466</b>
<b>Add/(subtract) non-cash items:</b>		
Depreciation	33,737	30,068
Increase/(decrease) in provision for doubtful debts	(21)	411
Amortisation of gain on sale and leaseback	(653)	(257)
Fixed asset write-offs	945	758
Movement of non-current assets to current	(7,377)	3,155
Increase/(decrease) in provisions	761	(1,091)
Increase/(decrease) in provision for non-current employee and volunteer entitlements	(1,741)	(1,311)
<b>Total non-cash items</b>	<b>25,651</b>	<b>31,733</b>
<b>Add/(subtract) movements in working capital:</b>		
Increase in accounts payable and accruals	2,452	2,305
Increase/(decrease) in current employee and volunteer entitlements	3,525	5,164
Increase in provision accounts	761	0
Increase/(decrease) in other current assets	6,822	(3,925)
<b>Net movements in working capital</b>	<b>13,560</b>	<b>3,544</b>
<b>Add items classified as investing activities:</b>		
Profit/(loss) on disposal of fixed assets	600	530
<b>Total investing activity items</b>	<b>600</b>	<b>530</b>
<b>Net cash flows from operating activities</b>	<b>54,117</b>	<b>45,273</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 9.5% per annum (2006 9%). This is a floating rate set by the bank.

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

## Note 7 – Accounts Receivable and Prepayments

	2007 \$000	2006 \$000
Accounts receivable	3,050	4,300
Less provision for doubtful debts	(495)	(575)
	2,555	3,725
Prepayments	599	350
<b>Total</b>	<b>3,154</b>	<b>4,075</b>

## Note 8 - Property, Plant and Equipment

	Cost or Revaluation 2007 \$000	Accumulated depreciation 2007 \$000	Net book value 2007 \$000
Land	151,680	0	151,680
Buildings	198,240	4,539	193,701
Fire appliances	176,870	110,979	65,891
Motor vehicles	2,406	1,437	969
Communications equipment	9,596	6,821	2,775
SITE	17,904	16,149	1,755
Operational equipment	23,646	12,655	10,991
Non-operational equipment	7,449	5,198	2,251
Computer equipment	23,236	12,328	10,908
Leasehold improvements	3,397	1,704	1,693
Leased assets:			
Communications equipment	1,794	1,509	285
Operational equipment	21,556	14,102	7,454
Non-operational equipment	163	163	0
Computer equipment	1,254	1,238	16
Work in progress:			
Buildings	1,857	0	1,857
Fire appliances	5,082	0	5,082
Computer equipment	902	0	902
Other	1,863	0	1,863
Total work in progress	9,704	0	9,704
<b>Total</b>	<b>648,895</b>	<b>188,822</b>	<b>460,073</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 2007. Building components not revalued totalled \$8.45m (2006 \$18.06m). Included in the buildings not revalued in 2006 was the Fire Service National Training Centre which was opened in July 2006.

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

	Cost or revaluation 2006 \$000	Accumulated Depreciation 2006 \$000	Net book value 2006 \$000
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>

All land and buildings for disposal are subject to a consultative clearance process set up for the settlement of Māori 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	2007 \$000	2006 \$000
Equity at beginning of year		154,609	142,458
Revaluation realised on disposal of land	14	1,356	(393)
Net surplus from operations	4	12,205	12,544
<b>Total movement from operations</b>		<b>168,170</b>	<b>154,609</b>
Rural Fire Fighting Fund	13	1,782	(319)
Revaluation Reserve	14	278,318	249,739
<b>Equity at the end of year</b>		<b>448,270</b>	<b>404,029</b>

## Note 10 - Employee and Volunteer Entitlements

	2007 \$000	2006 \$000
<b>Current entitlements</b>		
Accrued salaries and wages	18,538	15,107
Accrued annual leave	5,041	4,855
Provision for long service leave and gratuities	1,367	1,459
<b>Total entitlements</b>	<b>24,946</b>	<b>21,421</b>
<b>Non-current entitlements</b>		
Provision for long service leave and gratuities	25,976	27,717
<b>Total non-current entitlements</b>	<b>25,976</b>	<b>27,717</b>
<b>Total employee and volunteer entitlements</b>	<b>50,922</b>	<b>49,138</b>

The increase in accrued salaries and wages at 30 June 2007 includes the accrual for settlement of the collective contract.

In 2006/07 there were 36 gratuities paid out totalling \$711,686.

## Note 11 - Debt

	2007 \$000	2006 \$000
Debt balances are comprised of the following:		
Capital expenditure debt	9,439	12,468
	<b>9,439</b>	<b>12,468</b>
<b>(a) Current</b>		
Finance lease liabilities	2,585	4,649
<b>Total current debt</b>	<b>2,585</b>	<b>4,649</b>
<b>(b) Non-current</b>		
Finance lease liabilities	6,854	7,819
<b>Total non-current debt</b>	<b>6,854</b>	<b>7,819</b>
<b>Analysis of finance lease liabilities</b>		
Payable no later than 1 year	3,165	5,347
1-3 years	5,924	6,765
3-5 years	1,481	1,689
	10,570	13,801
Future finance charges	(1,131)	(1,333)
<b>Total finance lease liability</b>	<b>9,439</b>	<b>12,468</b>

The effective interest rate on the finance leases is 7.72% (2006 7.81%). The finance leases are secured over the assets to which they relate.

## Note 12 – Other Current Liabilities

	2007 \$000	2006 \$000
Accruals	6,868	7,313
Accounts payable	8,653	8,565
Provisions	1,859	1,098
Other creditors	2,485	4,580
	<b>19,865</b>	<b>21,556</b>

Provisions comprises the ACC Partnership Provision and Loss of Medical (Residual). Movements in the provisions were as follows:

	2007 \$000	2006 \$000
Provisions at beginning of year	1,098	2,189
Contributions to loss of medical (residual)	3	3
Medical boardings	(4)	0
Revaluation adjustment ACC partnership	762	(1,094)
<b>Provisions at end of year</b>	<b>1,859</b>	<b>1,098</b>

## 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.

	2007 \$000	2006 \$000
Rural Fire Fighting fund at beginning of year	(319)	2,759
Contributions from:		
Levy	3,450	550
Department of Conservation	886	720
Other income	551	147
Prior year adjustment	0	100
	4,887	1,517
	4,568	4,276
Claims	(2,786)	(4,595)
<b>Rural Fire Fighting Fund at end of year</b>	<b>1,782</b>	<b>(319)</b>

In 2006 the claims on the fund exceeded the amount available and 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 was expected there would have been sufficient funds to meet the cost of the 2005/06 claims as they were processed. Accordingly the Levy was increased in 2007 to \$3.45m.



## Note 14 - Revaluation Reserve - Land and Buildings

	Land 2007 \$000	Buildings 2007 \$000	Total 2007 \$000
Revaluation reserve at beginning of year	132,265	117,474	249,739
Revaluations	17,105	12,830	29,935
Realisation on disposal	(1,279)	(77)	(1,356)
<b>Revaluation reserve at end of year</b>	<b>148,091</b>	<b>130,227</b>	<b>278,318</b>

	Land 2006 \$000	Buildings 2006 \$000	Total 2006 \$000
Revaluation reserve at beginning of year	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>

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 2007 (2006 nil).

### 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 Section 161 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:

	2007 \$000	2006 \$000
Cash and bank	59,046	39,460
Accounts receivable	2,555	3,725
Employee and volunteer entitlements	50,922	49,138
Debt	9,439	12,468
Accounts payable, accruals and provisions	18,006	20,458

## 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).

The Fire Service was involved in related party transactions during the year.

Payments were made to organisations where Commission members held positions as follows:

Commission Member	Entity	Position	Amount	Nature
Angela Foulkes	NZQA	Board Member	65,486	Annual fee, training courses
John Hercus	NIWA	Director	23,625	Predictive weather data
	Met Service	Director	145,439	Weather data

Payments were received from organisations where Commission members held positions as follows:

Commission Member	Entity	Position	Amount	Nature
Dame Margaret Bazley	Foundation for Research, Science and Technology	Chairperson	12,000	Support services for Dame Margaret Bazley
Terry Scott	Conservation Board - Tai Pautini/West Coast	Board Member	545	GIS Course & Paparoa National Park
John Hercus	NIWA	Director	2,250	Two false alarms

## Note 17 - Remuneration of Commissioners and Committee Members

Remuneration received by members during the year was:

	2007 \$	2006 \$
Dame Margaret Bazley, DNZM	56,487	50,000
Mr Terry Scott	21,836	16,185
Mr John Hercus	17,469	15,500
Dr Piers Reid	2,682	15,500
Ms Angela Foulkes	17,469	15,500
Mr Robert Francis	14,846	0
<b>Fees paid to commissioners</b>	<b>130,789</b>	<b>112,685</b>
Mr Alan Isaac (Chair of the Audit Committee)	3,600	5,425
	<b>134,389</b>	<b>118,110</b>

## Note 18 - Employee Remuneration

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

Band \$000	2007 Current Staff		2007 Ceased Staff	
	Non-operational	Operational	Non-operational	Operational
100 - 110	27	13	1	1
110 - 120	7	3	2	2
120 - 130	3			
130 - 140	4			
140 - 150	3			
150 - 160	4			
160 - 170	2			
170 - 180				
180 - 190				
190 - 200	2			
200 - 210	1			
210 - 220	1			
340 - 350 *	1			

\* Chief Executive

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

## 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 rural fire authorities. These authorities include district councils, some forest owners and land owning government departments.

## Note 20 – Post Balance Date Events

There have been no events subsequent to balance date that have significantly, or may significantly, affect the operations or state of affairs of the Commission.







