Statement of Performance Expectations

Tauākī o Ngā Taumata Mahi Hei Whakatutuki

2026/2027

Contents

Ngā ihirangi

Foreword

Kupu Takamua

We are pleased to present the Statement of Performance Expectations (SPE) which outlines our performance targets and the activities we intend to achieve in 2026/2027 to reduce unwanted fires and reduce harm to people, property and the environment.

This SPE is the first to be fully aligned to Our Strategic Direction 2025–2030 and Statement of Intent 2026–2030. It reflects a deliberate shift in how we plan, prioritise and report on our performance, with a stronger focus on clarity of purpose, disciplined delivery and improved transparency across the areas that matter most to our stakeholders and the public. It sets out what we will deliver over the year ahead, how we will measure our performance and the contribution those activities are expected to make to our longer-term outcomes.

We continue to operate in an environment of increasing complexity and demand. Climate change, population growth and evolving community expectations are changing both the nature and volume of the incidents we respond to. At the same time, we are operating within a constrained and uncertain financial environment, including the transition to a new levy regime and ongoing variability in revenue. These factors reinforce the need for careful prioritisation and a disciplined approach to how we plan, resource and deliver our services.

In this context, the Board is placing a stronger emphasis on stewardship. We are actively strengthening how we manage our financial position to ensure the organisation remains sustainable over the medium- to long-term. This includes making deliberate choices about where we invest, how we phase delivery of work programmes and how we balance immediate service demands with the need to sustain and renew critical capability.

A key focus for the year ahead is improving transparency in how we describe and manage our assets. Our assets are fundamental to our ability to deliver a safe and effective emergency response. We recognise that we need to provide a clearer and more consistent view of asset condition, performance and investment over time.

This SPE signals a step forward in that direction, with further development of asset-related measures and reporting to strengthen understanding of how these critical resources are managed.

We are also continuing to strengthen our performance framework. This includes improving the alignment between the activities we undertake, the impacts we seek to achieve and the outcomes we are accountable for delivering. While this work is still progressing, this SPE reflects a more structured and integrated approach, with clearer articulation of outputs, operational impact measures and medium- to long-term outcome measures. In some areas, we are continuing to refine how we measure performance and we are taking a more transparent approach to the judgements made in designing our framework. This reflects our intent to provide a clearer and more credible account of performance over time.

As part of this shift, we are increasing the level of transparency in our reporting more broadly. This includes clearer disclosure of how our performance measures are defined, where changes have been made and how we are evolving our approach. Over time, this will support a more consistent and meaningful understanding of our performance, both internally and externally.

Our people remain at the centre of our ability to deliver for communities. Our volunteers and paid personnel continue to serve with professionalism and commitment in complex and often challenging situations. Supporting our people to work safely and effectively, and ensuring they have the capability and resources they need, remains a core priority.

This SPE reflects our accountability to the Minister of Internal Affairs, to Parliament, and to the people and communities of New Zealand. It sets out what we will deliver in the year ahead, how we will measure progress, and the approach we are taking to strengthen both our performance and the transparency with which it is reported.

As we progress this phase of Our Strategic Direction, we are focused on delivering with greater clarity, discipline and openness, supporting safer and more resilient communities across New Zealand.

RKeoghan

Rebecca Keoghan MNZM
(Chair)

25 June 2026

Danny Tuato'o
(Deputy Chair)

25 June 2026

Ministerial expectations

Each year, the Chair of the Fire and Emergency New Zealand Board receives a Letter of Expectation from the Minister of Internal Affairs.

The Minister expects Fire and Emergency New Zealand to operate in a fiscally sustainable manner, maintaining strong financial discipline and ensuring expenditure is aligned with strategic priorities. Investment in our fleet should be strategically prioritised, affordable, and supported by robust asset management practices that optimise performance and lifecycle value.

Fire and Emergency is expected to provide clear strategic direction and demonstrate effective stewardship of the wider emergency management system. This includes aligning with national priorities, taking a system-wide perspective to improve resilience and outcomes across agencies, and planning for long-term challenges such as climate change and changing risk profiles.

The Minister has made it clear that strong governance and organisational performance are critical. The Board is expected to provide effective leadership, oversight and challenge, maintain high standards of governance practice, and ensure appropriate capability and performance review processes are in place. Fire and Emergency must also strengthen its performance and data-driven decision making by using high-quality information to inform priorities, improving outcome-focused performance measures and enhancing transparency in reporting.

The Minister expects the organisation to build and maintain effective working relationships with external stakeholders, including with unions, associations and other emergency services. Collective bargaining is expected to be approached in a fiscally responsible and sustainable manner, and the Board and executive are responsible for ensuring that bargaining outcomes meet the expectations set by the Public Service Commissioner.

Finally, a strong focus on health, safety, wellbeing and organisational culture is required, ensuring that volunteers and paid personnel are supported and protected, and that the organisation fosters an inclusive, respectful and high-performing culture.

This Statement of Performance Expectations sets out the performance measures and reporting framework that will be used to monitor and report on Fire and Emergency's progress in delivering its strategic priorities and responding to the Minister's expectations.

About this document

Te hōtaka whakaaro

This Statement of Performance Expectations (SPE) sets out the outputs and performance measures that Fire and Emergency New Zealand will deliver during the 2026/27 financial year. It is presented to the House of Representatives pursuant to section 149C–149M of the Crown Entities Act 2004.

The SPE is an annual accountability document. It translates the strategic outcomes and medium-term commitments set out in our Statement of Intent (SOI) 2026–2030 into specific output classes, annual performance measures and targets. Together, the SOI and SPE form the primary accountability documents through which Fire and Emergency demonstrates its stewardship of public funding and delivery of services to communities.

Relationship with the Statement of Intent

Our SOI 2026–2030 establishes the strategic context within which this SPE sits. The SOI sets out:

- our purpose – serving communities together
- our two strategic outcomes – fewer unwanted fires, and reduced harm to people, property and the environment
- our focus areas and programmes of work for the next four years
- the outcome measures we will use to track medium- to long-term progress.

This SPE applies that framework to annual performance accountability by:

- specifying the service delivery outputs and output performance measures for 2026–27
- setting annual performance targets for those outputs
- identifying impact (operational effect) measures that reflect whether our outputs are delivering the intended changes
- reporting SOI 2026–2030 outcome indicators to allow assessment of progress towards longer-term outcomes.

Changes to our output classes

This SPE introduces a revised output class structure that better aligns with the organisation's strategic outcomes and the service delivery functions described in the SOI. The three output classes are:

1. **Prevention** — activities and interventions that reduce the likelihood and consequences of fires before they occur
2. **Response** — delivery of emergency response services to fires and other incidents
3. **Response assets and systems** — delivery and stewardship of the physical, digital and system assets that enable effective response.

This structure consolidates output classes from the SPE 2025/26 to provide greater clarity and alignment with Our Strategic Direction 2025–2030. The allocation of performance measures across the new output classes, and the rationale for measures that have been omitted, are set out in the Disclosure of judgements section of this document.

Who are we and what we do

Ko wai mātau, ā, he aha ā mātau mahi

Our outcomes: Fewer unwanted fires and reduced harm to people, property and the environment from fires and emergencies.

Main functions:

- Promoting fire safety
- Providing fire prevention, response and suppression services
- Providing for the safety of persons and property endangered by incidents involving hazardous substances
- Rescuing people trapped because of transport accidents or other incidents
- Providing urban search and rescue services

Additional functions (assist with):

- Medical emergencies, maritime incidents, weather events, natural hazard events, disasters, and non-hazardous substance incidents
- Promoting safe handling, labelling, signage, storage and transportation of hazardous substances
- Rescues including line rescues, animal rescues, rescues from collapsed spaces, confined spaces, unrespirable and explosive atmospheres and swift water
- Providing assistance at transport accidents

Our role as a regulator

Our regulatory role is focused on fire safety and fire-related offences.

This includes:

- a range of fire safety activities including setting fire seasons and issuing fire permits
- a compliance and enforcement function
- issuing infringement notices and prosecuting certain regulatory offences where necessary.

We carry out additional risk reduction activities under various legislative provisions and organisational practices.

These activities are also primarily focused on fire safety and include:

- being consulted on changes to relevant fire bylaws and certain matters of compliance with the Building Act 2004
- being consulted, as needed, by other authorities when they consider exemptions under their legislation
- being consulted, as needed, by local or regional authorities in the development of local, district or regional council plans
- approving certain events or changes, such as the location of fire hydrants
- providing technical expertise on the firefighting capability required for outdoor pyrotechnic displays.

Our changing operating environment

Tō mātau taiao mahi hurihuri

To continue to deliver for communities as our climate and society change, we have to focus on what we need most and consider the contributing factors that are driving the changes. Below we consider key influences that might impact our work over this coming year.

Climate adaptation and mitigation

Climate change brings extreme weather events, which can contribute to more complex wildfires and significant flooding. To respond safely to fire and extreme climate-related events we need to shift our strategy and capability. We are taking steps to better understand how we respond safely and how we can contribute to reducing our own emissions as well as responding to the impacts of climate change on the incidents we are called to.

Technology and innovation

Technology and capability innovations continue to evolve, and these affect both our organisation and communities across New Zealand. We will work to manage these impacts on our people, our systems and our services over the coming year. The use of emerging technology capabilities in our operations has the potential to deliver a range of benefits, including for our service delivery. For example, artificial intelligence has the potential to derive structured information from natural language, such as extracting key facts about an incident from communication transcripts.

Image credit: Department of Conservation

Impacts of change on communities

The impact of emergencies on communities is greatest where there is social and economic inequality. We know that when emergencies happen, stronger communities are more resilient and adaptive. We have a focus on building relationships with communities, particularly those most at risk of fire and emergencies.

Changing demand for our services

We use a service delivery approach that considers community risks and needs in a given area, including the demand profile for our services. Increasingly, this will inform how and where we allocate our resources and services to better meet our service delivery requirements.

Safety, health and wellbeing of our people

Many of our people work in physically and psychologically challenging environments. It is important we have safe and effective processes, systems and risk management approaches to manage the impact of this on our own people and communities. This continues to be a priority for Fire and Emergency over the next 12 months.

Sustainable funding

As the emergencies we respond to change and become more complex, the ability to be sustainably resourced now and into the future is critical. We need to understand our future funding needs and plan well for them.

We will work with the insurance industry and other partners to understand how economic and climate change uncertainty impact insurance and funding streams. We will continue to work with the Department of Internal Affairs (DIA) to monitor implementation of Part 3 of the Fire and Emergency New Zealand Act 2017 (which sets out our levy provisions) to ensure a stable and predictable future funding model.

Partners and stakeholders

As we respond to an increasing number of (and more severe) events, it is important that we have mutual trust and confidence with our partners and stakeholders. We will work to strengthen our relationships with our partners and stakeholders so that we can continue to work together and deliver for communities. We are committed to working with communities across New Zealand and our partners to understand how we can best support each other in times of change.

Our purpose and strategic outcomes

Te take me ngā putanga rautaki

Our purpose

Serving communities together

Our core purpose of serving communities together encompasses three key tenets essential to being a successful emergency service organisation:

- **Service is at our heart as an organisation:** We provide essential services within our communities and are ready to respond 24 hours a day, 7 days a week, 365 days a year. We have a commitment to service and demonstrate this in all our actions.
- **Our services are delivered to the communities we live and work in:** We are a community-based organisation with strong local connections. We understand the specific needs of our local communities and our work makes communities safer places to live.
- **We work together with others in delivering our services:** We work with communities to ensure they are protected from harm and are able to identify and manage their fire risk. We work with and through a number of partner organisations and groups who we have strong relationships with in delivering our services.

Our strategic outcomes

Our strategic outcomes reflect the principal objectives in our governing legislation, the Fire and Emergency New Zealand Act 2017:

Fewer unwanted fires

Reducing the incidence of unwanted fires and the associated risk to life and property

Unwanted fires are those that are uncontrolled, unintentional, non-permitted and/or pose a danger to life and property or a risk to the environment. Unwanted fires cause a range of negative social, economic and environmental impacts on people and communities.

We can have a significant impact on community safety and resilience through risk reduction by actively promoting fire safety in communities through school and community education programmes, providing expert technical advice and promoting, monitoring and enforcing fire safety regulations.

Reduced harm to people, property and the environment

Protecting and preserving life, and preventing or limiting injury, damage to property, land and the environment

By responding promptly with skilled personnel and specialised equipment to provide fire suppression services when unwanted fires occur, we seek to reduce the harm caused to people, property and the environment and minimise the social, economic and environmental impacts of fire.

Providing an effective response to hazardous material spills, severe weather events and natural disasters, and medical emergencies, and performing rescues also contribute to a reduction in harm to people, property and the environment.

Strategic direction and focus areas

Safe, effective and resilient operations

- Capable, equipped and safe
- Effective fire response to reduce harm
- Specialist response

Effective regulator

- Promote fire safety in communities
- Provide expert technical services
- Enable regulatory compliance
- Proportionate intervention

Strong relationships

- Effective partnerships
- Confidence of Government
- Trust of communities
- Our role is clear

Supporting our people

- Sustainable workforce
- Increased engagement
- Foster safety and wellbeing
- Develop our people

Strong business foundations

- Prudent financial management
- Effective governance
- Risk focused and risk prepared
- Robust business support
- Effective management of assets

Culture

Our culture is the foundation of our purpose and strategic outcomes

- Alignment to core values
- Raising the bar on behaviour expectations
- Safe, positive and inclusive environment
- Capable, trusted leadership
- Commitment to performance

How we will measure our progress

Me pēhea tō tātou mēhua

The measures below are outcome indicators. They reflect system-level changes in fire incidence, harm, operational effectiveness and emergency demand. Together, they indicate whether our integrated approach is contributing to sustained improvement in community safety over time.

Many of these outcome measures are demand-shaped – they are influenced by factors beyond our direct control, including population growth, demographic change, land-use patterns, climate and weather conditions, economic activity and community behaviour. We include these measures because they represent material drivers of fire risk, harm and emergency demand and provide insight into whether our prevention, readiness, regulatory and response activities are contributing to sustained improvement over time.

We are not solely accountable for the level of demand or the outcome itself, but we are accountable for delivering services, interventions and system improvements expected to influence these outcomes over the medium- to long-term.

Outcome indicators: Fewer unwanted fires

Outcome indicator	Method of calculation	Target/Trend
Number of structure fires per 100,000 of population	A count of structure fire incidents attended, as recorded in the relevant operational recording system, divided by the estimated resident population from Statistics New Zealand (Stats NZ) divided by 100,000	Maintain a downward trend
Number of unwanted wildfires per 100,000 of population	A count of unwanted wildfire incidents attended, as recorded in the relevant operational recording system, divided by the estimated resident population from Stats NZ divided by 100,000	Maintain a downward trend

Outcome indicators: Reduced harm to people, property and the environment

Outcome indicator	Method of calculation	Target/Trend
Ratio of preventable fire-related fatalities per 100,000 people	Number of preventable fire-related fatalities using coronial classification and the relevant operational recording system, divided by the estimated resident population from Stats NZ divided by 100,000	Maintain a downward trend
Ratio of preventable fire-related injuries per 100,000 people	Number of preventable fire-related injuries using incident reporting and injury classification data, divided by the estimated resident population from Stats NZ divided by 100,000	Maintain a downward trend
Percentage of structure fires requiring suppression where the spread of fire does not extend beyond the area involved at the time of arrival	Percentage of structure fire incidents attended, recorded in SMS[1], where suppression was required and the extent of fire damage was recorded in SMS as contained without extension of the area identified on arrival	85% by 2030/31; maintain an upward trend
Number of all non-fire incidents per 100,000 population	Number of non-fire incidents attended, recorded in SMS, divided by the estimated resident population from Stats NZ divided by 100,000	Monitor trend over time to understand changes in demand
Median time from arrival to containment for qualifying wildfires[2]	Measuring the elapsed time, in minutes, from the arrival on site of the first responding appliance to the time the wildfire is recorded as fully contained	Target ≤ 6 hours, baseline to be developed
Median time from arrival to full suppression for qualifying wildfires[2]	Measuring the elapsed time, in minutes, from the arrival on site of the first responding appliance to the time the wildfire is recorded as fully suppressed	Target ≤ 24 hours, baseline to be developed

1. The Station Management System (SMS) is a single integrated application that manages tasks and information that is required by operational crews and business units throughout Fire and Emergency.
2. Qualifying wildfires are all wildfires that last at least four hours and involve at least six appliances.

Our performance framework

Te anga tauratere

This section describes the performance framework that underpins planning, monitoring and reporting across this SPE and the related SOI. It explains how strategic outcomes, output classes, outputs and measures are connected to provide clear accountability for annual delivery and long-term performance.

Output classes

Outputs are grouped into three output classes that describe how the funding we receive is applied:

Output class 1: Prevention

Prevention aligns to the focus area of Effective regulator. Prevention involves the delivery of activities and interventions that reduce the likelihood and consequences of fires before they occur. This includes community education, risk reduction initiatives, regulatory and compliance activities, and partnerships that influence safer behaviours, safer environments and administration of the fire levy scheme.

Output class 2: Response

Response aligns to the focus area of Safe, effective and resilient operations. Response involves the delivery of emergency response services to fires and other incidents to protect life, property and the environment. This includes receiving and responding to calls for assistance, mobilising and deploying trained personnel and specialist resources, and managing incidents safely and effectively.

Output class 3: Response assets and systems

Response assets and systems aligns primarily to Strong business foundations. Response assets and systems involves the delivery and stewardship of the physical, digital and system assets that enable effective emergency response. This includes stations, fleet, equipment, ICT platforms, data and supporting systems required to ensure response services can be delivered safely, reliably and when needed.

Performance measure structure

For each output class, performance measures are presented with:

- **The measure number and description**
- **The method of measurement**
- **The annual target**
- **The link to strategic outcomes**

Performance outcomes framework

STRATEGIC LEVEL

FEWER UNWANTED FIRES

Outcomes	Outcome indicator
Fewer structure fires occur across communities	Number of structure fires per 100,000 of population
Fewer unwanted wildfires occur across landscapes and communities	Number of unwanted wildfires per 100,000 population

REDUCED HARM TO PEOPLE, PROPERTY AND THE ENVIRONMENT

Outcomes	Outcome indicator
Fewer lives are lost to preventable fires	Ratio of preventable fire-related fatalities per 100,000 people
Fewer people are injured in preventable fires	Ratio of preventable fire-related injuries per 100,000 people
Fire damage is limited through effective suppression once Fire and Emergency arrives	Percentage of structure fires requiring suppression where fire spread does not extend beyond the area involved at the time of arrival
Demand for non-fire emergency response is reduced over time	Number of all non-fire incidents per 100,000 population
Wildfire containment effectiveness	Median time from arrival to containment for qualifying wildfires
Wildfire suppression effectiveness	Median time from arrival to full suppression for qualifying wildfires

OPERATIONAL LEVEL

Output class	Focus areas	Output measures	Effects (impact) indicators
PREVENTION	• Promote fire safety in communities • Provide expert technical service • Enable regulatory compliance • Proportionate intervention	1.1.1 Percentage of schools with year 1 and 2 students offered the Get Firewise programme 1.1.2 Percentage of schools with year 1 and 2 students that complete the Get Firewise programme 1.1.3 Percentage of survey respondents who report having an escape plan 1.1.4 Percentage of home fire safety visits delivered in medium- and high-risk communities 1.3.1 Percentage of fire permits processed within ten days for permits requiring a site visit 1.3.2 Percentage of fire permits processed within five days for permits not requiring a site visit 1.3.3 Percentage of evacuation schemes processed within statutory timeframes	• Increased awareness and actions to limit harm • Increased awareness and actions to prevent fire
RESPONSE	• Capable, equipped and safe • Effective fire response to reduce harm • Specialist response	2.1.1 All Regions complete a simulation exercise (SIMEX) 2.2.1 Percentage of structure fires attended by career crews within eight minutes 2.2.2 Percentage of structure fires attended by volunteer crews within 11 minutes 2.2.3 Percentage of wildfires attended within 30 minutes 2.2.4 Percentage of Communications Centre events dispatched within 90 seconds (urban) 2.2.5 Percentage of Communications Centre events dispatched within 120 seconds (rural) 2.3.1 Percentage of hazardous substance incidents attended within 60 minutes 2.3.2 Percentage of motor vehicle accidents attended within 30 minutes 2.3.3 Maintain our INSARAG international heavy accreditation in USAR 2.3.4 Percentage of career crews who respond to medical emergencies within eight minutes 2.3.5 Percentage of volunteer crews who respond to medical emergencies within 11 minutes 2.3.6 Median response time to other (non-medical-related) emergencies 2.3.7 Median response time to non-transport-related rescue incidents	• Effective response to fire incidents
RESPONSE ASSETS & SYSTEMS	• Effective management of assets	3.1.1 Percentage of asset investment delivered against the approved Asset Management Plan (AMP)	• Supporting a well-functioning emergency management system

Our Strategic Direction → Statement of Intent → Statement of Performance Expectations

Strategic outcome: Fewer unwanted fires

Putanga: Kia iti noa ngā ahi ohorere

Output class 1

Prevention

Te aheinga ārai

Focus area: Effective regulator

Prevention involves the delivery of activities and interventions that reduce the likelihood and consequences of fires before they occur. This includes community education, risk reduction initiatives, regulatory and compliance activities, and partnerships that influence safer behaviours, safer environments and administration of the fire levy scheme.

Output measures

Measure 1.1.1	Percentage of schools with year 1 and 2 students offered the Get Firewise programme
Description	Fire safety education programmes prevent fires by building early awareness, safe behaviours and long-term cultural change in households and communities. The Get Firewise programme delivers fire safety education to year 1 and 2 students. This measure operates on a two-year performance cycle, it tracks the percentage of schools to which Fire and Emergency has offered the programme during the period.
Method of measurement	Number of schools with year 1 and 2 students to which Get Firewise was offered in the period, divided by the total number of eligible schools, expressed as a percentage
Two year target 1 July 2025 to June 2027	100%

Measure 1.1.2	Percentage of schools with year 1 and 2 students that complete the Get Firewise programme
Description	Fire safety education programmes prevent fires by building early awareness, safe behaviours and long-term cultural change in households and communities. This measure tracks the percentage of schools with year 1 and 2 students that complete the Get Firewise programme, demonstrating the effectiveness of programme delivery and community engagement.
Method of measurement	Number of schools with year 1 and 2 students completing Get Firewise in the period, divided by the total number of eligible schools, expressed as a percentage
Two year target 1 July 2025 to June 2027	60%

Measure 1.1.3	Percentage of survey respondents who report having an escape plan
Description	Fire safety education and prevention programmes reduce harm by building awareness, safe behaviours and long-term cultural change in households and communities. This measure tracks the percentage of households who report having a household escape plan, demonstrating the uptake of escape plans to reduce the consequences of residential fires.
Method of measurement	Number of survey respondents who report having a household escape plan as a proportion of all survey respondents
Annual target	65%

Measure 1.1.4	Percentage of home fire safety visits delivered in medium- and high-risk communities
Description	Home fire safety visits are delivered to residents in medium- and high-risk communities to promote fire safety awareness, support installation of working smoke alarms and encourage the development of home escape plans to reduce the likelihood and consequences of residential fires.
Method of measurement	Percentage of home fire safety visits completed in medium- and high-risk communities during the period, as recorded in the relevant operational recording system
Annual target	70%

Measure 1.3.1	Percentage of fire permits processed within ten days for permits requiring a site visit
Description	Fire permits reduce the likelihood of uncontrolled fires by ensuring high-risk activities are only undertaken when conditions are safe, appropriate controls are in place and responsibilities are clearly understood. Fire permits requiring a site visit must be processed within statutory timeframes. This measure tracks timely administration of the fire permit system for permits that require an on-site assessment.
Method of measurement	Number of fire permits requiring a site visit that were processed within ten working days of application, divided by the total number of such permits received in the period, expressed as a percentage
Annual target	95%

Measure 1.3.2	Percentage of fire permits processed within five days for permits not requiring a site visit
Description	Fire permits reduce the likelihood of uncontrolled fires by ensuring high-risk activities are only undertaken when conditions are safe, appropriate controls are in place and responsibilities are clearly understood. Fire permits not requiring a site visit must be processed within shorter statutory timeframes. This measure tracks timely administration of the fire permit system for straightforward permit applications.
Method of measurement	Number of fire permits not requiring a site visit that were processed within five working days of application, divided by the total number of such permits received in the period, expressed as a percentage
Annual target	96%

Measure 1.3.3	Percentage of evacuation schemes processed within statutory timeframes
Description	Evacuation schemes reduce loss of life and serious injury by enabling timely, coordinated and safe movement of people away from fire-affected areas before conditions become critical. Building owners are required to have approved evacuation schemes for certain buildings. This measure tracks Fire and Emergency's performance in completing evacuation scheme reviews and approvals within the timeframes required under the Fire and Emergency New Zealand (Fire Safety, Evacuation Procedures, and Evacuation Schemes) Regulations 2018.
Method of measurement	Number of evacuation scheme reviews processed within statutory timeframes, divided by total number of evacuation scheme reviews required in the period, expressed as a percentage
Annual target	100%

Strategic outcome: Reduced harm to people, property and the environment

Putanga: Kia iti te whara o te tangata, ngā rawa me te taiao mai i ngā ahi me ngā ohotata

Output class 2

Response

Te aheinga urupare

Focus area: Safe, effective and resilient operations

Response involves the delivery of emergency response services to fires and other incidents to protect life, property and the environment. This includes receiving and responding to calls for assistance, mobilising and deploying trained personnel and specialist resources, and managing incidents safely and effectively.

Response outputs focus on the operational delivery of emergency services when incidents occur.

Output measures

Measure 2.1.1	All Regions complete a simulation exercise (SIMEX)
Description	Simulation exercises (SIMEXs) test the readiness and effectiveness of Regional response capabilities, including coordination, communications and incident management. This measure tracks whether all Regions have completed at least one SIMEX during the year to strengthen preparedness and support effective response to major incidents.
Method of measurement	Binary measure – all Regions complete at least one SIMEX during the year: Yes/No
Annual target	Yes – all Regions complete a SIMEX

Measure 2.2.1	Percentage of structure fires attended by career crews within eight minutes
Description	This measure counts the overall time it takes to respond to structure fires. It includes the time taken by the Communications Centres to receive the call (by whatever means), alert and dispatch a career crew and the time it takes for that crew to arrive on site.
Method of measurement	Number of structure fire incidents where career crew first appliance arrived within eight minutes of dispatch, divided by total structure fire incidents attended by career crews in the period, expressed as a percentage
Annual target	80%

Measure 2.2.2	Percentage of structure fires attended by volunteer crews within 11 minutes
Description	This measure counts the overall time it takes to respond to structure fires. It includes the time taken by the Communications Centres to receive the call (by whatever means), alert and dispatch a volunteer crew, the time taken for the crew to respond to the station and the time it takes for that crew to arrive on site.
Method of measurement	Number of structure fire incidents where volunteer crew first appliance arrived within 11 minutes of dispatch, divided by total structure fire incidents attended by volunteer crews in the period, expressed as a percentage
Annual target	80%

Response times

This infographic tracks the actions that we have to take to meet the targets for our response time measures relating to fire response, medical response and other types of response.

CALLER DIALS 111

When someone dials 111, the call is answered by the Spark Initial Call Answering Point and the caller is asked whether they require **Ambulance, Fire,** or **Police**. If the answer is **Fire**, the call is redirected to our Communications Centres (ComCen).

CALL REDIRECTED TO OUR COMCEN

Our ComCen personnel have **90 seconds** to speak with callers to **gather information** about an incident and **dispatch** the closest **appropriate resources** to the emergency. While career stations cover a large part of the population, in many parts of the country this will be a volunteer crew.

Once a crew is alerted our ComCen will continue to **monitor the situation**, liaise with other services, and respond any **support that is needed**.

VOLUNTEER CREW

ALERTED

Once a volunteer crew is alerted, they have **5 minutes** to turn out.

As well as donning their **protective gear**, volunteer crews need to **travel to the station** before they can turn out.

CAREER CREW

ALERTED

Once a career crew is alerted, they have **90 seconds** to turn out.

In this time our crews need to don their **protective gear.** This can include **overtrousers, jackets, gloves** and **boots**.

VOLUNTEER CREW

DEPART STATION

STRUCTURE FIRE AND MEDICAL

Once a volunteer crew departs the station, they have **4.5 minutes** to drive to the scene (for **fires** and **medical emergencies**).

This shorter drive accounts for the fact that volunteer stations are often in smaller communities.

When travelling, crews have to balance arriving quickly with factors such as **public safety, traffic** and the **location** of the emergency.

CAREER CREW

DEPART STATION

STRUCTURE FIRE AND MEDICAL

Once a career crew depart the station, they have **5 minutes** to drive to the scene (for **fires** and **medical emergencies**).

When travelling, crews have to balance arriving quickly with factors such as **public safety, traffic** and the **location** of the emergency.

VOLUNTEER CREW

ARRIVE ON SCENE

STRUCTURE FIRE AND MEDICAL

Our service delivery target is for volunteer crews to arrive on scene **11 minutes after an emergency call** is redirected to our ComCen.

CAREER CREW

ARRIVE ON SCENE

STRUCTURE FIRE AND MEDICAL

Our service delivery target is for career crews to arrive on scene **8 minutes after an emergency call** is redirected to our ComCen.

CREWS ARRIVE ON SCENE

WILDFIRE AND TRANSPORT ACCIDENT

Our target for responding to **wildfires** is **30 minutes**. This target reflects the fact that many wildfires occur in **rural** or **remote** areas, which can be far from stations and difficult to access.

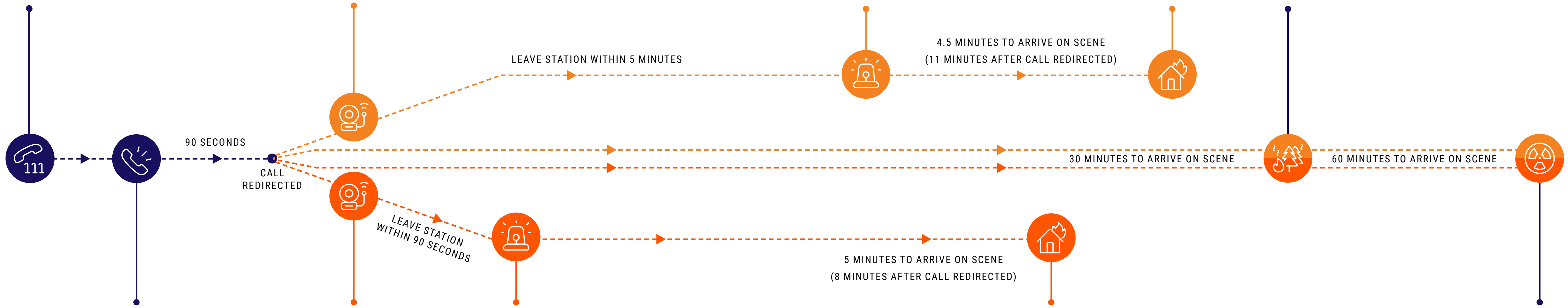
Our target for responding to **transport accidents** is **30 minutes**. This target reflects our **assistance role** in transport accidents and the fact that many transport accident occur in locations that are further away from stations. For example, **highways** or **motorways**.

CREWS ARRIVE ON SCENE

HAZARDOUS SUBSTANCES

Our target for responding to **hazardous substance emergencies with specialist resources** is **60 minutes.**

This target reflects the fact that other resources often attend sooner and provide cordon and control services.



Disclaimer: Infographic is model only and not precisely to time scale

Measure 2.2.3	Percentage of wildfires attended within 30 minutes
Description	This measure counts the overall time it takes to process and respond to wildfires. It considers the time taken by the Communications Centres to receive the call (by whatever means), alert and dispatch appropriate resources and the time it takes for that crew to arrive on site.
Method of measurement	Number of wildfire incidents where first appliance arrived within 30 minutes of dispatch, divided by total wildfire incidents attended in the period, expressed as a percentage
Annual target	90%

Measure 2.2.4	Percentage of Communications Centre events dispatched within 90 seconds (urban)
Description	This measure records the time taken by the Communications Centres from receiving the call (by whatever means), to alert and dispatch appropriate resources in urban environments. We allow up to 90 seconds for urban dispatch times (as opposed to 120 seconds for rural) as it is generally easier to determine the exact location of an incident in an urban environment. The time starts when the call is first answered and completes at the point the responding crew has been dispatched.
Method of measurement	Number of urban ComCen events dispatched within 90 seconds of call receipt, divided by total urban ComCen events in the period, expressed as a percentage
Annual target	85%

Measure 2.2.5	Percentage of Communications Centre events dispatched within 120 seconds (rural)
Description	This measure records the time taken by the Communications Centres from receiving the call (by whatever means), to alert and dispatch appropriate resources in rural environments, i.e. outside of urbanised areas of New Zealand. We allow up to 120 seconds for rural dispatch times (as opposed to 90 seconds for urban) as there can be delays in determining exact address location in a rural environment. The time starts when the call is first answered and completes at the point the responding crew has been dispatched.
Method of measurement	Number of rural ComCen events dispatched within 120 seconds of call receipt, divided by total rural ComCen events in the period, expressed as a percentage
Annual target	85%

Measure 2.3.1	Percentage of hazardous substance incidents attended within 60 minutes
Description	Fire and Emergency provides specialist response capability for incidents involving hazardous substances. Timely attendance is critical to stabilising the environment and preventing harm to people and the environment.
Method of measurement	Number of hazardous substance incidents where first specialist response appliance arrived within 60 minutes of dispatch, divided by total hazardous substance incidents attended in the period, expressed as a percentage
Annual target	90%

Measure 2.3.2	Percentage of motor vehicle accidents attended within 30 minutes
Description	Fire and Emergency provides rescue and extrication services at motor vehicle accidents. Timely and effective response supports life safety outcomes by reducing the risk of death or serious injury for people who are trapped or injured in transport accidents.
Method of measurement	Number of motor vehicle accident incidents where first appliance arrived within 30 minutes of dispatch, divided by total motor vehicle accident incidents attended in the period, expressed as a percentage
Annual target	92.5%

Measure 2.3.3	Maintain our INSARAG international heavy accreditation in USAR
Description	Fire and Emergency provides urban search and rescue capability for critical, life-saving response in New Zealand and overseas. This measure ensures the ongoing readiness of this capability by confirming required training is completed and specialist equipment is maintained to meet INSARAG[3] standards and sustain heavy urban search and rescue accreditation.
Method of measurement	Prior to being accepted for reclassification, we must demonstrate that we have fulfilled all the requirements of a heavy classified team. We use the INSARAG External Reclassification check sheet and conduct an annual exercise to assess whether we meet the requirements for a heavy team. The annual exercise is used to demonstrate whether we meet the INSARAG classification for a heavy team on an ongoing basis. The exercise will be marked by INSARAG Classifiers, and any 'red' or 'amber' marks in the annual exercise marking are used to form part of the USAR annual work plan to support improvement.
Annual target	Maintain INSARAG heavy urban search and rescue accreditation

3. The International Search and Rescue Advisory Group (INSARAG) is a United Nations advisory body focused on Urban Search and Rescue. It develops standards, classifications and methodologies for international coordination in the aftermath of earthquakes and structural collapses.

Measure 2.3.4	Percentage of career crews who respond to medical emergencies within eight minutes
Description	Fire and Emergency crews, including career and volunteer firefighters, respond to approximately 8,000 to 9,000 medical emergencies each year in urban environments. Response time is used as a performance measure because it influences patient outcomes and is used internationally by emergency services. It also provides insight into whether resources and capabilities are effectively allocated and aligned to the nature and frequency of incidents.
Method of measurement	This measure counts the overall time it takes to process and respond to medical emergencies. It considers the time taken by the Communications Centres to receive the call (by whatever means), alert and dispatch appropriate resources and the time it takes for them to arrive on site. Measured as the number of medical emergencies arrived at within eight minutes by career crews as a proportion of all medical emergencies attended by career crews. This does not measure the effectiveness of our actions upon arrival or the extent of medical emergency before we are called.
Annual target	85%

Measure 2.3.5	Percentage of volunteer crews who respond to medical emergencies within 11 minutes
Description	Medical co-response supports life safety outcomes by enabling faster intervention at medical emergencies. This measure tracks the timeliness of response to medical emergencies in urban environments served by volunteer crews and helps assess how quickly volunteer resources arrive on scene. Monitoring response times against the 11-minute service delivery informs process improvement and capability placement decisions. Faster response and earlier intervention reduce the likelihood of death or serious injury and contribute to reducing avoidable fatalities.
Method of measurement	This measure counts the overall time it takes to process and respond to medical emergencies. It considers the time taken by the Communications Centres to receive the call (by whatever means), alert and dispatch appropriate resources, the time taken for the crew to respond to the station and the time it takes for them to arrive on site. Measured as the number of medical emergencies arrived at within 11 minutes by volunteer crews as a proportion of all medical emergencies attended by volunteer crews. This does not measure the effectiveness of our actions upon arrival or the extent of a medical emergency before we are called.
Annual target	80%

Measure 2.3.6	Median response time to other (non-medical-related) emergencies
Description	Fire and Emergency responds to approximately 6,000 to 8,000 non-medical emergencies each year, averaging more than 20 incidents per day. Response time is used as a performance measure because it can influence incident outcomes and is applied internationally by emergency services. Monitoring response times provides insight into whether resources and capabilities are appropriately allocated and aligned to the nature and type of incidents, supporting effective response and continuous improvement.
Method of measurement	This measure counts the overall time it takes to process and respond to other (non-medical-related) emergencies. It considers the time taken by the Communications Centres to receive the call (by whatever means), alert and dispatch appropriate resources and the time it takes for them to arrive on site. Measured as a median response time by crews responding to all other (non-medical-related) emergencies. This does not measure the effectiveness of our action upon arrival or the extent of an emergency before we are called.
Annual target	600 seconds (10 minutes)

Measure 2.3.7	Median response time to non-transport-related rescue incidents
Description	Fire and Emergency responds to approximately 200 to 260 non-transport-related rescue incidents each year, averaging around one incident per day. Response time is used as a performance measure because it can influence incident outcomes and is applied internationally by emergency services. Monitoring response times provides insight into whether resources and specialist capabilities are appropriately allocated and aligned to the nature and type of rescue incidents, supporting effective response and continuous improvement.
Method of measurement	This measure counts the overall time it takes to process and respond to non-transport-related rescue incidents. It considers the time taken by the Communications Centres to receive the call (by whatever means), alert and dispatch appropriate resources and the time it takes for them to arrive on site. Measured as the median response time by crews responding to all non-transport-related rescue incidents. This does not measure the effectiveness of our actions upon arrival or the extent of the incident before we are called.
Annual target	600 seconds (10 minutes)

Output class 3

Response assets and systems
Te aheinga rawa urupare

Focus area: Strong business foundations

Response assets and systems involve the delivery and stewardship of the physical, digital and system assets that enable effective emergency response. This includes stations, fleet, equipment, ICT platforms, data and supporting systems required to ensure response services can be delivered safely, reliably and when needed.

Output measures

3.1.1	Percentage of asset investment delivered against the approved Asset Management Plan (AMP)
Description	This measure tracks the extent to which Fire and Emergency delivers its planned asset investment programme as approved in the Asset Management Plan (AMP). It assesses how closely actual asset investment aligns with the forecast investment approved by the Board, providing assurance that capital investment is being delivered as intended to sustain and improve the organisation's asset base. Delivery of the AMP is critical to ensuring stations, appliances and supporting infrastructure remain fit for purpose, support operational readiness, and represent prudent stewardship of public funds.
Method of measurement	The total value of asset investment delivered during the year is compared to the total asset investment approved in the AMP for the same period. The measure is calculated as the value of completed asset investment divided by the AMP-approved investment for the year, expressed as a percentage.
Annual target	>80%

Disclosure of judgements

Whakaaturanga o ngā whakaaro

Purpose

This section explains the judgements made in designing the SPE 2026/27 performance framework, including measures that have been omitted, moved or restructured from the SPE 2025/26. Transparency about these decisions is essential to maintaining the integrity of our accountability framework and enabling informed scrutiny of our performance.

Output class restructuring

The SPE 2026/27 introduces a revised output class structure that consolidates the previous output classes into three: Prevention, Response and Response assets and systems. This restructuring reflects the output class framework set out in the Statement of Intent 2026–2030 and is designed to:

- provide clearer alignment between output delivery and strategic outcomes
- strengthen the line of sight between annual outputs and medium- to long-term outcome achievement
- reduce duplication across output classes
- better reflect the service delivery functions for which Fire and Emergency is publicly accountable.

The tables below map the SPE 2026/27 measures to the SPE 2025/26 measures for the new output classes:

Output class 1: Prevention

2026/27 numbering	2025/26 numbering	Output measure
1.1.1	1.1.1	Percentage of schools with year 1 and 2 students offered the Get Firewise programme
1.1.2	1.1.2	Percentage of schools with year 1 and 2 students that complete the Get Firewise programme
1.1.3	1.1.3	Percentage of survey respondents who report having an escape plan
1.1.4	1.1.5	Percentage of home fire safety visits delivered in medium- and high-risk communities
1.3.1	1.3.1	Percentage of fire permits processed within ten days for permits requiring a site visit
1.3.2	1.3.2	Percentage of fire permits processed within five days for permits not requiring a site visit
1.3.3	1.3.3	Percentage of evacuation schemes processed within statutory timeframes

Output class 2: Response

2026/27 numbering	2025/26 numbering	Output measure
2.1.1	2.1.7	All Regions complete a simulation exercise (SIMEX)
2.2.1	2.1.1	Percentage of structure fires attended by career crews within eight minutes
2.2.2	2.1.2	Percentage of structure fires attended by volunteer crews within 11 minutes
2.2.3	2.1.4	Percentage of wildfires attended within 30 minutes
2.2.4	2.1.5	Percentage of Communications Centre events dispatched within 90 seconds (urban)
2.2.5	2.1.6	Percentage of Communications Centre events dispatched within 120 seconds (rural)
2.3.1	3.1.1	Percentage of hazardous substance incidents attended within 60 minutes
2.3.2	4.1.1	Percentage of motor vehicle accidents attended within 30 minutes
2.3.3	4.2.1	Maintain our INSARAG international heavy accreditation in USAR
2.3.4	5.1.1	Percentage of career crews who respond to medical emergencies within eight minutes
2.3.5	5.1.2	Percentage of volunteer crews who respond to medical emergencies within 11 minutes
2.3.6	5.2.1	Median response time to other (non-medical-related) emergencies
2.3.7	5.3.1	Median response time to non-transport-related rescue incidents

Output class 3: Response assets and systems

2026/27 numbering	2025/26 numbering	Output measure
3.1.1	New measure for SPE 2026/27	Percentage of asset investment delivered against the approved Asset Management Plan (AMP)

Omitted output measures

The following output measures from the SPE 2025/26 have not been carried forward into the SPE 2026/27. The rationale for removing them is provided below.

Measure 1.1.6 – Number of national campaigns

Rationale: This measure was an activity count that did not provide sufficient information about the effectiveness or reach of national fire safety campaigns. Reporting a count of campaigns does not enable meaningful assessment of whether campaign activity is contributing to fire safety outcomes.

Measure 1.1.7 – Maintain an organisational relationship satisfaction rate with stakeholders

Rationale: A satisfaction rate based on survey response is not a reliable indicator of the quality of an organisation's relationship with its stakeholders where survey completion rates are low, as the results reflect only the views of a small, potentially unrepresentative portion of stakeholders and cannot be generalised to the broader stakeholder population.

Measure 1.2.1 – Percentage of evacuation schemes currently maintained through a trial evacuation or training programme

Rationale: This measure has been removed as it does not directly reflect Fire and Emergency's core regulatory function, which is the review, approval and maintenance of evacuation schemes. The ongoing maintenance of evacuation schemes by building occupants is the responsibility of building owners and tenants under the Fire and Emergency New Zealand (Fire Safety, Evacuation Procedures, and Evacuation Schemes) Regulations 2018. Fire and Emergency's regulatory accountability is better captured through measure 1.3.3 (Percentage of evacuation schemes completed within statutory timeframes), which focuses on the timeliness of Fire and Emergency's own regulatory delivery.

Measure 1.4.1 – Percentage of fires during restricted fire season that required a permit but did not have one

Rationale: This measure has been removed from the output class framework. The rate of non-compliant open-air fires during restricted fire seasons reflects broader community compliance with fire permit requirements and is influenced by factors beyond Fire and Emergency's direct control, including weather conditions and community awareness levels. Fire and Emergency's regulatory delivery is captured through the fire permit processing timeliness measures (1.3.1 and 1.3.2). This indicator may be reported at the impact layer in the Annual Report.

Measure 1.4.2 – Percentage of permitted wildfires that subsequently required a fire suppression response

Rationale: This measure has been removed as it is not a reliable indicator of the quality of Fire and Emergency's fire permit regulatory function. The rate at which permitted vegetation fires escape and require suppression is significantly influenced by weather conditions and burn complexity, which are not controlled by Fire and Emergency's permitting decisions. Retaining this measure risked creating perverse incentives to restrict permit issuance rather than to improve permit quality and conditions. The measure may be considered for inclusion at the impact indicator layer in future Annual Reports.

Measure 2.1.3 – Percentage of structure fires contained within the room of origin where suppression was required

Rationale: This measure has been moved to the impact indicator layer of the performance framework. Fire containment rates at the time of arrival reflect the combined effect of response timeliness, crew capability, community fire safety behaviours and building standards. This indicator may be reported at the impact layer in the Annual Report.

Measure 2.1.8 – Develop fire plans for every District every three years

Rationale: This measure has been removed as it represents a scheduled activity rather than a meaningful annual performance measure. Fire plan development occurs on a rolling three-year cycle and is an operational requirement embedded in our regulatory processes. Progress on fire plan development will continue to be managed internally as an operational planning obligation, consistent with the requirements of the Fire and Emergency New Zealand (Fire Plans) Regulations 2018.

Measure 4.2.2 — Domestic Heavy or Medium USAR deployments

Rationale: This measure has been removed as it reflects demand for a specialist service that Fire and Emergency cannot directly control or predict. The number of domestic heavy or medium Urban Search and Rescue (USAR) deployments is entirely dependent on the occurrence of significant emergency events. Reporting this as an output measure does not provide meaningful accountability for Fire and Emergency's USAR readiness or capability. Fire and Emergency's USAR capability will be addressed through readiness and capability planning frameworks described in the SOI Programme 1: Safe, effective and resilient operations.

Measure 4.2.3 — International Heavy or Medium USAR deployments

Rationale: As above, international USAR deployments are demand-driven and cannot be predicted or committed to as annual output targets. International deployments are subject to government direction and bilateral arrangements. Fire and Emergency's accountability for international USAR capability is more appropriately described through capability and readiness standards managed under operational policy and government direction, rather than as annual performance targets.

Changed output measures

The following output measures from the SPE 2025/26 have been changed for SPE 2026/27. The rationale for the change is provided below.

Measure 1.1.4 (prior) — Percentage of survey respondents who report having at least one installed and working smoke alarm

Rationale: This measure has been moved to the impact indicator layer of the performance framework. Smoke alarm ownership is a community-level behavioural indicator that reflects the cumulative effect of Fire and Emergency's community education, home fire safety visit and prevention campaigns. It may be reported as an impact indicator in the Annual Report.

Note: measure number 1.1.4 has been reallocated in the 2026/27 framework to the output measure 'Percentage of home fire safety visits delivered in medium- and high-risk communities'.

New output measures

The following output measures are new for SPE 2026/27. The rationale for the addition is provided below.

Measure 3.1.1 – Percentage of asset investment delivered against the approved Asset Management Plan (AMP)

Rationale: This measure is new and tracks the extent to which Fire and Emergency delivers its planned asset investment programme as approved in the AMP. It assesses how closely actual asset investment aligns with the forecast investment approved by the Board, providing assurance that capital investment is being delivered as intended to sustain and improve the organisation's asset base.

Delivery of the AMP is critical to ensuring stations, appliances and supporting infrastructure remain fit for purpose, support operational readiness, and represent prudent stewardship of public funds.

New measures under development

Wildfire measures (measures in development)

Fire and Emergency will to look to develop and test the following new measures that capture the impact and outcomes from response activities, to the range of wildfires that occur.

- The percentage of wildfire contained at initial attack within 6 hours of arrival (target is increasing) – measuring initial attack response (crews, deployment, aerial support)
- The percentage of wildfire suppressed within 24 hours (target is increasing) – measuring sustained suppression capability (resourcing, logistics, incident management)
- The percentage of wildfires requiring extended attack beyond 24 hours (target is decreasing) – measuring effectiveness of initial attack, strategy and capability
- Average area size at containment (target is decreasing) – measuring outcome of response effectiveness (damage limitation)

Response performance (measure in development)

Fire and Emergency currently reports against response time targets as a core indicator of operational performance. While this provides an important measure of the timeliness of response to emergency incidents, it does not fully capture the breadth of Fire and Emergency's service delivery to communities.

To provide a more complete view of response performance, Fire and Emergency will develop and introduce a broader set of measures over time. These will complement response time measures and provide greater transparency on service effectiveness, including the reliability, availability and contribution of response assets and systems.

The following measure will be developed and progressively introduced.

Response time performance

- A measure of the proportion of emergency incidents responded to within agreed response time targets.

  This measure demonstrates the timeliness of operational response to emergency events.

Asset performance measures (measures in development)

Fire and Emergency will test and refine a structured suite of asset performance measures across fleet, ICT and property. These measures are intended to improve transparency of the extent to which the asset base supports operational service delivery, and will be baselined prior to formal reporting. Definitions, scope and data sources will be finalised as part of baselining.

These measures focus on asset availability, compliance, utilisation and sustainability, reflecting areas of highest impact on service delivery and long-term asset performance.

The following measures will be developed and progressively introduced.

Fleet performance

Fleet utilisation (annual)

- A measure of the extent to which the operational fleet is actively used to support service delivery over the financial year.

  This measure provides insight into the efficiency and alignment of fleet capacity with operational demand.

Fleet availability (quarterly – output measure)

- The percentage of frontline fleet assets available for operational deployment over the reporting period.

  This measure reflects the reliability of the fleet and the effectiveness of maintenance and asset management practices, recognising that availability is the primary public accountability metric for fleet performance.

Fleet operationalisation (annual)

- The number of new fire appliances commissioned and placed into operational service during the financial year.

  This measure reflects the delivery of fleet investment into operational capability and the timeliness of bringing new assets into frontline use.

ICT performance

ICT service availability (quarterly)

- The percentage availability of critical ICT services required to support operational and corporate functions.

  This measure will reflect system reliability and stability, including the impact of planned and unplanned service outages.

Property performance

Property compliance – Building Warrant of Fitness (annual)

- The percentage of Fire and Emergency buildings that require a Building Warrant of Fitness (BWOF) that are fully compliant with their BWOF requirements.

  This measure tracks the percentage of buildings compliant with BWOF requirements.

Asset sustainability and investment

Asset sustainability ratio (annual)

- A measure comparing capital investment in asset renewal and replacement against depreciation of the asset base.

  This provides an indicator of whether assets are being sustainably maintained over time.

Deferred renewal and maintenance expenditure (annual)

- The total estimated value of renewal and maintenance work that has been deferred beyond planned timeframes.

  This measure provides insight into emerging asset condition risks and future funding pressures.

Enabling activities

Ngā mahi whakamana

Our enabling priorities

We have six focus areas that are aligned to our overarching strategy and are outlined in our Statement of Intent 2026–2030. They are:

- Safe, effective and resilient operations
- Effective regulator
- Strong relationships
- Strong business foundations
- Supporting our people
- Culture

Safe, effective and resilient operations support us to deliver effective emergency response services promptly and to ensure our people are safe, appropriately trained and equipped to deliver to our legislated mandate. This includes having trained and skilled people, with tools and specialist equipment, available where they are needed.

Effective regulator refers to our responsibilities for fire safety, prevention and response across New Zealand and the activities we undertake through comprehensive regulatory frameworks to identify, assess and mitigate fire risks, and improve compliance with fire safety standards to prevent fire-related harm.

Strong relationships reflect our commitment to collaborating with others to deliver our services, including operating effectively to deliver our objectives and functions.

Strong business foundations describes our focus on people, process, technology and policy to support operational service delivery and our commitment to continuous improvement, managing our risks, assets and business support systems and prudent financial management.

Supporting our people represents a focus on putting our people first and providing an environment where our people find their work both safe and meaningful, and where their dedication is genuinely valued. It is also ensuring that our culture puts the safety, health and wellbeing of our people first.

Culture is about us continuing to grow an environment where our people feel respected, safe, informed, included and empowered to perform their roles.

The enabling activities we will deliver in 2026/27

There is a deliberate and clear relationship between the enabling activities we will deliver and Our Strategic Direction. Some of the activities we will undertake will contribute to several outcomes as demonstrated by the matrix below.

We will report our performance in delivering these actions in our Quarterly and Annual Reports.

Key activities	Safe effective and resilient operations	Effective regulator	Strong relationships	Strong business foundations	Supporting out people	Our culture
Develop a national view of operational capabilities across resources to guide planning and prioritisation	●					
New fleet breakdown software. All frontline personnel trained and with access to the fleet logging application by December 2026 (measured as training delivered across all five Fire and Emergency Regions)	●					
Review and refresh the fire regulatory framework to support a consistent approach to education, compliance and enforcement		●				
Establish an engagement framework to support a nationally consistent approach to working with key stakeholders			●			
Finish the future levy cycle process planning to provide a transparent, evidence-based, accurate approach to levy administration and rate-setting				●		
Deliver a Human Resources Information System (HRIS) by 31 March 2027. Delivery will be measured by the system being live and available for use, enabling core human resources and payroll functions to be delivered through an integrated digital platform.				●		
Complete a future of operational training indicative business case to support investment in personnel continuing to have the capabilities and skills to keep themselves and communities safe					●	
Progress the implementation of the talent management and succession planning framework to identify, develop and support people leadership to grow personnel and meet future capability and capacity needs						●

Budget and financial statements

Ngā tauākī tahua me te pūtea

Output class reporting – summary

Cost of the outputs for the year ending 30 June 2027

The prospective information reflects a transition to a revised output class structure from 2026/27 to better align with the organisation's strategic outcomes and funding stewardship.

Expense allocation:

- Direct expenditure is allocated to outputs based on the nature of team activities and where those activities, and the associated expenditure, most appropriately align.
- Indirect costs (including non-operational costs and corporate overheads) are allocated to outputs based on the proportion of direct expenditure.

Revenue allocation:

- Levy revenue is allocated to outputs based on the proportion of expenditure allocated to the outputs.
- Non-levy revenue that is directly related to outputs is allocated to those outputs; indirect non-levy revenue is allocated to outputs based on the proportion of expenditure allocated to the outputs.

A dedicated project will take place in 2026/27 to develop a comprehensive costing model, which will introduce more sophisticated allocation methodologies and improve the accuracy and decision usefulness of cost information over time.

Output class reporting	Forecast levy receipts $000	Forecast other revenue $000	Forecast total expenditure $000	Net surplus/ (deficit) $000
1. Prevention	**89,911**	**2,510**	**89,827**	**2,594**
1.1 Promote fire safety in communities	50,913	2,142	50,865	2,190
1.2 Provide expert technical services	12,208	115	12,197	126
1.3 Enable regulatory compliance	17,277	163	17,261	179
1.4 Proportionate intervention	9,513	90	9,504	99
2. Response	**511,035**	**17,829**	**510,551**	**18,313**
2.1 Capable, equipped and safe	180,444	1,704	180,273	1,875
2.2 Effective fire response to reduce harm	294,156	3,776	293,877	4,055
2.3 Specialist response	36,435	12,349	36,401	12,383
3. Response assets and systems	**255,615**	**25,701**	**255,374**	**25,942**
3.1 Stations and facilities	58,639	554	58,583	610
3.2 Fleet and operational equipment	86,257	815	86,176	896
3.3 Preventative maintenance	67,113	634	67,050	697
3.4 ICT systems	43,606	23,698	43,565	23,739
Total cost of outputs	**856,561**	**46,040**	**855,752**	**46,849**

Financial overview

Implementing Our Strategic Direction

Fire and Emergency's strategic direction to 2030 provides clarity about where we are focusing our effort and investment to ensure the organisation is sustainable, resilient and able to meet the evolving needs of communities. In 2026/27, this Statement of Performance Expectations (SPE) gives effect to that direction, particularly the emphasis on strong business foundations by enhancing financial stewardship, improving alignment between resources and priorities, and reinforcing long-term organisational resilience.

A central feature of implementing this direction is the deliberate use of planned operating surpluses to support Fire and Emergency's financial sustainability. These surpluses are not incidental; they are a necessary and intentional part of the organisation's financial settings, and necessary to ensure we can continue to deliver critical public safety services while managing long-term obligations and funding uncertainty.

A key mechanism for delivering this approach is the Financial Reinvestment and Risk Management (FRRM) programme, which is embedding a more deliberate and evidence-based approach to planning, prioritisation and investment. Through the FRRM programme, Fire and Emergency is identifying sustainable efficiencies in non-frontline activities and redirecting resources to areas that most directly support prevention, response and operational readiness. This disciplined approach enables the organisation to constrain operating expenditure growth while maintaining frontline capability and funding priority enabling investments.

Across the SPE period, cost management generates recurring annual savings of approximately $50 million. Of this, around $30 million is retained to strengthen cash reserves, manage levy revenue volatility and meet long-term obligations, while approximately $20 million is reinvested to improve service delivery and organisational capability. Retaining a portion of these savings to generate operating surpluses is critical to funding asset renewal and replacement, repaying Crown loan obligations and addressing the structural gap between depreciation expense and the true long-term cost of maintaining Fire and Emergency's infrastructure, fleet and specialist equipment.

In 2026/27, these financial settings result in a forecast operating surplus of $47 million. This surplus supports the organisation's ability to self-fund capital investment above depreciation, maintain prudent cash reserves and absorb revenue and cost shocks without compromising service delivery. It also reflects the need to prepare for increased levy uncertainty arising from the transition to the Part 3 levy framework from 1 July 2026, including changes in levy timing and increased sensitivity to insurance market behaviour.

Taken together, these settings ensure Fire and Emergency can meet current service expectations while safeguarding future capability. The planned level of surplus is therefore a deliberate expression of the organisation's commitment to financial resilience, prudent stewardship of public funds and intergenerational equity.

Key risks and uncertainties

Fire and Emergency operates in a dynamic funding and operating environment. The prospective financial information in this SPE is based on best available information and assumptions at the time of preparation. Key risks that could materially affect financial performance and position in 2026/27 and the outyears are outlined below.

Levy revenue uncertainty

The most significant financial risk relates to levy revenue. From 1 July 2026, changes under the Part 3 levy framework, including the shift from indemnity value to sum insured for non-residential property, introduce increased uncertainty in levy collections. While forecasts reflect updated modelling, actual levy revenue will depend on insurance coverage, insured values and levy payer behaviour. Continued volatility in the insurance market could result in levy revenue being lower than forecast.

Cost pressures and expenditure risks

Operating expenditure assumptions are sensitive to a number of factors, including collective employment agreement settlements, inflationary pressures and the final cost of remediation associated with compliance with the Holidays Act 2003. While provisions have been made based on current information, there remains uncertainty around costs and provisions.

The delivery of planned cost reductions under the FRRM programme also carries risk. While the programme is advancing, some savings are dependent on policy changes and consultation processes, which may affect the timing and extent of savings realised.

Capital cost and delivery risks

Fire and Emergency's capital programme is exposed to cost escalation risks, including construction inflation, global fuel price volatility and international supply chain disruptions. While current capital plans remain achievable within available funding, sustained cost increases may require reprioritisation or deferral of some investments, with potential implications for asset condition and operating costs over time.

Risk management and mitigation

These risks are actively monitored and managed through financial planning, conservative forecasting assumptions, cost control, maintenance of cash reserves and ongoing review of investment priorities. Together, these measures support Fire and Emergency's ability to remain financially resilient while continuing to meet service demand and statutory obligations.

Revenue

Fire and Emergency is primarily funded through levies on property and motor vehicle insurance. In recent years, levy revenue has become increasingly volatile due to changes in insurance coverage, reductions in insured values and broader affordability pressures in the insurance market. These trends are expected to continue into 2026/27.

From 1 July 2026, the Part 3 levy framework comes into effect, introducing new levy rates and a change to the valuation base for non-residential property from indemnity value to sum insured. Levy rates from 1 July 2026 are set at 10.74 cents per $100 of sum insured for residential property, 7.76 cents per $100 of sum insured for non-residential property, and $25 per insured motor vehicle per year. These rates incorporate an overall 2.2 percent increase.

While levy rates increase under Part 3, softer insurance market conditions mean levy revenue growth is expected to remain modest. For 2026/27, levy revenue is forecast to increase by approximately 4.0 percent to $857 million, lower than previously expected. Over the remainder of the SPE period, levy revenue is assumed to grow at around 3.1 to 3.3 percent per annum, reflecting forecast economic activity rather than a return to historical stability in levy base growth.

Given this environment, maintaining prudent financial settings and sufficient reserves is critical to managing revenue volatility and ensuring Fire and Emergency can continue to meet service demand and statutory obligations.

Expenditure

Fire and Emergency's expenditure is focused on maintaining operational readiness and ensuring we can respond effectively and safely to fires and emergencies whenever and wherever they occur. These readiness costs are fundamental to service delivery and are incurred regardless of incident activity. They include maintaining a skilled workforce, safe and reliable facilities, fit-for-purpose fleet and equipment, and the systems required to support sustained operational capability.

Alongside these core readiness costs, we are investing in a targeted set of enabling activities that strengthen Fire and Emergency's ability to deliver its strategic intentions under the revised Statement of Intent. These activities support prevention, response and the assets and systems that enable frontline operations. In 2026/27, key areas of focus include developing a national view of operational capability to inform planning and prioritisation, progressing future operational training planning to ensure personnel maintain critical skills, and reviewing and refreshing the fire regulatory framework to support a consistent and proportionate approach to education, compliance and enforcement.

We are also progressing enabling initiatives that support organisational capability and sustainability, including establishing a nationally consistent stakeholder engagement framework, advancing talent management and succession planning to support people leadership and future workforce capacity, and completing planning for future levy cycles to support transparent and evidenced-based levy administration.

Delivering these priorities within a volatile revenue environment requires disciplined cost management and clear prioritisation. Through the FRRM programme, Fire and Emergency is embedding a more deliberate approach to reallocating resources away from lower value activities and towards frontline capability, critical enabling functions and emerging operational risks. This approach generates recurring annual savings of approximately $50 million, with around $20 million reinvested to improve service delivery and organisational capability.

Total operating expenditure in 2026/27 is budgeted at $856 million, including funding for priority initiatives such as completion of the HRIS and payroll system, capability enhancements, and implementation of the new emergency communications services in conjunction with Next Generation Critical Communications. Following the completion of the HRIS implementation, operating expenditure reduces to $846 million in 2027/28 and then increases by 1.3% through inflationary factors in 2028/29 to $857 million.

Expenditure decisions are governed by the Board's financial sustainability framework, which balances the need to meet service demand and public expectations with maintaining the organisation's asset base, delivery standards and future capability within expected funding levels.

Net surplus

Fire and Emergency forecasts a net operating surplus of $47 million in 2026/27, increasing to approximately $74 million in 2027/28 and $81 million in 2028/29. These surpluses are a planned feature of the organisation's financial settings and reflect the need to sustainably fund long-term obligations while operating within a volatile and uncertain revenue environment.

The forecast surpluses do not represent excess cash or discretionary funding. Rather, they are required to support the renewal and replacement of long-term assets, repay Crown loans and funding, and maintain appropriate reserves to manage financial risks. In particular, depreciation expense does not fully reflect the long-term cost of maintaining Fire and Emergency's infrastructure, fleet and specialist equipment, resulting in a structural funding gap that must be addressed through operating surpluses.

Maintaining operating surpluses also supports financial resilience as Fire and Emergency transitions to the Part 3 levy framework from 1 July 2026, which introduces increased timing and volume risk in levy receipts. Generating surpluses provides the organisation with the capacity to absorb revenue volatility, manage short-term cash flow pressures, and respond to unplanned demand or cost pressures without compromising service delivery or asset integrity.

These surplus levels are therefore an important component of Fire and Emergency's financial sustainability framework, balancing today's service delivery expectations with the need to safeguard future capability and intergenerational equity.

Cash holdings

Fire and Emergency's cash holdings provide critical working capital and financial resilience to support continuous service delivery in an environment of variable revenue timing and significant fixed costs. Cash reserves include call accounts and term deposits held to manage short-term liquidity, fund capital investment and respond to unexpected events.

Cash reserves (including term deposits) are forecast to reduce by approximately $131 million in 2026/27, from an opening balance of $230 million to $99 million. The primary driver of this reduction is the implementation of the Part 3 levy framework from 1 July 2026, which results in levy receipts being received one month later than under the current system. This change creates a one-off increase in working capital requirements in 2026/27 as Fire and Emergency adjusts to the revised levy timing. Cash is further reduced to complete remaining payroll remediation payments forecasted in 2026/27.

Over the SPE period, cash reserves and operating cash flows are expected to be applied to a range of planned and necessary commitments, including:

- repayment of approximately $26 million of Crown loans
- funding capital expenditure above depreciation of around $114 million
- managing the one-month delay in levy receipts associated with Part 3 implementation (estimated at approximately $72 million)
- completing remaining payroll remediation payments
- maintaining sufficient liquidity to absorb short-term revenue variability and unforeseen operating pressures.

Fire and Emergency maintains a minimum cash reserve of $50 million to ensure operational continuity, provide working capital, and enable an effective response to major adverse events such as large-scale emergencies or natural disasters. This reserve reflects the organisation's exposure to volatile levy receipts, the essential nature of its services and the need to sustain readiness at all times.

As cash balances stabilise following the Part 3 transition, reserves are forecast to increase to around $119 million by the end of 2028/29. This level of liquidity supports Fire and Emergency's financial sustainability.

Financial position

At 30 June 2027, Fire and Emergency is forecast to hold total assets of approximately $1.95 billion and total liabilities of around $0.27 billion. This reflects the capital intensive nature of the organisation and our responsibility to maintain a nationwide network of fire stations, training facilities, fleet, equipment and supporting systems that enable effective emergency response.

Our asset base needs to be safe, fit for purpose and strategically located to support rapid and effective response and a timely return to operational readiness. Maintaining asset condition and capability is therefore important to service delivery and underpins the financial settings reflected in this SPE.

Fire and Emergency maintains relatively low levels of debt compared with equity. This is a deliberate and prudent approach that reflects both the essential public safety role we perform and the characteristics of our funding model. As an emergency service, we require flexibility to respond to large-scale or unexpected events without being constrained by debt servicing requirements or reliance on short-notice borrowing. Maintaining low leverage also aligns with prudent public sector financial management and Crown expectations.

Where possible, long-term assets are funded through operating surpluses and cash reserves rather than borrowing.
Many of our capital investments have predictable replacement cycles, allowing us to plan and fund renewals over time. This approach supports financial resilience, stability of levy settings and intergenerational equity by ensuring the costs of today's services are funded by current levy payers.

To support this, Fire and Emergency maintains asset management plans across key asset classes to inform prioritisation, timing and investment decisions. These plans are reviewed and updated periodically to reflect asset condition, service demand, risk exposure, regulatory requirements and affordability. While significant capital investment will continue to be required over the medium- to long-term to maintain and adapt the asset base, the financial position forecast in this SPE provides a foundation to manage that investment in a disciplined and sustainable manner.

Total equity is forecast to increase to approximately $1.68 billion at 30 June 2027, reflecting continued investment in long-term assets that underpin Fire and Emergency's ability to protect communities across New Zealand.

Prospective statement of financial performance

for the years ending 30 June

	Budget 2026/27 $000	Forecast 2027/28 $000	Forecast 2028/29 $000
Revenue			
Levy	856,561	883,224	912,620
Interest revenue	6,108	3,335	3,953
Other income	39,932	32,626	21,167
Total revenue	**902,601**	**919,185**	**937,740**
Expense			
Employee and volunteer benefits expenditure	541,620	542,446	556,191
Depreciation and amortisation	85,252	86,786	79,763
Finance costs	1,932	1,324	1,175
Other expense	226,948	215,092	219,541
Total expense	**855,752**	**845,648**	**856,670**
Net surplus/(deficit) attributable to the board	**46,849**	**73,537**	**81,070**
Other comprehensive revenue and expense			
Gains/(losses) on revaluation of land and buildings net of impairment losses	30,000	30,000	30,000
Total comprehensive revenue and expense	**76,849**	**103,537**	**111,070**
Other expense			
Fleet	36,880	36,797	37,483
Communications and computers	37,354	38,523	39,638
Occupancy	36,960	38,205	38,930
Operational clothing, equipment and consumables	27,133	30,497	31,016
Hire of aerial services	8,058	8,069	8,069
Travel	12,017	12,373	12,535
Publicity and advertising	4,046	3,599	3,719
Professional fees	17,483	16,097	16,521
Consultants	22,702	6,665	6,985
Grants	5,014	4,511	4,602
Insurance	6,549	6,778	6,905
Other equipment and consumables	3,551	3,577	3,608
Research and development	521	815	831
Other operating costs	8,680	8,586	8,699
Total other expenditure	**226,948**	**215,092**	**219,541**

Prospective statement of changes in equity

for the years ending 30 June

	Budget 2026/27 $000	Forecast 2027/28 $000	Forecast 2028/29 $000
Equity as at 1 July	**1,602,306**	**1,679,155**	**1,782,692**
Total comprehensive revenue and expense	76,849	103,537	111,070
Equity as at 30 June	**1,679,155**	**1,782,692**	**1,893,762**

Prospective statement of financial position

as at 30 June

	Budget 2026/27 $000	Forecast 2027/28 $000	Forecast 2028/29 $000
Current assets			
Cash and cash equivalents	99,225	119,446	119,298
Trade and other receivables	270,127	272,726	281,081
Prepayments	3,442	3,444	3,443
Total current assets	**372,794**	**395,616**	**403,822**
Non-current assets			
Property, plant and equipment	1,557,658	1,619,666	1,717,705
Intangible assets	17,099	20,703	20,503
Total non-current assets	**1,574,757**	**1,640,369**	**1,738,208**
Total assets	**1,947,551**	**2,035,985**	**2,142,030**
Liabilities			
Current liabilities			
Trade and other payables	65,687	52,937	54,382
Employee and volunteer benefits	69,283	72,016	74,564
Crown loan	8,777	9,318	9,893
Provisions	10,016	10,516	9,616
Other current liabilities	704	993	1,626
Total current liabilities	**154,467**	**145,780**	**150,081**
Non-current liabilities			
Employee and volunteer benefits	52,344	50,978	52,545
Crown loan	50,569	41,251	31,358
Provisions	8,319	8,319	8,319
Other non-current liabilities	2,697	6,965	5,965
Total non-current liabilities	**113,929**	**107,513**	**98,187**
Total liabilities	**268,396**	**253,293**	**248,268**
Net assets	**1,679,155**	**1,782,692**	**1,893,762**

Prospective statement of financial position (continued)

as at 30 June

	Budget 2026/27 $000	Forecast 2027/28 $000	Forecast 2028/29 $000
Equity			
Accumulated funds	902,104	975,641	1,056,711
Revaluation reserve	777,051	807,051	837,051
Total equity	**1,679,155**	**1,782,692**	**1,893,762**

Prospective statement of cash flows

for the years ending 30 June

	Budget 2026/27 $000	Forecast 2027/28 $000	Forecast 2028/29 $000
Receipts from levy	781,955	874,206	904,346
Receipts from other revenue	28,508	27,893	19,953
Interest received	6,107	3,710	3,834
Payments to employees and volunteers	(605,975)	(542,356)	(553,356)
Payments to suppliers for goods and services	(221,739)	(220,486)	(218,099)
Net cash flow from operating activities	**(11,144)**	**142,967**	**156,678**
Purchase of property, plant and equipment	(105,290)	(109,298)	(143,304)
Purchase of intangible assets	(3,000)	(3,000)	(3,000)
Maturity of term deposits	29,344	-	-
Net cash flow from investing activities	**(78,946)**	**(112,298)**	**(146,304)**
Interest paid	(2,213)	(1,671)	(1,204)
Payments on finance leases	(894)	-	-
Repayments of Crown loan	(8,267)	(8,777)	(9,318)
Net cash flow from financing activities	**(11,374)**	**(10,448)**	**(10,522)**
Net increase/(decrease) in cash and cash equivalents	**(101,464)**	**20,221**	**(148)**
Cash and cash equivalents at the beginning of the period	**200,689**	**99,225**	**119,446**
Cash and cash equivalents at the end of the year	**99,225**	**119,446**	**119,298**

Statement of underlying assumptions

Significant assumption

Fire and Emergency in preparing the prospective financial statements has made assumptions. The most significant assumption is about levy growth which sees our levy expected to increase in 2026/27 by only 4.0%, down from previous expectations of 5.5%. We then expect the annual levy base to grow at 3.1% to 3.3% per year across the remaining two years of the SPE period, reflecting forecasted growth through general economic activity.

Other significant assumptions are described in the Financial Overview and pertain to managing operating cost pressures, delivering planned cost reductions under the Financial Reinvestment and Risk Management programme, and capital cost escalation risks.

Critical accounting estimates

The preparation of financial statements in conforming with PBE IPSAS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are also reviewed on an ongoing basis and any changes to the estimates are recognised in the period in which they were revised. Actual financial results achieved for the period may vary from the information presented.

Reporting entity

Fire and Emergency New Zealand is a body constituted under the Fire and Emergency New Zealand Act 2017 (the Act).

Fire and Emergency is a Crown entity as defined by the Crown Entities Act 2004. Fire and Emergency's ultimate parent is the New Zealand Crown. Fire and Emergency is a standalone entity. As a Crown entity, Fire and Emergency is a public body accountable to the Responsible Minister, Parliament and the New Zealand public for the statutory functions it undertakes, the services it delivers and the resources it manages.

The primary objective of Fire and Emergency is to reduce the incidence of unwanted fire and the associated risk to life and property, and through its main and additional functions to protect and preserve life, prevent or limit injury, and to prevent or limit damage to property, land and the environment.

Fire and Emergency's functions are to deliver services to the New Zealand public rather than to make a financial return.

Fire and Emergency has designated itself as a public benefit entity (PBE) for financial reporting purposes.

These financial statements for Fire and Emergency are for the budgeted year ending 30 June 2027 and forecasted years ending 30 June 2028 and 2029.

Basis of preparation

These prospective financial statements relate to the year ending 30 June 2027.

Statement of compliance

The prospective financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

Fire and Emergency is a Tier 1 entity, and the financial statements have been prepared in accordance with New Zealand Public Benefit Entity (NZ PBE) International Public Sector Accounting Standards (IPSAS). These prospective financial statements comply with Public Benefit Entity Financial Reporting Standard 42 Prospective Financial Statements (PBE FRS-42).

Transition to revised output class structure

The prospective information reflects a transition to a revised output class structure from 2026/27 to better align with the organisation's strategic outcomes and funding stewardship.

Presentation currency and rounding

These prospective financial statements are presented in New Zealand dollars (NZD), and all values are rounded to the nearest thousand dollars ($000).

Significant accounting policies

The following significant accounting policies have been adopted in the preparation and presentation of the prospective financial statements.

Revenue

Fire and Emergency measures revenue at the fair value of consideration received or receivable. Levy revenue is recognised as revenue when the obligation to pay the levy is incurred. Non-exchange revenue is recognised as revenue when it becomes receivable unless there is an obligation in substance to return the funds if conditions are not met. Rental received under operating leases is recognised as revenue on a straight-line basis over the term of the lease. Donated assets are where a physical asset is acquired for no cost or nominal cost, the fair value of the asset received is recognised as revenue only when Fire and Emergency has control of the asset.

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Superannuation schemes

Defined contribution schemes

Contributions to KiwiSaver, the State Sector Retirement Savings Scheme, the New Zealand Fire Service Superannuation Scheme, and the National Provident Fund are accounted for as defined contribution superannuation schemes and are expensed in the Statement of financial performance as they fall due.

Defined benefit schemes

Fire and Emergency makes contributions to the National Provident Fund Defined Benefit Plan Contributors Scheme (the Scheme), which is a multi-employer defined benefit scheme.

It is not possible to determine from the terms of the Scheme the extent to which the surplus/(deficit) will affect future contributions by individual employers, as there is no prescribed basis for allocation. Although this is a defined benefit scheme, there is insufficient information to account for the Scheme as a defined benefit scheme. Therefore, the Scheme is accounted for as a defined contribution scheme.

Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to Fire and Emergency are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Cash and cash equivalents

Cash and cash equivalents include deposits held at call and other short-term highly liquid investments with original maturities of three months or less held with registered New Zealand banks.

Investments

Investments include term deposits with original maturities of over three months held with registered New Zealand banks.

Bank term deposits are initially measured at the amount invested. The carrying amounts of term deposits with maturities of 12 months or less approximate their fair value. For term deposits with maturities greater than 12 months, the fair value is disclosed only for comparison with the carrying amount.

Property, plant and equipment

Property, plant and equipment are classed as land, buildings, fire appliances, motor vehicles, communications equipment, operational equipment, non-operational equipment, computer equipment and leasehold improvements. Assets under construction are included in the relevant asset class.

Land is measured at fair value. Buildings, excluding assets under construction, are measured at fair value less accumulated depreciation and impairment losses. All other asset classes are measured at cost, less accumulated depreciation, and impairment losses.

Revaluations

Land and buildings are revalued annually to ensure that their carrying amount does not differ materially from fair value. Land and building revaluation movements are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Accumulated depreciation at revaluation date is eliminated against the gross carrying amount so that the carrying amount after revaluation equals the revalued amount.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

Estimated useful lives for asset classes are:	
Buildings	up to 80 years
Fire appliances	up to 30 years
Motor vehicles	up to 20 years
Communications equipment	up to 20 years
Computer equipment	up to 4 years
Operational equipment	up to 12 years
Non-operational equipment	up to 15 years
Leasehold improvements	up to 30 years

Leasehold improvements are depreciated over the shorter of the unexpired period of the lease or the estimated remaining useful life of the improvements. Assets recognised under a finance lease are depreciated over the shorter of the lease term or the estimated useful life of the asset.

Impairment

Fire and Emergency does not hold any cash-generating assets. Assets are considered cash-generating where the primary objective is to generate a commercial return.

The carrying amounts of property, plant and equipment are reviewed at least annually to determine if there is any indication of impairment. Impairment exists when the amount of an asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use. Impaired assets are written down to their recoverable amount.

For revalued assets, impairment losses are credited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is recognised in the surplus or deficit. Any subsequent reversal of impairment that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense. For assets that are not revalued, impairment losses and reversals of impairment are recognised in the surplus or deficit.

Intangible assets

Intangible assets comprise computer software and the Shared Information Technology Environment (SITE). Intangible assets are shown at cost less accumulated amortisation and impairment losses.

Computer software

Costs are capitalised as computer software when they create a new asset or increase the future economic benefits of an existing asset. Costs capitalised for acquired computer software licences include the costs incurred to acquire the software and bring it into use. Costs capitalised for internally developed computer software include the costs incurred in the development phase only. Expense incurred on research is recognised in the surplus or deficit, as well as costs that do not meet the criteria for capitalisation (including staff training and software maintenance).

Shared Information Technology Environment (SITE)

SITE is a systems and technology platform that supports receiving calls and dispatching resources to emergency incidents. The asset represents Fire and Emergency's proportional share of SITE located at Communications Centres shared with New Zealand Police (Auckland, Wellington and Christchurch).

These SITE assets include Intergraph computer aided dispatch (ICAD) software, a land mobile radio network and associated telecommunications structures. New Zealand Police maintain SITE and proportionally charge Fire and Emergency. This charge is recognised in the surplus or deficit.

Amortisation

Amortisation is charged to the surplus or deficit on a straight-line basis at rates estimated to write off the cost of an asset, less any residual value, over its useful life.

Estimated useful lives and associated amortisation rates for asset classes are:	
Computer software internally generated	up to 10 years
Computer software purchases	up to 10 years
SITE	up to 10 years

Trade and other payables

Short-term payables are recorded at the amount payable. Trade and other payables are non-interest-bearing and are typically settled on 30-day terms. As a result, the carrying value of trade and other payables approximates their fair value.

Finance leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards of ownership of an asset to Fire and Emergency, even if actual ownership is not transferred. At the commencement of a lease term, finance leases are recognised as assets and liabilities in the Statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life.

If there is no certainty as to whether Fire and Emergency will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term or its useful life.

Goods and services tax

Figures reported in the financial statements are goods and services tax (GST) exclusive with the exception of receivables and payables, which are disclosed GST inclusive. Where GST is not recoverable, it is recognised as part of the related asset or expense. The net amount of any GST balance, either recoverable or payable to the Inland Revenue Department, is included as part of receivables or payables in the Statement of financial position.

Commitments and contingencies are disclosed as GST exclusive.

The prospective Statement of cash flows has been prepared on a net GST basis, with cash receipts and payments presented GST exclusive. A net GST presentation has been chosen to be consistent with the presentation of the prospective Statement of financial performance and prospective Statement of financial position. The net GST paid to or received from Inland Revenue, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of cash flows. The GST component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

Income tax

Fire and Emergency is exempt from income tax in accordance with both the Income Tax Act 2007 and the Fire and Emergency New Zealand Act 2017. Accordingly, no provision has been made for income tax.

Financial instruments

Fire and Emergency has a range of policies to manage its exposure to financial instrument risks (including market risk, credit risk and liquidity risk) and seeks to minimise this exposure. Policies do not allow Fire and Emergency to enter into any transactions that are speculative in nature.

A financial instrument is measured at fair value through surplus or deficit unless it is measured at fair value through other comprehensive revenue and expense, or amortised cost. Classification is determined by Fire and Emergency at initial recognition based on management objectives or for particular investments by an irrevocable election.

Statement of cash flows

The makeup of cash and cash equivalents for the purposes of the prospective Statement of cash flows is the same as cash and cash equivalents in the prospective Statement of financial position. The prospective Statement of cash flows has been prepared using the direct approach subject to the netting of certain cash flows.

Capital management

Fire and Emergency's capital is equity (represented by net assets), which comprises accumulated funds, revaluation reserves and contributed capital. Fire and Emergency is subject to the financial management and accountability provisions in the Crown Entities Act 2004. These provisions impose restrictions in relation to borrowings, the acquisition of securities, issuing guarantees and indemnities, and the use of derivatives.

Approval has been obtained from the Minister of Finance in accordance with the Crown Entities Act for the organisation to enter into derivatives and to maintain committed and uncommitted borrowing facilities at financial institutions. Use of derivatives is confined to currency rate forward contracts used as specified by the New Zealand Treasury.

Fire and Emergency manages its equity by prudently managing revenue, expenses, assets, liabilities and risk, and aims for best practice with regard to its operations and financial dealings.

This helps to ensure that Fire and Emergency effectively achieves its goals and objectives.

Appendix: Our strategic planning and accountability framework

Āpitihanga

We operate within a planning and accountability framework that links long-term direction, annual delivery and public reporting.

Our Strategic Direction 2025–2030 sets the organisation's long-term priorities and capability intent. The Statement of Intent (SOI) translates that direction into strategic outcomes and medium-term performance expectations. This Statement of Performance Expectations (SPE) specifies annual outputs and performance targets. The Annual Report provides transparent reporting on performance against those commitments.

Supporting national strategies, Region and District plans and local planning processes ensure alignment between organisational priorities and operational delivery. Local Advisory Committees provide community insight to the Board to strengthen the connection between national direction and local implementation.

Together, these elements create a coherent system of governance and accountability, ensuring clear line of sight from strategy to delivery to reporting and from national priorities to local action.

Document	Purpose	Timeframe
Our Strategic Direction 2025–2030	Sets long-term organisational priorities and capability intent	Five years
Statement of Intent 2026–2030	Translates strategic direction into outcomes and medium-term performance expectations	Four years
Statement of Performance Expectations 2026/27	Specifies annual outputs, performance measures and targets	Annual
Annual Report 2026/27	Reports on performance against SPE and SOI commitments	Annual

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WHAKARATONGA IWI

FIRE EMERGENCY

NEW ZEALAND

New Zealand Government

Te Kāwanatanga o Aotearoa