

Statement of Performance Expectations

Te Tauākī o ngā Taumata
Mahi me Tutuki

2020/21



Purpose | Kaupapa

Protecting and preserving lives, property and the environment

Te whakamaru me te tiaki i ngā tāngata, rawa me te taiao

Vision | Matakītenga

Stronger communities protecting what matters

Ngā hapori kaha ake e whakamaru ana i ngā mea hira

Values | Ngā uara



We do the right thing – Kia tika



We serve and support – Manaakitanga



We are better together – Whanaungatanga



We strive to improve – Auahatanga



Presented to the House of Representatives pursuant to section 149 of the Crown Entities Act 2004.



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Cover image: He waka eke noa – a scene from our Positive Workplace Culture video.

Inside cover image: One of the stars of our summer wildfire prevention campaign, the pīwakawaka.

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Foreword

He tīmatanga kōrero

We are pleased to present this Statement of Performance Expectations for Fire and Emergency New Zealand.

It outlines the key initiatives we are setting out to achieve, and how we will measure our progress, in the year to 30 June 2021. It should be read alongside our Statement of Intent 2020–2024 and Our National Strategy 2019–2045, which outline what we plan to achieve over the medium and longer terms.

For more than 150 years, fire service organisations have been at the heart of New Zealand communities. Although the types of emergencies we respond to have changed significantly over time, the work we do is still critically important to protect life, property and our environment.

Climate change, new technology and a changing population mean our communities face new challenges to protect what's important to them. The COVID-19 pandemic has also challenged Fire and Emergency and the communities we serve, and its wide-ranging impacts will be felt strongly for the next 12 months and beyond.

Since Fire and Emergency New Zealand formed on 1 July 2017, our focus has been on bringing together rural and urban fire services and developing the structures, systems, tools and ways of working that we need to operate as one unified organisation.

Fire and Emergency's focus in the next 12 months will be on working closely with our emergency partners and other agencies as New Zealand responds to, and recovers from, COVID-19. As we better understand the economic and social impacts of this pandemic on our work, we will respond, adapt our plans and reforecast as required.

We will continue to work with communities to identify their risks and needs so they can prepare for, respond to and recover quickly from emergencies. We will do this, for example, by supporting and embedding our first seven Local Advisory Committees, and by taking a nationally consistent approach to local planning that allows for regional differences.

We will continue to strengthen the relationships we have with our partners and stakeholders, both within New Zealand and internationally, and look for opportunities to work more closely together. We will continue to listen to and involve our people, our unions and associations,

our sector partners, iwi, and our communities to ensure the decisions we make meet their needs.

Our people are our greatest asset; that's why we're making sure we have the skills and expertise we will need at all levels in this rapidly changing environment. We will make further progress towards building a safe, welcoming and inclusive organisation that reflects the diversity we see across New Zealand.

Using technology and evidence-based information will help us make the right decisions and focus on the right activities. The shifts to adopt new technology solutions during the pandemic, for example conducting training online rather than in person, and weekly video conferences with leaders, showed their benefits. Our focus will be on further developing the tools, systems and solutions we need, and on training our people, to make the best use of the information we hold to protect and serve our communities.

The next 12 months will undoubtedly challenge Fire and Emergency as we balance recovering from the impacts of COVID-19 with continuing to change how we operate. We'll be mindful of the impact of change on our people and communities, and ensure our investment reflects our purpose to protect and preserve lives, property and the environment.

On behalf of the Board, thank you to all Fire and Emergency people for your ongoing dedication to keeping New Zealand safe.



Paul Swain
Hon. Paul Swain
Board Chair



Rebecca Keoghan
Rebecca Keoghan
Deputy Chair

Who we are

Kō wai mātou

We are building a fire and emergency organisation to work closely with communities to help them prepare for and respond to fire and other emergencies. Our unified organisation will have a greater variety of skills, foster collective leadership, and continue to adapt and respond to the changes happening in New Zealand's environment, now and in the future.

Our commitment to New Zealand and our communities

We are committed to delivering efficient and effective fire and other emergency services for our communities. Performing to expectations will ensure we deliver on our commitments and achieve our outcomes for New Zealand.

We are an essential service and our role in keeping New Zealand communities safe is vital. The All-of-Government (AoG) response to the COVID-19 pandemic has changed our current operating environment, and we are likely to feel its social and economic impacts for years to come. During the pandemic, our focus has been on keeping our people safe while maintaining our operational response, so that communities across New Zealand can be confident that we will continue to protect and preserve lives, property and the environment. We will work closely with our partners and other agencies as New Zealand responds to, and recovers from, the COVID-19 pandemic.

This Statement of Performance Expectations (SPE) sets out our expected performance for the 2020/21 financial year. It provides:

- a base against which performance can be assessed, including our level of responsiveness to external forces, particularly in a post-COVID-19 pandemic environment
- an explanation of how performance will be assessed, including necessary adjustments to our service delivery model and organisational priorities to ensure they align with government priorities
- prospective budget and financial statements.

What we do and why we do it

We are Fire and Emergency New Zealand

On 1 July 2017, Fire and Emergency New Zealand (Fire and Emergency) was established under the Fire and Emergency New Zealand Act 2017 (the Act) to bring together over 40 firefighting organisations around the country and around 14,000 people. The Act provides our statutory remit to protect and preserve lives, property and the environment. It also sets out a clear mandate to work more closely with our sector partners, stakeholders and communities – in particular, to build resilience within our communities and to recognise the importance of working with Māori as tangata whenua. Delivering on these aspects of our legislation is a focus for the coming years.

We have strong links with our communities and an extensive reach. As at 31 March 2020, we have 653 fire stations and depots, almost 15,000 personnel (including support staff), an asset base of \$1.3 billion and an annual revenue of almost \$624 million.

We recognise the critical role that communities and our volunteers play in our work. Over the coming years, we will continue to focus on supporting our volunteers and to foster sustainable volunteerism. We will work more closely with our communities so we clearly understand their local needs and what we need to do to better meet them.

We will ensure all our people – career and volunteer firefighters, and non-operational staff – feel safe and valued. We will appropriately support and equip our people to do their jobs.

Our statutory remit

We have two main areas of responsibility under the Act:

- A range of emergency management functions.
- A role as a regulator.

Our emergency management functions are separated into our main and additional or assisting functions:

Our emergency management functions

Main functions



Promoting fire safety



Providing fire prevention, response and suppression services



Stabilising or rendering safe incidents that involve hazardous substances



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 and disasters incidents



- incidents in which a substance other than a hazardous substance presents a risk to people, property or the environment



- promoting safe handling, labelling, signage, storage and transportation of hazardous substances



- rescues including line and animal rescues, rescues from collapsed buildings, confined spaces, unrespirable and explosive atmospheres and swift water



- providing assistance at transport accidents.

Our role as a regulator

We also have a role as a regulator, which is focused on fire safety and fire-related offences. This includes:

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

In addition to our two main areas of legislative responsibility under the Act, we carry out additional risk reduction activities under various legislative provisions and organisational practices. Our 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
- providing essential technical expertise on the firefighting capability required for outdoor pyrotechnic displays
- 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.

Governance

Fire and Emergency is governed by the Crown Entities Act 2004, the Public Finance Act 1989 and the Fire and Emergency New Zealand Act 2017. The Department of Internal Affairs (DIA) monitors Fire and Emergency's performance on behalf of the Minister of Internal Affairs (the Minister), who has ministerial responsibility for Fire and Emergency.

The Minister appoints members of the Board of Fire and Emergency in accordance with criteria set out in the legislation mentioned above. The Board has six members (refer 'Our Board' section). Members chair several standing committees to ensure Fire and Emergency is achieving what is set out in its strategic and statutory accountability documents, and is operating within budget.

Consulting and reporting to the Minister of Internal Affairs

The Board is committed to a 'no surprises' policy for new initiatives, operational events and overall policies. They provide the Minister with accurate, relevant, complete and timely information to ensure the Minister is fully informed to make decisions and carry out their responsibilities for the organisation.

The Board provides quarterly progress reports to the Minister on:

- the organisation's strategic priorities and key initiatives
- this SPE's performance measures and budget
- other information as required.

The Board will provide quarterly reports within the following time frames:

Quarter	Time frame – no later than
1. 1 July 2020 to 30 September 2020	10 November 2020
2. 1 October 2020 to 31 December 2020	9 March 2021
3. 1 January 2021 to 31 March 2021	11 May 2021

A Quarter 4 report is not required, as we will provide full-year financial and non-financial performance reporting in our 2020/21 Annual Report.

Our direction

Tō mātou aronga

We have made a commitment to being a strategy-led organisation. Our direction starts with our strategic framework, as shown below. It sets out the key elements of why we are here, our purpose, vision, outcomes and priorities for the longer term, our values and operating principles.

We launched our [National Strategy 2019–2045](#) (Our Strategy) in October 2019. It is based on our work to bring Fire and Emergency together as a unified organisation – to work closely with and build resilience within our communities. It sets out what we need to prioritise and the shifts we need to make to be effective now and in the future.

Our purpose (why we exist): **Protecting and preserving lives, property and the environment.**

Our vision (what we aspire to): **Stronger communities protecting what matters.**

We have developed three outcomes which describe what we want to achieve for New Zealand and our communities over the longer term. They set out where we will add value and make a difference.

Our outcomes are:

- Communities prepare for, respond to and recover well from emergencies.
- Our services are valued and trusted.
- Social, economic and environmental impacts from emergencies are minimised.

We have developed:

- five strategic priorities. These are the areas where we need to prioritise our efforts and make the most change now and over the medium term to deliver on our purpose and vision
- new values to create a respectful and inclusive culture that we can all be proud of, and that our people and our communities want to be a part of
- operating principles in accordance with our legislation to guide our thinking, decision-making and actions.

Our strategic framework

We have developed a strategic framework to provide the direction for our organisation.

Our purpose

Protecting and preserving lives, property and the environment

Our vision

Stronger communities protecting what matters

Our outcomes

Communities prepare for, respond to and recover well from emergencies

Our services are valued and trusted

Social, economic and environmental impacts from emergencies are minimised

Our strategic priorities

Building resilient communities

Collaboration, partnerships and influence

Growing our people

Intelligence-led, evidence-based decisions

Keeping pace with change

Our values



We do the right thing
Kia tika



We serve and support
Manaakitanga



We are better together
Whanaungatanga



We strive to improve
Auahatanga

Our operating principles

Put safety, health and wellbeing first

Value people

Champion inclusion

Strengthen communities

Work together

Drive change

Be accountable

Responding to a changing environment

Our new [Statement of Intent \(SOI\) 2020–2024](#) reflects Our Strategy and in turn, has informed the development of this SPE. This approach ensures our direction is clear, and that our work is aligned with that direction.

Uniting against COVID-19

Our response to the COVID-19 pandemic, when the State of National Emergency was declared on 25 March 2020, put us into unfamiliar territory. It is not like any emergency we have faced before. This has meant developing new systems and processes, and working on advice from central government and with our emergency sector partners. These are unprecedented times as communities across the country, and the world, recover from the social and economic impacts of the COVID-19 pandemic. Our most significant consideration in 2020/21 will be ensuring that our organisation is sustainable and maintaining continuity of services to New Zealand and our communities.

Our Strategy

Our Strategy looks out 25 years. This is long enough for us to identify and to consider our response to meet these changes in our operating environment. We will significantly change how we work so we are well prepared to meet the changing needs of our communities.

Over this period, we would expect fundamental changes to technology in the communication, infrastructure and transport sectors. We also expect to see changes across our operating environment as our population grows and becomes more diverse, while a changing climate causes more extreme weather-related events. We regularly check how our operating environment is changing so we can continue to respond appropriately.

We are currently developing a 10-year plan, to specifically show how we will make progress towards our strategic priorities and outcomes. The 10-year plan clarifies the decisions we need to make and actions we need to take; it also sets out our investment over the medium term. The 10-year plan will also be responsive to external impacts on our organisation, ensuring we remain adaptable and innovative to meet the challenges ahead. We will review

our 10-year plan regularly, and as we do so, we will ensure our planning remains fit for purpose, our investments reflect prudent financial management and are focused on our purpose to protect and preserve lives, property and the environment.

Our strategic priorities

Our Strategy has five strategic priorities. These are the areas we have chosen to focus on now and over the medium term, to help us achieve our outcomes:

- Building resilient communities
- Collaboration, partnerships and influence
- Growing our people
- Intelligence-led, evidence-based decisions
- Keeping pace with change.

Our first two strategic priorities are focused externally – how we work with our communities and partners. The other three are focused internally – how we need to change our organisation. Refer to the [SOI 2020–2024](#) for more information on these and what we are doing to achieve them.

Measuring our performance

Our performance measurement framework is a recent development during 2019/20 to allow us to track our progress towards the outcomes we seek to achieve for our communities. It will let us make informed decisions on how we shape and deliver our services, allocate resources and report achievement against our strategic priorities. Ultimately, the framework will show how our services contribute to our outcomes, our vision and our purpose to protect and preserve lives, property and the environment.

Our performance measurement framework has four layers:

- Outcomes
- Impacts
- Outputs (services)
- Enablers.

Our strategic priorities are woven through these layers.

Our performance measurement framework

Tā mātou pou tarāwaho ine angitū

Our purpose | Kaupapa

Protecting and preserving lives, property and the environment

Our vision | Matakite

Stronger communities protecting what matters

Our outcomes | Ngā putanga



Communities prepare for, respond to and recover well from emergencies



Social, economic and environmental impacts from emergencies are minimised



Our services are valued and trusted

Our impacts | Ngā whakaaweawe



- Communities improve their knowledge
- Communities increase their ownership of risks, capabilities and needs
- Communities increase their ability to act



- Improve our contribution to policy and standards
- Improve risk reduction behaviours
- Improve social, economic and environmental sustainability



- Increase collaboration and interoperability with our partners
- Improve our capability to respond quickly, efficiently and effectively in a changing environment
- Increase recognition of our skills and expertise

Our services | Ngā ratonga

Fire prevention including promotion of fire safety, compliance and enforcement

Fire response and suppression

Render safe hazardous substances and provide for safety at incidents

Rescue as a result of transport accidents and Urban Search and Rescue (USAR)

Responding to other emergencies, including medical, maritime, other rescues, natural hazard events

Our strategic priorities | Ngā whakaarotau rautaki



Building resilient communities



Collaboration, partnerships and influence



Growing our people



Intelligence-led, evidence-based decisions



Keeping pace with change

Our key enablers | Ngā āheinga

Organisational health and capability

People



Culture



Resources

Our values | Ngā uara



We do the right thing
Kia tika



We serve and support
Manaakitanga



We are better together
Whanaungatanga



We strive to improve
Auahatanga

Outcomes

Our outcomes are the longer term results we aim to achieve for New Zealand and our communities. To deliver some of these, we will need to collaborate and share approaches with other agencies.

Impacts

Our impacts support each outcome – these inform us of the intermediate steps to behavioural changes within our communities that result from our initiatives and services.

Outputs

Our outputs show our day-to-day services and activities. We measure our performance at this level through our output measures, some of which are provided in the 'Our reportable outputs' section.

Enablers

Our enablers are the cornerstone of delivering our outputs. They are our people, culture and resources. They enable us to manage our organisational health and capability. We report on our performance at this level to our leadership teams every quarter. This is to ensure we know how our people, culture and assets – including property, fleet, equipment, information and communications technology (ICT) and finance – are performing.

Our performance measurement framework is founded on our purpose and vision, underpinned by our organisational values.

We will use the outcome and impact layers of the performance measurement framework to tell our performance story. We will do this through our functional strategies, evaluation frameworks and accountability reporting documents. We will continuously improve how we tell our performance story, and in the years to come, we will refine our indicators and measures. We will focus on collaborating on research to understand:

- what communities need to support behaviour change
- the impact of our work on society and the environment
- what trust and value mean to our stakeholders.

We are accountable and report our performance to:

- the public and Parliament through our Annual Report and the Annual Review process
- the Minister and DIA, our monitoring agency.



Kia tika
We do the right thing

Our intentions for the coming year

Ngā takune mō te tau e heke mai ana

This year we face unprecedented times as the country recovers from the COVID-19 pandemic. We will focus on ensuring our organisation is sustainable and on the continuity of services to New Zealand and our communities.

Having finished our integration programme of work in 2019/20, we have started our unification phase. We have made good progress towards integrating our people, systems, processes and tools, structures, and ways of working to build a unified¹ Fire and Emergency.

We will continue to focus on and prioritise supporting the AoG response and recovery to the COVID-19 pandemic. As we better understand the social and economic impacts of this pandemic, we will adjust our broader service delivery model and priorities to ensure they align with government priorities.

This SPE outlines our major initiatives to support the unification phase and measures progress towards the outcomes and impacts we have set out to achieve. We are focusing on continuing to provide responsive service delivery, and to improve risk reduction and resilience with our communities, partners and stakeholders. [Our SOI 2020–2024](#) outlines what we will do over the next four years and should be read in conjunction with this SPE.

In the coming year, we intend to progress the following key initiatives within each strategic priority:

Building resilient communities

- Local advisory committees (LACs)
- Local planning
- Risk reduction
- Compliance and enforcement.

Collaboration, partnerships and influence

- Key partnerships and relationships
- Helping Māori communities to become safer and more resilient.

Growing our people

- People Strategy
- Safety, health and wellbeing
- Positive workplace culture (including respect and inclusion)
- Enabling sustainable volunteerism
- Leadership development, capability and training.

Intelligence-led, evidence-based decisions

- Digital Strategy
- Enterprise Information Management Strategy.

Keeping pace with change

- Environmental sustainability programme
- COVID-19 pandemic recovery and impacts.

¹ As a unified organisation, we will have a greater variety of skills, foster collective leadership, and continue to adapt and respond to the changes happening in New Zealand's unique environment, now and in the future.

Local advisory committees

We are establishing LACs across New Zealand to engage with local communities and provide independent advice directly to our Board. Strong links with communities throughout New Zealand will help us ensure that our local and national planning reflect community voices and interests.

In 2019/20, we began establishing seven LACs across New Zealand. Our focus in 2020/21 is to consolidate the establishment of these seven LACs, and to evaluate how they are working to consider the need for additional LACs in future years.

Local planning

We are developing and implementing an approach to local planning, in accordance with our legislation. Our approach will be nationally consistent. This will help ensure we are considering advice and organising ourselves so we are well placed and flexible to address the risks, priorities and needs of our local communities.

In 2019/20, we agreed on a framework and principles for local planning. Our focus in 2020/21 will be to implement this initiative over a two-year period.

Risk reduction

Nationally, we have a variety of risk reduction programmes and services with a wide reach. These aim to shape positive behavioural changes in our communities. Some of our most successful fire risk reduction programmes include:

- Home Fire Safety Visits – a programme that targets those in the homes of at-risk groups offering safety advice and, in many cases, installing smoke alarms to give occupants early warning of fire
- Get Firewise – a curriculum-based resource that gives primary school children the knowledge they need to stay fire-safe and escape from a burning building
- Fire Awareness and Intervention Programme – a free, consequences-based education programme designed to stop young people, aged from 5 to 17, lighting fires
- Escape My House – information kits used at community events, consisting of virtual reality goggles, a mobile phone and tablet, banners and printed resources. Participants are also encouraged to visit escapemyhouse.co.nz to develop a personalised escape plan for their family.

These services and programmes play a critical role in promoting the fire safety knowledge and behaviours we would like to see develop further in our communities, to help reduce risks.

Our focus in 2020/21 will be to review our existing programmes and ensure they continue to meet community needs.

Compliance and enforcement

We have a statutory remit to fulfil a compliance and enforcement role. This is critical to promoting fire safety behaviours, equipping communities with fire safety knowledge, making them aware of their risks and ensuring they know what to do.

We provide professional fire engineering and technical safety advice to government, industry and councils on building design and fire safety compliance, to help build safer communities.

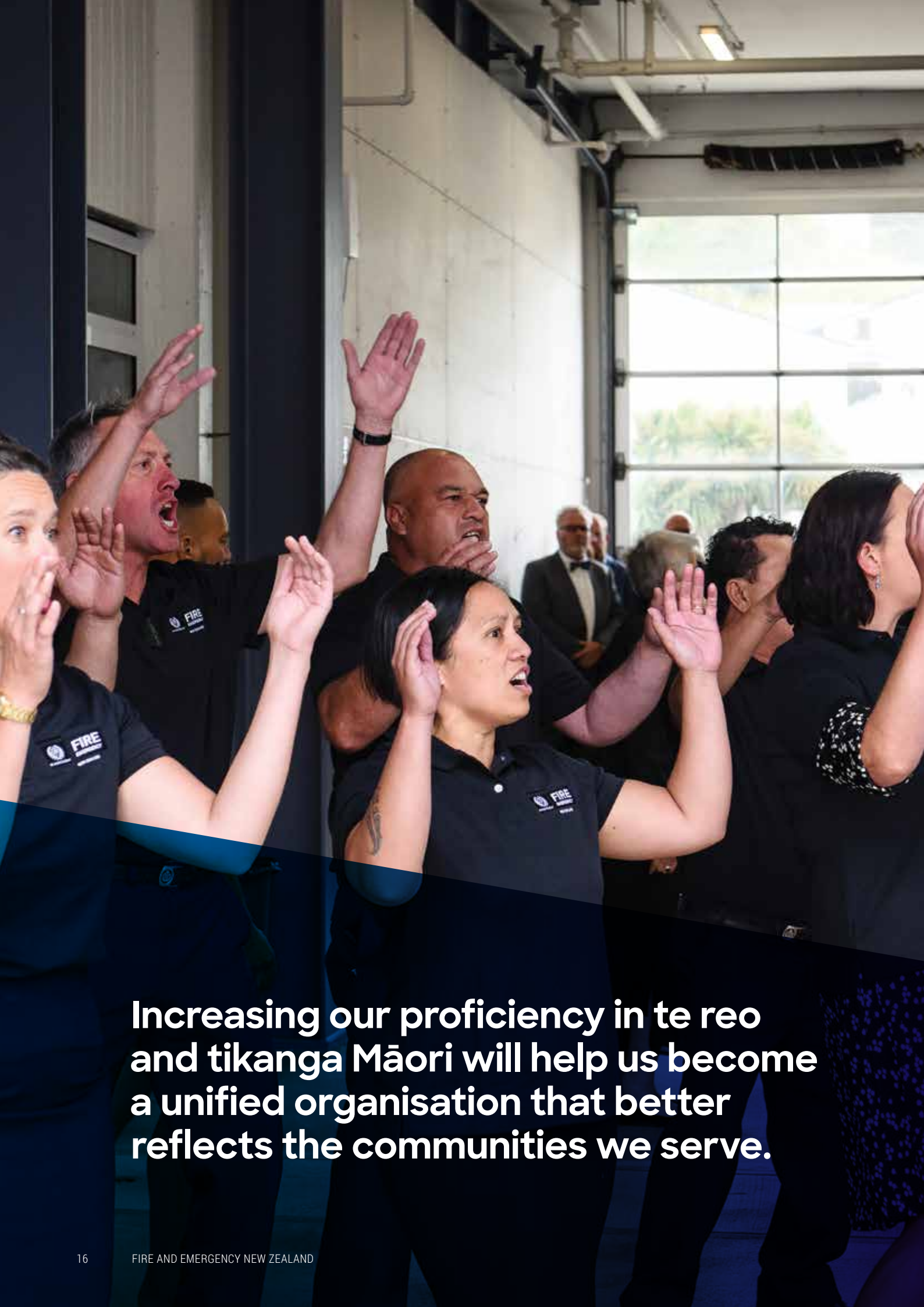
Our focus in 2020/21 will be to start developing a nationally consistent way to enable compliance and enforcement standards, and to promote positive risk reduction behaviours. We aim to make it easier for individuals, organisations and communities to comply with statutory requirements and embed our compliance and enforcement functions. This will be a significant change for our organisation and will take substantial effort.

Key partnerships and relationships

We have established strong and effective relationships with key government and many local authorities, iwi and community groups. We aim to increase our influence in these relationships, to improve collaboration when we respond in communities.

We recognise the value of joint initiatives with our partners, particularly initiatives which help communities to prepare for emergencies and to recover quickly when they occur.

Our focus in 2020/21 will be to develop effective relationships with other organisations who share our goals.



Increasing our proficiency in te reo and tikanga Māori will help us become a unified organisation that better reflects the communities we serve.

Helping Māori communities to become safer and more resilient

Our research shows that Māori communities are disproportionately impacted by fire and other emergencies, which have almost twice the rate of impact on them as on others in communities. We are committed to changing this.

We are working with tangata whenua to make their environments safer. Over the next four years, we will increase our cultural capabilities so we can be more effective in our relationships and partnerships with iwi and Māori communities. Increased proficiency in te reo and tikanga Māori will help us become a unified organisation that better reflects the communities we serve.

Our focus in 2020/21 will be to start implementing our Māori Outcomes Programme. This will include tools to apply a Māori lens to our organisational systems, processes and policies for leadership, safety, health and wellbeing, recruitment and retention of our staff.

People Strategy

Our people are at the heart of everything we do, and we prioritise their safety, health and wellbeing above all. We are building a unified organisation with a respectful and inclusive culture that people want to be part of. We need to provide the right training, development and support to enable our people to thrive in their jobs.

We have developed a People Strategy to set out the changes we must make to lift our people capability. Our focus in 2020/21 will be to make progress towards implementing the People Strategy. This includes:

- rolling out our positive workplace culture change programme
- implementing the 2019–2029 Volunteerism Strategy work programme
- embedding the new leadership development framework
- embedding our values.

Safety, health and wellbeing

Our people, particularly our front line staff, face critical risks in their day-to-day roles. We want everyone to go home safe and well every time. We know we need to do more to understand and better manage the risks our

people face and to support their psychological wellbeing. Our priority is to develop a strong safety, health and wellbeing culture to manage critical risks effectively in a changing and more diverse organisation.

Our focus in 2020/21 will be to continue the key programme activities outlined in 'Organisational health and capability'.

Positive workplace culture (including respect and inclusion)

We are committed to addressing the findings and recommendations of the Positive Workplace Culture Review Report, released in January 2019. Since the review, we have established a successful Positive Workplace Culture Programme and will continue its implementation. We have made good progress to date in building a respectful and inclusive workplace where everyone feels safe, welcome and included.

We have confirmed our plan to roll out the work programme to improve our workplace culture. Our focus in 2020/21 will be to continue to implement key initiatives that address the review's recommendations. Key activities are outlined in 'Organisational health and capability'.

Enabling sustainable volunteerism

Volunteers make up most of our workforce and are critical to fire and emergency management, supporting community resilience and our organisation. We recognise the significant contribution our volunteers make and have a shared responsibility for supporting our volunteers and for enabling volunteerism to thrive.

Our focus in 2020/21 will be to continue to implement the 2019–2029 Volunteerism Strategy: 'Enabling sustainable volunteerism'. This includes initiatives such as the Volunteer Life Cycle Research project – 2020/21 being the second year of a three-year research project. This work explores volunteers' early experiences in order to understand key influences on their decisions to stay in or leave the organisation.

Leadership development, capability and training

To be well placed for the future, we need to support our people to develop the right skills and capabilities for their roles.

In 2020/21, we will focus on embedding the new leadership development framework. We want to ensure the suite of leadership development resources for personnel can enable both our experienced and our emerging leaders. We will also focus on operational training and how we develop the core capabilities of all our people.

Digital Strategy

We will implement our Digital Strategy over the next four years to improve how we use ICT. The Digital Strategy will support our five strategic priorities by making the changes we need to our ICT systems to progress key initiatives in each priority.

This strategy ultimately addresses our communities' as well as our organisational needs. For example, we will serve our communities better if we can get the right information to the right people on our front line at the right time. This work supports 'Building resilient communities'.

Our focus in 2020/21 will be to progress implementation of the Digital Strategy.

Technology

Opportunities offered by technology will help us to improve our capability and services across the organisation.

Our focus in 2020/21 will be to continue to roll out applications to assist volunteer brigades and to use technology to replace some paper-based systems. Examples of key ICT activities are outlined in 'Organisational health and capability'.

Enterprise Information Management Strategy

We developed an Enterprise Information Management Strategy (EIMS) in 2019 to provide our people with timely access to the right information. We recognised that we needed to improve systems, capability and functions to manage our information well.

Our focus in 2020/21 will be to evaluate the benefits and resources we need to implement the EIMS roadmap developed during 2019/20. This includes making progress towards embedding information governance to provide the necessary leadership, direction and accountability.

Environmental sustainability programme

As an organisation, we need to look at how our work affects New Zealand's natural environment. Policy or legislation changes will mean that some of our current technology, use of fossil fuels, chemicals or operating methods will no longer be acceptable in the future. We are looking for alternatives and are committed to designing and delivering an environmental sustainability programme. We want to reduce our impact on the environment and keep pace with change. This will influence our investment decisions, capabilities and methods of operation.

In 2019/20, we designed sustainability goals and principles to embed into everything we do by 2024, and explored ways to reduce our carbon footprint across the country through our property and fleet portfolios.

Our focus in 2020/21 will be to undertake a carbon footprint baseline measure for our organisation. This includes developing an action plan for this programme of work and starting to implement it to reduce carbon emissions, waste, pollution and waste water.

COVID-19 pandemic recovery and impacts

It will take several years to fully recover from the wide-ranging impacts of the COVID-19 pandemic. We will continue to prioritise supporting the AoG response to COVID-19 as the country responds to and recovers from this pandemic.

Our focus in 2020/21 will be to ensure that our organisation is sustainable and operates in a responsible and fiscally prudent manner as we provide uninterrupted levels of service to New Zealand and our communities. As the social and economic impacts of COVID-19 were not yet fully known when we set our intentions for this financial year, we will need to prioritise continued impact assessments. This means we may need to review and adapt our work programmes, and reforecast our fiscal position during the 2020/21 financial year. We will ensure we are transparent as we do this, and that our investments represent good value for our communities.



Manaakitanga
We serve and support

Our reportable outputs

Tā mātou whakaputanga ā-pūrongo

During 2019/20, we reviewed the scope of our core services (our outputs) and the end results we want to achieve for New Zealand and our communities (our outcomes).

We designed the output classes to reflect our legislated mandate and to more closely cover the services we provide across the 4Rs – reduction, readiness, response and recovery. By doing this, we are future proofing our five reportable output classes to keep pace with changes to our operating environment.

As the social and economic impacts of COVID-19 were not yet fully understood when we set our performance measures for this financial year, we have adjusted some targets to reflect uncertainties and will need to continue impact assessments on these measures.

Fire prevention including promotion of fire safety, compliance and enforcement

Why this is important

Our community-focused outcome is 'Communities prepare for, respond to and recover well from emergencies'. Our focus towards achieving this outcome is to help build community resilience so that people and communities are equipped with fire safety knowledge, are aware of their risks and know what to do to take action. We will deliver education campaigns and fire prevention services to promote the fire safety behaviours we would like to see communities demonstrate – behaviours that are reflected in our community-focused impact statements.

In addition, to achieve the outcome of 'Social, economic and environmental impacts from emergencies are minimised', we will provide fire prevention advice to influence positive changes in risk reduction behaviours, and policy and legislation.

The services we deliver in this output class describe how we will:

- influence our community impacts so that communities know what to do, own their risks, strengths and needs, and both want and are able to do the right thing
- influence policy and legislation to monitor the risk reduction behaviours it seeks to change.

What we want to achieve

We have a main risk reduction function to promote fire safety. This includes providing guidance on using fire safely as a land management tool. We also have a main risk reduction function to provide fire prevention services. Collectively, we want to help communities to:

- improve their knowledge (know)
- increase their ownership of risks, strengths and needs (own)
- increase their ability to act (do).

We also have a regulatory role to influence behaviour to encourage compliance. This means we have a statutory remit to both assist the setting of standards and to ensure compliance and enforcement.

What we will do

For this output class, we will:

- promote fire safety
- provide fire prevention services
- assist in setting fire safety standards and granting certificates or approvals
- ensure compliance with standards through monitoring and enforcement.

We will continue our reach into communities through tailored campaigns and by delivering targeted programmes based on evidence-based research, regular monitoring and effective evaluation.

Promote fire safety (1.1)

Every year we promote fire safety by delivering campaigns, education programmes and advice – nationally and locally. We aim to change people's behaviour by telling them about fire risks and how to reduce those risks.

How we will monitor our performance		Target 2020/21
1.1.1	Rate of recidivism among Fire Awareness and Intervention Programme participants	Below 10%
1.1.2	Percentage of schools with year 1 and 2 students offered the Get Firewise Programme	100% by 30 June 2021
1.1.3	Percentage of schools with year 1 and 2 students who complete the Get Firewise Programme	40% ² by 30 June 2021
1.1.4	Percentage of survey respondents ³ who are aware that a fire can become unsurvivable within 5 minutes	88%
1.1.5	Percentage of survey respondents with an escape plan	62% New measure
1.1.6	Percentage of survey respondents with at least one installed and working smoke alarm	88%
1.1.7	Percentage of Home Fire Safety Visits delivered in 'medium- and high-risk communities' ⁴	40% New measure
1.1.8	Percentage of high-risk survey respondents ⁵ who are aware of the heightened outdoor fire risk over summer	91% New measure
1.1.9	Increased number of page views on our external websites ⁶	20% increase ⁷ New measure
1.1.10	Annual external stakeholder engagement survey score	7.5/10 or better ⁸

2 We expect both demand and completion timings for the programme to be significantly affected by COVID-19. To enable easier access to the programme, we have developed online learning material and offered alternative ways to deliver the modules.

3 Survey respondents are a nationally representative sample of 1,000 people who are surveyed quarterly (four times per year).

4 Medium- and high-risk as designated on Smart Risk – an application that allows 'at-risk' groups, identified in our 'Safer NZ plan', to be shown on an interactive map.

5 'High-risk survey respondents' refers to rural and semi-rural dwellers among a nationally representative sample of 1,000 people.

6 [Fireandemergency.nz](https://fireandemergency.nz), checkitsalright.nz, escapemyhouse.co.nz.

7 The baseline is 3,628,578 page views (1 May 2019 – 30 April 2020). This measure will be reported against the updated baseline (1 July 2019 – 30 June 2020) in the quarterly and annual reports.

8 A score of 7.5 is regarded as very good, and a score of 8 or 9 is regarded as excellent.

Provide fire prevention services (1.2)

We provide fire engineering and technical fire safety advice on building design to government, industry and councils. This includes:

- processing building consent applications covering the fire engineering design on buildings
- approving and monitoring evacuation schemes
- advising other regulatory agencies about fire safety compliance.

How we will monitor our performance		Target 2020/21
1.2.1	Percentage of building consent assessments ⁹ processed within 10 working days	98%
1.2.2	Percentage of applications for evacuation schemes processed within the legislative time frames ¹⁰	100%
1.2.3	Rate of connected PFA false alarms ¹¹ per 100 connections	<60:100 connections New measure

Assist in setting fire safety standards, and granting certificates or approvals (1.3)

Our role as a regulator includes setting standards where we have a number of responsibilities. These include, but are not limited to:

- preparing and issuing local area fire plans
- prohibiting fire in the open air
- granting fire permits
- declaring prohibited or restricted fire seasons.

How we will monitor our performance		Target 2020/21
1.3.1	Percentage of fire permits processed within required time frames ¹²	95% New measure

Ensure compliance with standards through monitoring and enforcement (1.4)

We have a compliance and enforcement role in standard-setting, with corresponding offence provisions in cases of non-compliance. Examples of non-compliance include:

- lighting a fire in the open air when prohibited or restricted
- failure to provide a fire permit
- failure to provide or maintain an evacuation scheme for a relevant building.

Our new powers and roles have brought more extensive compliance and enforcement functions. This means the policies, procedures and other organisational safeguards that govern them are still taking shape. We will apply appropriate measures for the 2021/22 financial year once we have embedded the necessary policies and procedures that support our compliance and enforcement activities.

⁹ Certain building consent applications must be provided to Fire and Emergency as per section 46 of the Building Act 2004.

¹⁰ Fire and Emergency New Zealand (Fire Safety, Evacuation, Procedures and Evacuation Schemes) Regulations 2018, Part 2 Evacuation Schemes, section 19.

¹¹ Private fire alarms (PFAs) are connected directly to Fire and Emergency.

¹² Five working days – site visit not required; 10 working days – site visit required.

Fire response and suppression

Why this is important

How we respond to fires influences how well social, economic and environmental impacts from emergencies are minimised, how affected communities recover from fires, and how much they value and trust our services. To achieve these outcomes, we will focus on delivering timely and effective fire response and suppression services that follow good practice, have a conscientious operational footprint, and where appropriate, work well with partners and stakeholders.

What we want to achieve

We have a main response function to provide fire response and suppression services for structure fires. We want to minimise the impact of unwanted fires on people, property and the environment.

What we will do

For this output class, we will:

- respond to structure fires
- respond to vegetation fires
- maintain capability to respond to national wildfires
- support other emergency sector partners to respond to international wildfires.

Response to fire (2.1)

Responding to structure and vegetation fires is a main response function. So is responding to wildfires nationally and internationally. Our national service delivery guidelines provide communities with an indication of our expected response capability. These guidelines provide targets to ensure we deploy resources efficiently to enable us to intervene as soon as practicable for these types of incidents.

How we will monitor our performance		Target 2020/21
2.1.1	Percentage of structure ¹³ fires arrived at by career crews within 8 minutes	80%
2.1.2	Percentage of structure fires arrived at by volunteer crews within 11 minutes	85%
2.1.3	Percentage of vegetation fires arrived at within 30 minutes (anywhere in NZ)	90%
2.1.4	All regions to complete a wildfire simulation exercise	By 30 June 2021
2.1.5	Percentage of international wildfire requests for assistance where a response from Fire and Emergency is made within specified time frames ¹⁴	95%
2.1.6	Percentage of Communication Centre ¹⁵ events dispatched for all incidents in rural environments within 2 minutes of receiving the 111 call	85%
2.1.7	Percentage of Communication Centre events dispatched for all incidents in urban environments within 90 seconds of receiving the 111 call	85%

¹³ Structure fires within urban environments.

¹⁴ A response is defined as whether we are able to be of assistance. We aim to provide a response within the time frames specified in the formal letter of request.

¹⁵ 111 fire calls are passed on to one of our three communication centres who provide the essential link between the community and our operational units to respond to the incident.

Render safe hazardous substances and provide for safety at incidents

Why this is important

The system for managing hazardous substances involves multiple entities. It is therefore important that we are good at what we are responsible for, so that those we serve and work alongside value and trust our services. To achieve this outcome, we will focus on our relationships with our hazardous substances stakeholders and partners to improve collaboration and our response expertise. How we respond to hazardous substances events also affects how much social, economic and environmental impacts from emergencies are minimised, and how affected communities recover from these events.

To achieve these impacts and outcomes, we will deliver timely and high quality hazardous substances response services that follow best practice, and contribute to discussions and forums with stakeholders and partners. We will deliver the services in this output class through the decisions we make operationally, as we stabilise hazardous substances and render them safe, and provide safety at incidents.

What we want to achieve

We have a main response function to stabilise and render safe incidents that involve hazardous substances, and to provide safety for persons and property endangered by incidents involving hazardous substances. We have an additional risk reduction function to assist in promoting the safe handling, labelling, signage, storage and transportation of hazardous substances.

We want to minimise the impact of incidents that involve hazardous substances on people, property and the environment.

What we will do

For this output class, when responding to incidents involving hazardous substances, we will:

- stabilise incidents
- render incidents safe
- protect people and property endangered by incidents.

We will also assist in promoting the safe handling, labelling, signage, storage and transportation of hazardous substances.

Response to hazardous substances incidents (3.1)

Responding to hazardous substance incidents is a main response function to stabilise the environment and render it safe, and to protect people and property endangered by these types of incidents.

How we will monitor our performance		Target 2020/21
3.1.1	Percentage of hazardous substances incidents arrived at by crews with specialist resources ¹⁶ within 60 minutes	85%

Assist in promoting the safe use of hazardous substances (3.2)

We assist in promoting the safe use of hazardous substances in terms of handling, labelling, signage, storage and transportation. We collect data for this output subclass and will monitor this internally.

¹⁶ Specialist resources means attendance by Fire and Emergency personnel with specialist skills or hazmat command vehicles. These are specialised units designed for use at hazardous material incidents and other serious incidents that require an on-site command unit. Each carries a comprehensive range of specialised equipment and resources for this purpose.

Rescue as a result of transport accidents and urban search and rescue

Why this is important

Responding to transport accidents and urban search and rescue (USAR) events involves working with our emergency sector partners. We need to do so collaboratively to maintain and improve our relationships to ensure our services are valued and trusted. How we respond to transport accidents and USAR events also influences how well social, economic and environmental impacts from emergencies are minimised, and how affected communities and individuals recover from events.

To achieve these impacts and outcomes, we will deliver timely rescue services that follow best practice, contribute to discussions and forums with stakeholders and partners and deploy our rescue capabilities when they are needed internationally.

What we want to achieve

We have a main response function to rescue persons who are trapped as a result of transport accidents. This includes an additional response function to provide assistance at transport accidents (e.g. crash scene cordoning and traffic control). We also have a main response function to provide USAR services. We want to maintain this skilled and specialised capability to respond to major fires and other significant natural hazard events and disasters.

What we will do

For this output class, we will:

- provide response services to rescue persons who are trapped as a result of transport accidents
- assist by providing crash scene cordoning and traffic control at transport accidents
- deploy USAR services following serious weather events, other natural disasters and major vegetation fires both within New Zealand and internationally.

Response to transport accidents (4.1)

Responding to transport (motor vehicle) accidents is a main response function to rescue persons trapped as a result of this type of incident. We also assist our emergency service partners at the crash scene by providing cordoning and traffic control.

How we will monitor our performance		Target 2020/21
4.1.1	Percentage of motor vehicle accidents arrived at by crews with specialist resources within 30 minutes	90%

Provide urban search and rescue services (4.2)

Unplanned events are happening more often, and becoming more severe. Responding to serious weather-related events, natural hazard events and disasters, and major vegetation fires is a main response function. This means we deploy skilled and specialist urban search and rescue (USAR) teams both nationally and internationally. We maintain this capability through specialised training and equipment caches so we can respond quickly to these types of incidents.

How we will monitor our performance		Target 2020/21
4.2.1	Percentage of offshore USAR deployments that reach the point of departure ¹⁷ within agreed time frames ¹⁸	100%
4.2.2	International Search and Rescue Advisory Group reclassification achieved by USAR	Maintain heavy team classification ¹⁹

¹⁷ The point of departure is the assembly point specified in the Ministry of Foreign Affairs and Trade tasking note, which is unique to each offshore deployment.

¹⁸ Time frames are specified within documents specific to each type of deployment.

¹⁹ Heavy USAR teams have the operational capability for difficult or complex technical search and rescue operations. Every five years, USAR must reclassify to maintain this status.

Responding to other emergencies, including medical, maritime, other rescues and natural hazard events

Why this is important

As with our other output classes, responding to other emergencies often involves working with our emergency sector partners. To achieve our outcome of 'Our services are valued and trusted', we will focus on our relationships with our stakeholders and partners to improve collaboration and our response expertise. How we respond to other emergencies also influences how well social, economic and environmental impacts from emergencies are minimised, and how affected communities and individuals recover from events.

To achieve these impacts and outcomes, we will deliver timely response services that follow good practice, and contribute to discussions and forums with stakeholders and partners.

What we want to achieve

We have additional response functions to assist in responding to:

- medical emergencies
- maritime incidents
- severe weather-related incidents
- natural hazard events
- disasters
- incidents in which a substance other than a hazardous substance presents a risk to people, property or the environment
- any other situation to provide general assistance.

Some of these are rescue functions and include:

- line rescue operations when working at heights
- animal rescues
- rescues from collapsed building, confined spaces, unrespirable and explosive atmospheres, and swift water.

By working with our emergency sector partners, we want to minimise the impact of emergencies on people, property and the environment.

What we will do

For this output class, we will assist in responding to:

- medical emergencies
- a wide range of other types of (non-medical related) emergencies
- non-transport related rescue incidents.

Assist in responding to medical emergencies (5.1)

Responding to medical emergencies is an additional response function. It is based on 'first- and co-response' levels of expertise to assist our emergency service partners St John and Wellington Free Ambulance. This partnership can help to save lives, particularly as our crews are sometimes the first at the scene of an incident, e.g. an out-of-hospital cardiac arrest. This means they can start defibrillation and CPR as soon as possible.

Our national service delivery guidelines provide targets to ensure we deploy resources efficiently to respond to these types of incidents as quickly as possible.

How we will monitor our performance		Target 2020/21
5.1.1	Percentage of career crews who respond to medical emergencies ²⁰ within 8 minutes	85%
5.1.2	Percentage of volunteer crews who respond to medical emergencies within 11 minutes	80%

²⁰ Medical emergencies within urban environments.

Assist in responding to other (non-medical-related) emergencies (5.2)

We assist in responding to other emergencies including maritime incidents, severe weather events, natural hazard events and disasters, other non-hazardous -substance-related incidents, and any other situation if we are able to help. We collect response data for this output subclass for information only. While these are not performance-based outputs, we can (and do) report selected data-sets as infographics or graphically to compare response volumes against other types of incidents we responded to over a period of time.

Assist in responding to non-transport-related rescue incidents (5.3)

Performing rescues is an additional response function and includes line and animal rescues, and rescues from collapsed buildings, confined spaces, unrespirable and explosive atmospheres, and swift water. This covers rescue incidents other than transport-related accidents. We collect response data for this output subclass for information only. While these are not performance-based outputs, we can (and do) report selected data-sets as infographics or graphically to compare response volumes against other types of incidents we responded to over a period of time.



Whanaungatanga

We are better together

Organisational health and capability

Te oranga me te ngaio tanga o te tari

Growing our people is a key focus as we build a unified organisation that is safe, welcoming, respectful and reflects the diversity across New Zealand. We want our people to be well equipped to do their jobs, supported with new ways of thinking and working as we continue to adapt and respond to the changes happening in New Zealand's environment.



What we want to achieve

The whakataukī or Māori proverb above acknowledges the importance of every person, without exception, across all parts of Fire and Emergency. It values the various roles and skills needed in different parts of the waka working together, and it affirms the importance of every person belonging and being protected, and having a unified purpose.

We want to be a people-centred organisation, that is, where people are recognised and valued as being at the heart of everything we do and are surrounded by a positive workplace culture.

Our own expectations as a good employer have increased with greater accountability for the safety, health and wellbeing of our people, including volunteers. We are committed to meeting our obligations under section 118 of the Crown Entities Act 2004 to be a good employer. It is essential we support diverse and inclusive practices, including equal employment opportunities and commitment to working with Māori as tangata whenua.

In 2020/21, we will continue to focus on improving the systems, processes and culture to help our people do their best for those we serve in New Zealand every day. This includes a range of activities designed to help us achieve our organisational health and capability priorities.

Eight key areas of change

In the past months leading up to the 2020/21 financial year, we have begun implementing a new organisational structure – a fundamental step in building a unified Fire and Emergency.

As part of this, we identified eight key areas of change that we want our organisation to make for the future:

- Strategy-led
- Community focus
- Empowered decision-making
- Insight from intelligence
- Risk reduction
- Transparency of investment, cost and value
- Learning organisation
- Inclusive and dynamic people system.

These areas of change are where we are committed to doing things differently to improve our organisation for our people and serve our communities better. The eight key areas of change are the foundation of Our Strategy and are reflected in our strategic priorities.

What we will do

Embedding and living our values is a critical enabler of our work on safety, health and wellbeing, positive culture and respect and inclusion.

People

People Strategy

We are building a unified organisation with a respectful and inclusive culture that people want to be part of. We need to provide the right training, development and support to enable our people to thrive in their jobs.

We have developed a People Strategy to set out the changes we must make to ensure our people are:

- safe and connected with each other
- skilled and engaged in their roles
- empowered and innovative to drive change.

Our key activities for 2020/21 will focus on the implementation of the People Strategy.

Safety, health and wellbeing

We will continue to improve the maturity of our culture by focusing on the psychological wellbeing, physical safety and work-related health of our people.

Our key activities for 2020/21 will include:

- continuing to deliver psychological wellbeing workshops for our people
- encouraging our people to participate in our Hauora Health Monitoring Programme.

Culture

Positive workplace culture (including respect and inclusion)

We have made good progress to date and we will continue to implement and embed the Positive Workplace Culture Programme. This work will further progress us towards building a safe, welcoming and respectful organisation that reflects the diversity we are seeing across New Zealand.

Our key activities for 2020/21 will include:

- consistent application of policies, standards, procedures, guidelines and tools to address workplace bullying and harassment – and the use of data to inform and improve this
- progressing our Respect and Inclusion workstream to better understand how we can close the gender pay gap, increasing our cultural capability and improving support for our volunteers.

Resources

Our 10-year plan is designed to be responsive to external impacts on our organisation. As we deploy and review the plan during 2020/21, we will ensure our planning remains fit for purpose, we use public money in a responsible and prudent way, and our investments represent good value for money in our communities, to reflect the challenges of a post-COVID-19 environment.

Financial stewardship

We are committed to making transparent and responsible investment decisions. We will operate within funding parameters which:

- allow the organisation to meet its legislative mandate and responsibilities
- keep our people safe, and which reflect the financial constraints of the post-COVID-19 situation.

As we better understand the social and economic impacts of the COVID-19 pandemic, we will adjust our broader service delivery model and priorities to ensure they align with government priorities. This means prioritising continued impact assessments, reforecasting and exercising prudent and transparent fiscal management during the 2020/21 financial year.

Asset management

Our \$1.28 billion asset base is essential to delivering efficient and effective services within our communities. We developed the 2019–2028 Strategic Asset Management Plan (SAMP) which sets out how we will integrate and manage our assets, using a consistent and improving maturity approach, based on recognised international best practice. We will use evidence to inform our decisions and take into account local risks and needs in our regions. We will temper this with the fiscal constraints needed in a post-COVID-19 environment, and ensure that our investments in our assets reflect good value for our communities.

Our key activities for 2020/21 will focus on delivering our respective asset classes capital investment programme. Examples include seismic upgrades in our property portfolio and next generation Type 3 appliances in our fleet.

We will also focus on key ICT activities including:

- rolling out new technology, Availability Messaging System (a free application), to volunteer brigades to enable them to manage their response to call-outs better
- capturing and recording data electronically to replace paper-based systems, for example by:
 - delivering tablets and an online application 'Operational Site Audit' to brigades to capture data on commercial building owners, contacts and risks
 - electronically recording breathing apparatus equipment checks.

Portfolio, programme and project performance

We are committed to increasing the maturity of our portfolio, programme and project management across the organisation. This will help improve planning, investment and delivery of our initiatives so we can deliver projects within scope, on time and on budget.

Our key activities for 2020/21 will include:

- portfolio, programme and project management maturity model (P3M3) building initiatives
- developing better business cases
- developing portfolio assurance.

Communications Strategy

We are committed to providing relevant, accurate, consistent and timely communications to communities, our people and partners. We want to:

- improve how we provide education and information services to better suit the needs of communities

- give the public accurate information during emergencies
- communicate clearly with our partner agencies
- inform and engage our people.

Our key activities for 2020/21 will focus on:

- more sophisticated use of digital channels
- using evidence and insight to drive activity
- strengthening regional connections.

Key deliverable milestone performance measures

Milestone-based performance measures (6.1)

In addition to our reportable outputs, we have identified other measures that tie in with key programmes of work and associated milestones. These cover a range of functional areas and deliverables across the organisation.

How we will monitor our performance		Target 2020/21
6.1.1	Undertake an evaluation ²¹ of the seven Local Advisory Committees	By 30 June 2021
6.1.2	Initiate local planning into existing region planning processes	By 30 June 2021
6.1.3	Survey our people to establish a baseline of their knowledge of the Māori Outcomes Programme	By 30 June 2021
6.1.4	Report six monthly to the public and our people on the organisational progress against the Volunteerism Strategy	By 30 June 2021
6.1.5	Deliver psychological wellbeing workshops for our people	2000 individuals By 30 June 2021
6.1.6	Report six monthly to the public and our people on the progress made to deliver the Positive Workplace Culture Programme	By 30 June 2021
6.1.7	Establish an environmental emissions baseline to inform future sustainability planning	By 30 June 2021
6.1.8	Integrate the Performance Measurement Framework into national planning processes	By 30 June 2021
6.1.9	Conduct the annual organisation-wide people survey	By 30 June 2021

²¹ Evaluation will be carried out during Quarter 4.

Budget and financial statements

Tauākī tahua me te tahua

for the year ended 30 June

- Statement of responsibility
- Output class reporting
- Financial overview
 - Prospective statement of comprehensive revenue and expense
 - Prospective statement of changes in equity
 - Prospective statement of financial position
 - Prospective statement of cash flows
 - Statement of accounting policies





Statement of responsibility

Tauākī kawenga

The Statement of Performance Expectations sets out Fire and Emergency New Zealand's intended non-financial performance and financial position for the year 1 July 2020 to 30 June 2021, and should be read in conjunction with the Statement of Intent 2020–2024.

The structure and content of this Statement of Performance Expectations follows the general requirements set out in the Crown Entities Act 2004.

The Board members and the management of Fire and Emergency New Zealand are responsible for maintaining systems and processes that support robust, objective decision-making and compliance with rules, and providing assurance as to the integrity and reliability of financial reporting.

The performance and the financial position to be achieved by Fire and Emergency New Zealand for the year 1 July 2020 to 30 June 2021, as specified in this Statement of Performance Expectations, has been agreed with the Minister of Internal Affairs, who is responsible for overseeing and managing the Crown's interests in Fire and Emergency New Zealand. These have been set prior to the full understanding of how it may be impacted by the COVID-19 pandemic, and may be subject to change as we prioritise continued impact assessments, reforecasting and fiscal management during the financial year.

The Board acknowledges responsibility for the preparation of this Statement of Performance Expectations, which reflects the forecast performance and the financial position of Fire and Emergency New Zealand for the financial year 1 July 2020 to 30 June 2021.



Hon. Paul Swain

Chair

13 July 2020



Rebecca Keoghan

Deputy Chair

13 July 2020

Output class reporting

Te arotakenga o ngā whāinga

Cost of the outputs

for the year ending 30 June

	Forecast levy receipts \$000	Forecast other revenue \$000	Forecast total expenditure \$000	Surplus/ (deficit) \$000
Output class reporting				
1. Fire prevention including promotion of fire safety, compliance and enforcement	76,749	2,548	78,442	855
1.1 Promote fire safety	40,327	1,339	41,217	449
1.2 Provide fire prevention services	9,184	305	9,387	102
1.3 Assist in setting fire safety standards and granting certificates or approvals	24,524	814	25,065	273
1.4 Ensure compliance with standards through monitoring and enforcement	2,714	90	2,773	31
2. Fire response and suppression	334,460	11,104	341,850	3,714
2.1 Response to fire	334,460	11,104	341,850	3,714
3. Render safe hazardous substances and provide for safety at incidents	13,822	459	14,127	154
3.1 Response to hazardous substances incidents	13,436	446	13,733	149
3.2 Assist in promoting the safe use of hazardous substances	386	13	394	5
4. Rescue as a result of transport accidents and urban search and rescue	88,761	2,947	90,720	988
4.1 Response to transport accidents	71,944	2,389	73,532	801
4.2 Provide urban search and rescue services	16,817	558	17,188	187
5. Responding to other emergencies, including medical, maritime, other rescues and natural hazard events	90,020	2,989	92,007	1,002
5.1 Assist in responding to medical emergencies	37,681	1,251	38,513	419
5.2 Assist in responding to other (non-medical-related) emergencies	52,064	1,698	53,213	549
5.3 Assist in responding to non-transport-related rescue incidents	275	40	281	34
Total cost of outputs	603,812	20,047	617,146	6,713

Financial overview

Whakarāpopoto i te pūtea

Revenue

Fire and Emergency is primarily funded from levies on property and motor vehicle insurance. Existing levy rates are 10.6c per \$100 sum insured on properties and \$8.45 per motor vehicle insured per year. The Government has indicated that a review of Fire and Emergency funding is likely to start within the next year, but no firm date has been set. The review could take two to three years to complete, with any agreed changes to the funding mechanisms being implemented in subsequent years.

For the purposes of this SPE, we have assumed that existing funding mechanisms and levy rates will remain unchanged. Total revenue is assumed to increase at the forecast rate of inflation.

Expenditure

Expenditure is forecast to increase by \$11.3 million from \$605.8 million in the 2019/20 SPE to \$617.1 million in 2020/21. The increase is due to:

- ongoing wage increases²²
- an increase in the actuarial provision for gratuities. As a result of the COVID-19 outbreak, the world's economy has been negatively impacted with a decrease in interest rates. This ultimately impacts upon the discount rates used in the actuarial calculation for our gratuities. As the discount rates fall, the liability increases, which is a cost to the organisation
- continuing to introduce change and unify the organisation.

Costs in general are assumed to increase at the forecast rate of inflation and will be managed to fit within available funding.

Decrease in cash in 2020/21

The cash reserves in 2020/21 decrease by \$46.4 million from the opening balance of \$101.6 million to \$55.2 million due to:

\$14.0 million for the repayment of the Crown loan (\$13.0 million) and the payment of our finance leases (\$1.0 million)

- \$36.4 million for capital investment over and above the depreciation funding for the year
- an offset by the surplus.

Net surplus

The forecast surplus for 2020/21 is \$6.7 million. This surplus and the cash reserves are used to fund the organisation's repayment of the Crown loan and the increased spend on capex over and above depreciation funding for the year.

Financial position

Fire and Emergency is forecast to be in a strong financial position with assets of \$1.3 billion and total liabilities of less than \$210 million. This reflects the asset-intensive nature of the business and low levels of debt. Significant changes to forecast over the next three years include:

- the SPE is supporting our capital programme so that we have the right resources to continue to effectively deliver services in our communities. This results in our capital investment remaining higher than depreciation (\$53 million over the three years of this SPE)
- the repayment of the Crown loan amounts to \$39 million.²³

In order to manage cash flow risks arising from volatility in levy revenue receipts, working capital and the occurrence of a significant adverse event (for example a major earthquake or fire), we have assumed that Fire and Emergency will continue to hold minimum reserves of \$50 million.

We have not factored the impact of COVID-19 into this SPE as it is not yet clear how levy revenue will be affected. We will reassess the financial forecast as more information becomes available. We may need to issue an amendment to the current SPE in three to six months.

²² Any wage increases will reflect the State Services Commission's *Pay restraint in the Public Sector* issued guidance ssc.govt.nz/assets/Our-Work/Employment-Relations/Pay-Restraint-in-the-Public-sector-Crown-entities-1.pdf.

²³ The Crown loan will be repaid at a rate of \$13.0 million a year until the final payment in 2025/26.

Prospective statement of comprehensive revenue and expense

for the years ending 30 June

	Budget 2020/21 \$000	Forecast 2021/22 \$000	Forecast 2022/23 \$000
Revenue			
Levy	603,812	615,888	628,206
Interest revenue	1,547	840	800
Other revenue	18,500	18,107	18,107
Total revenue	623,859	634,835	647,113
Expenditure			
Employee and volunteer benefits expenditure	386,644	385,092	391,296
Depreciation	59,697	63,764	65,262
Amortisation	4,796	4,939	2,906
Finance costs	351	283	181
Other expenditure *	165,658	163,808	167,045
Total expenditure	617,146	617,886	626,690
Net surplus attributable to the Board	6,713	16,949	20,423
Other comprehensive income			
Gains on revaluation of land and buildings net of impairment losses	6,007	6,128	6,250
Total comprehensive income attributable to the Board	12,720	23,077	26,673
*Other expenditure			
Fleet	24,110	25,194	25,549
Communications and computer	37,759	40,302	41,930
Occupancy	26,684	26,737	26,949
Operational clothing, equipment and consumables	28,906	26,598	24,230
Travel	16,488	15,516	16,098
Promotional activities	6,295	5,619	5,619
Professional fees	9,886	7,914	8,949
Grants	4,670	4,958	5,045
Insurance	5,263	5,306	7,365
Office equipment and consumables	1,922	1,910	1,824
Research and development	1,809	1,709	1,709
Other operating costs	1,866	2,045	1,778
Total other expenditure	165,658	163,808	167,045

Prospective statement of changes in equity

for the years ending 30 June

	Budget 2020/21 \$000	Forecast 2021/22 \$000	Forecast 2022/23 \$000
Equity at beginning of year			
Accumulated funds	754,712	761,426	778,376
Revaluation reserves	329,300	335,307	341,435
Total equity at beginning of year	1,084,012	1,096,733	1,119,811
Changes in equity during year			
Transfers from statement of comprehensive income			
Accumulated funds	6,714	16,950	20,424
Revaluation reserves	6,007	6,128	6,250
Total comprehensive income	12,721	23,078	26,674
Transfers from disposal of land and buildings			
Accumulated funds	0	0	0
Revaluation reserves	0	0	0
Total transfers from disposal of land and buildings	0	0	0
Total changes in equity during year	12,721	23,078	26,674
Equity at end of year			
Accumulated funds	761,426	778,376	798,800
Revaluation reserves	335,307	341,435	347,685
Total equity at end of year	1,096,733	1,119,811	1,146,485

Prospective statement of financial position

as at 30 June

	Budget 2020/21 \$000	Forecast 2021/22 \$000	Forecast 2022/23 \$000
Assets			
Current assets			
Cash and cash equivalents	55,198	54,119	49,098
Trade and other receivables	129,992	132,390	135,028
Prepayments	3,953	3,953	3,953
Total current assets	189,143	190,462	188,079
Non-current assets			
Property, plant and equipment	1,081,494	1,090,087	1,109,169
Intangible assets	33,786	34,412	37,071
Total non-current assets	1,115,280	1,124,499	1,146,240
Total assets	1,304,423	1,314,961	1,334,319
Liabilities			
Current liabilities			
Trade and other payables	43,245	38,896	44,617
Employee and volunteer benefits	38,565	41,574	42,579
Borrowings	1,119	2,664	0
Crown funding injection	12,588	12,588	12,588
Provisions	1,996	1,996	1,996
Total current liabilities	97,513	97,718	101,780
Non-current liabilities			
Employee and volunteer benefits	54,214	57,161	58,815
Borrowings	2,724	32	0
Crown funding injection	49,140	36,140	23,140
Provisions	4,099	4,099	4,099
Total non-current liabilities	110,177	97,432	86,054
Total liabilities	207,690	195,150	187,834
Net assets	1,096,733	1,119,811	1,146,485
Equity			
Accumulated funds	761,426	778,376	798,800
Revaluation reserves	335,307	341,435	347,685
Total equity	1,096,733	1,119,811	1,146,485

Prospective statement of cash flows

for the years ending 30 June

	Budget 2020/21 \$000	Forecast 2021/22 \$000	Forecast 2022/23 \$000
Cash flows from operating activities			
Receipts from levy	600,696	613,446	625,565
Receipts from other revenue	18,500	18,092	18,107
Interest received	1,578	899	803
Net GST received/(paid)	0	0	0
Payments to employees and volunteers	(388,162)	(380,320)	(392,594)
Payments to suppliers for goods and services	(163,744)	(163,810)	(162,802)
Net cash flows from operating activities	68,868	88,307	89,079
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment	2,646	0	0
Purchase of intangible assets	(98,003)	(69,456)	(72,725)
Purchase of property, plant and equipment	(5,565)	(5,565)	(5,565)
Net cash flows from investing activities	(100,922)	(75,021)	(78,290)
Cash flows from financing activities			
Payment of finance leases	(1,084)	(1,147)	(2,695)
Net cash flows from Crown funding injection	(13,000)	(13,000)	(13,000)
Interest paid	(286)	(218)	(116)
Net cash flows from financing activities	(14,370)	(14,365)	(15,811)
Net increase/(decrease) in cash and cash equivalents	(46,424)	(1,079)	(5,022)
Cash and cash equivalents at beginning of year	101,622	55,198	54,119
Cash and cash equivalents at end of year	55,198	54,119	49,097



Auahatanga

We strive to improve

Statement of accounting policies

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 New Zealand is a Crown entity as defined by the Crown Entities Act 2004. The primary objective of the organisation 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. The organisation has designated itself as a public benefit entity (PBE) for financial reporting purposes.

These forecast financial statements for the organisation are for the years ended 30 June 2021, 2022 and 2023.

Basis of preparation

Statement of compliance

These 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). They have also been prepared in accordance with Tier 1 PBE accounting standards.

Measurement base

These prospective financial statements have been prepared on a historical cost basis except for certain assets and liabilities that are measured at revalued amounts or fair values at the end of the period, as explained in the accounting policies below.

Presentation currency and rounding

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

Critical accounting assumptions

In preparing these prospective financial statements, the organisation has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results, and variations may be material. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed reasonable under the circumstances.

Significant accounting policies

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

Revenue

The organisation measures revenue at the fair value of consideration received or receivable.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Foreign currency transactions

Foreign currency transactions are translated into New Zealand dollars using the spot exchange rates at the date of the transaction.

Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the organisation are classified as operating leases.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease in the Statement of comprehensive revenue and expense. Lease incentives received are recognised in the Statement of comprehensive revenue and expense and expensed over the lease term as an integral part of the total lease expense.

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. Finance leases are recognised at the commencement of the lease term as assets and liabilities at the lower of the fair value of the leased item or the present value of the minimum lease payments. The amount recognised as an asset is depreciated over the shorter of the lease term and its useful life. Where a sale and leaseback transaction results in a finance lease, the gain on sale is calculated as the excess of sale proceeds over the carrying amount of the asset.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Bank term deposits

Investments in bank term deposits are initially measured at the amount invested. After initial recognition, investments in bank deposits are measured at amortised cost using the effective interest method, less any provision for impairment.

Property, plant and equipment

Property, plant and equipment are shown at cost, less any accumulated depreciation and impairment losses.

Assets are classed as land, buildings, leasehold improvements, fire appliances, motor vehicles, communications, computer, operational equipment and non-operational equipment. Costs are capitalised as property, plant and equipment when they create a new asset or increase the economic benefits over the life of an existing asset.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset less any disposal costs. Gains and losses on disposals are included in the Statement of comprehensive revenue and expense.

When assets are disposed of, any related amount in the asset revaluation reserve is transferred to accumulated funds.

The costs of day-to-day servicing of property, plant and equipment are recognised in the Statement of comprehensive revenue and expense.

Revaluations

After initial recognition, land and buildings are valued annually to fair value by an independent registered valuer. On revaluation, any accumulated depreciation is eliminated against the gross carrying amount, which is then adjusted to equal the revalued amount. The result of the revaluation is recognised in the asset revaluation for that class of asset.

Depreciation

Depreciation is charged to the Statement of comprehensive revenue and expense on all property, plant and equipment other than land and work in progress. Depreciation is calculated on a straight-line basis at rates estimated to write off the cost (or valuation) of an asset, less any residual value, over its useful life.

Estimated useful lives and associated depreciation rates for asset classes are:

Buildings	10–70 years	1–10%
Fire appliances	10–30 years	3–10%
Motor vehicles	4–20 years	5–25%
Communications equipment	5–10 years	10–20%
Computer equipment	4–10 years	10–25%
Operational equipment	4–12 years	8–25%
Non-operational equipment	5–15 years	7–20%
Leasehold improvements	3–10 years	10–33%

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. Included are the benefits of leases for rural properties with minimal rent, which were transferred to Fire and Emergency on amalgamation. This benefit is recognised at fair value less accumulated amortisation.

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 and bring it into use.

Costs capitalised for internally developed computer software include the costs incurred in the development phase only. Expenditure incurred on research is recognised in the Statement of comprehensive revenue and expense, as well as costs that do not meet the criteria for capitalisation (including personnel training and software maintenance).

Shared Information Technology Environment

SITE is a systems and technology platform that supports receiving calls and dispatching resources to emergency incidents. The asset represents the organisation's proportional ownership of SITE located at communication centres shared with the New Zealand Police (Auckland, Wellington and Christchurch). These SITE assets include computer-aided dispatch software, a land mobile radio network and associated telecommunications structures. The New Zealand Police maintains SITE and proportionally charges the organisation. This charge is recognised in the Statement of comprehensive revenue and expense.

Amortisation

Amortisation is charged to the Statement of comprehensive revenue and expense 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	4–10 years	10–25%
Computer software purchased	4–10 years	10–25%
SITE	4–10 years	10–25%
Benefit on leases on rural property	1–2 years	5–100%

Impairment of non-financial assets

The carrying amounts of property, plant and equipment, and intangible assets are reviewed annually to determine if there is any impairment. Impairment is where events or changes in circumstances occur that result in the carrying amount of an asset not being recoverable. An impairment loss is the amount by which the asset's net carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Impairment losses on revalued land and buildings are treated as revaluation decreases. Impairment losses on other property, plant and equipment are recognised in the Statement of comprehensive revenue and expense.

Trade and other payables

Trade and other payables are recorded at their face value.

Employee and volunteer entitlements

A provision for employee and volunteer benefits is recognised as a liability when the benefits have been measured but not paid.

Benefits to be settled within 12 months of balance date are calculated at undiscounted current rates of pay according to the amount of the accrued entitlements.

Benefits that are payable beyond 12 months, such as long service leave, retirement leave and gratuities for both paid and volunteer personnel, are calculated on an actuarial basis. The calculations are based on information about:

- likely future entitlements accruing to staff, based on:
 - years of service
 - years until entitlement
 - likelihood that staff will reach the point of entitlement
 - contractual entitlements information
- the present value of the estimated future cash flows.

The discount rate is based on the weighted average of interest rates for government stock, with terms to maturity, similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees. Movements in the actuarial valuations are recognised in the Statement of comprehensive revenue and expense.

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 comprehensive revenue and expense as they fall due.

Defined benefit schemes

The organisation 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.

Goods and services tax

Values reported in the financial statements are GST-exclusive, with the exception of receivables and payables, which are disclosed as 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 from, or payable to, the Inland Revenue (IR) is included as part of receivables or payables in the Statement of financial position.

The net GST paid to, or received from, the IR (including the GST relating to investing and financing activities), is classified as an operating cash flow in the Statement of cash flows.

Income tax

The organisation is exempt from income tax in accordance with the Income Tax Act 2007 and the Act. Accordingly, no provision has been made for income tax.

Property, plant and equipment useful lives and residual values

The useful life and residual values of property, plant and equipment, and intangible assets are reviewed at each



balance date. Assessing the appropriateness of useful life and residual value estimates requires the organisation to consider a number of factors, such as the physical condition, expected period of use and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact on the depreciation or amortisation expense recognised in the Statement of comprehensive revenue and expense, and the carrying amount of the asset in the Statement of financial position. The organisation minimises the risk of this estimation process by:

- performing asset verifications
- revaluing land and buildings
- conducting impairment testing
- having an asset replacement programme.

The organisation has not made significant changes to past estimates of useful lives and residual values.

Financial instruments

The organisation is party to financial instruments as part of its normal operations. Financial instruments include financial assets and liabilities.

Financial instruments are initially recognised at fair value plus transaction costs. Subsequent measurement of financial instruments is dependent upon the classification determined by the organisation at initial recognition. Financial instruments are classified into categories based on the purposes for which they were acquired.

Statement of cash flows

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

Capital intentions

The organisation is forecasting to purchase office equipment, information technology items, building fit-out, furniture and fittings and motor vehicles/fire appliances during the period covered by this SPE.

Our Board

Tō Mātou Poari



Hon. Paul Swain, QSO
Chair



Rebecca Keoghan, MNZM
Deputy Chair



Te Arohanui Cook



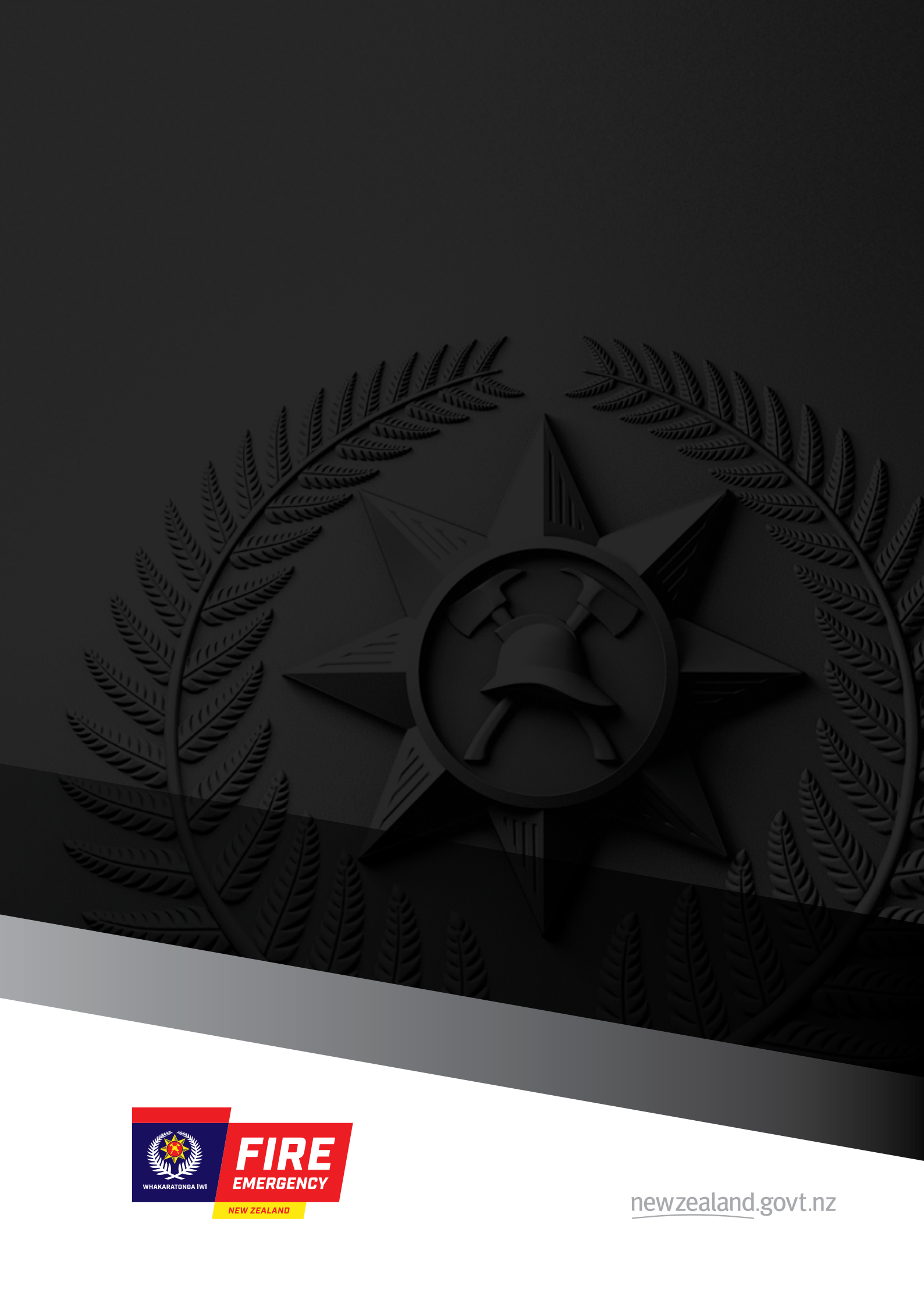
Malcolm Inglis



Wendie Harvey



Gwen Tepania-Palmer



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