

Annual Report

Pūrongo ā-Tau



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Foreword

Kupu takamua

On behalf of Fire and Emergency New Zealand, we present the Annual Report for the year ended 30 June 2025.

The 2024/25 financial year was a busy year for our first responders. Our communication centres answered 100,522 emergency calls and our crews attended 88,805 incidents – both these numbers represent increases on the previous financial year. Our people delivered over 13,000 home fire safety visits, processed over 16,000 fire permits, made wildfire danger information more accessible and delivered four nation-wide behaviour-change marketing campaigns.

The structure of this Annual Report marks a change from previous reports as we continue to mature in the way we measure and communicate our performance. You will see this reflected in our use of case studies to describe the impact of our work and new sections which both describe our progress toward our strategic intentions and assess the delivery of the activities we committed to in 2024/25. This report marks our first year of reporting against the new and refined measures introduced in our 2024/25 Statement of Performance Expectations (SPE).

Over the past year, for the first time in almost two decades, the levy-base has declined year-on-year. This has been caused primarily by changes in how people, households and businesses insure, resulting in lower volumes of some policies and lower coverage for others. We implemented a savings programme to reduce spending for 2024/25 to manage this shortfall. This included the constraining of salary increases, reprioritisation of project funding and embedding organisational efficiencies, including reductions in contractors, consultants and travel expenditure.

We are continuing to look at how we manage levy uncertainty and the transition to the new levy regime on 1 July 2026 through ongoing savings programmes and a renewed focus on delivering work that delivers outcomes and impacts that will effect change and improve efficiency. This will also ensure we can meet the Minister's savings targets of \$60 million in the 2026–2029 Levy period.

Throughout the report we have highlighted some key pieces of work. These include the establishment of all 16 Local Advisory Committees, giving us full national coverage. The true value of our 123 LAC members is the relationships they hold and input they can provide both to Board and to local planning activities. This will support evidence-based risk and response planning across the country. We also highlight our wildfire response in Tiwai Point. This is an example of an expansion of our thinking about the impact of our response activities, particularly how Fire and Emergency contributes to mitigating economic and environmental loss by protecting key assets and areas of ecological and cultural significance.

Fire and Emergency inherited an ageing asset base with historic underinvestment and despite the investments in asset management made since amalgamation, we are some years away from having all our assets operating within their planned lifespan. The organisation has a significant work programme which saw us invest \$20 million in fire trucks and

\$25 million in fire stations during the year. To help us address these challenges within our available funding and prioritise this investment, we developed detailed asset management plans across our key infrastructure and asset groups in 2024/25. These plans provide a baseline to quantify and manage the investment required to maintain and replace existing assets with an initial focus on health, safety and security compliance.

Culture remained a priority for us in 2024/25. We are building an environment where people feel respected, safe, informed, included and empowered in their roles through systematic implementation of evidence-based initiatives, and regular monitoring of progress across all aspects of workplace culture.

At the end of 2024/25, we launched our new five-year strategy which took effect from 1 July 2025. Our Strategic Direction 2025–2030 outlines our five focus areas to 2030, with organisational culture as the foundation of what we do. The new strategy came into effect on 1 July 2025, but you will see our focus on those things that will make the greatest difference to New Zealand, our people and our organisation reflected in this Annual Report. Our Strategic Direction is a foundational element in our strategic landscape and will inform the Statement of Intent, which we will deliver in 2026, and our next Statement of Performance Expectations. Our Strategic Direction will help us meet the challenges and grasp the opportunities that are before us effectively and efficiently.

As ever, we extend our thanks to all our people who serve our communities across the country. We are proud of the work you do, and it is our privilege to support that work.

Statement of responsibility

We are responsible for the preparation of Fire and Emergency New Zealand's financial statements and statement of performance, and for the judgements made in them.

We are also responsible for any end-of-year performance information Fire and Emergency New Zealand has provided under section 19A of the Public Finance Act 1989.

We are responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion these financial statements and statement of performance fairly reflect the financial position and operation of Fire and Emergency New Zealand for the year ended 30 June 2025.

For and on behalf of the Board:

Rebecca Keoghan, MNZM

Danny Tuato'o Deputy Chair

31 October 2025

Who are we and what we do

Ko wai mātau, ā, he aha ā mātau mahi

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

Main functions



Promoting fire safety



Providing fire prevention, response and suppression services



Providing for the safety of persons and property endangered by incidents involving hazardous substances



Rescuing people trapped because of transport accidents or other incidents



Providing urban search and rescue services

Additional functions (assist with)



Medical emergencies, maritime incidents, weather events, natural hazard events, disasters and non-hazardous substance incidents



Promoting safe handling, labelling, signage, storage and transportation of hazardous substances



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



Providing assistance at transport accidents

Our role as a regulator

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

This includes:

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

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

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

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



Our performance measurement framework

Tā mātau anga ine whakatutukitanga



Statement of Performance for the year ended 30 June 2025

Tauākī Tutukinga Mahi mō te mutunga tau 30 o Hune 2025

Our 2024/25 Statement of Performance Expectations (SPE) and 2023–2027 Statement of Intent (SOI) outline our strategic direction and priorities.

The SPE sets out our non-financial and financial performance targets for the year ended 30 June 2025. This Annual Report evaluates our performance against these targets for the year ended 30 June 2025.

This Annual Report adheres to the requirements of the Crown Entities Act 2004, including compliance with New Zealand's Generally Accepted Accounting Practice (NZ GAAP) and the Service Performance Reporting Standard (PBE FRS 48).

Output class reporting for the year ended 30 June 2025 details the revenue and expenditure allocated to each of our reportable outputs compared with budget in the 2024/25 SPE. Our reportable outputs align to our functions as outlined in the Fire and Emergency New Zealand Act 2017. This Annual Report shows how the work we do in these output classes contributes to our long-term outcomes.

Our outcomes for New Zealand	Fewer unwanted fires We promote fire safety across New Zealand to help stop fires from occurring	Reduced harm to people, property and the environment from fires and emergencies We respond quickly when communities need us, to prevent and limit damage					
			Our medium-term impacts				
Output class	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)	Respond to other emergencies, including medical, maritime, other rescues and natural hazard events		
Reportable outputs	 1.1 Promote fire safety 1.2 Provide fire prevention services 1.3 Assist in setting fire safety standards and granting certificates or approvals 1.4 Ensure compliance with standards through monitoring and enforcement 	2.1 Response to fire	3.1 Response to hazardous substances incidents	4.1 Response to transport accidents 4.2 Provide urban search and rescue (USAR) services	 5.1 Assist in responding to medical emergencies 5.2 Assist in responding to other (non-medical-related) emergencies 5.3 Assist in responding to non-transport-related rescue incidents 		

Disclosure of judgements

Whakapuakanga Whakataunga

Selection of performance measures

Our performance measures are selected to connect our daily activities with the long-term outcomes we aim to achieve for New Zealand. These measures demonstrate how our work is making a real difference for communities across the country.

In selecting these measures, we considered:

- the activities we undertake for each output class.
 We include these at the beginning of each section
- why we carry out these activities and how they contribute to improving outcomes
- → how we demonstrate fiscal responsibility in carrying out our activities and functions. This commitment to fiscal responsibility ensures that our resources are used effectively and efficiently, providing the best service to our communities
- the most effective measurement mechanisms currently available.

Our measures primarily focus on quantitative indicators, such as response times, to demonstrate the effectiveness of our actions. We will continue to review and refine our suite of performance measures as part of our multi-year improvement approach.

Fire prevention measures

Our fire prevention measures evaluate the impact of our risk reduction initiatives, including safety education, compliance efforts and enforcement activities. These quantitative output measures gauge the level of fire preparedness among New Zealand communities.

Response time measures

Response time measures reflect how quickly our crews arrive at an incident after receiving a call. These measures are standard in fire services worldwide. They are critical for assessing timely intervention, which correlates strongly with improved outcomes, such as reduced harm and property damage.

Monitoring response time also helps to identify operational challenges tied to environmental changes, including new infrastructure and expanding urban areas. Response time is just one component among broader factors influencing incident outcomes, including:

- the state of the fire when crews arrive
- effectiveness of crew actions
- presence of risk reduction measures (for example, smoke alarms, escape plans)
- the location of the fire and type of fuel involved (for example, a building or vegetation)
- weather conditions
- ease of access to the fire and proximity to water sources.

Disaggregation of performance measures

We report response time measures for structure fires (Output 2.1) and medical emergencies (Output 5.1) separately for career and volunteer firefighter crews. We set different response times and targets for each group. Unlike our career crews, our volunteers are not based at a station, so they require additional time to reach the station before departing to an incident.

We measure and report on our Communication Centre dispatch performance separately for urban and rural environments, using different targets to account for operational differences. These include challenges unique to rural settings, such as accurately identifying incident locations.

For vegetation fires (Output 2.1), hazardous substances incidents (Output 3.1), transport accidents (Output 4.1) and other emergencies (Outputs 5.2 and 5.3), we use standardised performance measures to ensure consistency in expectations for our specialised response.

Changes in performance measures for 2024/25

As part of our ongoing effort to improve performance reporting, we introduced new measures for 2024/25 and refined some existing measures. These changes aimed to communicate our performance story more effectively and to provide clearer insights into our activities, intended outcomes and how we measure success. We have included the reasons why each measure is important within each output class.

New performance measures for 2024/25

New measures include:

 Measure 1.1.6 Number of national campaigns undertaken to increase fire safety awareness

This measure helps us ensure that we are undertaking our primary function of promoting fire safety and encouraging behaviour change. Campaigns are an effective way to reach as many people as possible with our fire safety messages.

Measure 1.3.1 Percentage of fire permits processed within 10 days for permits requiring a site visit

This measure tracks the processing time for fire permit applications that require a site visit. This measure helps us assess how effectively we manage the fire permitting system within the required time frames. By approving fire permits promptly, we build confidence in the administration of the system and are likely to have fewer high-risk fires lit without a permit.

Measure 1.3.2 Percentage of fire permits processed within 5 days for permits not requiring a site visit

This measure tracks the processing time for fire permit applications that do not require a site visit. This measure helps us assess how effectively we manage the fire permitting system within the required time frames. By approving fire permits promptly, we build confidence in the administration of the system and are likely to have fewer high-risk fires lit without a permit.

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

This measure helps us assess the effectiveness of actions taken to mitigate fire danger. These include public notifications, national publicity campaigns, education, permit systems and enforcement of the Fire and Emergency New Zealand (Offences) Regulations 2018 during declared restricted fire seasons.

During the reporting year, data analysis identified input quality issues that affected reporting accuracy. To improve data integrity, we are refining incident reports, assessing additional data needs and mapping wildfire-related data points within the reporting system.

Measure 1.4.2 Percentage of permitted vegetation fires that subsequently required a fire suppression response

This measure helps us understand the effectiveness of our fire permitting practices, through identifying those vegetation fires we permitted during restricted fire seasons that subsequently escalated to become a wildfire and required a fire suppression response.

During the reporting year, data analysis identified input quality issues that affected reporting accuracy. To improve data integrity, we are refining incident reports, assessing additional data needs and mapping wildfire-related data points within the reporting system.

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

This measure helps us understand how effectively our crews apply fire suppression at structure fires, ensuring that property damage is restricted to the room of origin. This measure reflects structure fires attended where fire suppression is required and where information is recorded in Fire and Emergency systems.

This measure is an indicator of prompt response and appropriate action by crews once they arrive on site. What this does not measure is the extent of a fire before we were called.

Measure 2.1.8 Develop fire plans (consult on and deliver) for every District every 3 years

A fire plan provides transparency and predictability for how we will use our fire control powers, outlining the fire risk conditions for the local area and policies and procedures at a local level for management of risks relating to fire. This measure ensures we are complying with the legislative and regulatory requirements to produce and maintain fire plans for all local areas.

Measure 4.2.2 Domestic USAR deployments within 24 hours

This measure helps us understand our preparedness to respond to requests for deployment of USAR teams in New Zealand. We have chosen this measure because the ability to conduct search and rescue of persons in the immediate aftermath of an emergency can save lives.

Measure 4.2.3 International USAR deployments responded to within 72 hours

This measure helps us assess our preparedness to respond to requests for the deployment of USAR teams to support emergencies that happen overseas. We have chosen this measure because the ability to conduct search and rescue of persons in the immediate aftermath of an emergency can save lives.

Measure 5.2.1 Median response time to other (non-medical-related) emergencies

This measure helps us understand how our crews respond to, and arrive on site at, other (non-medical-related) emergencies within urban environments. We have chosen this measure because response times can help us understand the effectiveness of the way we have allocated resources, such as how our capabilities match the nature and type of incidents we are called to.

 Measure 5.3.1 Median response time to non-transportrelated rescue incidents

This measure helps us understand how our crews respond to, and arrive on-site at, non-transport-related rescue incidents within urban environments. We have chosen this measure because response times can help us understand the effectiveness of the way we have allocated resources, such as how our capabilities match the nature and type of incidents we are called to.

Revised measures for 2024/25

Revised measures include:

 Measure 1.1.5 Percentage of home fire safety visits delivered in 'medium-and high-risk communities'

We changed the measurement method for this measure by adopting the At-Risk Communities index to assess community risk levels. By focusing on demographic profiles rather than historical fire data, the index avoids bias against rural and isolated areas, offering a more accurate view of community risk and recognising fire safety efforts in those regions.

Measure 1.3.3 Percentage of evacuation schemes processed within statutory time frames

This measure helps us understand our effectiveness in administering the fire safety, evacuation procedures and evacuation schemes regulations.

Having an efficient and customer-focused system for reviewing and approving evacuation schemes on time ensures the public has confidence in the system.

Removed measure for 2024/25

Removed measures include:

1.3.1 Percentage of fire permits processed within required time frames

We have divided this measure into two measures – one for permits requiring site visits (measure 1.3.1) and one for permits not requiring site visits (measure 1.3.2). This will help us to identify differences in processing time and to better monitor operational efficiency. This separation enhances transparency and enables more consistent resource allocation where needed to meet statutory time frames.

Impact of industrial action on 2022/23 results

We have identified where data for 2022/23 was affected by industrial action. As part of industrial action, New Zealand Professional Firefighters Union (NZPFU) members did not perform non-operational duties for significant periods of the 2022/23 financial year. This may impact multi-year comparisons.

Our long-term outcomes

Ā mātau putanga tauroa

All our work ultimately aims to achieve fewer unwanted fires and reduced harm to people, property and the environment across New Zealand. Our performance measurement framework shows how the work we do contributes to these outcomes.

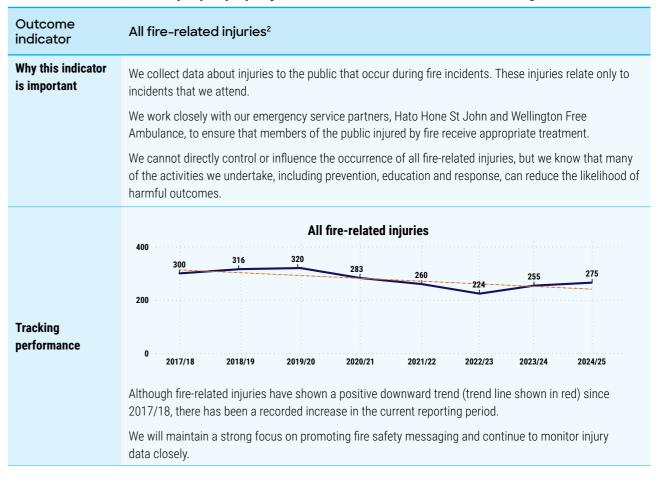
We use long-term outcome indicators to monitor the trends we are seeing as we work towards these outcomes.

Outcome: Fewer unwanted fires

Outcome Total fire incidents attend by type¹ indicator Why this indicator We track the number of fires we attend and classify them by the type of fire, being structure fires (fires is important involving buildings), vegetation fires (forest and grass fires) and other fires. It is important to note that the chart below does not show the scope or scale of responses. For example, the 2024 Port Hills fire and a roadside grassfire are both counted as vegetation fires despite the difference in the scale of the Tracking the total number of fire incidents attended gives us a high-level indicator of our effectiveness in achieving the long-term outcome of fewer unwanted fires. As such, it is an indicator that our fire safety and prevention campaigns and our regulatory function of administering the fire restriction and permitting system are achieving their aim. Incidents attended by fire type 30,000 23.144 20,015 18.988 19.731 19.895 18,465 18.833 20.000 10,122 9,699 10,160 13,082 9,489 10.150 10,000 5,995 4,583 4,034 4,374 4,339 4,873 4,472 2,462 5 583 5,255 5,197 5,309 4,728 5,005 4,872 3,791 Tracking 2017/18 2018/19 2019/20 2020/21 2021/22 2022/23 2024/25 performance Since 2017/2018, fire incident numbers have remained relatively stable. We have observed a gradual increase in vegetation fires in recent years. We will continue to closely monitor these trends. To reduce future risks, we are actively carrying out wildfire prevention campaigns and public awareness initiatives. Ahead of the 2025/26 wildfire season, Fire and Emergency launched our new online Prepare for Wildfire planning tool to support communities across New Zealand to get ready for wildfires. Structure fires have trended downward when considered alongside the growing population. This trend may reflect a range of factors, including sustained public education efforts on fire safety and risk reduction in New Zealand homes.

1 The non-reporting of incident data due to the administrative aspect of industrial action affected the comparative 2022/23 data for this performance information.

Outcome: Reduced harm to people, property and the environment from fires and emergencies



² The non-reporting of incident data due to the administrative aspect of industrial action affected the comparative 2022/23 data for this performance information.

Outcome Avoidable structure fire-related fatalities indicator We collect data about fatalities that occur due to structure fires. Why this indicator is important Every life claimed by fire is a profound tragedy. We cannot directly control or influence the occurrence of all fire-related fatalities, but we know that many of the activities we undertake (including prevention, education and response) can reduce the likelihood of harmful outcomes. A fatality is considered avoidable when it could have been prevented with proper safety measures like working smoke alarms, practising escape plans, or avoiding unsafe behaviour. When a fatality occurs at a fire incident, it is referred to the coroner, so our data may change because of coronial findings. Avoidable structure fire fatalities **Tracking** performance 2004/5 2009/10 2014/15 2019/20 Fire-related fatalities have generally declined since 2001 (trend line shown in red). However, recent data indicates an upward trend, with the current year marking the highest number of fatalities in a decade. We are closely monitoring these results and are intensifying our fire safety messaging to ensure New Zealanders are well informed about how to protect themselves and their households from fire risks.

Our medium-term impacts

Ō tātou paanga mō te wā wawaenga

Impacts are the effect we want our activities to have on communities across New Zealand.

To provide assurance that we are making progress toward our long-term outcomes, in our 2024/25 SPE, we identified the impacts we want to have over the medium-term.

Due to the nature of our work, there is considerable overlap between the outputs, impacts and outcomes we are trying to achieve. To reduce duplication, a number of these impacts are reported in other sections of this report. These include:

- reduce structure fires (see outcome indicator: Total fire incidents attended by type, page 14)
- reduce wildfires (see outcome indicator: Total fire incidents attended by type, page 14)
- reduce other fires (see outcome indicator: Total fire incidents attended by type, page 14)
- reduce fire incident injury (see outcome indicator: All fire-related injuries, page 15)
- reduce avoidable fatalities (see outcome indicator: Avoidable structure fire-related fatalities, page 16)
- increase number of structure fires contained to room of origin (see output measure 2.1.3, page 44).

While we continue to refine our impacts and develop suitable measures as part of our ongoing programme to improve our performance reporting, we are using case studies to demonstrate the impact we want to have and the difference we are making.

Relates to impacts: increase compliance, increase awareness, increase actions to reduce risk

Leveraging fire danger and fire season data to shift behaviours

Why we have chosen this case study

Wildfire incidents have risen by 40% over the last 40 years and we know that 97% of wildfires are caused by people. We want to make New Zealand safer by helping people better understand the risks of wildfire (increase awareness) and take the right actions (increase compliance, increase actions to reduce risk) to prevent an unwanted outdoor fire. This case study shows the actions we have taken over the medium term to improve the way we use Fire Danger data.

What we have done

Our work can be broken down into three key actions:

- 1 Developing a simple online tool that brings together Fire Danger data and Fire Season data to answer the most searched question, 'Can I light a fire?'
- 2 Finding ways for Fire Danger to be included as part of the weather forecast on New Zealand's mass media channels, in the same way they report on the forecast for rain and wind.
- 3 Taking the iconic 'half grapefruit' Fire Danger sign into digital environments and pushing live local Fire Danger information to people when the risk is higher.

Our vision was to keep wildfire risk top of mind for New Zealanders and foreign visitors by integrating our data to make Fire Danger and Fire Season information part of the weather forecast.

In the same way someone habitually looks at the weather forecast before hiking or sailing, everyone in New Zealand would look at the Fire Danger forecast before lighting a fire or doing anything that could generate heat or sparks outdoors.

We realised this could be delivered by serving Fire Danger data and Fire Season data via public application programming interfaces (APIs). Creating the APIs was fundamental to enabling us to get the data 'plugged in' to various digital channels to serve credible, accurate and reliable information to the public.

Since 2022, this has enabled us to trigger notifications and advertising, and continually improve our 'Can I light a fire?' tool. Automated messaging can be triggered locally when the Fire Danger hits 'High' or above on more platforms than ever.

What we are seeing

More people are checking the Fire Danger and Fire Season before lighting a fire or doing anything that could generate heat or sparks outside.

We monitor the number of people using these tools through user behaviour data, which tells us almost 5% of the New Zealand population are now using the 'Can I light a fire?' tool on checkitsalright.nz. We also undertake a nationally representative survey of 500 people every month. The results of these monthly surveys have exceeded our expectations, with 90% of survey respondents reporting they assess the local Fire Danger before lighting an outdoor fire (surpassing our expectations of 75%).

As at the end of June 2025, approximately 143,000 people had signed up to receive a warning notification on their phone from the MetService NZ Weather App when the Fire Danger is 'Extreme' near their location. This includes 77,802 sign-ups in the 2024/25 financial year.



Fire Danger information is accessed 2019 through the 'half grapefruit' physical roadside sign or via the National Institute of Water and Atmospheric Research (NIWA) Fire Weather website. Can I light a fire? Tool goes live on 2020 checkitsalright.nz, bringing together Fire Danger data and Fire Season data for the first time to answer our website's most searched question 'can I light a fire?'. Live Fire Danger information is 2021 available via the MetService Website (metservice.com) and MetService NZ Weather App. MetService is Aotearoa New Zealand's weather authority.

The Fire Danger API is connected to programmatic display ad channels, Facebook, Instagram and paid search are triggered by location and fire danger rating – an Aotearoa New Zealand media first.

TVNZ One News at 6pm starts reporting on Fire Danger as part of its weather forecast.

3.02 million devices that have downloaded the MetService NZ Weather App can now opt in to get a warning on their phone when the local Fire Danger is 'Extreme' near their home or current location.

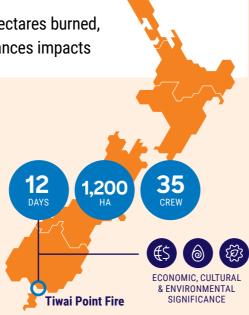
People in Aotearoa New Zealand can now view all safety requirements and tips to avoid a fire getting out of control in three steps using the 'Can I light a fire?' tool on checkitsalright.nz.

Display advertising messaging matrix is updated to reflect the Fire Season as well as Fire Danger.

2024

Relates to impacts: reduce cost % of GDP/\$, reduce hectares burned, reduce structures destroyed, reduce hazardous substances impacts

Response to fire at Tiwai Point, January 2025



Why we have chosen this case study

The Tiwai Peninsula is an area of great cultural, environmental and ecological significance. It is also home to the Tiwai Point Aluminium Smelter (New Zealand Aluminium Smelter), which has significant economic value to Southland and the wider New Zealand economy. We have chosen this incident case study to demonstrate how our response not only helps to limit immediate damage (reduce hectares burned, reduce structures destroyed, reduce hazardous substances impacts), but also helps to prevent other types of loss or damage (reduce cost % of GDP/\$).

What happened

Shortly before midnight on 29 January 2025, a scrub fire was reported on the Tiwai peninsula near the smelter power supply, fuelled by materials such as gorse, broom and tussock. In addition to the fuels listed above, the peninsula is also covered by a mix of ferns, wetland scrub, native flaxes and peat, making the terrain difficult to access and traverse.

The fireground included infrastructure critical to the aluminium smelter and was on an area of cultural and environmental value. The size and scale of the fire quickly became apparent, with the fire being assessed as around 1,500 m \times 300 m in size with flame heights exceeding 10 m at around 1.00am. Initially, the fire came very close to the smelter boundary and threatened the pylons that feed the plant and the water bores and pumps that cool the smelter.

Firefighters from career, volunteer and industrial brigades, as well as Department of Conservation workers and contractors from the forestry industry, worked for 12 days to bring the fire

under control, establish a cold perimeter and eliminate any heat sources. The total burnt area was around 1,200 hectares and, at the height of firefighter operations, there were 35 crew on the ground and 10 helicopters and heavy machinery in use to help contain the fire perimeter of 18 km.

In addition to working with our partners on our firefighting response, constructive partnerships and communication with the Department of Conservation and iwi/Māori stakeholders were vital to protecting the environmental and cultural values of the site.

Why this response was important

This response was significant in preventing economic loss that may have arisen if damage had occurred to any of the critical infrastructure of the aluminium smelter. Key infrastructure within the fire boundary included bores and pumps, which are critical to the smelter's operations, and a hazardous substances site. Any damage to these could have resulted in greater economic or environmental damage.

In addition to this, the fire was located close to the culturally significant Awarua-Waituna Wetlands, which is New Zealand's first wetland of international significance, has significant cultural value to Ngāi Tahu and has significant flora and fauna. Specific action to mitigate the risk of the fire spreading to this area included establishing a 50 m wide firebreak at the 'neck' of the peninsula. Had the fire entered the wetlands, this could potentially have become a much larger scale event with significant impacts.

Outcome: Fewer unwanted fires

Putanga: Kia iti noa ngā ahi ohorere

We promote fire safety across Aotearoa New Zealand to help stop fires from occurring.



Output class 1

Fire prevention including promotion of fire safety, compliance and enforcement

We have a legislative role to promote fire safety and provide fire prevention services.

The Fire and Emergency New Zealand Act 2017 (the Act) gives us powers to carry out our regulatory role in communities across New Zealand.

These include the powers to declare fire seasons, prohibit fires in the open air, restrict activities that could cause fires and require, grant or revoke fire permits.

We have inspection powers, enforcement powers and the ability to require and approve mechanisms, such as evacuation schemes, to keep buildings and people safe in the event of a fire. We can take prosecution action or issue infringements for non-compliance with our authority under the Act.

Why this is important

Raising awareness of the risk of fire and promoting actions to increase compliance and reduce risk helps to keep communities safe.

What we do to deliver this output

To achieve fewer unwanted fires, we take actions to:

- 111 Promote fire safety
- 12 Provide fire prevention services
- 1.3 Assist in setting fire safety standards and granting certificates or approvals
- 1.4 Ensure compliance with standards through monitoring and enforcement.

Selection of measures

We use a range of measures to show our performance in promoting fire prevention. These help us to show the activities that we are delivering, who we are delivering them to and how they help make a difference.

Our investment in fire safety, fire prevention, compliance and enforcement

	Levy receipts \$000	Other revenue \$000	Total revenue \$000	Total expenditure \$000	Net surplus/ (deficit) \$000
Output class reporting					
Fire prevention including promotion of fire safety, compliance and enforcement	78,153	8,256	86,409	77,579	8,830
1.1 Promote fire safety	26,690	2,528	29,218	26,493	2,725
1.2 Provide fire prevention services	3,089	293	3,382	3,066	316
1.3 Assist in setting fire safety standards and granting certificates or approvals	43,559	4,977	48,536	43,240	5,296
1.4 Ensure compliance with standards through monitoring and enforcement	4,815	458	5,273	4,780	493

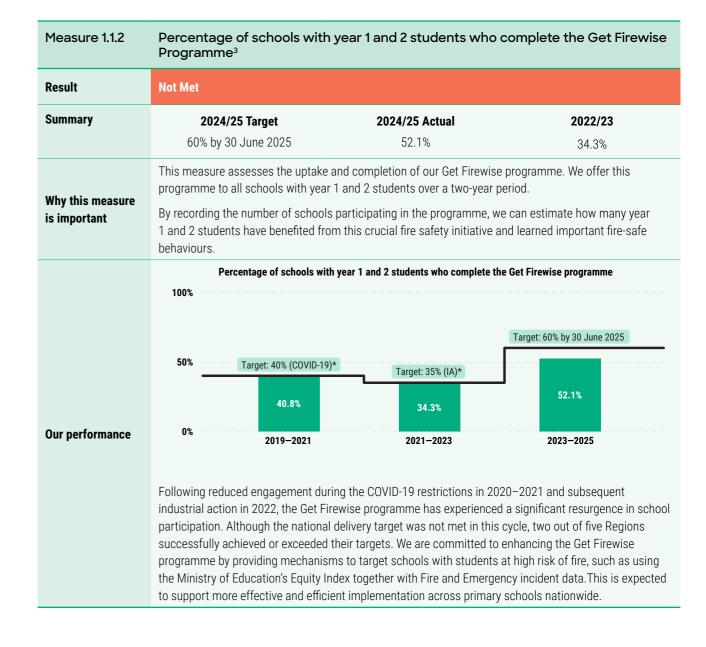
ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

1.1 Promote fire safety

We promote fire safety through nationwide and local campaigns, educational programmes and advisory services. We aim to educate individuals about fire risks and encourage behaviour that minimises these risks. In 2024/25, we delivered:

- our Get Firewise programme to schools with year 1 and 2 students
- awareness and behaviour change campaigns
- Home Fire Safety Visits.

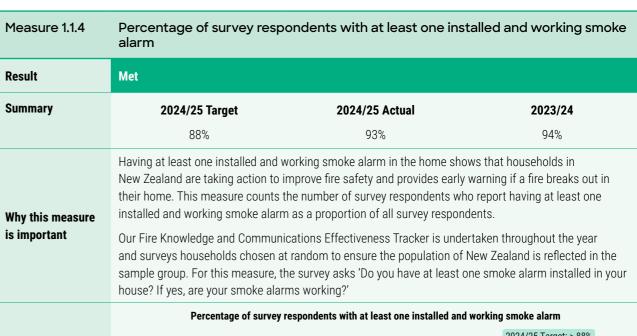
Measure 1.1.1	Percentage of schools with Programme	year 1 and 2 students offer	red the Get Firewise			
Result	Not Met (0.3% off target)					
Summary	2024/25 Target	2024/25 Actual	2022/23			
	100% by 30 June 2025	99.7%	96%			
Why this measure is important	Get Firewise is a programme we offer to schools that focuses on the essential knowledge that our youngest students need to stay safe from fire. It is designed to be taught in the classroom with a strong literacy emphasis, including activities across health and physical education, English, social science, mathematics and the arts. The programme can be delivered as a major term topic or a short two-week focus. A Get Firewise resource kit includes a teacher's guide and various classroom materials. Early education empowers students to act rapidly and correctly, potentially saving lives and preventing injuries. By engaging all eligible schools nationwide and encouraging their participation, we promote important fire-safe behaviours to students, and they often share what they learn with their families, amplifying the					
	benefits beyond school to the wider Percentage of schools v	vith year 1 and 2 students offered the 0	Get Firewise programme			
	100%		Target: 100% by 30 June 2025			
Our performance	50% 95.0% 0% 2019-2021	95.4%	99.7%			
	This result is an improvement on proprogramme to all schools in New Zelevel of coverage and reflects our st their families.	aland was narrowly missed, the re	esult still represents a substantial			

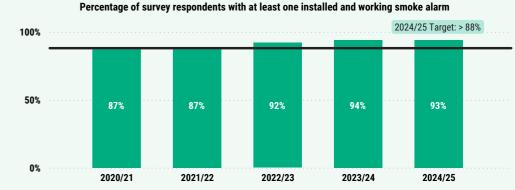


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³ Targets in 2019–2021 and 2021–2023 Get Firewise cycles were impacted by COVID-19 and NZPFU industrial action.

Measure 1.1.3	Percentage of survey respondents who report having an escape plan						
Result	Met						
Summary	2024/25 Target 2024/25 Actual 2023/24						
	> 62%		68.3%		68%		
Why this measure	An escape plan ensures that ev We encourage households to do tools. Regularly rehearsing an e proactive safety measures at he respondents who report having	evelop and practise escape plan boosts ome. Tracking ado	e these plans b s fire awarenes	by providing resort s and encourage	urces and online s families to take		
is important	Our Fire Knowledge and Communications Effectiveness Tracker is undertaken throughout the year and surveys households chosen at random to ensure the population of New Zealand is reflected in the sample group. For this measure, the survey asks, 'Do you have an escape plan for your household if a fire occurs?'						
	100% · · · · · · · · · · · · · · · · · ·	rcentage of survey re	espondents with a				
Our performance	50%	60%	62%	68%	024/25 Target: > 62%		
	0% 2020/21	2021/22	2022/23	2023/24	2024/25		
	The long-term trend remains po that they had an escape plan in exceeded the target over the pa	place during FY 20	024/25. Given	that this measure	e has consistently		



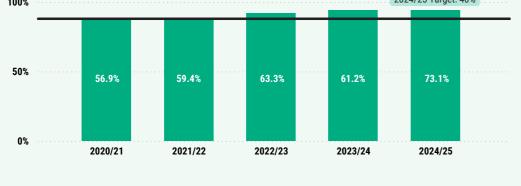


We continue to invest in the national education and information campaign How to Survive a Fire in Your Whare, aimed at reducing the impact of unwanted fires in the home. The campaign features a clear call to action, informed by research from 2023. Due to positive survey trends, with a consistent increase in the percentage of respondents having at least one working smoke alarm, we have increased the target to 90% for FY 2025/26.

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Our performance

Our performance



The introduction of household risk assessments carried out by crews has strengthened our ability to identify medium to high risk households in areas considered low risk. This enhancement has contributed to a notable increase in the number of HFSVs delivered to these households. The revised measurement criteria now incorporate census data alongside crew-level observations, providing a more comprehensive assessment framework. As a result of these improvements, the target for this measure has been increased to 70% in FY 2025/26. The above graph shows results based on the amended measurement criteria.

Measure 1.1.6	Number of national campaign (new measure)	ns undertaken to increas	e fire safety awareness					
Result	Met							
Summary	2024/25 Target	2024/25 Actual	2023/24 Actual					
	2	4	Not previously reported					
Why this measure is important	Fire safety media campaigns are strategic tools that can save lives and build resilient communities. They educate the public about common fire hazards and prevention techniques. Campaigns can encourage positive behaviour change, such as installing smoke alarms or avoiding risky habits like unattended cooking. They are an effective way to reach diverse audiences, promote community engagement and reduce the number of preventable incidents.							
	We undertook four national campaign	s in the 2024/25 year to increase	e fire safety awareness:					
	 How to Survive a Fire in Your Whare (house) You're Cooked Winter fire safety campaign Wildfire prevention campaign 							
	Detailed commentary is provided on two of these campaigns below:							
	How to Survive a Fire in Your Whare (house)							
	As a part of this campaign, in April 2025, we migrated our web-based tool that is designed to help users assess household fire risk and take proactive safety measures from escapemyhouse.co.nz to fireandemergency.nz. This tool supports New Zealanders to create their own escape plan, improve the smoke alarm coverage in their home and, if required, book a home fire safety visit. Since the migration, 3,246 escape plans have been completed because of our campaign.							
Our performance	At the end of 2024/25, 68% of New Zealanders surveyed reported having an escape plan in place and 93% of households reported having a working smoke alarm, with 49% of households reporting that they met our recommendation of having a working smoke alarm in every bedroom, hallway and living area.							
	You're Cooked							
	Fire and Emergency attend an average of 4,159 residential house fires caused by unattended cooking each year. It is the leading cause of fires we respond to and causes the most injuries. Our You're Cooked campaign was designed to be unmissable and put fire safety on the radar of our target audience. Since the launch of the campaign in 2022/23, we have tracked two key measures:							
	 'I left a pot cooking unattended in the last month.' 'I left food frying unattended in the last month.' 							
	Across the three years of the campaign, we have seen a 21% reduction in survey respondents reporting that they left a pot cooking unattended in the last month. Additionally, we have seen the incidence of survey respondents reporting that they left food frying unattended in the last month nearly halved, marking a significant improvement in household fire safety practices.							
	We know behaviour change takes time. Over three years of summer 'on air' activity, we have seen a continued decline in January–February each year, with Year 3 delivering the largest reduction in unattended cooking incidents: a 17.1% reduction in incidents compared with the same period in Year 1 of the campaign.							

Provide fire prevention services

We provide a range of technical fire prevention services designed to prevent fires from occurring and limit damage if they do occur. These services include, but are not limited to:

- ensuring compliance with standards through monitoring and enforcement
- providing fire engineering and technical fire safety advice on building design to government, industry and councils, and advising other regulatory agencies about fire safety compliance
- approving fire alarm panels and hose run distance and providing firefighting facility checklists
- providing advice on Firefighting Water Supplies and Code of Practice Water Supply matters
- ompleting Site Reports and reviewing Emergency Response Plans
- providing agreement for pyrotechnic displays (indoors and outdoors).

Measure 1.2.1	Ahikura Whānau-Centre	d Fire Education F	Programme - pa	rticipation uptake
Result	Not met			
Summary	2024/25 Target	2024/25		2023/24 Actual
	20% increase	17.1% in	crease	25.2% increase
Why this measure is important	Ahikura is an early intervention behaviour among children and with their whānau. Content is a learning needs.	young people (aged 5-	·17) by delivering tail	ored one-on-one sessions
	This measure is part of a three-	year strategy to boost	referral numbers to t	he programme.
	Ahikura Whā	nau-Centred Fire Educatio	on programme – particip	ation uptake
Our performance	400	305	2024/25 Target: 34	3 (20% increase on 2023/24)
	U	2023/24	2024/25	
	In FY 2024/25, the programme fire behaviours, representing 73 We have seen a reduction of ap last 10 years. This could sugge attributed to the long-term impadelivered by Fire and Emergence will be to further understand an	% of the annual target proximately 29.5% in f st a decrease in deman act of the Get Firewise y. While this measure l	of 343. Ires involving children and for the service. The programme and other has been removed in	n and young people over the is trend may be partially er educational initiatives

Assisting in setting fire safety standards and granting certificates or approvals

We provide professional advice and input on the development of codes and regulations related to fire protection and safety. Our responsibilities include:

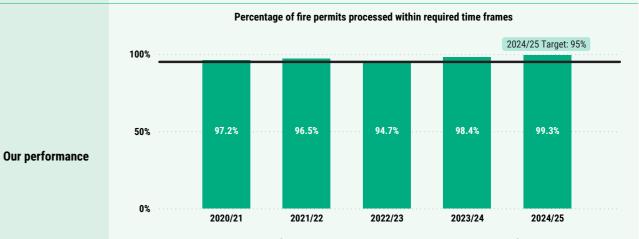
- preparing and issuing local area fire plans
- prohibiting fires in the open air
- granting fire permits
- declaring prohibited or restricted fire seasons
- providing hazard notification and removal.

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

- advising building consent applications covering the means of escape from fire and our needs regarding entering buildings to undertake firefighting for certain types of buildings
- approving and monitoring fire evacuation schemes
- advising other regulatory agencies about fire safety compliance.

Measure 1.3.1	Percentage of fire permits processed within 10 working days for permits requiring a site visit (new measure)					
Result	Met					
Summary	2024/25 Target	2024/25 Actual	2023/24 Actual			
	95%	99.3%	Not previously reported			
Why this measure	We administer a fire permitting system under section 190 of the Fire and Emergency New Zealand Act 2017, along with the Fire and Emergency New Zealand (Fire Permits) Regulations 2017. This system enables us to regulate the lighting of open-air fires, ensuring they are conducted safely and in compliance with seasonal					
is important		es, ensuring they are conducted safe s around 1,000 fire permit application				

an efficient, customer-centric system strengthens confidence in our services and can encourage more individuals to apply for fire permits, reducing the risk of uncontrolled or illegal fires.



We met and exceeded our target for this measure by processing more than 95% of this reporting year's 1,062 fire permits requiring a site visit within 10 working days. Noting that a change of fire permit system will occur in the next financial year, we will monitor performance impacts before considering amending the measure target for future years.

Measure 1.3.2	Percentage of fire permits processed within five working days for permits not requiring a site visit (new measure)						
Result	Met						
Summary	2024/25 Target	2024/25 Actual	2023/24 Actual				
	95%	99%	Not previously reported				
Why this measure is important	We administer a fire permitting system under section 190 of the Fire and Emergency New Zealand Act 2017, along with the Fire and Emergency New Zealand (Fire Permits) Regulations 2017. This system enables us to regulate the lighting of open-air fires, ensuring they are conducted safely and in compliance with seasonal restrictions. Each year, we process between 10,000 and 16,000 fire permit applications that do not require site visits. Delivering an efficient, customer-centric system strengthens confidence in our services and can encourage more individuals to apply for fire permits, reducing the risk of uncontrolled or illegal fires.						
Our performance	50% 96.1% 0% 2020/21	96.5% 94.7%	98.2% 99.0% 2024/25 Target: 95%				
	We met and exceeded our target 15,681 fire permits not requiring a	- · · · · · · · · · · · · · · · · · · ·	nore than 95% of this reporting year's ys. In FY 2025/26, the target will				

increase to 96%.

Measure 1.3.3 Percentage of evacuation schemes processed within statutory time frames (updated measure) Not met Result Summary 2024/25 Target 2024/25 Actual 2023/24 Actual 100% 79.7% Not previously reported We administer an approval process under Part 2 of the Fire and Emergency New Zealand (Fire Safety, Evacuation Procedures, and Evacuation Schemes) Regulations 2018. This process ensures that relevant buildings are equipped with evacuation schemes that support the safe evacuation of occupants in the event Why this measure of a fire. While building owners are legally required to develop and maintain these schemes, delivering a is important prompt and customer-focused review process enhances public confidence in the system. This measure provides insight into how effectively we are administering fire safety and evacuation procedures and regulatory compliance. Percentage of evacuation schemes processed within statutory time frames 100% 2024/25 Target: 100% 79.7% Our performance 0% 2024/25

give a more accurate reflection of our performance.

After updating this measure in 2024/25, we have identified that the calculation used could be adjusted to

We have adjusted this calculation for 2025/26 so it does not count those received within the last 20 days of the quarter that are not processed but potentially still within the statutory time frame. If we apply this

calculation to the 2024/25 data it gives an adjusted result for the financial year of 96.5%.

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1.4 Ensure compliance with standards through monitoring and enforcement

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

- ighting a fire in the open air when it is prohibited or restricted to do so
- failure to provide a fire permit
- failure to provide or maintain an evacuation scheme for a relevant building.

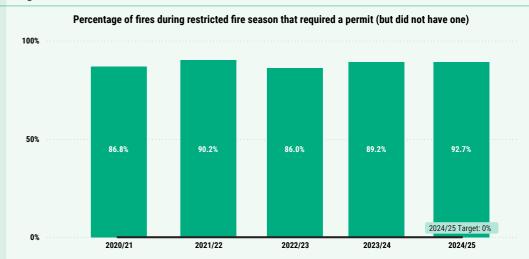
As a regulator, we use our compliance powers where:

- education fails
- an individual or organisation continues operating outside of the law, putting others at risk
- the offending is serious.

Measure 1.4.1	Percentage of fires during restricted fire season that required a permit (but did not have one)(reintroduced measure) ⁴							
Result	Not met	Not met						
Summary	2024/25 Target	2024/25 Target 2024/25 Actual 2023/24 Actual						
	0%	0% 92.7% Not previously reported						
	Open-air fires lit without a permit du	uring restricted fire seasons accoun	t for up to 20% of all wildfires -					

Why this measure is important

uncontrolled vegetation fires that pose serious threats to people and property. While some activities are exempt from requiring a permit, such as gas barbecues, braziers, wood-fired pizza ovens, outdoor fireplaces and cultural cooking fires, all other open-air fires must be permitted during a restricted season. Monitoring and analysing permit data helps us assess the effectiveness of our fire prevention measures and helps us monitor rural fire behaviour. These include public alerts, national awareness campaigns, education initiatives, permit systems and enforcement under the Fire and Emergency New Zealand (Offences) Regulations 2018.



Our performance

After monitoring this measure during the financial year, we identified that the measure needs to be refined to make sure it tells a more accurate performance story. We also identified that the quality of incident data available needs to be improved to report against this measure more accurately.

Fire and Emergency processed over 16,000 permits in 2024/25 while this measure as framed captures approximately 1,162 incidents which did not have one. This number potentially includes instances where a permit was issued, but this information was not reflected in our incident reporting. This number is higher than we would like and highlights the continued need for public alerts, awareness campaigns and enforcement but does not currently provide an accurate picture of the overall performance of our permitting system.

We continue to explore options to improve data quality and potential refinements or new measures which will enable more accurate reporting. We have adjusted this target to 80% for 2025/26 as we undertake this work.

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⁴ The non-reporting of incident data due to the administrative aspect of industrial action affected the comparative 2022/23 data for this performance information.

Measure 1.4.2	Percentage of permitte suppression response (equently requ	ired a fire			
Result	Not met							
Summary	2024/25 Target	202	4/25 Actual	20	23/24 Actual			
	0%		40.2%	Not pr	eviously reported			
Why this measure is important	When permitted fires become uncontrolled, it may be due to non-compliance with permit conditions (which could warrant prosecution), unforeseen environmental factors or inadequacies in permit conditions. This measure helps us assess the effectiveness of our fire permitting processes by identifying vegetation fires that were approved during restricted fire seasons but later escalated into wildfires requiring suppression efforts. By investigating the causes behind these incidents, we gain important insights into the strengths and weaknesses of our current permitting framework and fire risk mitigation efforts.							
Our performance	Percentage of permitted vegetation fires that subsequently required a fire supression response 100% 47.9% 55.7% 50.0% 40.7% 40.2% 2024/25 Target: 0% After monitoring this measure during the financial year, we identified that the measure needs to be refined to make sure it tells a more accurate performance story. We also identified that the quality of incident data available needs to be improved to report against this measure more accurately.							
	Fire and Emergency processed over 16,000 permits in 2024/25 while this measure captures 37 permitted fires which subsequently required a suppression response. As such, it does not currently provide an accurate picture of the overall performance of our permitting system. This data has the same limitations as Measure 1.4.1, with permitting information not always being accurately captured in our incident reporting.							
	We continue to explore options will enable more accurate reporthis work.	•						

Outcome: Reduced harm to people, property and the environment from fires and emergencies

Putanga:

Kia iti te kino ki te tangata, ngā rawa me te taiao mai i ngā ahi me ngā ohotata

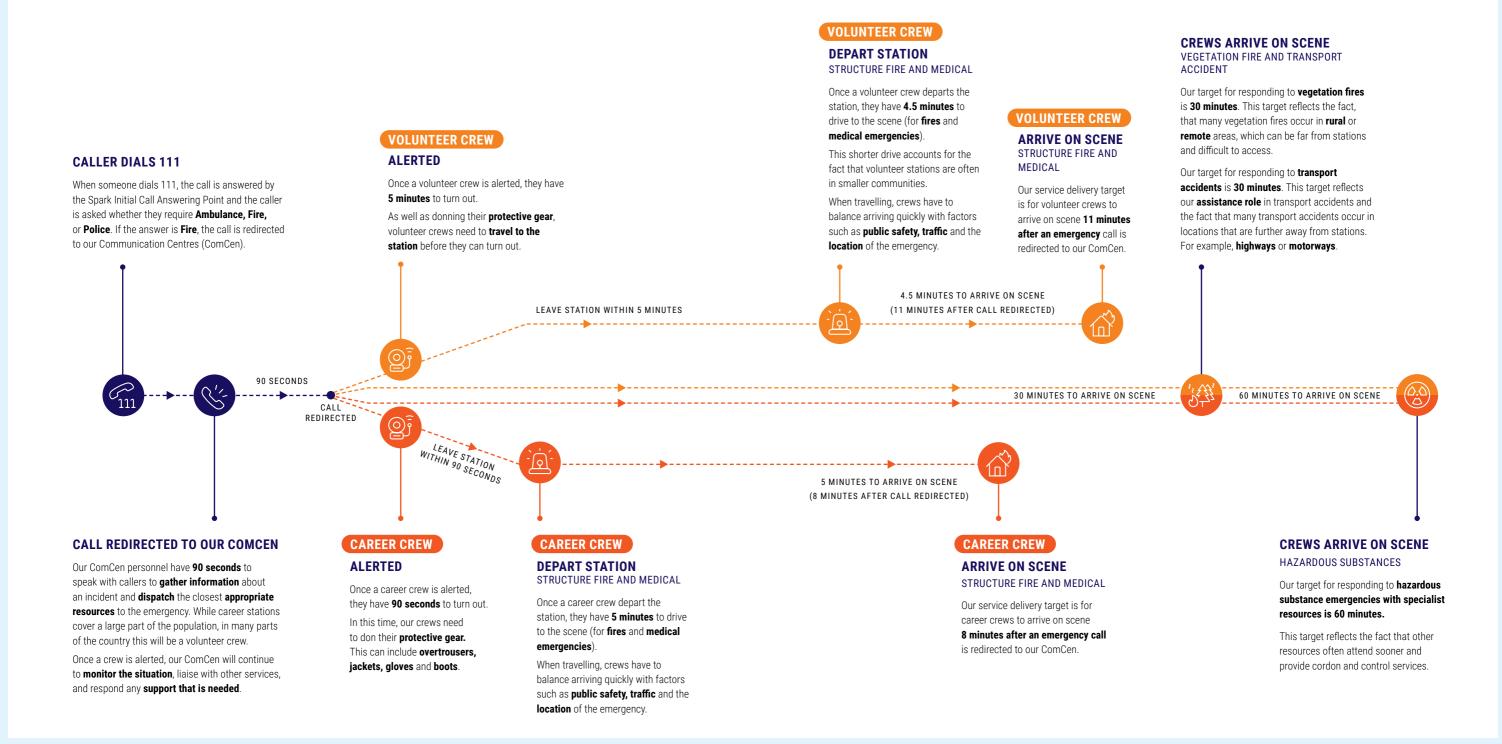
We respond quickly when communities need us, to prevent and limit damage.

⁵ The non-reporting of incident data due to the administrative aspect of industrial action affected the comparative 2022/23 data for this performance information

Response times

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





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

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Output class 2

Fire response and suppression

One of our main functions is to provide fire response and suppression. When alerted to a fire, we deploy skilled personnel with specialised equipment to extinguish or contain it. Our actions in providing these services help save lives, minimise injuries and mitigate damage to property and the environment.

As the national response agency for fire, we have the power to employ all practical measures to suppress fires. This includes entering land and buildings, dismantling or reinforcing structures and removing hazardous materials from the site. We can clear or remove vegetation and, if needed, conduct controlled burns to create firebreaks.

Our aim is to deliver efficient fire response and suppression services that follow good practice, are operationally sustainable and keep our people and communities safe.

Why this is important

The effectiveness of our response to a fire can have an influence on minimising social, economic and environmental impacts. For structure fires, we want to contain or limit the damage as much as possible. For vegetation fires, we want to limit the geographic area impacted by the spread of fire.

How we respond to fires also influences how well affected communities recover from fires and how much communities value and trust our services.

What we do to deliver this output

To minimise social, economic and environmental impacts from fire incidents, we carry out the following:

21) Response to fire

This includes:

- responding to structure fires
- responding to vegetation fires
- amaintaining the capability of our coordination and incident management functions
- ownwing closely and communicating well with communities when fires happen
- supporting other emergency sector partners to respond to international wildfires.

To ensure we are ready to respond 24/7, every day of the year, we invest in:

- maintaining and ensuring the readiness of our fleet
- appropriate equipment for safe and effective operations
- technology and communication systems
- afeguarding our firefighters' health, safety and wellbeing in hazardous environments
- ensuring our firefighters receive the training they need to respond safely and effectively.

Our investment in response to fire

	Levy receipts \$000	Other revenue \$000	Total income \$000	Total expenditure \$000	Net surplus/ (deficit) \$000
Output class reporting 2. Fire response and suppression	566,234	18,351	584,585	562,082	22,503
2.1 Response to fire	566,234	18,351	584,585	562,082	22,503

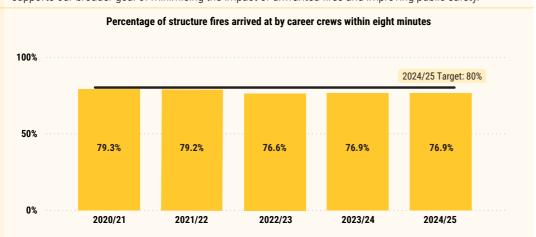
Measure 2.1.1

Response to fire

Our national service delivery guidelines outline our expected response capabilities for fire incidents. These guidelines set targets to ensure we deploy resources promptly, enabling us to arrive as quickly as possible and carry out effective fire response and suppression.

Result	Not met		
Summary	2024/25 Target	2024/25 Actual	2023/24
	80%	76.9%	76.8%
Why this measure is important	worldwide. Monitoring this measu insights into how we might improvemeasure captures the arrival time environments. While it does not exit does highlight the importance of times can reduce fire spread, limit	hat can greatly influence fire outcomes are helps us assess how quickly we can reduce our operations to better serve communion of the first career-firefighter-crewed appraluate the actions taken upon arrival or fitimely intervention. The underlying printerproperty damage and decrease the risk mising the impact of unwanted fires and	respond to incidents and provides unities and reduce risk. This bliance to a structure fire in urban fire conditions before dispatch, uciple is that faster response of injury or loss of life. As such, it

Percentage of structure fires arrived at by career crews within eight minutes⁶



Our performance

Each year, approximately 3,000–4,000 structure fires occur in urban environments, where the first crew to arrive is typically a career firefighter crew. In 2024/25, career firefighter crews were the first to arrive at 2,840 structure fires (an average of nearly eight structure fires a day) in our urban environments.

Response times continue to be affected by external factors beyond operational control, including traffic conditions, road design, traffic calming measures and urban development patterns. These issues contribute to turn-out, travel delays and an increasing number of incidents being more than five minutes drive time from our stations. Despite these challenges, performance remains steady, with career crews arriving at 80% of structure fire incidents within 8 minutes 15 seconds.

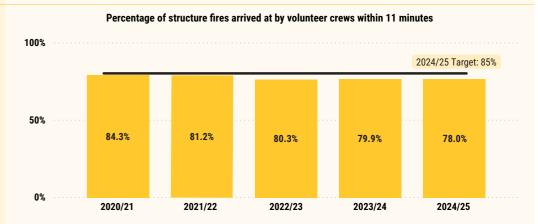
To mitigate these challenges, we continue to target community education and awareness in high-risk locations, particularly around fire safety and early reporting. We continue to engage with councils and other agencies on issues such as roading, to make sure our ability to respond is considered in decision-making.

In 2025/26 one of our regions will trial a day time crew in a known growth area outside of our usual five minute drive time and we will closely monitor the impact this has on community outcomes and response times. In 2025/26 a particular focus will be the parts of the process we control, such as our dispatch and turn-out times, to build understanding of any delays so we can identify potential for improvement.

Measure 2.1.2	Percentage of structure fires arrived at by volunteer crews within 11 minutes				
Result	Not met				
Summary	2024/25 Target	2024/25 Actual	2023/24		
	85%	78%	79.8%		

Why this measure is important

Response time is a critical factor that can greatly influence fire outcomes and is used by fire services worldwide. Monitoring this measure helps us assess how quickly we can respond to incidents and provides insights into how we might improve our operations to better serve communities and reduce risk. This measure captures the arrival time of the first volunteer-firefighter-crewed appliance to a structure fire in urban environments. In most cases, these crews are not on station when a callout is received. While it does not evaluate the actions taken upon arrival or fire conditions before dispatch, it does highlight the importance of timely intervention. The underlying principle is that faster response times can reduce fire spread, limit property damage and decrease the risk of harm. As such, it supports our broader goal of minimising the impact of unwanted fires and improving public safety.



Our performance

Each year, approximately 1,000 structure fires occur in urban environments where the first crew to arrive is a volunteer crew. In 2024/25, our volunteer crews were the first to arrive at 997 structure fires (an average of nearly three structure fires a day).

Response times continue to be affected by external factors beyond operational control, including traffic conditions, road design, traffic calming measures and urban development patterns. These issues contribute to turn out and travel delays. Despite these challenges, performance remains relatively steady, with volunteer crews arriving at 80% of structure fire incidents within 11 minutes 59 seconds. These figures reflect an incremental improvement from last year. To mitigate these challenges, we continue to target community education and awareness in high-risk locations, particularly around fire safety and early reporting. We continue to engage with councils and other agencies on issues such as roading, to make sure our ability to respond is considered in decision-making.

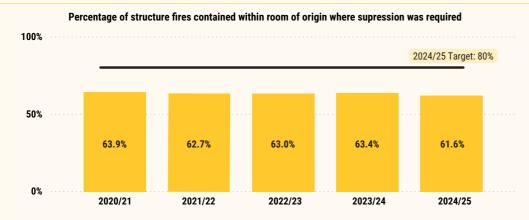
⁶ The non-reporting of incident data due to the administrative aspect of industrial action affected the comparative 2022/23 data for this performance information.

Measure 2.1.3	Percentage of structure fires contained within room of origin where suppression
	was required (new measure) ⁷

Result	Not met					
Summary	2024/25 Target	2024/25 Actual	2023/24 Actual			
	80%	61.6%	Not previously reported			

Why this measure is important

This measure evaluates how effectively our crews contain structure fires to the room of origin, helping to limit property damage. It applies to incidents where fire suppression was required and where containment details are recorded in Fire and Emergency systems. A high containment rate reflects prompt response and appropriate actions by crews upon arrival, leading to reduced fire damage and lower risks of harm. However, this measure does not account for the size or extent of the fire when emergency services were notified.



Our performance

Performance this year at 61.6% is consistent with previous years. The target for this measure in 2025/26 has been adjusted to 62% to reflect previous performance and the number of factors which influence this measure.

Containment is influenced by several external factors beyond Fire and Emergency's control, including traffic calming infrastructure, day staffing limitations in volunteer brigades and urban expansion. Drive times remain a key contributor to lower containment rates. Further complexities include variable incident conditions such as the timing of the 111 call, fire progression before arrival, ignition source, presence of suppression systems and room size. We also know that construction material and contents can influence containment both positively and negatively.

To mitigate these challenges, we continue to target community education and awareness in high-risk locations, particularly around fire safety and early reporting. We continue to engage with councils and other agencies on issues such as roading, to make sure our ability to respond is considered in decision-making.

Internal factors which can positively influence this measure include the effectiveness of our actions on arrival and our ongoing work to ensure our people have appropriate skills and training.

Measure 2.1.4 Percentage of vegetation fires arrived at within 30 minutes (anywhere in NZ)8 Met Result Summary 2024/25 Target 2024/25 Actual 2023/24 90% 93.7% 94.6% This measure provides insights into our crews' response times and arrival at vegetation fire sites. Why this measure Response times are critical for mitigating fire risks. The underlying assumption is that guicker response and intervention lead to minimised fire damage and lower chances of fatalities or injuries. This, in turn, is important helps reduce the overall impact of unwanted fires. Percentage of vegetation fires arrived at within 30 minutes (anywhere in New Zealand) 2024/25 Target: 90% 100% 50% 93.7% 93.7% 94.1% 94.6% 93.7% Our performance

2021/22

0%

2020/21

We met and exceeded our performance measure of arriving at 90% of vegetation fires within 30 minutes, anywhere in New Zealand.

2022/23

2023/24

2024/25

⁷ The non-reporting of incident data due to the administrative aspect of industrial action affected the comparative 2022/23 data for this performance information.

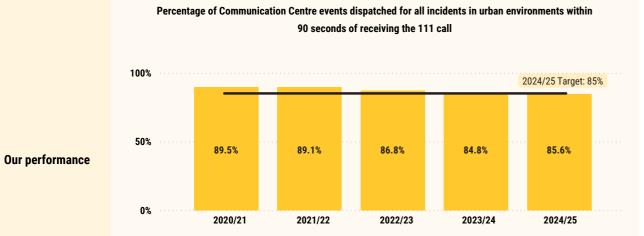
⁸ The non-reporting of incident data due to the administrative aspect of industrial action affected the comparative 2022/23 data for this performance information.

Measure 2.1.5 Percentage of Communication Centre events dispatched for all incidents in urban environments within 90 seconds of receiving the 111 calls

Result	Met		
Summary	2024/25 Target	2024/25 Actual	2023/24
	85%	85.6%	84.8%

Why this measure is important

This measure helps us understand the effectiveness of our Communication Centres in determining the nature of the emergency and getting the appropriate resources on the way to the incident as quickly as possible. The speed of dispatch contributes directly to the overall response time for crews to arrive on site.



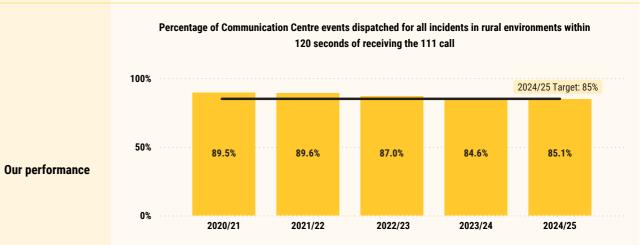
Our three Communication Centres continue to focus on training and mentoring new personnel. One of the training priorities is for them to achieve above the minimum standards. Communication Centre performance indicators continue to steadily improve, reflecting the benefits of this approach to the ongoing development of our people's capability.

Measure 2.1.6 Percentage of Communication Centre events dispatched for all incidents in rural environments within 120 seconds of receiving the 111 calls

Result	Met				
Summary	2024/25 Target	2024/25 Actual	2023/24 Actual		
	85%	85.1%	84.6%		

Why this measure is important

This measure tracks the timeliness of response to incidents in rural environments, which are predominantly served by our volunteer crews. Dispatch standards differ between rural and urban areas due to the additional challenges of pinpointing exact incident locations in more remote settings. This measure helps us gain valuable insight into how effectively our Communication Centres identify the nature of emergencies and mobilise the appropriate resources swiftly, especially in communities where quick action is vital despite geographical complexity.



Our three Communication Centres continue to focus on training and mentoring new personnel. One of the training priorities is for them to achieve above the minimum standards. Communication Centre performance indicators continue to steadily improve, reflecting the benefits of this approach to the ongoing development of our people's capability.

Measure 2.1.7	All Regions to comp	ete a simulation exercise				
Result	Met					
Summary	2024/25 Target 2024/25 Actual 2023/24 Actual					
	By 30 June 2025	5 out of 5 Regions com	pleted 5 out of 5 Regions co	mpleted		
Why this measure is important	Our Regions may be called on to activate critical procedures and lead a significant multi-agency response in the event of a major emergency within their area. Incident response personnel can also be deployed to support large-scale operations elsewhere in New Zealand or internationally, should assistance be requested. This measure offers valuable insights into the preparedness of each Region to manage significant emergencies. By conducting annual simulation exercises, we allow our Region Coordination Centres and Incident Management Teams to rehearse emergency scenarios in a controlled environment. These exercises help evaluate the readiness of personnel, processes and systems across all Regions. Ultimately, the measure enhances confidence in our ability to respond effectively in the event of real emergencies.					
Regions completing a simulation exercise 6 2024/25 Target: 5						
Our performance	Regions comple ted	2	5			
	2020/21	2021/22 2022/23	2023/24 2024/25			
	We achieved this measure in 2024/25 with all Regions carrying out a simulation exercise.					

Measure 2.1.8 Develop fire plans (consult on and deliver) for every District every three years (new measure)

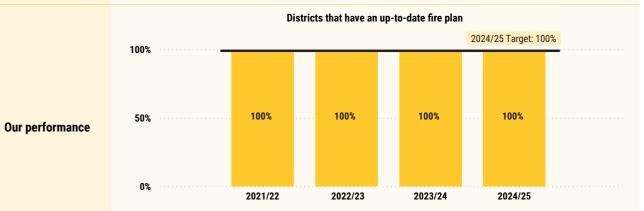
Result	Met		
Summary	2024/25 Target	2024/25 Actual	2023/24 Actual
	100%	100%	Not previously reported

Fire plans ensure transparency and predictability in how we exercise our fire control powers. They outline local fire risk conditions, along with tailored policies and procedures for managing those risks at a local level. Although this is a newly introduced performance measure, developing fire plans is a long-established activity. Under section 22 of the Fire and Emergency New Zealand Act 2017, we are required to consult on and deliver fire plans every three years for each District. Each plan includes key information specific to the local area, such as:

Why this measure is important

- prohibitions or restrictions on fire use and the triggers for activating them
- · situations where firebreaks may be necessary for fire control
- guidelines on vegetation or other materials that should be removed to reduce fire risk.

We consider this an effective measure because fire plans incorporate demographic and environmental data that are vital for understanding and reducing fire-related risks. These insights help us prepare for and mitigate the potential impacts of fires before they happen.



This measure was successfully met in 2024/25, with all Districts submitting fire plans. These were last reviewed in 2023/24, being the required three-year review period.

Output class 3

Render safe hazardous substances and provide for safety at incidents

We respond to and stabilise or render safe hazardous substances incidents and provide for the safety of persons and property endangered by hazardous substances incidents.

When a hazardous substances emergency occurs, we respond with skilled personnel and specialist equipment. We do this to save lives and property and reduce the impact on the environment.

We also have a role to promote the safe handling, labelling, signage, storage and transportation of hazardous substances.

The system for managing hazardous substances involves a coordinated approach by multiple entities, so our relationships with our hazardous substances stakeholders and partners is key to being successful in this area.

Why this is important

Uncontained hazardous substances present an increased risk of personal injury and property damage, and the consequential social, economic and environmental impacts. Prompt attendance at hazardous substances incidents helps to protect people and property endangered by these types of emergencies. How we respond to hazardous substances emergencies also affects how well we minimise the impacts of these incidents, and how affected communities can recover.

What we do to deliver on this output

To minimise social, economic and environmental impacts from hazardous substances incidents we carry out:

31 Response to hazardous substances incidents

Our investment in response to hazardous substances incidents

	Levy receipts \$000	Other revenue \$000	Total income \$000	Total expenditure \$000	Net surplus/ (deficit) \$000
Output class reporting 3. Render safe hazardous substances and provide for safety at incidents	11,588	373	11,961	11,503	458
3.1 Response to hazardous substances incidents	11,588	373	11,961	11,503	458

3.1

Response to hazardous substances incidents

We respond to hazardous substances incidents as a main function. We work to stabilise the environment and render it safe, protecting people and property endangered by these types of incidents. Additionally, we help promote the safe handling, labelling, signage, storage and transportation of hazardous substances.

Measure 3.1.1	Percentage of hazardous substances incidents arrived at by crews with specialist
	resources within 60 minutes

Result	Met		
Summary	2024/25 Target	2024/25 Actual	2023/24
	85%	96.7%	97.7%

Why this measure is important

This measure tracks how quickly we respond to hazardous substances incidents across mainland New Zealand. It offers valuable insights into where these events happen and how effectively we allocate resources. By analysing response times and patterns, we can identify areas for process improvement and make informed decisions about future resourcing, capacity and crew placement. This helps us to continually refine our operational readiness and ensures safer outcomes for affected communities.



In 2024/25, our specialist career crews responded to 96.7% of hazardous substances incidents (116 incidents) within 60 minutes, well above our target of 85%. As we have consistently achieved the target for this measure over the past five years, we have increased the target to 90% for FY 2025/26.

Output class 4

Rescue as a result of transport accidents and urban search and rescue (USAR)

We respond to transport accidents, rescue people who are trapped, manage crash scene cordoning and traffic control and provide urban search and rescue (USAR) services.

We mobilise skilled personnel and specialised equipment to undertake necessary actions to save lives and protect property. We are authorised to assume command, direct our personnel and coordinate other responding brigades and individuals at transport accident scenes.

Responding to transport accidents and USAR events involves working with our emergency sector partners. Strengthening these partnerships is vital to being successful in this area.

We deploy our USAR capabilities where they are needed, both within New Zealand and internationally. We invest in specialised training for our USAR teams and maintain caches of specialised equipment to facilitate rapid and effective responses.

Why this is important

Our response to transport accidents and USAR events directly impacts our ability to minimise social, economic and environmental impacts from these incidents and the speed of recovery for affected communities and individuals.

We provide an essential support function to our emergency services partners, utilising our specialist skills and available equipment.

What we do to deliver this output

To minimise impacts from transport accidents and incidents requiring USAR, we carry out the following:

411 Response to transport accidents

4.2 Provide urban search and rescue services

Our investment in this output

		Levy receipts \$000	Other revenue \$000	Total income \$000	Total expenditure \$000	Net surplus/ (deficit) \$000
Out	put class reporting					
4.	Rescue as a result of transport accidents and urban search and rescue (USAR)	109,260	3,588	112,848	108,458	4,390
4.1	Response to transport accidents	81,200	2,475	83,675	80,604	3,071
4.2	Provide urban search and rescue (USAR) services	28,060	1,113	29,173	27,854	1,319



Response to transport accidents

Responding to transport (motor vehicle) accidents is a main Fire and Emergency function to rescue persons who are trapped as a result. We also assist our emergency service partners at the scene by providing cordoning and traffic control.

Measure 4.1.1		Percentage of motor vehicle accidents arrived at by crews with specialist resources within 30 minutes			
Result	Met				
Summary	2024/25 Target	2024/25 Actual	2023/24		
	90%	96.8%	96.9%		
Why this measure is important	This measure helps assess how quickly our crews respond to motor vehicle accidents across mainland New Zealand. Rescuing trapped people and transporting them to the hospital within the first hour is vital. This time frame, called the Golden Hour, emphasises that rapid medical intervention following a traumatic injury significantly improves survival rates and reduces long-term complications. Beyond its lifesaving potential, this measure also enables us to track accident locations and evaluate the effectiveness of our response efforts. These insights help us continually improve our operational processes and inform decisions on resource allocation and strategic placement for future incidents.				
	100%	nicle accidents arrived at by crews with spe	2024/25 Target: 90%		
Our performance	0% 2020/21	96.9% 96.5%	96.8% 96.8%		
	minutes, anywhere in New Zea	•	of motor vehicle accidents within 30 wed the target for this measure over the 1/26.		



Why this measure is important

We work in close partnership with a range of agencies to respond effectively to fires and emergencies within our communities. These partners include local councils, the Department of Conservation, Hato Hone St John, the National Emergency Management Agency, New Zealand Police and sector groups such as the New Zealand Forest Owners Association. Maintaining strong relationships with these stakeholders is essential for delivering effective services and meaningful fire risk reduction. This measure helps us gauge how external partners perceive our services and how well we're working together. Robust partnerships with emergency services and community stakeholders enable coordinated responses and improve outcomes during critical incidents. While this measure focuses on enhancing stakeholder engagement, it also supports our broader goals — reducing the risk and impact of fires and emergencies across New Zealand.



Our performance

The results for this measure are determined by an annual stakeholder engagement survey which seeks a representative sample of views about how Fire and Emergency is performing. Stakeholders are asked: 'How satisfied or dissatisfied are you with the current relationship your organisation has with Fire and Emergency New Zealand?'

The long-term trend continues to be positive with respect to maintaining an organisational relationship satisfaction rate with stakeholders. As we have consistently achieved the current measure over the past four years, we have increased the target to 70% for FY 2025/26.

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4.2 Provide Urban Search and Rescue services

Responding to weather-related events, natural hazard events and disasters is one of our key response functions. As part of this, we maintain skilled and specialist USAR teams both nationally and internationally. Deploying internationally builds valuable skills and relationships.

Measure 4.2.1	Maintain our INSARAG international heavy accreditation in USAR				
Result	Met				
Summary	2024/25 Target	2024/25 Actual	2023/24		
	By 30 June 2025	Achieved	Achieved		
Why this measure is important	Our USAR capability is vital to saving lives during emergencies, both within New Zealand and internationally. Its value lies in our ability to rapidly locate and rescue individuals in the critical moments after a disaster, directly impacting survival rates. Maintaining this capability allows us to retain our International Search and Rescue Advisory Group (INSARAG) heavy USAR accreditation. To do so, we consistently conduct rigorous training and ensure our specialised equipment remains mission ready. We need to reclassify every five years to uphold our international status. As a heavy USAR team, we're prepared to carry out complex and demanding technical search and rescue operations. We can operate two different worksites simultaneously, maintaining day and night shifts to meet the challenges of high-intensity emergency responses.				
Our performance	Fire and Emergency reclassified as a heavy team in FY 2023/24 and in 2024/25 we undertook a number of activities to meet our obligations between the five-yearly reclassification cycles. This includes undertaking a 36-hour annual exercise simulating a post-disaster environment, which was met by the NZL-01 deployment to the Vanuatu earthquake.				

Measure 4.2.2	Domestic USAR deploymen	ts within 24 hours (new me	easure)		
Result	Met				
Summary	2024/25 Target	2024/25 Actual	2023/24		
	95%	100%	Not previously reported		
Why this measure is important	This measure offers valuable insight into our readiness to respond to requests for deploying USAR teams across New Zealand. We consider it an effective indicator, as the ability to conduct search and rescue operations immediately following an emergency is a proven lifesaving capability.				
Our performance	We successfully completed this measure in 2024/25, with all incidents deployed within 24 hours.				
Measure 4.2.3	International USAR deployments responded to within 72 hours (new measure)				
Result	Met				
Summary	2024/25 Target	2024/25 Actual	2023/24		
			·		
	95%	100%	Not previously reported		
Why this measure is important	This measure evaluates our capacit We receive requests through the Mi provided support in recent years for weather events. Maintaining this re	y to respond to international requentions of Foreign Affairs and Trade overseas emergencies, including adiness ensures we can deliver rap	ests for USAR deployments.		

Output class 5

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

We respond to a range of other emergencies, including medical emergencies, maritime incidents, severe weather-related events, natural hazard events and disasters, and perform rescues.

While carrying out these additional functions, we must maintain the capacity and capability to fulfil our primary responsibilities. Responding to medical and non-medical emergencies and conducting rescues requires close collaboration with our emergency sector partners. We must work collaboratively to strengthen and enhance these relationships, ensuring our services are respected and trusted.

Why this is important

Our response to these emergencies helps to reduce harm to affected individuals and communities. Our priority is effective response services that follow best practices. We actively engage in discussions and forums with stakeholders and partners to enhance our response capabilities. We play a critical support role for our emergency services partners, leveraging our specialised skills and equipment to help.

What we do to deliver this output

In cooperation with our emergency services partners, we undertake a support role to:

- 5.1 Assist in responding to medical emergencies
- 5.2 Assist in responding to other (non-medical-related) emergencies
- 5.3 Assist in responding to non-transport-related rescue incidents

Our investment in responding to other emergencies, including medical, maritime, other rescues and natural hazard events

		Levy receipts \$000	Other revenue \$000	Total income \$000	Total expenditure \$000	Net surplus/ (deficit) \$000
Ou 5.	tput class reporting Responding to other emergencies, including medical, maritime, other rescues and natural hazard events	31,482	10,732	42,214	31,252	10,962
5. 1	Assist in responding to medical emergencies	15,734	5,489	21,223	15,619	5,604
5.2	2 Assist in responding to other (non-medical-related) emergencies	11,393	3,989	15,382	11,310	4,072
5.3	Assist in responding to non-transport-related rescue incidents	4,355	1,254	5,609	4,323	1,286

5.1

Assist in responding to medical emergencies

Responding to medical emergencies is an additional response function that we undertake in addition to our core functions. Our crews deliver both first-response and co-response expertise to assist our emergency service partners Hato Hone St John and Wellington Free Ambulance.

Measure 5.1.1	Percentage of career crews who respond to medical emergencies within eight minutes ⁹			
Result	Not met			
Summary	2024/25 Target	2024/25 Actual	2023/24	
	85%	83.7%	82.1%	
Why this measure is important	Each year, our career firefighter crews are the first to arrive at between 4,000 and 5,000 medical emergencies in urban environments. This measure assesses medical response times against the eightminute target, helping to identify process improvements and guiding resource allocation. Under section 12 of our Act, medical response is an authorised function we undertake when capacity allows. Many brigades are trained medical co-responders, and our nationwide footprint often makes us the fastest and closest responder, complementing other agencies and enabling timely care. Swift medical intervention can significantly reduce fatalities and injuries, providing a critical benefit to communities across New Zealand. However, responding to traumatic incidents — especially fatalities — can have lasting impacts on the wellbeing of our personnel.			
	Percentage of car 100%	eer crews who respond to medical emerg	2024/25 Target: 85%	
Our performance	0% 2020/21	2021/22 2022/23	2023/24 2023/24	

In 2024/25, our career crews attended 4,877 medical emergencies (an average of 13 a day) in urban environments. They arrived at 85% of medical emergencies within eight minutes eight seconds – eight seconds over target. Response times are affected by factors beyond operational control, including traffic conditions, road infrastructure, traffic calming initiatives and urban expansion, which vary by locality.

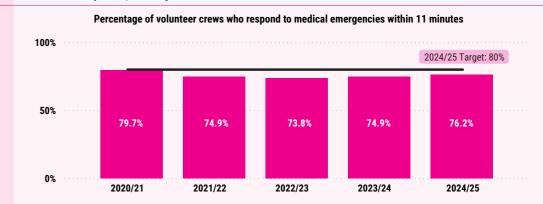
Measure 5.1.2 Percentage of volunteer crews who responded to medical emergencies within 11 minutes

Not met		
2024/25 Target	2024/25 Actual	2023/24 Actual
80%	76.2%	74.8%
	2024/25 Target	2024/25 Target 2024/25 Actual

Why this measure is important

Our performance

Each year, our volunteer crews are the first to arrive at between 3,500 and 4,500 medical emergencies within urban environments. This measure assesses medical response times against the 11-minute target, helping to identify process improvements and guiding resource allocation. Under section 12 of our Act, medical response is an authorised function we undertake when capacity allows. Many brigades are trained medical co-responders, and our nationwide footprint often makes us the fastest and closest responder, complementing other agencies and enabling timely care. Swift medical intervention can significantly reduce fatalities and injuries, providing a critical benefit to communities across New Zealand.



In 2024/25, our volunteer crews attended 4,130 medical emergencies (an average of 11 a day) in urban environments.

They arrived at 80% of medical emergencies within 11 minutes 26 seconds. Response times are affected by factors beyond operational control, including traffic conditions, road infrastructure, traffic calming initiatives and urban expansion, which vary by locality. Some off-target responses were due to brigades responding to medical events in neighbouring towns, where travel time made the target unachievable.

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⁹ The non-reporting of incident data due to the administrative aspect of industrial action affected the comparative 2022/23 data for this performance information.



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

We assist in responding to other emergencies, including maritime incidents, severe weather events, natural hazard events and disasters, non-hazardous-substances-related incidents and any other situation where we can provide assistance.

Measure 5.2.1	Median response time to other (non-medical-related) emergencies (new measure) ^{10,11}						
Result	Met						
Summary	2024/	25 Target	2	024/25 Actual		2023/24	ļ
	30 minutes	(1800 seconds)	8m 6s	1	Not previously r	eported
Why this measure is important	Each year, we attend between 6,000 and 8,000 non-medical-related emergencies in our urban environments. In 2024/25, we attended 6,664. This averages to about 18 each day. This measure tracks how crews respond to and arrive at non-medical-related emergencies in urban areas. It highlights potential delays, supports process improvement and informs decisions on resourcing and placement. Response time is a key factor, as faster arrival and intervention can significantly reduce the risk of death or injury.						
Our performance	1,500 1,000	местап гезр	483	(non-medical-relat	483	486	
	0				2024/25 T	arget: 30m (1800 se	econds)
	0	2020/21	2021/22	2022/23	2023/24	2024/25	
	We achieved th	nis measure in 2	1024/25, with all i	ncidents respond	led to within 30	minutes.	

6.3 Assist in responding to non-transport-related rescue incidents

We conduct rescues as an additional service beyond our core functions. This includes line and animal rescues. We also operate in collapsed buildings, confined spaces and swift water (fast-flowing water), as well as hazardous atmospheres such as irrespirable and explosive environments.

Measure 5.3.1	Median response time to non-transport-related rescue incidents (new measure) ^{12,13}					
Result	Met					
Summary	2024/25 Target	20	024/25 Actual		2023/24	ļ
	30 minutes (1800 seconds))	7m 27s	1	Not previously r	eported
Why this measure is important	Each year, we attend between 200 and 300 non-transport-related incidents within urban environments. In 2024/25, we attended 259. This averages to below one each day. This measure tracks how crews respond to and arrive at non-transport-related emergencies in urban areas. It highlights potential delays, supports process improvement and informs decisions on resourcing and placement. Response time is a key factor, as faster arrival and intervention can significantly reduce the risk of death or injury.					
Our performance	2,000	440 	439 2022/23	490	447 arget: 30m (1800 se	econds)
	We achieved this measure in 2	024/25, with all ir	ncidents respond	led to within 30	minutes.	

¹⁰ Graph is displayed in seconds.

¹¹ The non-reporting of incident data due to the administrative aspect of industrial action affected the comparative 2022/23 data for this performance information.

¹² Graph is displayed in seconds.

 $^{13\ \} The\ non-reporting\ of\ incident\ data\ due\ to\ the\ administrative\ aspect\ of\ industrial\ action\ affected\ the\ comparative\ 2022/23\ data\ for\ this\ performance\ information.$

Report against non-departmental appropriations in Vote Internal Affairs

Vote Internal Affairs is administered by the Department of Internal Affairs.

Fire and Emergency New Zealand - Public Good Services (M41) (A6)

Scope – This appropriation is limited to the Crown contribution towards the public good component of services provided by Fire and Emergency New Zealand.

Intention – This appropriation is intended to achieve recognition of the Government's contribution towards public good services that are unrelated to property or motor vehicle insurance.

Appropriation amount – The government approved \$8.00 million for the 2024/25 year for this appropriation. The appropriation received by Fire and Emergency New Zealand of \$8.00 million (2024: \$10.00 million) equals the government's actual output expenses incurred in relation to the appropriation.

Measure	Budget Standard 2024/25	Actual 2024/25	Actual 2023/24
Crown contributions are spent on public good services that are unrelated to property or motor vehicle insurance	Achieved	Achieved	Achieved

Fire and Emergency New Zealand – Loans (M41) (A6)

Scope – This appropriation is limited to loans to provide financial support to Fire and Emergency New Zealand.

Intention – This appropriation is intended to provide financial support to Fire and Emergency New Zealand.

Appropriation amount – The government approved \$25.00 million for the 2024/25 year for this appropriation. The appropriation received by Fire and Emergency New Zealand of \$25.00 million (2024: \$25.00 million) equals the government's actual capital expenditure incurred in relation to the appropriation.

Measure	Budget Standard 2024/25	Actual 2024/25	Actual 2023/24
Repayment as per the agreed schedule in the Crown loan agreement between Fire and Emergency New Zealand and the Minister of Finance	Achieved	Achieved	Achieved

Assessment of operations and performance 2024/25

Te aromatawai ō te paeuru mahi 2024

Our 2024/25 Statement of Performance Expectations identified the key activities we would deliver in 2024/25 to progress towards the goals set in our Statement of Intent 2023–2027. This section includes a breakdown of our incidents attended this year and reports on our progress and performance in delivering these activities. We have also included a small section to highlight our work to meet our Minister's expectations and deliver the Government's priorities.

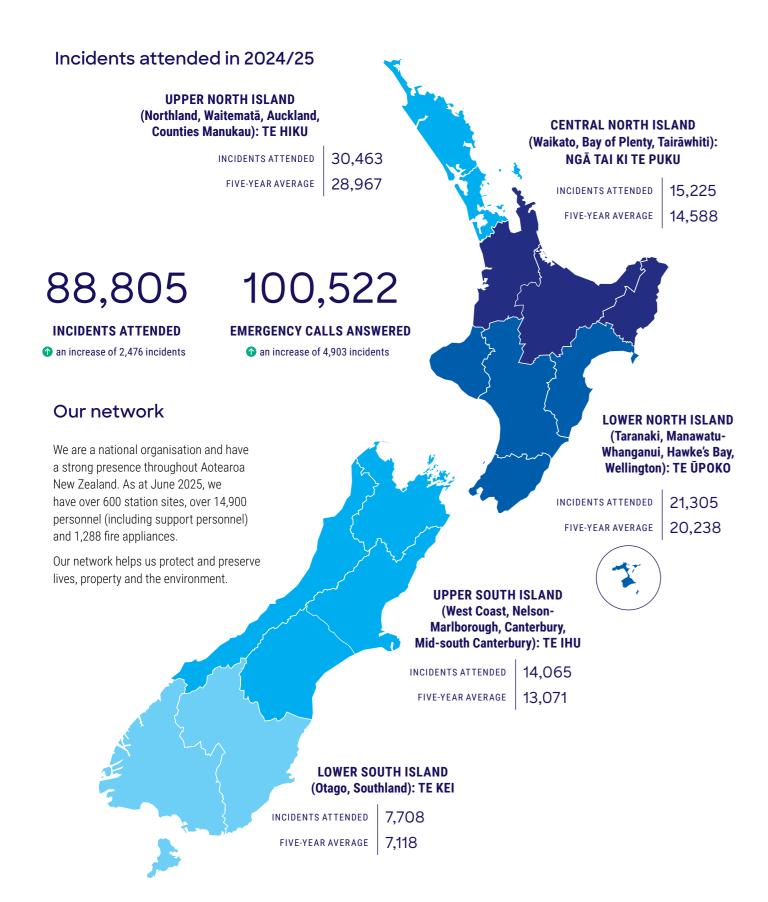
Implementing the Government's priorities

In 2024/25 we committed to undertake several actions to ensure we can reinvest in priority areas, meet the expectations set by our Minister (see table below), and meet Government expectations around fiscal prudency. These include:

- reviewing and refreshing our organisational strategy, which will help us focus our efforts and invest in the areas which will help us make the most difference
- our programme to identify opportunities for savings where we can simplify, stop or do things differently
- prioritising investment in the assets and equipment that are most important to our ability to deliver and to our core responsibilities, such as being a regulator.

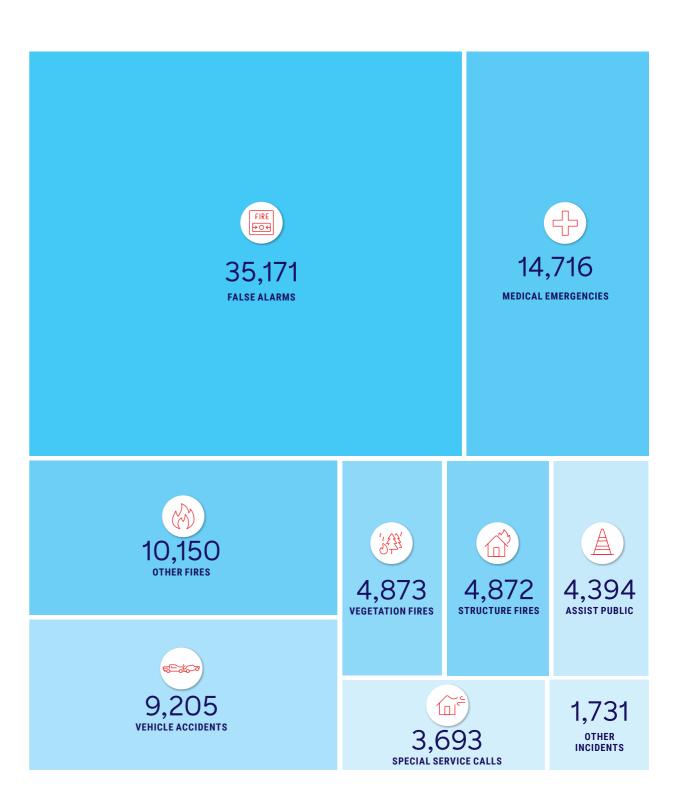
Priorities from the Letter of Expectations 2024/25

Priority	See enabling activities:
Strategy refresh	Review and improve our strategic direction (page 80)
Effective working relationships	 Support cross-agency planning for catastrophic national events, such as a rupture of the alpine fault line (page 71) Revise two of our formal partnership arrangements with a focus on modernising these arrangements (page 72) Continue our national rollout of Local Advisory Committees by establishing four additional Local Advisory Committees (page 81) Strengthen our relationship with our unions and associations (page 81)
Financial management	 Develop a functional and operational benchmark to drive cost efficiencies, establish good practice, drive operational insights and identify areas for improvement (page 79) Support the process to implement the Part 3 levy for 1 July 2026 (page 79) Develop asset management plans for our core assets (page 79)
Health, safety and wellbeing	 Commence the development of revised health standards and comprehensive health monitoring for our operational personnel (page 77) Enhance our policies and procedures associated with managing PCBU (person conducting a business or undertaking) duties (page 77) Develop our Safety, Health and Wellbeing Roadmap and complete implementation of year 1 initiatives (page 77)
Organisational culture and conduct	 Develop our 10-year diversity plan (page 73) Launch and embed the new Code of Conduct and new Bullying, harassment and victimisation policy (page 73) Implement new processes to undertake regular criminal conviction vetting for all personnel (page 74) Implement new selection criteria and selection tools for people leadership positions (page 75)



In 2024/25, our crews attended 88,805 incidents – an increase of 2,476 compared to 2023/24. The three main contributors were false alarms (35,171 attended), medical emergencies (14,716 attended) and other fires (10,150 attended). False alarms made up 39.6% of all incidents attended in 2024/25, higher than the five-year average of 34.6% (from 2019/20 to 2023/24). Medical emergencies accounted for 16.6% and other fires represented 11.4% of total incidents. Together, these three incident types comprised 67.6% of all incidents attended in 2024/25.

Incidents attended by type¹⁴



¹⁴ Other incidents include: not recorded (350), hazardous substances (751), heat/pressure (239) and rescue (391).

Delivery of 2024/25 enabling activities



Delivering for Aotearoa New Zealand

Activities to improve our operational effectiveness.

In 2024/25 we committed to:	Performance commentary
Review our fire safety regulatory practices and processes Complete	We have reviewed and updated our fire safety regulatory practices and processes.
	Updating our fire safety regulatory practices and processes helps us to ensure that we are focused on carrying out the right regulatory activities in an efficient way.
Update our incident command manual to incorporate our approach to known hazards Complete	We have updated our incident command guidance to incorporate information on how we respond to known hazards. The updated content will help us to support our operational effectiveness to keep our people safe as we respond to incidents. We are now preparing to implement this updated guidance.
Refresh our guidelines, framework and training for urban search and rescue (USAR) Not complete	We have refreshed our USAR Operations Manual and prepared a USAR capability development framework. This is currently out for consultation with our unions and associations.
	We developed and delivered wading in water training, as well as a Squad Leader training package. This will help with succession planning and how we structure USAR development to so we can deliver against section 11 of our Act.
	While we made good progress on this enabling activity, we were unable to fully complete it in 2024/25. This is because we had a significant international deployment to Vanuatu and needed to prioritise work on our communications systems to enhance the safety of our people.
Refresh our guidelines and training for hazardous substances Complete	Understanding tactical options when responding to hazardous substances incidents is crucial for ensuring safe outcomes. As a result of an operational assurance review recommendation, we have refreshed guidance and training on dealing with hazardous substances.
	We updated and internally published our exposure standards policies and some associated guidance. These documents set out our doctrine for our people when they are using multi-gas detectors or photoionisation detectors to detect the level of various gases or substances at incidents. They outline how we establish and use exposure thresholds for our people when they are working at hazardous substances events. We carried out this work to help keep our people safe and will continue to use updated,

evidence-based exposure information as it becomes available.

guidelines. We intend to publish these in 2025/26.

We have also updated several other hazardous substances policies, procedures and

Develop a deployable capability framework to show how we will deliver our specialist response for New Zealand



We have developed a Service Delivery Capability Framework which provides a modular approach to how our specialist capabilities are developed, maintained and deployed. It allows for specialist capabilities in strategic locations based on risk (aligned to evidence-based risk modelling). This is further supported by geographic information system (GIS) tools.

Some of our output measures, for example, '3.1 Response to hazardous substances incidents' and '5.3 Assist in responding to non-transport-related rescue incidents', may rely on our specialist capability. Mapping the locations of our specialist capability means we can identify where we may need to redistribute resources to improve coverage.

Implement a lessons management framework to improve services and health and safety of our firefighters

Complete

Our *Continuous improvement and lessons management policy* and *Lessons management framework* were approved in October 2024. We subsequently carried out initiatives to implement them across the organisation, including:

- · a national launch of the new operational documentation on 30 June 2025
- a new 'Lessons Management' category and related documentation established in Bookshelf (our repository of operational instructions)
- testing the content and design of the Lessons management framework at the AFAC Lessons Management Forum in May 2025
- leveraging our network of Assistant Commanders as lessons champions to promote continuous improvement and lessons management to frontline personnel in Districts
- · proactively reaching out to our unions and associations.

In 2025/26, we will continue to promote continuous improvement and lessons management to our frontline personnel. We will highlight the benefits of this work via operational assurance reporting.

Support cross-agency planning for catastrophic national events, such as a rupture of the alpine fault line



Complete

We took part in Exercise R \bar{u} Whenua, a three-day exercise in June and July 2024. R \bar{u} Whenua was a national inter-agency exercise based on an alpine fault earthquake scenario led by the National Emergency Management Agency (NEMA). This work helped us to assess how we integrate with other agencies in responding to this scenario. It also helped us to identify what worked well and how we can improve our readiness for such an event.

We participated in preparing the *Catastrophic event handbook*. The handbook outlines roles and responsibilities by agency (including Fire and Emergency) for managing an All-of-Government response to a catastrophic event. We are using the handbook to develop a Fire and Emergency national catastrophic event plan which will guide our response to this type of event.

The results of the exercise and the *Catastrophic event handbook* mean we, as part of New Zealand's emergency management system, are better placed in our readiness to respond to a catastrophic event.

We continue to participate in NEMA-led working groups to prepare information for version 2 of the *Catastrophic event handbook*.

Develop a measurement framework and baseline measures for the Māori Strategy | Rautaki Māori including how we reduce risk for Māori communities disproportionately affected by fire We have prepared a performance measurement framework and baseline measures for our Māori Strategy | Rautaki Māori. We have also identified future measures so we can tell an enhanced performance story against our Māori Strategy | Rautaki Māori.

The framework aligns with our organisational outcomes. It sets out the work we will do (or need to do) differently to ensure we are able to provide culturally effective services that are tailored to reducing the risk for communities disproportionately impacted by fire. Monitoring against this framework will help us identify where our efforts are having a positive impact and where additional focus may be needed.

Activities to improve our assets and infrastructure

In 2024/25 we committed to: Deliver our asset maintenance and compliance programme Complete

Performance commentary

We have four main asset classes - property, fleet, equipment and logistics, and information and communications technology (ICT).

In 2024/25, we carried out various ICT upgrades and renewals to support the health and safety of our people and the reliability and security of our systems.

The Warrants of Fitness for our buildings and Certificates of Fitness for our trucks were completed on time to ensure compliance and operational readiness to respond to fires and emergencies. We continued to progress compliance works, such as meeting the minimum standards for exhaust fume management and ablutions, the benefits of which can be seen in our improved critical asset performance indicators (see page 82).

Complete the station rebuild for Parnell Station in central Auckland

Complete

We completed the rebuild of Parnell Station in 2024/25. The station was reoccupied in early July 2025

Activities to improve our relationships with partners and stakeholders

In 2024/25 we committed to:

Revise two of our formal partnership arrangements with a focus on modernising these arrangements



Performance commentary

We have updated our Memorandum of Understanding (MOU) with Hato Hone St John. We also updated our MOU with Ministry of Foreign Affairs and Trade. Both MOUs took effect in October 2024.

The updated Hato Hone St John MOU more closely defines how our organisations will work together to support the communities we serve, enhancing patient outcomes and strengthening our emergency response capabilities. The updated Ministry of Foreign Affairs and Trade MOU helps ensure the effective deployment of Fire and Emergency personnel following humanitarian emergencies in the Pacific and elsewhere on a case-by-case basis.

We have revised our Operational Services Agreement with the Department of Conservation and will finalise it in 2025/26. Modernising this agreement allows both organisations to reiterate their statutory obligations under the respective legislation and reinforces the importance of clarity and transparency in the agreement – both within the context of the partnership and the technical and operational needs.

We have also put formal agreements in place with two forest management organisations.



Developing our people

Activities to improve organisational culture

In 2024/25 we committed to: **Performance commentary** Develop our 10-year diversity plan We developed and implemented a 10-year Diversity and Inclusion Strategy. This is supported by our Diversity and Inclusion Framework, which sets out our maturity Complete model and focus areas for improving diversity and inclusion within our organisation. Improving diversity and inclusion is important to help us ensure that everyone who works or volunteers with Fire and Emergency feels accepted, valued and celebrated and to ensure we are better equipped to more effectively serve all communities. Our Diversity and Inclusion Framework will help us monitor the progress we make as we implement the wider strategy. Launch and embed the new Code of We launched our new Code of Conduct and our revised Bullying, harassment and victimisation policy in June 2024. Since the launch, we have carried out various Conduct and new bullying, harassment and victimisation policy activities (including releasing an e-learning module) to raise awareness of these documents and to ensure that all our personnel understand the core principles Complete outlined in the Code of Conduct. The Code of Conduct is a key foundation of our work to create a safe, positive and inclusive environment for all our people. Our revised Bullying, harassment and victimisation policy is one of our policies that supports the new standards and behaviour expected of all Fire and

Emergency personnel.

FIRE AND EMERGENCY NEW ZEALAND ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2025 Launch and embed the new independent enquiries and complaints management system



We launched our new complaints management service Speak Safe @ Fairway in April 2024. We implemented the new service in response to the findings from the Te Kawa Mataaho Public Service Commission's Independent Review of our Workplace Culture and Complaint Handling Practices (the PSC review). The Speak Safe service is an independent 'front door' for people to make enquiries and complaints, receive support and advice and investigate serious matters. Fire and Emergency has retained responsibility for managing some complaints and decision-making in all cases.

Our focus then shifted towards embedding the new service. We have promoted the service through several channels, including at the United Fire Brigades' Association's national conference and at Fire and Emergency-led Region Volunteer Leaders conferences.

We have promoted the Speak Safe service regularly through engagements with unions and associations, employee-led networks, managers' forums and Region leadership forums. Feedback from these groups has contributed to several improvements to the system and has helped to promote the service and embed it with their members. We plan to continue efforts to embed the service by raising awareness of the available support and increase service uptake in the coming financial year.

In January 2025, an independent evaluation of the system was completed, which focused on the first six months of operation. We used the results to improve the system and intend to carry out a further external evaluation of the system in 2025/26. These engagements and independent evaluations are important for building trust and confidence in the new complaints management system.

The uptake of the Speak Safe service remains steady, with an increase in callers wanting to access the confidential coaching service to proactively resolve issues before they escalate. The uptake of the service, coupled with stakeholder feedback, indicates growing trust and confidence in the system with high satisfaction reported by those who have used Speak Safe @ Fair Way.

Implement new processes to undertake regular criminal conviction vetting for all personnel



We are seeking to implement regular criminal conviction vetting as part of our commitment to keeping our people safe, fostering a positive workplace culture, and maintaining public trust and confidence.

This enabling activity responds to recommendation 12 from the PSC review: 'There should be consistent and uniform criminal conviction vetting for all FENZ personnel. Vetting should be recorded in an up-to-date and continuously maintained central registry and undertaken afresh every 10 years of service.'

We accepted this recommendation and are progressing work to address it. We developed and consulted on a draft criminal conviction vetting policy, receiving comprehensive feedback. In response, we have begun preparing an updated policy along with several implementation options. We are considering how best to operationalise the policy, including the possibility of a pilot approach in 2025/26.

Due to the volume and complexity of feedback received, we were unable to complete this work in 2024/25. However, we remain committed to ensuring the policy is robust, practical and aligned with the findings of the PSC review.

Implement new selection criteria and selection tools for people leadership positions



We have updated the criteria and tools we use to select people for appointments into people leadership positions. People leaders play a critical role in building the kind of workplace we want for the future. Strong people management and team leadership capabilities help foster a positive workplace and ultimately drive organisational success.

This enabling activity responds to recommendation 18 from the PSC review: 'The selection and promotion criteria for all leaders in both career and volunteer roles within FENZ should explicitly include people management and team leadership experience and capability.'

As a result of this, we have improved the way we select people for people leadership roles. This includes new selection criteria for people leaders from Deputy Chief Executive level to team leaders, revised documentation and the rollout of e-learning modules for members of the selection panel.

Activities to improve training development and succession planning

In 2024/25 we committed to:

Develop training, development and succession planning for our frontline service delivery functions, as part of ongoing commitments to embed new structures, processes and ways of working

Not complete

Performance commentary

We wanted to carry out this work to improve the training our people receive, including how the training is delivered.

We made good progress reviewing our existing training and progression system (TAPS). However, we couldn't complete this enabling activity in 2024/25 due to the scale of work required. Through the discovery phase, it became apparent that TAPS needs to be completely redeveloped. We will take a new approach, and our new TAPS will incorporate all frontline training, not just progression-related training. We will continue this work over the next three years.

We delivered the e-learning module *Succession planning for volunteers*, which outlines the essential elements of effective succession planning, and held targeted workshops related to this at a conference we held for volunteer representatives from Otago and Southland.

Revise our Volunteer Executive Officer course to strengthen its focus on people leadership



We have reviewed, updated and implemented our Volunteer Executive Officer course. The updated course has a stronger focus on people leadership. We did this work to ensure quality and consistency for every course attendee and to make sure it meets the needs of our volunteer leaders.

This initiative responds to recommendation 7 from the PSC review: 'The Volunteer Executive Officer course should be revised to significantly increase its focus on behaviour management and people leadership; and FENZ should roll out the course to cover all Chief Fire Officers.'

FIRE AND EMERGENCY NEW ZEALAND

Implement the new Volunteer Brigade Leader Support and Development programme

Complete

We launched the new Volunteer Brigade Leader Support and Development programme at the United Fire Brigades' Association conference in November 2024.

This significant programme allows us to improve the support available to our volunteer brigade leaders when they are appointed into their essential roles. It increases brigade involvement in the process and provides support and development to the leader, as well as training and resources for Group Managers to support the brigade leader.

Roll out pilot initiatives developed through our Whanaungatanga programm nationally, and expand the reach of the programme beyond career firefighters

Complete

Roll out pilot initiatives developed

Our Whanaungatanga programme's focus is on making organisational changes to through our Whanaungatanga programme improve connection, trust and support with the aim of preventing mental ill health.

Prior to 2024/25, we piloted the programme with career firefighters in Te Hiku (Northland and Auckland) and with personnel at our Communication Centres. This involved running Whanaungatanga Wellbeing Surveys, holding workshops to inform the programme's interventions and setting up Intervention Deployment Teams to design and implement organisational change interventions.

In 2024/25, we established a programme governance group, including representatives from the New Zealand Professional Firefighters Union and the Fire and Emergency Commanders Association. The nine Te Hiku interventions were further embedded, including improving connections between operational personnel and other areas of the organisation, and improving reward and recognition. Twelve intervention areas were identified for the Communication Centres. As part of these, we provided ergonomic workstation assessments and training for handling difficult calls across the three Communication Centres. We also shared our research findings for two of the intervention areas with other programmes of work already under way for those teams to consider.

Continue the rollout of our Lead Self, Lead Teams and Lead Leaders development programmes

Complete

Our Lead Self programme focuses on personal leadership, giving participants a deeper understanding of themselves and the impact they have on those around them. In 2024/25, we delivered Lead Self to more than 1,200 of our personnel.

The purpose of our Lead Teams programme is to strengthen participants' leadership skills and capabilities, enabling them to become effective leaders who foster safe, positive and inclusive environments throughout Fire and Emergency. In 2024/25, we delivered Lead Teams to 216 people leaders.

We piloted our Lead Leaders programme. This is a six-month programme to ensure participants become effective, strategic leaders who can drive alignment, navigate complexity and focus on fostering a positive, safe and inclusive environment for our people.

We are delivering these leadership development programmes as a core part of our long-term commitment to strengthening leadership and culture across Fire and Emergency. The Lead Self, Lead Teams and Lead Leaders programmes support the cultural change we are striving for – environments that are inclusive, safe and grounded in respect and accountability. This work is an important part of our response to the PSC review, which emphasised that strong, values-led leadership is essential to sustainable culture change.

Activities to improve health, safety and wellbeing

In 2024/25 we committed to:

Performance commentary

Protect the health, safety and wellbeing of our people by: commencing the development of revised health standards and comprehensive health monitoring for our operational personnel

Not complete

We did not complete this work in 2024/25 because we paused it to manage competing priorities, including supporting collective bargaining. Additionally, we had delays getting the right expertise to carry out this work.

We started planning for the health monitoring component of the work. We will meet with unions and associations to discuss this. The health monitoring work intends to improve our health monitoring system to protect the health of our people and meet our legislative obligations.

We will progress the revised health standards following the implementation of a compliant health monitoring programme.

Protect the health, safety and wellbeing of our people by: enhancing our policies and procedures associated with managing PCBU (person conducting a business or undertaking) duties

Complete

Many of our personnel often work alongside other organisations (known as persons conducting a business or undertaking (PCBUs)). In doing so, Fire and Emergency shares health and safety duties and responsibilities (known as overlapping duties) with these other PCBUs.

An example of overlapping duties during operational response is when Fire and Emergency personnel work alongside the New Zealand Police, Hato Hone St John, Wellington Free Ambulance and a power authority. Overlapping duties happen in non-operational settings too, for example, when Fire and Emergency personnel work with community partners for risk reduction engagements or contractors during a new station build.

In 2024/25, we updated the overlapping duties section of our *Safety, health and wellbeing manual* to define overlapping duties, provide tailored examples and introduce the overlapping duties management framework. Our personnel have access to the framework and supporting resources through our intranet.

We carried out work to raise awareness of overlapping duties relevant to work areas. We also provided support and information on overlapping duties to various parts of the organisation.

We have established a register to capture where information about overlapping duties is held within Fire and Emergency. We intend to carry out further work in 2025/26 to further embed our framework and to improve knowledge and awareness of overlapping duties.

Protect the health, safety and wellbeing of our people by: developing our safety, health and wellbeing roadmap and complete implementation of year one initiatives

Complete

We launched our Strategic Roadmap to Safer Work and Healthier People in July 2024 and prepared a work plan for 2024/25 (Year 1). The purpose of the roadmap and its implementation is to mature our safety, health and wellbeing systems, processes and support across the organisation. The core objective of the Strategic Roadmap is 'Everyone goes home safe and well every time.' Each activity in our work plan contributed to this.

The majority of activities in the Year 1 work plan were successfully delivered or are scheduled to continue into the 2025/26 financial year (Year 2). A small number of items were paused or reprioritised in response to changes in organisational priorities, ensuring the work plan remains aligned with our Strategic Direction. Planning for Year 2 is almost complete.

Some of the key achievements delivered through the work plan include improvements to safety, health and wellbeing considerations within procurement processes, progress towards implementing our critical risk management programme of work and development of the Service Delivery Capability Framework as part of the Future Operational Capability Project.

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Our People Profile

As at 30 June 2025

In 2023/24 we changed how we classify different roles in our organisation to better reflect how we allocate costs based on the services we provide.

Paid personnel numbers are reported using full-time equivalent (FTE). These FTE numbers reflect updated workforce classification following external review in 2024/25, where approximately 100 FTE were reclassified from Frontline

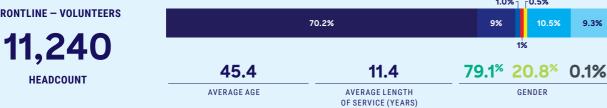
Enabler to Corporate Support. The total FTE for paid personnel (excluding volunteers) is 3,069. This includes an increase of approximately 55 frontline FTE compared to 2023/24.

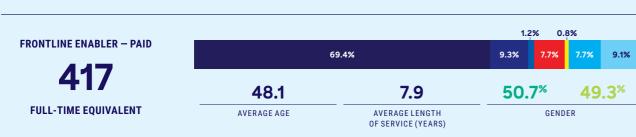
Volunteer numbers are reported using Headcount.

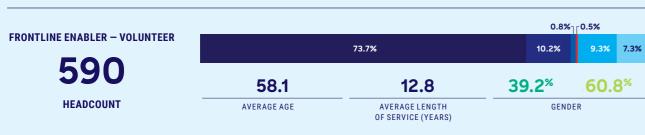
The demographic breakdowns for all personnel categories are calculated using Headcount.



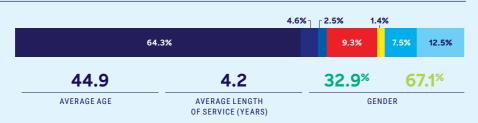












Building our business

Activities to improve organisational culture

In 2024/25 we committed to: Performance commentary

Develop a functional and operational benchmark to drive cost efficiencies, establish good practice, drive operational insights and identify areas for improvement

Complete

The benchmarking showed that the split of expenses for Fire and Emergency and SFRS is generally comparable. However, there were differences in expenditure

(SFRS). SFRS is a similar organisation to us with similar jurisdictions.

We carried out financial benchmarking with the Scottish Fire and Rescue Service

between our Frontline and Frontline Enabler categories of personnel. These differences appear to be mainly driven by differences in the proportion of volunteers and employees within each organisation.

Support the process to implement the Part 3 levy for 1 July 2026

Complete

Fire and Emergency is almost entirely funded by a levy on insurance policies where property is insured against the risk of fire.

The Department of Internal Affairs (DIA) led work enabling Cabinet to set our levy rates for the period from 1 July 2026 to 30 June 2029 under Part 3 of our Act. They also led work to prepare the associated Levy Regulations. We supported DIA in carrying out these activities.

We worked closely with DIA and the insurance industry to develop guidelines for levy payers that follow on from the Regulations. We had intended to publish the guidelines in early 2025. However, the insurance industry identified some issues that may require amendments to legislation.

We supported DIA to prepare the part of the Regulatory Systems Amendment Bill which proposes amendments to our Act to address the issues raised by the insurance industry. Cabinet has approved the Bill for introduction to the House.

Develop asset management plans for our core assets so we have a strong baseline from which to evidence:

- · good management practices
- · maintenance and operational requirements of assets
- · planned replacement of our property, fleet, communications and technology, and equipment and logistics assets that support our frontline service.

Complete

We have prepared asset management plans for each of our asset classes (property, fleet, equipment and logistics, and information and communications technology (ICT)). We have prepared 10-year budget forecasts alongside the plans, with Years 1-4 of the forecasts sized to meet levy revenue forecasts.

To support our ICT and our equipment and logistics asset management plans, we have also prepared capability management plans for specific groupings of equipment types, i.e. communication systems or rescue equipment.

The asset management plans have undergone external evaluation to validate planning assumptions and cost models, and to provide a benchmark to support our asset management maturity journey.

FIRE AND EMERGENCY NEW ZEALAND ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

Activities to improve organisational efficiency

In 2024/25 we committed to:

Performance commentary

Review and improve our:

- · strategic direction
- · Statement of Intent
- · Statement of Performance Expectations
- Annual Report
- Quarterly reporting to the Board, DIA and the Minister.

Ensure these core documents provide better line of sight to give the Minister, the Board, stakeholders and personnel confidence.



Select and procure a new payroll solution

Complete

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We have made good progress with the development of our suite of accountability documents.

We released our new Strategic Direction 2025–2030, which outlines what we will focus on over the next five years. This came into effect on 1 July 2025. We recently published our Statement of Performance Expectations (SPE) for the period 1 July 2025 to 30 June 2026. We have deliberately sought to improve our performance measures for key areas of focus. We have aligned these documents to our outcomes over the long term – fewer unwanted fires and reduced harm to people, property and the environment from fires and emergencies.

The process to align our accountability documents to the Strategic Direction is ongoing, with our SPE and Annual Report reflecting the frameworks set in our Statement of Intent (SOI) 2023–2027.

This alignment will be achieved with our next SOI, which will come into effect on 1 July 2026 and will align to our Strategic Direction 2025–2030. This will then inform our 2026/27 SPE and Annual Report.

To modernise our core business systems, manage risk and improve efficiency, we are carrying out work to replace our payroll and our human resource information systems.

We completed procurement of a payroll solution in October 2024, selecting Dayforce to provide a payroll solution.

We have completed detailed design of the payroll solution, and we have also prepared an updated implementation business case. The updated business case is intended to go to Cabinet for their consideration in 2025/26.

Activities to improve our relationships with partners and stakeholders

In 2024/25 we committed to:

Performance commentary

Continue our national rollout of Local Advisory Committees by establishing four additional Local Advisory Committees



The Fire and Emergency New Zealand Act 2017 requires us to establish Local Advisory Committees (LACs) across New Zealand. LACs provide a strong community voice to inform our work, so that we can better support communities to prepare for, respond to, and recover well from emergencies when they happen.

Prior to 2024/25, we had established LACs in Northland, Tairāwhiti, Hawke's Bay, Marlborough, West Coast, Chatham Islands and Otago.

In 2024/25, we established nine new LACs in Auckland, Bay of Plenty, Waikato, Taranaki, Whanganui-Manawatū, Wellington, Nelson-Tasman, Canterbury and Southland. The appointments to the Wellington and Canterbury LACs were made in June 2025, formally completing the establishment of all 16 LACs and providing national coverage.

Strengthen our relationship with our unions and associations through:

- partnership programmes
- · a strengthened engagement framework
- the establishment of shared goals and work programmes



We updated our framework for engaging with unions and associations.

We worked to strengthen our relationship with unions and associations through a variety of engagement activities. For example, we continued to run our Fire and Emergency Commanders Association (FECA) Strategic Panel with FECA, meeting quarterly. We also attended various Public Service Association (PSA) forums, including a six-monthly PSA National Delegates forum.

We previously had a working party with the New Zealand Professional Firefighters Union (NZPFU) on career staffing. This has been paused but we continue to have regular planned meetings with NZPFU on various matters.

Conclude collective negotiations with the New Zealand Professional Firefighters Union We carried out bargaining talks with the NZPFU from July 2024 up to, and including, June 2025. We provided a formal offer of settlement to the union in June 2025; however, the process remains ongoing.

Not complete

Critical asset performance indicators

In 2023/24, we introduced critical asset indicators for the first time. We have made progress against the asset indicators and there is still more work to be done. As we implement our asset management plans, we anticipate developing a more detailed understanding of each asset's performance and risk profile. This process will help refine our indicators and improve our overall Asset Management Strategy.

The asset performance indicators we have chosen reflect our current priority of health, safety and security compliance. The benefit of this focus can be seen in the positive results for 2024/25 compared to 2023/24. We expect these results will

Property

Performance measure for service-critical assets	2024/25 actuals	2023/24 actuals
Percentage of stations that meet all five baseline ablution standards	79%	76%
Percentage of stations that meet best or good practice for exhaust fume management standards	72%	66%
Percentage of appliance bay doors at stations receiving an annual inspection	100%	90%

ICT

2024/25 actuals	2023/24 actuals
86%	85%

Fleet

Performance measure for service-critical assets	2024/25 actuals	2023/24 actuals
Percentage of preventative maintenance service works records closed with 60 days of scheduled date	89%	87%
Average age of replacement of the fire appliances within target asset life	72%	71%

Equipment and Logistics

Performance measure for service-critical assets	2024/25 actuals	2023/24 actuals
Percentage of safety-critical operational equipment meeting	84.5%	80%
operational requirements		

Assessment of progress against strategic intentions

Te aromatawai i te ahunga whakamua i runga i ngā whakaaro rautaki



This reporting year, 2024/25, marked our second year of progress against the strategic intentions set out in our Statement of Intent 2023–2027. This section reports our progress as we move into our third year of working towards these intentions and begin transitioning to the new frameworks set in our Strategic Direction 2025–2030.



Delivering for Aotearoa New Zealand

High-level intention 2023–2027

Assessment of progress

Helping people do the right thing to stay safe from fire.

This will help us reduce the risk and impact of fire by increasing awareness of regulatory requirements and how to comply with them.

Progress towards this intention has largely been internal – through awareness and building both our people and system capability. This has included the review of our regulatory compliance processes and procedures undertaken this year (see enabling activity page 70) and a new public platform for applying, approving

and maintaining evacuation schemes launched in 2023/24.

We have also undertaken work to respond to specific high-risk areas. For example, working with local councils and housing suppliers to ensure compliance in housing they own or support.

Our regulatory role is an area of ongoing focus. In future, we will focus on measuring the impact our changes are having in communities. For example, our new measure we introduced for 2025/26 will help us monitor our progress towards increasing the number of currently maintained evacuation schemes.

Reducing the risk of wildfires

This will help us work with our partners and communities to reduce the risk of wildfires.

Collaborating closely with partners including MetService, the forestry sector and the Department of Conservation (DOC), as well as local communities, we've developed targeted campaigns and tools to help reduce the risk and consequence of wildfire. Enhancements to checkitsalright.nz, such as a clearer results page and an updated plant flammability list, have improved public access to critical fire safety information.

Our partnership with MetService has expanded public awareness of fire danger levels, while the co-development of a wildfire risk awareness video with DOC, tailored for both domestic and international tourists, has extended our reach to a broader audience.

We also have work under way to develop a new fire permit system that will simplify the application process for users. We have launched a new community readiness tool, allowing the public to input key information to assess their level of wildfire risk and receive tailored recommendations for mitigation. Our case study *Leveraging* fire danger and fire season data to shift behaviours (see page 18) demonstrates some of our work in this area and the engagement we are seeing with our tools.

Working with communities to reduce unwanted fires

This will help us reduce the risk and impact of fire by increasing awareness and supporting behaviour change in communities.

We have made good progress in this area. We can measurably demonstrate behaviour change that the You're Cooked and other campaigns have achieved, with a substantial decrease in the numbers of cooking fires we attend. We have also continued to deliver our community programmes such as HFSVs.

Continuing to build strong relationships with iwi and Māori

This will help prevent fires and build community resilience for both Māori and the wider community.

We have made progress in this area by formalising partnership agreements, establishing our Executive Leadership Team's external Māori Advisory Rōpū and delivering risk reduction programmes designed specifically for Māori communities. This includes Māui-tinei-ahi (our Get Firewise programme in a Māori immersion school setting) and our smoke alarms in marae project in partnership with the National Infrastructure Agency.

We have also designed and launched our Māori Strategy | Rautaki Māori, which has He toa takitini (Relationships and partnership with Māori) as one of the four pou (pillars). Our Māori Strategy | Rautaki Māori performance story will help us monitor and demonstrate the progress we make and the benefit of these relationships. We will use it to monitor where our efforts are making a difference and identify areas where more work may be required.

Strengthening our relationships with our people

This will ensure we enter agreements with a focus on building consistent relationships that bring us value. It aims to create consistency and transparency in how we enter into relationship agreements and how we should manage relationships with key stakeholders.

We have put considerable effort into this and have successfully conducted several consultations on key matters that impact our people (for example, on our new Code of Conduct). We can demonstrate positive attempts to improve these relationships through working groups, regular engagements and consultation. The reality is that, due to the environment we operate in, some elements of this relationship will always be an ongoing process and may at times be challenging.

Working closely across the emergency sector

This will ensure we enter agreements with a focus on building consistent relationships that bring us value. It aims to create consistency and transparency in how we enter into relationship agreements and how we should manage relationships with key stakeholders.

We have made considerable progress towards this intention. We have refreshed some of our key memoranda of understanding and relationship agreements. We have built relationships with some of our key partners. We have worked with and sit on sector-level bodies. This is an ongoing activity.

We have developed a Pacific engagement strategy that is aligned with Ministry of Foreign Affairs and Trade's strategic intentions 2024–2028. This relationship will help provide security, stability and support for natural hazards, and address climate challenges. This work will focus on building strong partnerships in the Pacific with an overall aim of enhancing emergency preparedness and response.

Using what we learn to keep improving

We are committed to learning and continuously improving to reduce risk to our people and communities. To do this, we use national and international research, our own observations and formal recommendations when we respond to emergencies.

We work with our partners (for example, hosted Australian and New Zealand Council for Fire and Emergency services (AFAC) lessons learnt) and undertake exercises with partner agencies (for example, led Exercise Maikuku, a national exercise involving partner agencies responding to a scenario of two large-scale wildfires occurring simultaneously across the country).

We also continue to carry out lessons learned activities and robust operational reviews when required, and to action recommendations.

For example, the review of the North Island severe weather events identified that a number of our personnel required refresher training on Hazard identification, use of the Safe Person Concept and Dynamic Risk Assessment.

In response we put in place a project to mitigate immediate risks to the safety of our frontline personnel and the communities we serve through a programme of baseline unified hazard awareness training. We had a target of 96%, but ultimately 99% of our personnel have met this standard. The delivery of this training provides assurance that our people are trained in baseline hazard awareness at the incidents they attend and is essential to meeting our health and safety obligations as a PCBU under the Health and Safety at Work Act (2015).

FIRE AND EMERGENCY NEW ZEALAND
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Developing our people

Safety, health and wellbeing roadmap	We have completed and launched our Strategic Roadmap to Safer Work and
This will help grow a culture that supports and values the safety, health	Healthier People and are regularly reporting progress against it. This will be an ongoing process, and we would expect to see change over time.
and wellbeing of our people.	We set out further detail about our Strategic Roadmap and progress against it in the enabling activities section of this document (Page 77).
Managing risks to safety, health and wellbeing This will help us to manage risks to safety, health and wellbeing to protect our people and the communities we serve.	The completion of our overlapping duties framework is a key milestone, as is the completion of our Strategic Roadmap. We are not where we expected to be with some of our other initiatives, such as our health monitoring standards (see enabling activities page 77).
Hazardous substances response capability development This will help to improve how we respond to hazardous substances during emergencies.	We have made good progress towards improving how we respond to hazardous substances during emergencies. This includes the development of a hazardous materials (hazmat) capability framework. We have also completed development and delivery of training to frontline personnel with further training under development and to be rolled out in future.
Decontamination This will help to limit the impact of exposure to hazardous substances during emergencies.	We have made progress towards this intention as we have completed an assessment of and trialled (in some locations) different decontamination processes, informed by international best practice. We have seen some benefit from these trials and are considering next steps.
Carcinogen control This will help reduce the personal, social and economic impacts that exposure to carcinogens has on our firefighters, their whānau and communities.	We have made several improvements in this area, including training on awareness, prevention and protection as well as beginning rollout of kits for fire ground management of carcinogens. This will be a continuous process as we work toward a long-term goal of reducing the personal, social and economic impacts that cancer-related illness and death has on firefighters, their families and communities.
Working safely in and around water This will help us to respond safely and effectively to these events.	We have made significant progress towards this intention, with several specialist teams now trained, equipped and ready to respond. We have successfully utilised this capability in several events.
Gas detection This will increase our capability to detect and monitor gases in the air that our firefighters are breathing while at incidents.	We have made significant progress towards increasing our gas detection and monitoring capability. We have rolled out personal gas monitors (PGMs) to our frontline personnel and introduced them at our National Training Centre, so that our firefighters understand their importance from the beginning of their careers. We have conducted studies to better understand how these are changing behaviour and have real-life examples of their benefits.
	We can now monitor and track individual exposures as a result of introducing this equipment – helping to better monitor and understand safety implications.

Volunteerism This will help ensure the volunteer experience with us is rewarding and positive.	This will be an ongoing focus area as sustainable volunteerism is key to our success as an organisation. We have continued progress on our Volunteer Engagement Model, delivered workshops to support and encourage our employees to take account of volunteerism in their work, and developed the Volunteer Voice Network. This is due to launch in August 2025 and aims to improve how we include the voice of volunteers in projects and decisions that affect them. This will build trust through improving and increasing engagement with volunteers to ensure volunteer voices are heard, valued and they contribute meaningfully to our success.
Eke Taumata This will provide a pathway to improving our culture and prioritising a positive workplace experience for our people.	We have delivered most of the recommendations from the PSC review and are demonstrating good progress towards improving our people's workplace experience. We continue to build on this strong foundation through a range of initiatives that support our Strategic Direction. We formally report to our Minister every six months on how we are tracking to address the PSC review recommendations and on other initiatives to improve our organisational culture.
Strengthening our cultural capability Our people will be more capable when working with Māori before, during and after an emergency, leading to better outcomes for Māori and the wider community.	We have taken what we learnt through a three-year aspirations-driven programme (Hiwa-i-te-Rangi) and embedded our cultural capability framework (Te Aho Tapu). We have also designed and launched our Māori Strategy Rautaki Māori, which has growing the capability of our people (Ngā tangāta) as one of the four pillars (pou). Our Māori Strategy Rautaki Māori performance story will help us monitor our progress on cultural capability. It will allow us to ensure we are able to provide culturally effective services tailored to reducing the risk for communities who are impacted by fire.
Strengthening our leadership capability Strengthening our leadership capability will help us achieve the results driven by Eke Taumata, Hiwa-i-te-rangi, Paearu Mahi and Kia Toipoto.	We can demonstrate progress in this area as we have introduced several leadership development initiatives, many of which have a te ao Māori element. This will be an ongoing effort and an area where we would hope to see change over time.
Paearu Mahi (learning, development and assessment programme) This will ensure our leaders have the right competencies to help keep Aotearoa New Zealand safe.	We have made good progress toward this intention. Our pilot programme is finished and has been handed over to business as usual. This is focused on ensuring our people have the right command capability. It is too soon to see the benefit of this, and we will need to monitor it over the coming years.
Continuing learning and development Promoting learning and development will help us improve culture, behaviours and expectations.	We have made progress in this area – particularly for training to support cultural uplift. We can also demonstrate improvements in frontline training. This will be a continuous process and monitoring impacts will be a longer-term process.

FIRE AND EMERGENCY NEW ZEALAND

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High-level intention 2023–2027

Assessment of progress

Digital Strategy and Data and Analytics

This is critical to improving our services and keeping pace with change.

Over the past 12 months we have delivered substantial digital transformation progress. We successfully launched the Modern Data Platform (MDP) with operational Finance and Firewise Dashboards, and implemented comprehensive training and security measures to establish Power BI as our organisational reporting platform.

Our AI evacuation schemes initiative progressed through successful document management trials, and we completed national station risk profiling models to support evidence-based resource allocation decisions.

We developed and launched a frontline emergency response mobile application and a Common Operating Platform and cross-government data-sharing agreements for emergency response. Significant capability investment included data governance with Te Tiriti principles, data literacy training programmes, and Communities of Practice to support enhanced Power BI adoption across the organisation.

Payroll and Human Resources Information System (HRIS) replacement programme

This new system will have improved functionality that will help us to better manage and report on our work and pay our people.

The replacement of the HRIS and Payroll systems is taking longer than expected due to the complexity of our payroll requirements. The programme has procured and designed both HRIS and Payroll solutions, and relevant integrations, built 90% of the HRIS solution, and has prepared a revised implementation business case to complete delivery of these solutions. The business case has been approved by the Board and will be considered by Cabinet in late 2025. The approved designs will enable the desired benefits of improved functionality for end users, better payroll management and improved reporting. We anticipate delivery in early 2027, following a robust testing phase.

Using our risk management framework

The framework will allow us to have focused discussions across the organisation about how to address risks.

We have developed and use guidance documents and resources. We are having more focused discussions and people can articulate risks and what mitigations are in place. A future focus will be ensuring a more consistent application of risk management processes with communication and accountability throughout the business.

Managing our vehicles

This will help us rebuild capacity and improve the condition of our asset base to reflect our needs.

We have made good progress on acquiring replacements for some of our key vehicle assets that are at the end of their useful lives. The build of five new aerial appliances on order was progressed and the appliances are due for delivery in 2025/26.

The first of our Type 3 appliances on order arrived in the country at the end of 2024, with a total of 28 on track for delivery in 2025. We completed the procurement process for our next generation of Type 3 appliances during the year and placed an initial order for 14 next generation Type 3 appliances for delivery in the second half of 2026.

Deliveries of other new appliances continued throughout the year as part of our programme to replace end-of-life appliances.

Improving property

This will help us rebuild capacity and improve the condition of our asset base to reflect our needs.

We made strong progress across our core delivery programmes – advancing basic amenities, exhaust fume management and emergency power resilience.

We delivered targeted asset renewals, replacements and refurbishments portfolio-wide, with a focus on low-cost, high-impact interventions that enhance functionality and extend asset life.

In 2024/25, we also initiated eight larger capital projects, including mid-life refurbishments, seismic strengthening and rebuilds. All are scheduled for completion in 2025/26.

Equipment and logistics

This will help us rebuild capacity and improve the condition of our asset base to reflect our needs.

We are drafting 18 operational equipment capability management plans (CMPs) which define how we source, procure, introduce into service, manage and maintain, retire and dispose of operational equipment. The CMPs will allow us to progressively implement the asset management plans over the next 10 years prioritising investments in order of:

- 1. Health, safety and security compliance
- 2. Minimum performance levels (i.e. minimum viable product)
- 3. Performance against key asset indicators
- 4. Growth and capability improvements

Building our critical communications capability

This will improve the effectiveness of our communications capability.

We have made good progress towards this intention through our activities in the Public Safety Network (PSN) workstream.

A key milestone to date was the stand-up of the PSN Cellular Network Visibility Service (NVS). This new service provides a combined view of cellular coverage from Spark and One NZ and is specifically designed to support emergency services personnel in making informed decisions.

Evidence-based resourcing

This will help ensure we have the skills and equipment in the areas where they are needed to respond to the changing needs of our organisation and Aotearoa New Zealand.

This intention is primarily captured by our Future Operational Capability project, which will help to ensure we have a sustainable operating model. The project established systems, processes and tools to enable the assessment, analysis and framework for evidence-based resourcing.

Financial sustainability

The broader focus of our financial sustainability has now shifted to meeting the Minister's request for savings and navigating the uncertain economic environment. Our financial commentary (page 102) details our cost reduction initiatives undertaken in 2024/25.

Improving how we measure our performance

This is the first step to developing new measures and guidelines for the way we deliver services in communities.

We realigned how we presented our measures in our 2024/25 SPE and have continued to make improvements in our reporting documents. Work is ongoing to develop new measures as part of our Strategic Alignment Programme.

Local Advisory Committees

Local Advisory Committees will help us capture community insights for planning and improving.

We have made good progress towards this intention – particularly in establishing all 16 LACs, meaning there is national coverage of LACs. The benefits will be more clearly demonstrated over time as the LACs mature and all 16 complete full annual cycles of engagement and participation in planning.

Our climate response

Our Carbon Neutral Government Reporting (page 158) details our progress in this area and initiatives under way.

Output class reporting

Pūrongo whakarōpū putanga

Output class reporting for the year ended 30 June 2025 details the revenue and expenditure allocated to each of our reportable outputs compared with budget in the 2024/25 SPE.

The expense and revenue allocation policies are as follows:

Expense allocation

Fire and Emergency allocates expenses to outputs as follows:

- Direct expenditure is calculated by allocating direct costs to specific outputs, as well as via resource allocations based on fire appliance time spent at incidents multiplied by an hourly cost of response (the 'direct response charge'). Fire Appliance Incident Hours for 2024/25 are disclosed in the table opposite.
- Readiness costs (operational costs not directly attributed above) are allocated to all section 11 incident response and rescue outputs (output classes 2–4) based on the proportion of direct expenditure.
- Indirect costs (including non-operational costs and corporate overheads) are allocated to outputs based on the proportion of direct expenditure.

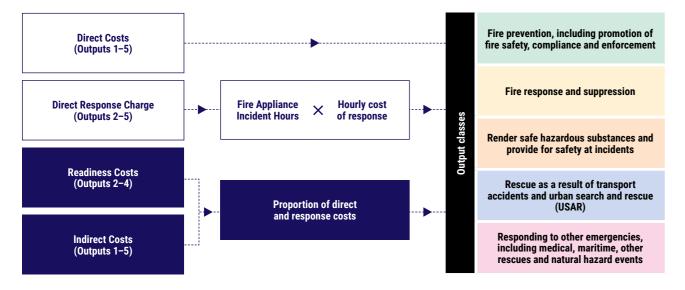
Revenue allocation

The allocations of revenue to outputs are as follows:

- Levy revenue is allocated to each output based on the proportion of expenditure allocated to the outputs.
- · Non-levy revenue that is directly related to outputs is allocated to those outputs.

The output class reporting methodology and model have been tested externally by PwC (December 2018) with a further review by Volte (March 2023).

Output class expenditure allocation model



Fire Appliance Incident Hours by Output Class

2025 Actual

Fire Appliance incident hours

	Fire Appliance incident nours
Output class 1 — Fire prevention including promotion of fire safety, compliance and enforcement	-
Education	-
Advice on building design	-
Fire prevention	-
Monitor and enforcement	-
Output class 2 — Fire response and suppression	127,151
Fire response, structure	37,911
Fire response, vegetation	48,335
Fire response, other	40,905
Output class 3 — Render safe hazardous substances and provide for safety at incidents	2,100
Hazardous substances	2,100
Output class 4 — Rescue as a result of transport accidents and urban search and rescue (USAR)	17,527
Motor vehicle response	16,380
Urban Search and Rescue (USAR)	1,147
Output class 5 — Responding to other emergencies including medical, maritime, other rescues and natural hazard events	18,232
Medical response	10,657
Other responses	6,821
Natural disaster	754
Non-transport-related rescue	-
Ministerial services	-
Total output classes and activities	165,010

FIRE AND EMERGENCY NEW ZEALAND

1.0 Fire prevention including promotion of fire safety, compliance and enforcement

	2025	2025
	Actual	Budget
	\$000	\$000
1.1 Promote fire safety		
Levy	26,690	40,526
Other revenue	2,528	1,371
Total revenue	29,218	41,897
Total expenditure	26,493	39,485
Net surplus/(Deficit)	2,725	2,412
1.2 Provide fire prevention services		
Levy	3,089	4,501
Other revenue	293	152
Total revenue	3,382	4,653
Total expenditure	3,066	4,385
Net surplus/(Deficit)	316	268
1.3 Assist in setting fire safety standards and granting certificates or approvals		
Levy	43,559	59,126
Other revenue	4,977	2,786
Total revenue	48,536	61,912
Total expenditure	43,240	57,607
Net surplus/(Deficit)	5,296	4,305
1.4 Ensure compliance with standards through monitoring and enforcement		
Levy	4,815	6,536
Other revenue	458	221
Total revenue	5,273	6,757
Total expenditure	4,780	6,368
Net surplus/(Deficit)	493	389
Total Output Class 1.0 Fire prevention including promotion of fire safety, compliance a	nd enforcement	
Levy	78,153	110,689
Other revenue	8,256	4,530
Total revenue	86,409	115,219
Total expenditure	77,579	107,845
Net surplus/(Deficit)	8,830	7,374

2.0 Fire response and suppression

	2025 Actual \$000	2025 Budget \$000
2.1 Response to fire		
Levy	566,234	525,799
Other revenue	18,351	7,621
Total revenue	584,585	533,420
Total expenditure	562,082	512,290
Net surplus/(Deficit)	22,503	21,130

3.0 Render safe hazardous substances and provide for safety at incidents

3.1 Response to hazardous substances incidents

Levy	11,588	12,187
Other revenue	373	167
Total revenue	11,961	12,354
Total expenditure	11,503	11,874
Net surplus/(Deficit)	458	480

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

	2025	2025
	Actual	Budget
	\$000	\$000
4.1 Response to transport accidents		
Levy	81,200	97,293
Other revenue	2,475	1,264
Total revenue	83,675	98,557
Total expenditure	80,604	94,793
Net surplus/(Deficit)	3,071	3,764
4.2 Provide urban search and rescue (USAR) services Levy	28,060	38,607
4.2 Provide urban search and rescue (USAR) services		
Other revenue	1,113	700
Total revenue	29,173	39,307
Total expenditure	27,854	37,615
Net surplus/(Deficit)	1,319	1,692
Total Output Class 4.0 Rescue as a result of transport accidents and urban search and rescue		
Levy	109,260	135,900
Other revenue	3,588	1,964
Total revenue	112,848	137,864
Total expenditure	108,458	132,408
Net surplus/(Deficit)	4,390	5,456

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

	2025 Actual \$000	2025 Budget \$000	
5.1 Assist in responding to medical emergencies			
Levy	15,734	19,154	
Other revenue	5,489	5,061	
Total revenue	21,223	24,215	
Total expenditure	15,619	18,662	
Net surplus/(Deficit)	5,604	5,553	
5.2 Assist in responding to other (non-medical-related) emergencies			
Levy	11,393	18,222	
Other revenue	3,989	4,816	
Total revenue	15,382	23,038	
Total expenditure	11,310	17,754	
Net surplus/(Deficit)	4,072	5,284	
5.3 Assist in responding to non-transport-related rescue incidents			
Levy	4,355	4,528	
Other revenue	1,254	1,127	
Total revenue	5,609	5,655	
Total expenditure	4,323	4,412	
Net surplus/(Deficit)	1,286	1,243	
Total Output Class 5.0 Responding to other emergencies including medical, maritime, other rescues and natural hazard events			
Levy	31,482	41,904	
Other revenue	10,732	11,004	
Total revenue	42,214	52,908	
Total expenditure	31,252	40,828	
Net surplus/(Deficit)	10,962	12,080	

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Output summary

Total outputs

	2025	2025
	Actual	Budget
	\$000	\$000
Levy	796,717	826,479
Other revenue	41,300	25,286
Total revenue	838,017	851,765
Total expenditure	790,874	805,245
Net surplus/(Deficit)	47,143	46,520

FIRE AND EMERGENCY NEW ZEALAND

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Pūrongo a te Kaitātari Motuhake



Independent Auditor's report

To the readers of Fire and Emergency New Zealand's annual financial statements and performance information for the year ended 30 June 2025

The Auditor-General is the auditor of Fire and Emergency New Zealand (Fire and Emergency). The Auditor-General has appointed me, Andrew Clark, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the annual financial statements that comprise the statement of financial position as at 30 June 2025, the statement of financial
 performance, statement of other comprehensive revenue and expense, statement of changes in equity, statement of cash flows
 for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory
 information on pages 108 to 154;
- · the performance information that consists of:
 - the statement of performance for the year ended 30 June 2025 on pages 10 to 17, 21 to 63 and 92 to 96; and
 - the end-of-year performance information for appropriations for the year ended 30 June 2025 on page 64.

Opinion

In our opinion:

- · The annual financial statements of Fire and Emergency:
 - fairly present, in all material respects:
 - its financial position as at 30 June 2025; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- The statement of performance fairly presents, in all material respects, Fire and Emergency's service performance for the year ended 30 June 2025. In particular, the statement of performance:
 - provides an appropriate and meaningful basis to enable readers to assess the actual performance of Fire and Emergency for each class of reportable outputs; determined in accordance with generally accepted accounting practice in New Zealand; and
 - fairly presents, in all material respects, for each class of reportable outputs:
 - · the actual performance of Fire and Emergency;
 - · the actual revenue earned; and
 - the output expenses incurred.

as compared with the forecast standards of performance, the expected revenues, and the proposed output expenses included in Fire and Emergency's statement of performance expectations for the financial year; and

- complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- The end-of-year performance information for appropriations:
 - fairly presents, in all material respects:
 - · what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred in relation to the appropriation as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
 - complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.

Our audit was completed on 31 October 2025. This is the date at which our opinion is expressed.

Emphasis of matter – Uncertainties in estimating the provision for non-compliance with the Holidays Act 2003

Without modifying our opinion, we draw your attention to Note 13 on pages 138 and 139 of the financial statements which outlines the progress that Fire and Emergency has made on its project to address identified areas of non-compliance with the Holidays Act 2003. Fire and Emergency has estimated a provision of \$62.4 million to remediate these issues. However, until the remediation calculation stage of the project has been completed, there remain uncertainties surrounding the amount of this provision.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): The Audit of Service Performance Information issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board for the annual financial statements and the performance information

The preparation of the financial statements and performance information of Fire Emergency is the responsibility of the Board.

The Board is responsible on behalf of Fire Emergency for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. This includes preparing performance information that provides an appropriate and meaningful basis to enable readers to assess what has been achieved for the year.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare annual financial statements, a statement of performance, and the end-of-year performance information for appropriations that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, the Board is responsible on behalf of Fire Emergency for assessing Fire Emergency's ability to continue as a going concern

The Board's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the annual financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

FIRE AND EMERGENCY NEW ZEALAND

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations.

For the budget information reported in the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, our procedures were limited to checking that the information agreed to Fire and Emergency's statement of performance expectations or to the Estimates of Appropriations for the Government of New Zealand for the year ending 30 June 2025.

We did not evaluate the security and controls over the electronic publication of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the annual financial statements, the statement of performance, and
 the end-of-year performance information for appropriations, whether due to fraud or error, design and perform audit procedures
 responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk
 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve
 collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Fire and Emergency's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate whether the statement of performance and the end-of-year performance information for appropriations:
 - provide an appropriate and meaningful basis to enable readers to assess the actual performance of Fire and Emergency in
 relation to the forecast performance of Fire and Emergency (for the statement of performance) and what has been achieved
 with the appropriation by Fire and Emergency (for the end-of-year performance information for appropriations). We make
 our evaluation by reference to generally accepted accounting practice in New Zealand; and
 - fairly present the actual performance of Fire and Emergency and what has been achieved with the appropriation by Fire and Emergency for the financial year.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board.
- We evaluate the overall presentation, structure and content of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, including the disclosures, and whether the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises all of the information included in the annual report, but does not include the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, and our auditor's report thereon.

Our opinion on the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of Fire and Emergency in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in, Fire and Emergency.

Andrew Clark
Audit New Zealand

On behalf of the Auditor-General Wellington, New Zealand

andrew Clark

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Our financials

Ā mātau pūrongo ahumoni

Financial commentary

Fire and Emergency's performance is assessed against the budgets, targets and service standards set out in our Statement of Performance Expectations (SPE). The 2024/25 SPE anticipated returning to an operating surplus of \$46.5 million following the 1 July 2024 implementation of the 12.8% increase in transitional levy rates.

The 12.8% increase in transitional levy rates, compounded with an expected growth in the levy base of 3.8% per annum through general economic activity, resulted in budgeted levy of \$826.5 million for 2024/25. However, actual growth in the levy base for the year was negative 0.85%, creating a shortfall in levy of \$29.8 million. The cause of the shortfall in levy was reduced domestic insurance policy volumes, lower levels of commercial insurance cover, and fewer contract works policies. This is the first time the levy base has declined year-on-year in almost two decades.

To minimise the impact of reduced levy revenue on operating surpluses, Fire and Emergency implemented a net \$23.3 million¹⁵ in cost reduction initiatives for 2024/25. This included constraining salary increases, reprioritisation of project funding and embedding organisational efficiencies, including reductions in contractors, consultants and travel expenditure. These cost reduction initiatives, in addition to favourable interest and other revenue, saw a resulting operating surplus of \$47.1 million, \$0.6 million more than budget.

It is possible that levy will not recover to budgeted levels in 2025/26, and upcoming Part 3 levy changes could reduce levy even further. To plan for these pressures, reinvest in priority areas, and meet savings required by the Minister, we have launched several savings initiatives which are reflected in our 2025/26 SPE.

Capital investment and cash reserves

Fire and Emergency plans future operating surpluses and holds significant cash and investment balances. This is necessary for the reasons below.

Replacing infrastructure

We manage nearly \$1.46 billion of assets¹⁶ that are essential to the delivery of fire and emergency services across New Zealand. Maintaining and replacing these assets is a key priority for us, so our personnel can respond safely and effectively for our communities.

Depreciation, as a non-cash expense in the income statement, provides a source of annual cash flow to replace assets. For Fire and Emergency, the amount of annual depreciation (\$77 million this year) is below the level of required capital expenditure (\$85 million spent this year), and these annual differences are expected to continue for the foreseeable future. Therefore, depreciation is fully utilised in funding the replacement of assets on an ongoing basis. The difference arises from two factors. First, depreciation is based on the historical cost of assets, while replacement assets generally cost more than historical cost, meaning that depreciation provides insufficient funding to replace the asset. Second, a sizable proportion of Fire and Emergency's assets are fully depreciated, meaning that the annual depreciation charge doesn't reflect all assets in use.

To maintain our emergency response capability and capacity within funding constraints, we have developed detailed asset management plans across our key infrastructure and asset groups to support the prioritisation and delivery of our capital programme. We estimate that we still have over \$1.3 billion more to invest in infrastructure and assets over the next 10 years to refurbish and replace existing assets, strengthen fire stations and other buildings to the seismic loading standard required in the Building Act 2004, and modify our resource base to respond to shifting climate, risk and incident patterns.

Repayment of loans

Fire and Emergency has annual commitments to repay loans from the Government arising from funding for original costs of amalgamating the 40 legacy organisations in 2017 and the cost of higher firefighter wages following prolonged industrial bargaining. Loan repayments this year were \$13 million, with \$88.3m in Crown loans remaining as at 30 June 2025.

Remediation of non-compliance with the Holidays Act 2003

During 2023/24 we found that we have historically been, and currently are, non-compliant with some payments required by the Holidays Act 2003. The cost to remediate these matters to 30 June 2025 are currently estimated at \$62.4 million. To ensure we can make these payments as soon as practicable, funds have been held in term deposits (investments) while the detailed and complicated remediation calculations are completed.

¹⁵ Excluding \$8.9 million of additional cost-recovered or externally funded expenditure for international deployments and Public Safety Network activity.

Maintaining liquidity

With limited ability to borrow, Fire and Emergency needs to hold a minimum of \$50 million cash reserves to provide funding for working capital (money in the bank to fund day-to-day operations); a liquidity buffer (to allow for delayed levy payments and/or unexpected additional expenses); and extra costs incurred through a significant adverse event (for example, earthquake, major wildfire, widespread flooding).

In addition, in 2026/27 Fire and Emergency will experience a one-month delay in receiving levy income. This will happen when new levy provisions are implemented under the Part 3 levy, enabling levy payments to be paid one month later than is currently the case under the transitional levy. This creates a cash flow issue for the month where levy revenue is not received, so an increased cash reserve is needed to cover costs during this month. We have forecast that an additional \$79 million of cash is needed to cover the transition to the Part 3 levy.

Managing risks under the Part 3 levy

The way levy is calculated will be changing under the Part 3 levy. For example, non-residential buildings currently pay levy based on indemnity value, which is the accounting value of the property. From next July, this will change and the levy will instead be based on the sum insured, which is the amount the property is insured for under the policy.

As many businesses are not fully insuring or insuring for lower values, it is possible there will be a decrease in levy across the three-year period to June 2029. To manage this risk, the savings initiatives aim to build up a financial safety net which can be utilised in the event of levy shortfalls.

Summary of financial results

Fire and Emergency continued to deliver for New Zealand's communities while funding investment in strategic priorities such as the new five-year Strategic Direction and initiatives to ensure our organisation is financially and operationally sustainable, development of the first version of asset management plans, refurbishment and renewal of stations, fire appliance renewals, progressing the replacement of a critical Human Resources Information System (HRIS), and continued investment in improving workplace culture.

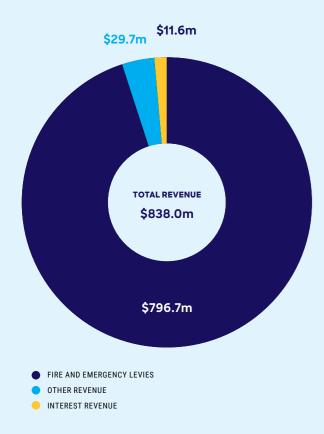
As noted above, despite significant reductions in levy revenue, our financial results were positive, with total revenue \$13.7 million below budget and expenditure \$14.4 million below budget, resulting in a \$47.1 million operating surplus – a small improvement on the budgeted surplus of \$46.5 million.

Further gains in property values of \$36.0 million resulted in an overall increase in net equity of \$83.2 million which, at \$1.522 billion, was \$42.0 million above budget.

A summary of the 2024/25 financial statements¹⁷ is provided below:

	2024/25 Actual \$millions	2024/25 Budget \$millions	2024/25 Variance \$millions
Revenue	838.02	851.77	(13.75)
Expenses	790.88	805.25	14.37
Net Surplus/(Deficit)	47.14	46.52	0.62
Assets	1,870.87	1,789.29	81.58
Liabilities	349.05	309.45	(39.60)
Equity	1,521.82	1,479.84	41.98

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Revenue

Revenue at \$838.0 million was \$13.7 million (1.6%) lower than budget.

The majority of revenue is received from levies on property, construction and motor vehicle insurance. Levy revenue was \$796.7 million for the year, which was \$29.8 million (3.6%) lower than budget. This was largely due to reduced domestic insurance policy volumes, lower levels of commercial insurance cover and fewer contract works policies. This is the first time the levy base has declined year-on-year in almost two decades¹⁸.

Other revenue and interest was \$41.3 million for the year. This was \$16.0 million (63.3%) higher than budget largely due to cost recoveries for international wildfire deployments, and notional revenue to reflect the market value of equipment and services received under arrangements with Next Generation Critical Communications in delivering the Public Safety Network.



Expenses

Expenses at \$790.9 million were \$14.4 million (1.8%) lower than budget, with \$23.3 million of deliberate cost reductions achieved in response to reduced levy. The cost savings were offset by \$8.9 million of additional cost-recovered or externally funded expenditure for deployments and Public Safety Network activity.

The majority of operating expenses are personnel related, which include salaries and wages, superannuation, ACC levies, and employee and volunteer benefits. Personnel costs were \$516.2 million for the year, which was \$9.9 million lower than budget (1.9%). Cost reductions were primarily through a reduced rate of salary increases and reductions in the use of contractors.

All other expenses totalled \$274.7 million, \$4.5 million (1.6%) lower than budget, resulting from reprioritisation of project funding and embedding organisational efficiencies.

Assets

Assets were \$1.87 billion, of which \$1.46 billion is land and buildings, fire appliances, motor vehicles and equipment, \$220.7 million is cash and investments, and \$193.8 million is receivables and other assets. The positive result compared to budget is largely due to the increased value of land and buildings which is revalued each year, and increased cash and investments held in reserve to fund implementation of the new Part 3 levy regime, remediation of non-compliance with the Holidays Act 2003 and replacement of capital assets.

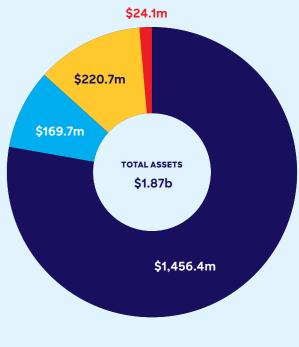
During the year, we invested \$84.8 million in fire stations, fire appliances, motor vehicles, and other assets, which was \$3.6 million below budget (4.1%). This primarily resulted from disruptions in the international trading environment and supply chain impacting the timing of delivery of fire appliances, and refining requirements across several property projects.

Cash and investments were \$220.7 million at year end, \$41.3 million higher than budget (23.0%). This is mostly due to starting the year with a higher than budgeted cash position and cost reductions. The ring-fenced investments to fund the estimated costs of remediating non-compliance with the Holidays Act 2003 increased from \$48 million to \$60 million, with remediation payments expected to commence during the 2026.

Receivables, the third largest asset category, was \$169.7 million at year end. Over 95% of this is levies due, where payment terms are governed by legislation.

Liabilities

Fire and Emergency continues to maintain a low level of liabilities compared to assets. Liabilities totalled \$349.1 million at year end and included employee and volunteer leave and entitlements of \$115.5 million and loans repayable to the Crown of \$88.3 million. The increase above budget is mostly due to an increase in the provision for the estimated costs of remediating non-compliance with the Holidays Act 2003.





RECEIVABLES



EMPLOYEE AND VOLUNTEER LIABILITIES

FIRE AND EMERGENCY NEW ZEALAND

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O CASH AND INVESTMENTS

OTHER ASSETS

FUNDING REPAYABLE TO THE CROWN
 TRADE AND OTHER PAYABLES

IRADE AND OTHER PAYABLES

OTHER LIABILITIES

 $^{\,}$ 18 $\,$ Based on 2024/25 levy excluding the 12.8% transitional levy rate increase.

Statement of financial performance

For the year ended 30 June 2025

		2025 Actual	2025 Budget	2024 Actual
	Note	\$000	\$000	\$000
Revenue				
Levy		796,717	826,479	712,013
Interest revenue		11,614	9,942	12,134
Other revenue	2	29,686	15,344	25,162
Total revenue		838,017	851,765	749,309
Expense				_
Employee and volunteer benefits expense	3	516,151	526,064	552,508
Depreciation and amortisation expense	8,9	77,160	73,998	77,003
Finance cost		2,976	3,711	2,426
Other expense	4	194,587	201,472	190,229
Total expense		790,874	805,245	822,166
Net surplus/(deficit)		47,143	46,520	(72,857)

Statement of other comprehensive revenue and expense

For the year ended 30 June 2025

	Note	2025 Actual \$000	2025 Budget \$000	2024 Actual \$000
Net surplus/(deficit)		47,143	46,520	(72,857)
Other comprehensive revenue and expense Items that will not be reclassified to surplus/(deficit)				
Gain on revaluation of land and buildings	8	36,070	30,000	61,337
Total other comprehensive revenue and expense		36,070	30,000	61,337
Total comprehensive revenue and expense		83,213	76,520	(11,520)

Statement of financial position

As at 30 June 2025

	Note	2025 Actual \$000	2025 Budget \$000	2024 Actual \$000
Assets				
Current assets				
Cash and cash equivalents	5	160,657	131,361	130,619
Trade and other receivables	6	169,699	171,182	152,220
Prepayments		5,432	5,399	2,321
Investments	7	48,000	48,000	10,000
Derivative Financial Assets - Current	18	310	-	-
Total current assets		384,098	355,942	295,160
Non-current assets				
Investments	7	12,000	-	48,000
Property, plant and equipment	8	1,456,416	1,416,867	1,422,365
Intangible assets	9	18,363	16,477	11,218
Total non-current assets		1,486,779	1,433,344	1,481,583
Total assets		1,870,877	1,789,286	1,776,743
Liabilities				
Current liabilities				
Trade and other payables	10	55,487	48,074	62,171
Employee and volunteer benefits	11	63,453	63,604	67,132
Borrowings	12	24,130	24,110	16,096
Provisions	13	77,907	52,506	68,014
Other current liabilities		384	-	384
Derivative Financial Liabilities - Current	18	-	-	183
Total current liabilities		221,361	188,294	213,980
Non-current liabilities				
Employee and volunteer benefits	11	52,081	45,642	48,491
Borrowings	12	68,509	68,876	67,639
Provisions	13	7,007	6,635	7,497
Other non-current liabilities		96	-	481
Derivative Financial Liabilities - Non-current	18	-	-	45
Total non-current liabilities		127,693	121,153	124,153
Total liabilities		349,054	309,447	338,133
Net assets		1,521,823	1,479,839	1,438,610

Explanations of major variances against budget are provided in Note 22. The accompanying notes form part of these financial statements.

Equity	Note	2025 Actual \$000	2025 Budget \$000	2024 Actual \$000
Accumulated funds ¹⁹	14	742,295	724,609	659,932
Seismic resilience reserve	14	-	27,317	39,429
Payroll Compliance Reserve	14	62,399	48,000	58,000
Revaluation reserves	14	717,129	679,913	681,249
Total equity		1,521,823	1,479,839	1,438,610

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¹⁹ Includes Crown Funding Injections – refer to Note 14.

Explanations of major variances against budget are provided in Note 22. The accompanying notes form part of these financial statements.

Statement of changes in equity

For the year ended 30 June 2025

Note	2025 Actual \$000	2025 Budget \$000	2024 Actual \$000
Equity as at 1 July	1,438,610	1,403,319	1,450,130
Total comprehensive revenue and expense	83,213	76,520	(11,520)
Equity as at 30 June 14	1,521,823	1,479,839	1,438,610

Statement of cash flows

For the year ended 30 June 2025

To the year chack of bank 2020				
	Note	2025 Actual \$000	2025 Budget \$000	2024 Actual \$000
Cash flows from operating activities				
Receipts from levy		776,322	801,646	705,140
Receipts from other revenue		34,524	15,344	32,865
Interest received		8,996	9,833	12,283
Net GST received/(paid)		(356)	-	1,910
Payments to employees and volunteers		(505,956)	(523,365)	(494,384)
Payments to suppliers for goods and services		(198,520)	(211,376)	(193,814)
Net cash flow from operating activities		115,010	92,082	64,000
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment		164	-	375
Purchase of property, plant and equipment		(80,262)	(85,406)	(74,041)
Purchase of intangibles		(8,802)	(3,003)	(10,060)
Investment in Term Deposit		(12,000)	-	(58,000)
Maturity of Term Deposit		10,000	10,000	-
Net cash flow from investing activities		(90,900)	(78,409)	(141,726)
Cash flows from financing activities		·		
Proceeds from Crown Loan	12	25,000	25,000	25,000
Repayments of repayable Crown funding injection	12	(13,000)	(13,000)	(13,000)
Payments on finance leases		(3,254)	(3,037)	(3,356)
Interest paid		(2,818)	(3,545)	(2,109)
Net cash flow from financing activities		5,928	5,418	6,535
Net increase/(decrease) in cash and cash equivalents		30,038	19,091	(71,191)
Cash and cash equivalents at beginning of the year		130,619	112,270	201,810
Cash and cash equivalents at end of the year	5	160,657	131,361	130,619

Reconciliation of net surplus/(deficit) to net cash flow from operating activities

Note	2025 Actual \$000	2024 Actual \$000
Surplus/(deficit)	47,143	(72,857)
Add/(subtract) non cash items		
Depreciation and amortisation expense	77,160	77,003
Interest amortisation	2,592	273
Donated assets	(510)	(95)
Total non cash items	79,242	77,181
Add/(less) items classified as investing or financing activities		
(Gains)/losses on disposal of property, plant and equipment	1,612	661
Interest on finance leases	384	2,153
Total items classified as investing or financing activities	1,996	2,814
Add/(less) movements in working capital items		
(Increase)/Decrease in trade and other receivables	(17,479)	(11,320)
(Increase)/Decrease in prepayments	(3,111)	2,435
Increase /(Decrease) in trade and other payables	(1,482)	7,461
Increase /(Decrease) in employee and volunteer benefits	(89)	(1,135)
Increase /(Decrease) in provisions	8,790	59,421
Net movement in working capital items	(13,371)	56,862
Net cash inflow from operating activities	115,010	64,000

Explanations of major variances against budget are provided in Note 22. The accompanying notes form part of these financial statements.

Notes to the financial statements

1. Statement of accounting policies for the year ended 30 June 2025

Reporting entity

Fire and Emergency New Zealand is a body constituted under the Fire and Emergency New Zealand Act 2017 (the Act). Fire and Emergency is a Crown entity as defined by the Crown Entities Act 2004. Fire and Emergency's ultimate parent is the New Zealand Crown. Fire and Emergency is a stand-alone entity. As a Crown entity, Fire and Emergency is a public body accountable to the Responsible Minister, Parliament and the New Zealand public for the statutory functions it undertakes, the services it delivers and the resources it manages.

The primary objective of Fire and Emergency is to reduce the incidence of unwanted fire and the associated risk to life and property, and through its main and additional functions to protect and preserve life, prevent or limit injury, and to prevent or limit damage to property, land and the environment. Fire and Emergency's functions are to deliver services to the New Zealand public rather than to make a financial return. Fire and Emergency has designated itself as a Public Benefit Entity (PBE) for financial reporting purposes.

These financial statements for Fire and Emergency are for the year ended 30 June 2025 and were authorised for issue by the Board on 31 October 2025.

Basis of preparation

Statement of compliance

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period. These financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

Fire and Emergency is a Tier 1 entity, and the financial statements have been prepared in accordance with PBE International Public Sector Accounting Standards (PBE IPSAS). These financial statements comply with PBE Standards.

Presentation currency and rounding

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

New or amended standards adopted

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1)

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1) has been adopted in the preparation of these financial statements. The amendment changes the required disclosures for fees for services provided by the audit or review provider, including a requirement to disaggregate the fees into specified categories. This new disclosure is included in Note 4.

Changes in accounting policies

There have been no other changes in accounting policies.

Standards issued and not yet effective, and not early adopted

There are no standards or amendments issued that are expected to have a material impact on Fire and Emergency.

Summary of significant accounting policies

Significant accounting policies are included in the note to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Levy revenue

Levy is payable on all contracts of insurance against the risk of fire where assets in New Zealand are covered. Levy receipts are regarded as non-exchange transactions, as the payment of levy does not of itself entitle a levy payer to an equivalent value of services or benefits. There is no relationship between paying levy and receiving services from Fire and Emergency.

Levy revenue is recognised as revenue when the obligation to pay the levy is incurred.

Volunteer services

The operations of Fire and Emergency are dependent on the services provided by volunteer firefighters. Their contributions are essential to the provision of a comprehensive, efficient and effective emergency service throughout New Zealand. Fire and Emergency provides a small number of gratuities and reimbursements to volunteer firefighters which are recognised as expenditure. The total value of volunteer services received is not recognised as revenue or expense by Fire and Emergency due to the difficulty of measuring the fair value with reliability.

Foreign currency transactions

Foreign currency transactions are translated into NZD (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Goods and services tax

Figures reported in the financial statements are goods and services tax (GST) exclusive with the exception of trade 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 or payable to the Inland Revenue, is included as part of receivables or payables in the Statement of financial position. Commitments and contingencies are disclosed as GST exclusive. The Statement of cash flows has been prepared on a net GST basis, with cash receipts and payments presented as GST exclusive. A net GST presentation has been chosen to be consistent with the presentation of the Statement of financial performance and Statement of financial position. The net GST paid to or received from Inland Revenue, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of cash flows. The GST component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

Income tax

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

Budget figures

The budget figures were approved by the Board on 25 June 2024 as part of the 2024/25 Statement of Performance Expectations (SPE). The budget figures are unaudited and have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.

Critical accounting estimates and assumptions

The preparation of financial statements in conforming with PBE IPSAS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are also reviewed on an ongoing basis and any changes to the estimates are recognised in the period in which they were revised. Any revision affecting future periods is recognised in the periods affected. Judgements that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the notes to the financial statements when they occur.

The following estimates and significant assumptions have the greatest risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Fair value of land and buildings refer to Note 8
- Useful lives and residual value of property, plant and equipment refer to Note 8
- Measuring long service leave and gratuities refer to Note 11
- Levy receivables refer to Note 6
- Payroll Compliance provision Holidays Act 2003 refer to Note 13.

Critical judgement in applying accounting policies

Management has assessed there were no critical judgements in applying accounting policies which would have a significant effect on the financial statements for the period ended 30 June 2025.

2. Other revenue

Non-exchange revenue

Non-exchange transactions are those where Fire and Emergency receives value from another entity (e.g. cash or other assets) without giving approximately equal value in exchange.

Non-exchange revenue is recognised as revenue when it becomes receivable unless there is an obligation in substance to return the funds if conditions are not met.

Fire and Emergency recognises public good contributions and good corporate citizen contributions as non-exchange revenue.

Public good contributions relate to Government support for the public good element of Fire and Emergency services.

Good corporate citizen contributions are voluntarily assessed amounts paid by owners who do not insure their property.

Donated assets

Where a physical asset is acquired for no cost or nominal cost, the fair value of the asset received is recognised as revenue only when Fire and Emergency has control of the asset.

Volunteer Fire Brigades have assets that are donated or self-funded. As Fire and Emergency does not have control over these assets, they are not recorded by Fire and Emergency in the financial statements. Maintenance support is provided by Fire and Emergency for these assets.

Where a physical asset is gifted or acquired by Fire and Emergency for nil consideration or at a subsidised cost, the asset is recognised at fair value and the difference between the consideration provided and fair value of the asset is recognised as revenue. The fair value of donated assets is determined as follows:

- For new assets, fair value is usually determined by the retail price of the same or similar assets at the time the asset was received; or
- · For used assets, fair value is usually determined by market information for assets of a similar type, condition and age.

Donations, by their nature, vary each year. Donations this year consist solely of property transfers and vehicle donations.

Equipment and service arrangements

Fire and Emergency is receiving equipment and services through arrangements with Next Generation Critical Communications. The difference between the fair value and consideration payable of equipment and services received under arrangements is recognised as revenue in the financial year they are received. These arrangements are further disclosed in Note 20.

Provision of services

Services to third parties (such as monitoring private fire alarms) is recognised in the financial year in which the services are provided in proportion to the stage of completion at balance date.

Rental revenue

Rental received under operating leases is recognised as revenue on a straight-line basis over the term of the lease.

	2025 Actual \$000	2024 Actual \$000
Non-exchange revenue		
Public good contributions	8,000	10,000
Good corporate citizen contributions	2,167	2,234
Donations	755	541
Equipment and service arrangements	8,767	-
Total non-exchange other revenue	19,689	12,775
Exchange revenue		
Monitoring private fire alarms	1,670	1,624
Gain on disposal of property, plant and equipment	30	437
Insurance proceeds	1,217	675
Rental revenue	504	447
Miscellaneous revenue	6,576	9,204
Total exchange other revenue	9,997	12,387
Total other revenue	29,686	25,162

3. Employee and volunteer benefits expenses

Salaries and wages

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

Superannuation schemes

Defined contribution schemes

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

Defined benefit schemes

Fire and Emergency makes contributions to the National Provident Fund Defined Benefit Plan Contributors Scheme (the Scheme), which is a multi-employer defined benefit scheme. It is not possible to determine from the terms of the Scheme the extent to which the surplus/(deficit) will affect future contributions by individual employers, as there is no prescribed basis for allocation.

Although this is a defined benefit scheme, there is insufficient information to account for the Scheme as a defined benefit scheme. Therefore, the Scheme is accounted for as a defined contribution scheme.

	2025 Actual \$000	2024 Actual \$000
Salaries and wages	412,592	400,487
Employer contributions to superannuation schemes	32,121	31,932
ACC levies	7,114	6,484
Remediation of Payroll Non-Compliance	-	58,000
Other employee and volunteer benefits expense	64,324	55,605
Total employee and volunteer benefits expense	516,151	552,508

Statutory Remuneration Disclosures

Section 152 of the Crown Entities Act 2004 (CEA) requires Crown entities to disclose information about payments to members, committee members and employees in their annual reports.

The CEA does not require this information to be disclosed within the audited financial statements, with Audit New Zealand recommending entities relocate these statutory disclosures to outside of the audited financial statements. In our previous financial statements, our approach was to include these statutory disclosures in the notes to the financial statements, however these can now be found in appendix 1.

Defined benefit schemes

The funding arrangements for the scheme are governed by section 44 of the National Provident Fund Restructuring Act 1990 and by a Trust Deed. This Act requires that any increase or decrease to the employer contribution rate should result in contributions being at a level which, on reasonable assumptions, is likely to achieve neither a surplus nor a deficit in the trust fund of the Defined Benefits Plan (DBP) scheme at the time that the last contributor to that scheme ceases to contribute. The Trust Deed specifies that immediately before the scheme is wound up, the assets and the interests of all contributors in the scheme will be transferred to the DBP Annuitants Scheme. Employers have no right to withdraw from the plan.

In practice, at present, a single contribution rate is determined for all employers, which is expressed as a multiple of the contributions of members of the scheme who are employees of that employer. The current employer contribution rate is four times contributor contributions, inclusive of Employer Contribution Withholding Tax. There is no minimum funding requirement.

The scheme had 17 members at 31 March 2025. One was a current employee of Fire and Emergency. This employee has since exited the scheme and therefore Fire and Emergency does not hold any future liability for this scheme.

4. Other expenses

Operating leases

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

Other expenses

Other expenses are recognised as goods and services are received.

	2025 Actual \$000	2024 Actual \$000
Occupancy	34,844	30,911
Fleet	31,352	31,442
Operational clothing, equipment and consumables	25,321	25,409
Computer maintenance and support	24,062	23,365
Professional fees and consultants	23,534	26,642
Travel	13,505	13,613
Communications	10,268	9,983
Hire of aerial services	8,488	6,475
Insurance	5,887	5,431
Publicity and advertising	5,290	5,849
Grants	4,002	3,985
Loss on disposal of property, plant and equipment	1,642	1,098
Purchase of equipment < \$1,000	1,415	1,517
Printing, stationery and postage	1,338	1,426
Research and development	992	1,169
Impairment of property, plant and equipment	715	-
Auditors - Audit New Zealand fees for statutory audit of the financial report	321	301
Other audit fees for other services	271	212
Remuneration of the Board	195	196
Auditors - Audit New Zealand fees for other services	26	32
Impairment of receivables	(99)	1
Other expenses	1,218	1,172
Total other expenses	194,587	190,229

Operating lease expense

The following operating lease expenses are included in total other expenses.

	2025 Actual \$000	2024 Actual \$000
Occupancy - property leases	8,292	7,436
Occupancy - car park leases	161	189
Fleet - vehicle leases	4,963	5,348
Total operating lease payments	13,416	12,973

Fees incurred for services provided by our audit firm

Fire and Emergency's financial statements and service performance information for the year ended 30 June 2025 are audited by Audit New Zealand on behalf of the Auditor-General.

During the year, the following fees were incurred for services provided by our audit firm:

	2025 Actual \$000	2024 Actual \$000
Audit of the Annual Report	321	301
Other audit or review related services Aviation Services procurement process Review	4	
Personal Protective Clothing and Associated Logistics Services Review	17	19
Fleet Replacement Programme Tender Process Review	5	-
Procurement of Accommodation and Meal Services Probity Review	-	13
Total Other audit or review related expenses	26	32
Total operating expenses for audit and review related services	347	333

5. Cash and cash equivalents

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

	2025 Actual \$000	2024 Actual \$000
Cash on hand and at bank	55,657	65,619
Short term deposits	105,000	65,000
Total cash and cash equivalents	160,657	130,619

Cash and cash equivalents were \$160.66 million at year end. Cash is held in reserve to fund:

- **Operating Cash Flow** minimum cash balances of \$50 million are required for working capital, a liquidity buffer, and to fund significant adverse events
- Capital Investment replacement of fleet vehicles and buildings which are at the end of their useful life, and the upgrade of buildings at seismic risk
- **Repayment of Loans** repayment of loans from the Government arising from amalgamating the 40 legacy organisations in 2017 and the cost of higher firefighter wages
- Delay in Levy Receipts future delays in the payment of levies when new levy provisions are implemented under Part 3 of the Act
- **Risks under Part 3 levy** changes in the way levy is calculated under Part 3 Levy may reduce levy collections across the three-year period to June 2029. Cash is held to manage this risk in the event of levy shortfalls.

No collateral or other securities are held by Fire and Emergency with respect to cash and deposits at the financial institutions.

Sensitivity analysis

The weighted average effective interest rate for term deposits at 30 June 2025 was 4.57 percent (2024: 6.18 percent). As at 30 June 2025, if the interest rates increased/decreased by 25 basis points, the interest revenue for the year and accumulated funds would increase/decrease by \$0.55 million (2024: \$0.47 million).

Cash and cash equivalents management

Fire and Emergency aims to hold minimum cash reserves of at least \$50 million to provide funding for:

- · working capital (to fund day-to-day operations) of \$25 million;
- liquidity buffer (to allow for delayed levy receipts and/or unexpected payments) of \$10 million; and
- one significant adverse event (e.g. earthquake, major fire, terrorist event) of \$15 million.

In addition to the minimum cash reserves, as at June 2025, \$2.40 million (2024: \$39.43 million) was ring-fenced to support the following reserves:

	Note	2025 Actual \$000	2024 Actual \$000
Seismic resilience reserve	14	-	39,429
Capital infrastructure investment reserve	14	2,399	-
Total reserves supported by cash and cash equivalents		2,399	39,429

6. Trade and other receivables

Short-term receivables are recorded at the amount due, less an allowance for credit losses. Fire and Emergency applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on days past due.

Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

	2025 Actual \$000	2024 Actual \$000
Receivables under non-exchange transactions		_
Levy receivables	165,088	141,462
Total receivables under non-exchange transactions	165,088	141,462
Receivables under exchange transactions		
Other receivables	4,896	11,142
Less: allowance for credit losses	(285)	(384)
Total receivables under exchange transactions	4,611	10,758
Total receivables	169,699	152,220

Trade and other receivables mainly arise from Fire and Emergency's statutory functions, and the carrying value approximates their fair value. Fire and Emergency does not have any significant concentration of credit risk in relation to trade and other receivables. There are no procedures in place to monitor or report the credit quality with reference to internal or external credit ratings. No collateral is held as security for any trade and other receivables, and Fire and Emergency's credit exposures are limited to the individual balances. Fire and Emergency does not have any receivables at year end (2024: \$nil) that would otherwise be past due, but not impaired, whose terms have been renegotiated.

Allowance for credit losses

The expected credit loss rates for receivables are based on the payment profile over the prior two years at the measurement date and the corresponding historical credit losses experienced for that period. There have been no changes during the reporting in estimation techniques or significant assumptions used in measuring the loss allowance.

Critical accounting estimate and assumption

Levy receivables

Levy receivables includes accrued levy. As information on levies charged is received by Fire and Emergency in arrears, a model is used to estimate the accrued levy. This detailed levy forecast model uses information within Fire and Emergency's levy database, as well as a number of external drivers. The model is subject to judgement on the amount of levy that will be received.

7. Investments

Bank term deposits

Bank term deposits are initially measured at the amount invested. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

	2025 Actual \$000	2024 Actual \$000
Current Investments		
Term Deposits	48,000	10,000
Total current investments	48,000	10,000
Non-Current Investments		
Term Deposits	12,000	48,000
Total non-current investments	12,000	48,000
Total Investments	60,000	58,000

Fire and Emergency considers there is no significant credit risk for investments in term deposits because the issuer of the investment continues to have low credit risk at balance date. Term deposits are held with banks that have a long-term A and AA-investment grade credit ratings, which indicates the bank has a very strong capacity to meet its financial commitments. No loss allowance for expected credit losses has been recognised because the estimated 12-month expected loss allowance for credit losses is trivial.

The carrying amounts of term deposits with maturities of 12 months or less approximate their fair value.

The fair value of term deposits with remaining maturities in excess of 12 months is \$11.7 million (2024: \$49.7 million).

Term deposit management

As at 30 June 2025, \$60 million (2024: \$58 million) is ring-fenced to support the Payroll Compliance Reserve. The maturity dates of these term deposits are set to align with the expected remediation of historical payroll non-compliance.

8. Property, plant and equipment

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

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

Revaluations

Land and buildings are revalued annually to ensure that their carrying amount does not differ materially from fair value.

Land and building revaluation movements are accounted for on a class-of-asset basis.

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

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

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to Fire and Emergency and the cost of the item can be measured reliably.

Assets under construction are recognised at cost less impairment and are not depreciated.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Fire and Emergency and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are expensed in the surplus or deficit as they are incurred.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in revaluation reserves in respect of those assets are transferred to the accumulated funds.

Depreciation

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

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

Buildings	Up to 80 years
Fire Appliances	Up to 30 years
Motor Vehicles	Up to 20 years
Communications Equipment	Up to 10 years
Computer Equipment	Up to 4 years
Operational Equipment	Up to 12 years
Non-operational Equipment	Up to 15 years
Leasehold Improvements	Up to 30 years

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

Impairment

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

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

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

For assets that are not revalued, impairment losses and reversals of impairment are recognised in the surplus or deficit.

For the year ended 30 June 2025

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		Š	file appliance	Motor Vehi	Communication	le suive solo	Non operations	Computer of the computer of th	hohodui,	Sille
	puo,	Buildings	il ^o	Noo	Con spirit	00 60	Ao spin	Su	28 TH	10/2
					\$00					
Cost or valuation	460,931	676,627	413,886	8,817	56,167	146,405	49,025	31,876	15,638	1,859,372
Accumulated depreciation	-	-	(240,620)	(6,785)	(33,036)	(93,908)	(32,913)	(19,725)	(10,020)	(437,007)
Net book value at beginning of year	460,931	676,627	173,266	2,032	23,131	52,497	16,112	12,151	5,618	1,422,365
Acquisitions	465	25,384	20,465	346	10,204	18,048	385	613	42	75,952
Disposals	(3)	(1,105)	(1,143)	(132)	(17)	(3,205)	(11)	(79)	-	(5,695)
Transfers	10	(5,477)	(312)	156	541	(157)	5,006	(113)	539	193
Revaluation movement	1,258	2,006	-	-	-	-	-	-	-	3,264
Impairment	-	-	-	-	-	-	(715)	-	-	(715)
Depreciation expense	-	(32,172)	(21,386)	(409)	(5,104)	(8,031)	(3,950)	(2,780)	(1,576)	(75,408)
Accumulated depreciation reversed on disposal	-	12	1,127	132	14	2,367	2	-	-	3,654
Transfers of accumulated depreciation	-	(646)	-	-	(330)	5	(5)	330	646	-
Accumulated depreciation reversed on revaluation	-	32,806	-	-	-	-	-	-	-	32,806
Cost or valuation	462,661	697,435	432,896	9,187	66,895	161,091	53,690	32,297	16,219	1,932,371
Accumulated depreciation	-	-	(260,879)	(7,062)	(38,456)	(99,567)	(36,866)	(22,175)	(10,950)	(475,955)
Net book value at end of year	462,661	697,435	172,017	2,125	28,439	61,524	16,824	10,122	5,269	1,456,416
Includes assets under construction	69	26,279	40,099	43	12,501	22,462	1,083	7,786	55	110,377
Includes finance leases	-	-	-	-	3,910	-	-	-	-	3,910

For the year ended 30 June 2024

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	Pue,	Buildings	File Papilish	Motor Well.	Communication of the state of t	le jui pa le jui	Non operations	Computer of dupment	(essenor	1640/
					\$00				• •	
Cost or valuation	462,618	618,738	392,472	9,723	48,002	141,162	43,604	32,634	11,934	1,760,887
Accumulated depreciation	-	-	(222,519)	(6,791)	(26,737)	(91,687)	(28,815)	(17,262)	(9,336)	(403,147)
Net book value at beginning of year	462,618	618,738	169,953	2,932	21,265	49,475	14,789	15,372	2,598	1,357,740
Acquisitions	8,007	15,984	26,031	307	5,326	11,275	6,821	325	3,861	77,937
Disposals	-	-	(5,564)	(112)	(13)	(6,494)	-	-	-	(12,183)
Transfers	(538)	(10)	947	(1,101)	2,852	462	(1,400)	(1,083)	(157)	(28)
Revaluation movement	(9,156)	41,915	-	-	-	-	-	-	-	32,759
Depreciation expense	-	(28,578)	(23,165)	(90)	(6,312)	(8,501)	(4,098)	(2,463)	(684)	(73,891)
Accumulated depreciation reversed on disposal	-	-	5,064	96	13	6,280	-	-	-	11,453
Accumulated depreciation reversed on revaluation	-	28,578	-	-	-	-	-	-	-	28,578
Cost or valuation	460,931	676,627	413,886	8,817	56,167	146,405	49,025	31,876	15,638	1,859,372
Accumulated depreciation	-	-	(240,620)	(6,785)	(33,036)	(93,908)	(32,913)	(19,725)	(10,020)	(437,007)
Net book value at end of year	460,931	676,627	173,266	2,032	23,131	52,497	16,112	12,151	5,618	1,422,365
Includes assets under construction	161	36,687	33,594	293	11,051	16,133	1,328	9,767	232	109,246
Includes finance leases		-	-	-	7,032	-	-	-	-	7,032

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Critical accounting estimate and assumption

Estimating the fair value of land and buildings

The most recent valuation of land and buildings was performed by an independent registered valuer, CBRE Ltd. The valuation is effective as at 30 June 2025.

All properties are inspected in a three-year cycle, and a desktop valuation exercise is carried out on those properties that are not physically inspected. Fire and Emergency had 537 properties (2024: 520) in its property portfolio at year end, of which 253 (2024: 243) were inspected during the year (representing 47 percent of the portfolio).

Property consists primarily of special-purpose fire stations, land and buildings, which form an integral part of the operational network.

Specialised buildings are valued using depreciated replacement cost because no reliable market data is available for such buildings.

Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions include the following:

- The replacement asset is based on the reproduction cost of the specific assets with adjustments where appropriate for optimisation due to over-design or surplus capacity. There have been no optimisation adjustments for the most recent valuations
- · The replacement cost is derived from recent construction contracts and costing databases/information
- The remaining useful life of assets is estimated after considering factors such as physical deterioration, functional obsolescence and economic obsolescence
- · Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Non-specialised buildings and land have been valued using market-based evidence. This approach involves reference to sales of properties which have similar attributes to the subject property. Subjective adjustments are applied where necessary to account for factors which have a direct impact on the sale price and value.

Land is valued on the highest and best use of the land. Where land is designated or zoned specifically for the activity of the Fire and Emergency, likely alternative use of the land and the prospect of the designation being uplifted has been considered.

Fire and Emergency requires a minimum standard for earthquake resilience of at least 34 percent of Importance Level 4 (IL4) of the current seismic loading standard as defined in the Building Act 2004 for fire stations (and other operational areas).

Property, plant and equipment useful lives and residential value

The useful lives and residual values of property, plant and equipment are reviewed at each balance date. Assessing the appropriateness of useful life and residual value estimates requires Fire and Emergency 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 expense recognised in the surplus or deficit, and the carrying amount of the asset in the Statement of financial position. Fire and Emergency minimises the risk of this estimation process by:

- physical inspection of assets
- asset replacement programmes
- · analysis of previous asset sales.

As at 30 June 2025, Fire and Emergency has not made any significant changes to past estimates of useful lives and residual values.

9. Intangible assets

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

Computer software

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

Shared Information Technology Environment (SITE)

SITE is a systems and technology platform that supports receiving calls and dispatching resources to emergency incidents. The asset represents Fire and Emergency's proportional share of SITE located at communication centres shared with New Zealand Police (Auckland, Wellington and Christchurch). These SITE assets include intergraph computer aided dispatch (ICAD) software, a land mobile radio network, and associated telecommunications structures. New Zealand Police maintain SITE and proportionally charges Fire and Emergency. This charge is recognised in the surplus or deficit.

Disposals

Gains and losses on the disposal of intangible assets are determined by comparing the proceeds with the carrying amounts of the assets, less any disposal costs. Gains and losses on disposal are recognised in the surplus or deficit when they occur.

Amortisation

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

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

Computer software internally generated	Up to 10 years
Computer software purchased	Up to 10 years
SITE	Up to 10 years

Fire and Emergency does not own any intangible assets with an indefinite life.

Impairment of intangible assets

The carrying amounts of intangibles are reviewed at least annually to determine if there is any indication of impairment. Impairment exists when an asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use. Impaired assets are written down to their recoverable amount. Impairment losses and reversals of impairment on intangible assets are recognised in the surplus or deficit.

For the year ended 30 June 2025

	Computer software (internally generated)	Computer software (purchased)	Shared Information Technology Environment (SITE)	Total
	\$000	\$000	\$000	\$000
Cost or valuation	34,700	24,620	18,930	78,250
Accumulated amortisation	(23,544)	(24,620)	(18,868)	(67,032)
Net book value at beginning of year	11,156	-	62	11,218
Acquisitions	7,953	840	92	8,885
Disposals	-	-	(13)	(13)
Transfers	-	25	-	25
Amortisation expense	(1,703)	(13)	(36)	(1,752)
Cost or valuation	42,653	25,485	19,009	87,147
Accumulated amortisation	(25,247)	(24,633)	(18,904)	(68,784)
Net book value at end of year	17,406	852	105	18,363
Includes assets under construction	1,188	840	92	2,120

For the year ended 30 June 2024

	Computer software (internally generated)	Computer software (purchased)	Shared Information Technology Environment (SITE)	Total
	\$000	\$000	\$000	\$000
Cost or valuation	25,574	24,620	18,958	69,152
Accumulated amortisation	(21,768)	(23,393)	(18,759)	(63,920)
Net book value at beginning of year	3,806	1,227	199	5,232
Acquisitions	9,126	-	-	9,126
Disposals	-	-	-	-
Transfers	-	-	(28)	(28)
Amortisation expense	(1,776)	(1,227)	(109)	(3,112)
Cost or valuation	34,700	24,620	18,930	78,250
Accumulated amortisation	(23,544)	(24,620)	(18,868)	(67,032)
Net book value at end of year	11,156	-	62	11,218
Includes assets under construction	2,526	-	13	2,539

No restrictions are placed over the title of Fire and Emergency's intangible assets, nor are any assets pledged as security for liabilities.

10. Trade and other payables

Short-term payables are recorded at the amount payable.

	2025 Actual \$000	2024 Actual \$000
Payables under exchange transactions		
Trade payables	8,704	10,141
Accrued expenses	17,556	22,474
Total payables under exchange transactions	26,260	32,615
Payables under non exchange transactions		
Accident compensation	545	659
Levy in advance	6,823	3,592
Income in advance	9,050	11,755
Taxation payables (GST, PAYE, FBT)	12,809	13,550
Total payables under non exchange transactions	29,227	29,556
Total payables	55,487	62,171

The carrying value of trade and other payables approximates their fair value. Trade payables are non-interest-bearing and are typically settled on 10 day terms.

11. Employee and volunteer benefits

Current employee and volunteer benefits

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. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, and retirement and long service leave entitlements expected to be settled within 12 months. Non accumulating absences such as maternity leave are compensated when the absences occur, and therefore no accrual is necessary. Sick leave is paid when taken under Fire and Emergency's wellness policy, and therefore no accrual is necessary. Gratuities for both paid personnel and volunteers are calculated on an actuarial basis.

Non-current employee and volunteer benefits

Benefits that are payable beyond 12 months, such as long service leave, retirement leave, and gratuities for both paid personnel and volunteers, are calculated on an actuarial basis. The actuarial calculation takes into account the future entitlements accruing to personnel, based on:

- · years of service
- · years until entitlement
- · the likelihood personnel will reach the point of entitlement
- · contractual entitlements information
- · present value of 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 financial performance.

	2025 Actual \$000	2024 Actual \$000
Current employee and volunteer benefits		
Accrued salaries and wages	8,499	6,842
Annual leave	46,227	48,627
Long service leave and gratuities	8,727	11,663
Total current employee and volunteer benefits	63,453	67,132
Non-current employee and volunteer benefits		
Long service leave and gratuities	52,081	48,491
Total non-current employee and volunteer benefits	52,081	48,491
Total employee and volunteer benefits	115,534	115,623

Critical accounting estimate and assumption

Measuring long service leave and gratuities

The valuation of long service leave and gratuities for both paid personnel and volunteers depends on a number of factors that are determined on an actuarial basis using a range of assumptions. Key economic assumptions used in calculating this liability are the discount rate and the salary inflation factor. Any changes in these assumptions can have an impact on the carrying value of the liability.

Expected future payments are discounted using discount rates derived from the yield curve of New Zealand government bonds. The discount rates used have maturities that match, as closely as possible to, the estimated future cash outflows. The salary inflation factor has been determined after considering historical salary inflation patterns and after obtaining advice from an independent actuary.

The discount rate used ranged from 3.14 percent to 5.54 percent (2024: 4.25 percent to 5.36 percent) and salary inflation factor of 2.5 percent (2024: 2.5 percent) was used.

If the discount rate was 1 percent lower from that used, with all other factors held constant, the carrying amount of the liability would be an estimated \$5.80 million higher (2024: \$5.77 million higher).

If the salary inflation factor was 1 percent higher from that used, with all other factors held constant, the carrying amount of the liability would be an estimated \$5.48 million higher (2024: \$5.75 million higher).

The valuations of long service leave and gratuities as at 30 June 2025 were conducted by an independent actuary, Eriksens Global.

12. Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless Fire and Emergency has an unconditional right to defer settlement of the liability at least 12 months after balance date.

Interest Bearing Crown Loan

This liability is classified as a loan and is interest-bearing and fully repayable. The effective interest rate is based on the three-month bank bill rate plus an added margin for each deal. As at 30 June 2025, the applicable margins are 16.5, 31.5 and 59.0 basis points (2024: 16.5 and 31.5 basis points). The loan is subsequently measured at amortised cost using the effective interest method. The loan must be repaid in full by 30 June 2033.

Repayable Crown funding injection

The repayable Crown funding injection has been designated as a loan. The loan is at below-market interest rates and the loan is initially recognised at the present value of expected future cash flows, discounted using a rate for loans of a similar term and credit risk. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised as equity.

Finance leases

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

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether Fire and Emergency will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term or its useful life.

	2025 Actual \$000	2024 Actual \$000
Current borrowings		
Repayable Crown funding injection	12,890	12,842
Interest bearing Crown loan	7,787	-
Finance leases	3,453	3,254
Total current borrowings	24,130	16,096
Non-current borrowings		
Repayable Crown funding injection	-	12,890
Interest bearing Crown Loan	67,613	50,400
Finance leases	896	4,349
Total non-current borrowings	68,509	67,639
Total borrowings	92,639	83,735

Repayable Crown funding injection

The Crown approved funding of up to \$112 million in 2017 to help fund the transition to a unified national fire service, Fire and Emergency New Zealand. Drawdown was spread over four years and the funding could only be used for the transition programme.

The funding injection is to be repaid over nine years from levy receipts, with the first instalment being paid on 29 June 2018 and the final instalment to be made by 30 June 2026. The carrying value of Crown borrowings due to the funding injection as at 30 June 2025 was \$12.89 million (2024: \$25.73 million) as set out below. The carrying value is based on cash flows discounted using the spot discount rate.

	2025 Actual \$000	2024 Actual \$000
Face value at the beginning of the year	25,939	38,939
Deduct funding repayment at face value	(13,000)	(13,000)
Repayable Crown funding injection at face value	12,939	25,939
Deduct fair value adjustment at initial recognition	(5,158)	(5,158)
Accumulated interest amortisation	5,109	4,951
Carrying value at the end of year	12,890	25,732

Interest Bearing Crown Loan

The Crown approved funding for a loan of up \$75.40 million in 2023 to ensure that Fire and Emergency could maintain liquidity until a levy rate increase could be approved and implemented following settlement of the Collective Employment Agreement with the New Zealand Professional Firefighters Union (NZPFU) on 6 December 2022.

The drawdowns were spread evenly across the first three financial years and must be repaid in full by 30 June 2033. The principal is to be repaid annually and evenly at approximately \$10 million per annum over 8 years, commencing on the third anniversary of the first drawdown (20 June 2026). Early repayments can be made and interest is paid quarterly from the first drawdown.

The carrying value of this Crown loan as at 30 June 2025 was \$75.40 million (2024: \$50.40 million) as set out below. The carrying value is based on the remaining principal of the loan.

	2025 Actual \$000	2024 Actual \$000
Carrying value at the beginning of the year	50,400	25,400
Loan Drawdowns in current year	25,000	25,000
Repayments in current year	-	-
Interest Bearing Crown Loan	75,400	50,400

Analysis of finance leases

Year ended 30 June 2025

	Radio equipment \$000	Total \$000
Minimum lease payments payable		
Not later than one year	3,638	3,638
Later than one year and not later than five years	909	909
Later than five years	-	-
Total minimum lease payments	4,547	4,547
Future finance charges	(198)	(198)
Present value of minimum lease payments	4,349	4,349
Present value of minimum lease payments payable		
Not later than one year	3,453	3,453
Later than one year and not later than five years	896	896
Later than five years	-	-
Total present value of minimum lease payments	4,349	4,349

Year ended 30 June 2024

	Radio equipment \$000	Total \$000
Minimum lease payments payable		
Not later than one year	3,638	3,638
Later than one year and not later than five years	4,547	4,547
Later than five years	-	-
Total minimum lease payments	8,185	8,185
Future finance charges	(582)	(582)
Present value of minimum lease payments	7,603	7,603
Present value of minimum lease payments payable		
Not later than one year	3,254	3,254
Later than one year and not later than five years	4,349	4,349
Later than five years	-	-
Total present value of minimum lease payments	7,603	7,603

There are no restrictions placed on Fire and Emergency by any of the finance leasing arrangements. Finance lease liabilities are effectively secured, as the rights to the leased assets revert to the lessor in the event of default in payment.

13. Provisions

Fire and Emergency recognises a provision for future expense of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expense will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are distinct from other liabilities (such as trade payables) because there is uncertainty about the timing, or the amount of the future expense required in settlement. Fire and Emergency provides for the amount it estimates is needed to settle the obligation at its present value.

Fire and Emergency uses a discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Any increase in the provision due to the passage of time is recognised as a finance cost. Specific accounting policies for major provisions are outlined below.

Accident Compensation Corporation Partnership Programme (ACCPP)

Fire and Emergency belongs to the ACCPP, which is a full self-cover plan with the ACC. Under this plan, Fire and Emergency accepts the management and financial responsibility for employee work-related illnesses and accidents, manages all claims, and meets all claim costs for a period of four years. At the end of this period, the liability for ongoing claims passes to ACC, with Fire and Emergency paying a premium for the value of residual claims.

The provision for the ACCPP is calculated on an actuarial basis as the present value of expected future payments to be made in respect of employee injuries and claims up to balance date. Consideration is given to anticipated future wage and salary levels and experience of employee claims and injuries. Movements in the provision are recognised in the Statement of financial performance. Expected future payments are discounted using market yields on government bonds at balance date, with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Employee benefits provision

The employee benefits provision includes items related to various future employee related expenses. This typically includes amounts for:

- · cancer related claims
- NZPFU members insurance reimbursements
- · medical retirement claims.

Loss of medical scheme

The loss of medical scheme provision provides insurance cover for personnel who contributed to a former medical compensation scheme and elected not to join Fire and Emergency's superannuation scheme.

Lease make-good

The lease make-good provision covers the costs involved in returning leased items of property, plant and equipment to the state they were in when Fire and Emergency entered the lease. The expected future make-good costs were discounted using market yields on government bonds at balance date, with terms to maturity that match, as closely as possible, the estimated future payments.

PFAS

The Environmental Protection Authority amended the Firefighting Chemicals Group Standard 2017 to mandate the withdrawal of Class B firefighting foams containing substances known as per and poly fluoroalkyl substances (PFAS). The provision covers costs involved in cleaning and decontamination of PFAS foam-making equipment and appliances and storage and disposal of PFAS foams.

Payroll compliance provision

The payroll compliance provision was established in the 2023/24 year to fund the current estimate of remediation of historical areas of payroll non-compliance with Compulsory Employer Contributions (CECs) under the KiwiSaver Act 2006 (\$10 million) and the Holidays Act 2003 (\$48 million).

Fire and Emergency makes employer contributions to employee superannuation schemes, including FireSuper. Notwithstanding, it has been identified that Fire and Emergency is also required to make CECs under the KiwiSaver Act 2006 in addition to the FireSuper scheme where employees contribute to both schemes, and their contributions to FireSuper are not to the complying fund. By June 2025, Fire and Emergency fully remediated this non-compliance with the KiwiSaver Act 2006 with the Inland Revenue Department, totalling \$8.9 million including fines and penalties.

The remediation of historical non-compliance with the Holidays Act 2003 is a critical accounting estimate, further explained below.

Critical accounting estimate and assumption

Payroll compliance provision - Holidays Act 2003

As part of the programme of work to implement a new payroll solution, Fire and Emergency commissioned an audit to ensure the new payroll system would be legally compliant. This identified a variety of issues with current payroll processes, practices and supporting technology, some of which represent significant non-compliances, predominantly with Holidays Act 2003 legislation. This significantly impacts frontline employees, where calculating entitlements under the Holidays Act 2003 is complex due to the number of leave types involved and dynamic shift patterns.

Following these findings, a Payroll Compliance Project was established to address the areas of non-compliance and to remediate for associated payments of incorrect entitlements back to 19 October 2017.

This project is complex and involves considerable work to:

- investigate the root cause of non-compliances that were identified by the payroll compliance audit
- implement improved processes, practices and changes to the existing payroll system to minimise ongoing non-compliances (where possible) until a new payroll system is introduced
- · calculate and administer remediation for the incorrect award of entitlements.

Fire and Emergency is committed to progressing this work as fast as practically possible. Work to investigate the root cause of non-compliances and provide interim fixes (where possible) to the current payroll system is complete. The focus of the project has shifted now to plan, calculate and administer remediation where incorrect award of entitlements has occurred.

To remediate current and former employees as early as possible, Fire and Emergency has split remediation into phases, with payments for Phase 1 expected to commence during 2026:

- Phase 1: Historical remediation To calculate and administer remediation for incorrect award of entitlements generated between 19 October 2017 to 30 June 2024.
- Phase 2: Full and final remediation To calculate and administer remediation for incorrect award of entitlements generated between 1 July 2024 and the introduction of the new payroll system.

This phasing allows the project to progress to remediate current and former employees ahead of the new payroll system being implemented and to run calculations using established collective agreements without having to adjust for terms and conditions of future settlements.

As at 30 June 2025, in preparing these financial statements, Fire and Emergency recognises it has an obligation to address the non-compliance under the Holidays Act 2003. As the detailed employee-level calculations are occurring through to 2026, a provisional estimate of the potential liability at the organisational level has been made based on our current understanding of the non-compliance. This was primarily based on making assumptions on the days and extent of overtime worked by frontline personnel. This provisional estimate has been calculated at \$62.4 million as at 30 June 2025. Management have also considered how the provision would be impacted under a range of reasonably possible outcomes, which have an estimated impact of decreasing the required remediation by approximately \$12 million or increasing the required remediation by approximately \$16 million.

This provisional estimate is Fire and Emergency's best estimate at this stage of the remediation project. However, until the remediation project completes the remediation calculation stage, there remains uncertainties which present significant risks in the estimated provision.

The estimates and assumptions may differ to the subsequent actual results as further work is completed and may result in further adjustments to the carrying amount of the provision within the next financial year.

For the year ended 30 June 2025

	ACC Partnership Programme	Payroll Compliance	Employee Benefits provision	Lease make good	PFAS	Loss of medical scheme	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Opening balance	6,347	58,000	5,544	5,180	266	174	75,511
Additional provisions made	600	14,399	6,147	347	-	-	21,493
Amounts used	-	(10,000)	(944)	-	(257)	-	(11,201)
Unused amounts reversed	-	-	-	(889)	-	-	(889)
Closing balance	6,947	62,399	10,747	4,638	9	174	84,914
Current portion	3,114	62,399	10,747	1,464	9	174	77,907
Non-current portion	3,833	-	-	3,174	-	-	7,007

For the year ended 30 June 2024

	ACC Partnership Programme	Payroll Compliance	Employee Benefits provision	Lease make good	PFAS	Loss of medical scheme	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Opening balance	4,663	-	4,930	5,768	400	173	15,934
Additional provisions made	1,684	58,000	1,145	283	-	1	61,113
Amounts used	-	-	(616)	(130)	-	-	(746)
Unused amounts reversed	-	-	85	(741)	(134)	-	(790)
Closing balance	6,347	58,000	5,544	5,180	266	174	75,511
Current portion	2,913	58,000	5,544	1,117	266	174	68,014
Non-current portion	3,434	-	-	4,063	-	-	7,497

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14. Equity

Equity is the public's interest in Fire and Emergency and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of components to enable clearer identification of the specified uses of equity within Fire and Emergency.

Seismic Resilience Reserve

Fire and Emergency requires a minimum standard for earthquake resilience of at least 34 percent of the New Building Standard (NBS) at Importance Level 4 (IL4) of the current seismic loading standard as defined in the Building Act 2004 for fire stations (and other operational areas). The Seismic Resilience Reserve was established in 2013 to ring-fence funds for the required upgrades. This reserve has been disestablished in the 2024/25 year as seismic resilience works are included in the annual capital expenditure plan and therefore a ring-fenced reserve is not required.

Revaluation Reserves

Revaluation reserves are used to record accumulated increases and decreases in the fair value of land and buildings. When a property is disposed of (either through sale or demolition), any balance in the revaluation reserve relating to that property is transferred to accumulated funds.

Payroll Compliance Reserve

The Payroll Compliance Reserve was established in 2023/24 to ring-fence funds associated with payroll compliance obligations. This is a cash-backed reserve, primarily supported by term deposits. The maturity dates of these term deposits are aligned with the expected remediation of payroll non-compliance.

COVID-19 Response and Recovery Fund

Fire and Emergency was successful in securing a capital injection from the COVID-19 Response and Recovery Fund (CRRF) to rebuild and upgrade 26 fire stations. The capital injection was for up to \$51.30 million over a period of three years and all funding was received and spent by 30 June 2023. This funding has been combined into Accumulated Funds in the 2024/25 financial year.

Note	2025 Actual \$000	2024 Actual \$000
Accumulated funds ²⁰		
Balance at beginning of year	659,932	794,239
Surplus for the year	47,143	(72,857)
Transfer (to)/from Capital Infrastructure Reserve	-	2,531
Transfer (to)/from Seismic Resilience Reserve	39,429	(6,112)
Transfer (to)/from Payroll Compliance Reserve	(4,399)	(58,000)
Transfers from disposal of land and buildings	190	131
Balance at 30 June	742,295	659,932
Seismic Resilience Reserve		
Balance at beginning of year	39,429	33,317
Transfer from/(to) accumulated funds	(39,429)	6,112
Balance at 30 June	-	39,429
Payroll Compliance Reserve		
Balance at beginning of year	58,000	-
Transfer from/(to) accumulated funds	4,399	58,000
Balance at 30 June	62,399	58,000
Revaluation reserves		
Balance at beginning of year	681,249	620,043
Revaluations	36,070	61,337
Transfer to accumulated funds on disposal	(190)	(131)
Balance at 30 June	717,129	681,249
Property revaluation reserves for each asset class consist of:		
Land	294,843	293,585
Buildings	422,286	387,664
Total	717,129	681,249
Total Equity	1,521,823	1,438,610

15. Capital commitments

Capital commitments are the aggregate amount of capital expenditure contracted for, but not recognised as paid or provided for, at balance date.

Cancellable commitments that have penalty or exit costs explicit in the agreement are reported at the minimum future payments, including the value of the penalty or exit cost.

	2025 Actual \$000	2024 Actual \$000
Buildings	15,061	3,978
Fire appliances	32,909	21,831
Motor vehicles	-	190
Computer equipment	496	120
Operational equipment	6,338	6,688
Computer software	499	930
Total capital commitments	55,303	33,737

16. Operating lease commitments

Non-cancellable operating leases include future payments due under the lease contract. Operating leases are principally for property and motor vehicles. Interest commitments on borrowings and commitments relating to employment contracts are not included in the commitments note.

Future minimum lease payments due under non-cancellable operating leases as lessee

	2025 Actual \$000	2024 Actual \$000
Not later than one year	7,928	7,623
Later than one year and not later than five years	17,186	18,393
Later than five years	16,616	19,303
Total non-cancellable operating leases as lessee	41,730	45,319

Fire and Emergency has operating lease commitments for office and fire station premises and motor vehicles. Significant leases include the two floors and car parks at National Headquarters located at 42-52 Willis Street, Wellington. No restrictions are placed on Fire and Emergency by any of its operating leasing arrangements, other than that the premises must be used as commercial premises. Fire and Emergency does not have any contingent rents or sublease payments.

17. Contingencies

Contingent assets and contingent liabilities are disclosed in the notes to the financial statements at the point at which the contingency is evident. Contingent assets are disclosed if it is probable that the benefits will be realised. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote.

Contingent liabilities

Personal liabilities

At 30 June 2025, there were 93 personnel issues, including a small number of formal legal proceedings. In each case it is difficult to predict the final outcome of these matters, and the accompanying contingent liability is not quantifiable with a sufficient level of certainty. In addition, there are two national level policy related disputes with one of the unions which are currently before the Employment Relations Authority.

Contingent assets

Fire appliances

Some of our Type 3 appliances have had or are at increased risk of cracks in the bodywork. Any cracks are remedied as they occur and one appliance was affected during the year to 30 June 2025. Fire and Emergency will continue to engage with the supplier to seek appropriate remedies.

18. Financial instruments

	2025 Actual \$000	2024 Actual \$000
Financial assets measured at amortised cost		
Cash and cash equivalents	160,657	130,619
Exchange trade and other receivables	4,611	10,758
Investments	60,000	58,000
Total financial assets measured at amortised cost	225,268	199,377
Financial assets measured at fair value through Surplus/Deficit		
Derivative Financial Instruments	310	-
Total Financial assets measured at fair value through Surplus/Deficit	310	-
Financial liabilities measured at amortised cost		
Exchange trade and other payables	26,260	32,615
Other liabilities	480	865
Borrowings - Repayable Crown funding injection	12,890	25,732
Borrowings - Interest Bearing Crown Loan	75,400	50,400
Borrowings - Finance leases	4,349	7,603
Total financial liabilities measured at amortised cost	119,379	117,215
Financial liabilities measured at fair value through Surplus/Deficit		
Derivative Financial Instruments	-	228
Total Financial liabilities measured at fair value through Surplus/Deficit	-	228

Trade and other receivables exclude levy receivables as levies are charged under exercise of sovereign power, as such these items do not meet the definition of a financial instrument. All financial instruments are disclosed in accordance with PBE IPSAS 41 *Financial Instruments*.

Derivative Financial Instruments

Fire and Emergency is permitted to and uses forward foreign exchange contracts to manage exposure to foreign exchange movements. Fire and Emergency does not hold or issue derivative financial instruments for trading purposes. Fire and Emergency has not adopted hedge accounting.

Forward foreign exchange contracts are initially recognised at fair value on the date a contract is entered into and are subsequently re-measured at their fair value at each balance date. Movements in the fair value are recognised in surplus or deficit.

A forward foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date. Otherwise, the full fair value of a forward foreign exchange derivative is classified as non-current.

Fair Value Hierarchy

For those instruments recognised at fair value in the Statement of financial position, fair values are determined according to the following hierarchy.

- · Quoted market price (level 1) Financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable inputs (level 2) Financial instruments with quoted prices for similar instruments in active
 markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models
 where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the Statement of financial position.

	2025 Actual \$000	2024 Actual \$000
Financial assets		
Quoted market prices	-	-
Observable market inputs	310	-
Significant non-observable inputs	-	-
Total financial assets at fair value	310	-
Financial liabilities		
Financial liabilities Quoted market prices	-	-
	-	228
Quoted market prices	-	228

There were no transfers between the different levels of the fair value hierarchy.

Financial instrument risks

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

Market risks

Interest rate risk

Fire and Emergency is exposed to interest rate risk, which is the risk that the value of the financial instrument will fluctuate due to changes in the market interest rates. Fire and Emergency's exposure to the interest rate risk is limited to call deposits included in the cash and cash equivalents balance, term deposits and an interest-bearing loan from the Crown. Sensitivity analysis is provided in Note 5.

Fire and Emergency aims to reduce the risk by investing at fixed interest rates with maturities that are in line with the cash requirements of Fire and Emergency. The Fire and Emergency New Zealand Act 2017 does not provide for Fire and Emergency to enter into hedging transactions and therefore interest rate investments are not hedged.

Currency risk

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

Fire and Emergency makes purchases of goods and services overseas that require it to enter into transactions denominated in foreign currencies. New Zealand has various agreements with the USA, Canada and Australia to supply reciprocal support for firefighting and to recover cost for deployments. Deployment invoices may be charged in the host agency's currency. Fire and Emergency also holds small balances of AUD at call to enable receipt and payment of AUD transactions when necessary. As a result of these activities, exposure to currency risk arises.

Fire and Emergency manages foreign currency risks arising from contractual commitments and liabilities by entering into forward foreign exchange contracts. These forward foreign exchange contracts are entered into with the Bank of New Zealand (Standard and Poors rating of AA-).

The notional principal amounts of outstanding forward exchange contracts in New Zealand dollar equivalent at 30 June 2025 was:

	2025 Actual \$000	2024 Actual \$000
Foreign Exchange Contracts		
Great British Pound	4,313	16,477
European Union Euro	209	193
Total	4,522	16,670

Sensitivity Analysis

Forward foreign exchange contracts

The following table summarises the impact of a 10 percent movement in foreign exchange rates on the valuation of Fire and Emergency's foreign exchange contracts.

	2025 Actual \$000	2024 Actual \$000
Impact on Surplus/Deficit		
Increase in foreign exchange rates of 10%	(245)	(1,481)
Decrease in foreign exchange rates of 10%	270	1,630

Credit risk

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

In the normal course of business, Fire and Emergency incurs credit risk from trade and other receivables and transactions with financial institutions. Fire and Emergency has processes in place to review the credit quality of customers prior to the granting of credit. There is no significant concentration of credit risk arising from trade and other receivables.

Due to the timing of its cash flows and outflows, Fire and Emergency invests surplus cash with registered banks that have a high credit rating, as required by section 161 of the Crown Entities Act 2004. For each of these, the maximum credit exposure is best represented by the carrying amount in the Statement of financial position.

Fire and Emergency holds no collateral or other credit enhancement for financial instruments that give rise to credit risk.

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that Fire and Emergency will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and the ability to close out market positions.

Fire and Emergency mainly manages liquidity risk by continuously monitoring forecast and actual cash flow requirements. The projected cash flows are updated on a daily basis and include both known and perceived cash flow requirements.

Contractual maturity analysis of financial liabilities

Fire and Emergency's financial liabilities are analysed into relevant maturity groupings based on the remaining period from year end to the contractual maturity date.

2025

	Carrying amount	Contractual cash flows	Less than 6 months	6-12 months	1-5 years
	\$000	\$000	\$000	\$000	\$000
Exchange trade and other payables	26,260	26,260	26,260	-	-
Borrowings - Repayable Crown funding injection	12,890	12,939	-	12,939	-
Borrowings - Interest Bearing Crown Loan	75,400	75,400	-	7,787	67,613
Borrowings - Finance leases	4,349	4,547	1,819	1,819	909
Total	118,899	119,146	28,079	22,545	68,522

2024

	Carrying amount	Contractual cash flows	Less than 6 months	6-12 months	1-5 years
	\$000	\$000	\$000	\$000	\$000
Exchange trade and other payables	32,615	32,615	32,615	-	-
Borrowings – Repayable Crown funding injection	25,732	25,939	-	13,000	12,939
Borrowings - Interest Bearing Crown Loan	50,400	50,400	-	-	50,400
Borrowings - Finance leases	7,603	8,185	1,819	1,819	4,547
Total	116,350	117,139	34,434	14,819	67,886

19. Capital management

Fire and Emergency's capital is equity (represented by net assets), which comprises accumulated funds, reserves and contributed capital. Fire and Emergency is subject to the financial management and accountability provisions in the Crown Entities Act 2004 (the Act). These provisions impose restrictions in relation to borrowings, the acquisition of securities, issuing guarantees and indemnities, and the use of derivatives. Approval has been obtained from the Minister of Finance in accordance with the Act for the organisation to enter into derivatives and to maintain committed and uncommitted borrowing facilities at financial institutions. Use of derivatives is confined to currency rate forward contracts used as specified by New Zealand Treasury. Fire and Emergency manages its equity by prudently managing revenue, expenses, assets, liabilities and risk, and aims for best practice with regard to its operations and financial dealings. This helps to ensure that Fire and Emergency effectively achieves its goals and objectives.

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20. Related party transactions and Key Management Personnel

Fire and Emergency is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/ recipient relationship on terms and conditions that are no more or less favourable than those that it is reasonable to expect Fire and Emergency would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (e.g. Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Key management personnel compensation

	2025 Actual \$000	2024 Actual \$000
Board members		
Remuneration	195	196
Full time equivalent members	1.0	1.0
Executive Leadership Team		
Remuneration	3,138	3,043
Full time equivalent members	8.0	8.0
Service Delivery Leadership Team		
Remuneration	3,625	3,745
Full time equivalent members	12.0	12.0
Total key management personnel compensation	6,958	6,984
Total full time equivalent personnel	21.0	21.0

The full-time equivalent for Board members has been determined based on the frequency and length of Board meetings, and the estimated time required for Board members to prepare for meetings. An analysis of Board member remuneration is provided in appendix 1.

ELT remuneration has increased from 2023/24 primarily due to increased amounts paid for acting cover during leave periods for ELT, as well as market rate increases.

SDLT remuneration has decreased from 2023/24 primarily due to less acting cover being required during leave periods for SDLT, as well as vacancies during the year. These decreases were partly offset by market rate and progression increases.

Other related party disclosures

There are close family members of key management personnel employed by Fire and Emergency. The terms and conditions of employment are no more favourable than Fire and Emergency would offer if there were no direct relationship to key management personnel.

Board members, employees and volunteers of Fire and Emergency who insure their property against the risk of fire pay fire service levies. Levies are payable at the same market rate as for any other member of the public.

Fire and Emergency reimbursed costs and paid grants to volunteer fire brigades of \$5.60 million (2024: \$5.86 million) to support the delivery of fire and emergency services. Volunteer fire brigades independently manage their affairs in accordance with their rules of incorporation, trust deed or other governing documents.

Fire and Emergency entered into equipment and service arrangements with Next Generation Critical Communications, a business unit within NZ Police. Next Generation Critical Communications is responsible for developing the Public Safety Network – the new communications service for New Zealand's frontline emergency responders. Across these arrangements, \$8.77m of equipment and services was received in kind and has been recognised as non-exchange revenue.

21. Post balance date events

Fire and Emergency New Zealand are engaged in on-going negotiations with the NZPFU as at 31 October 2025.

There have been no other significant events after the balance date.

22. Explanation of significant variances against budget

Explanations of major variations against the budget information at the start of the financial year are as follows:

Statement of financial performance

Levy was \$29.76 million lower than budget. This is largely due to reduced domestic insurance policy volumes, lower levels of commercial insurance cover and fewer contract works policies.

Other revenue was \$14.34 million higher than budget. This is largely due to cost recoveries for international wildfire deployments and notional revenue to reflect the market value of equipment and services received under arrangements with Next Generation Critical Communications in delivering the Public Safety Network. These activities were not budgeted.

Employee and volunteer benefits expense was \$9.91 million lower than budget. This is largely due to the reduced rate of salary increases and reductions in the use of contractors.

Other expense was \$6.89 million lower than budget. This is largely due to reprioritisation of project funding and embedding organisational efficiencies.

Statement of financial position

Cash and Investments were collectively \$41.30 million higher than budget. This is largely due to starting the year with a higher than budgeted cash position, cost reductions and the annual increase in the estimated costs of remediating non-compliance with the Holidays Act 2003.

Provisions was \$25.77 million higher than budget. This is mostly due to an increase in the provision for the estimated costs of remediating non-compliance with the Holidays Act 2003.

Total equity was \$41.98 million higher than budget. This is mostly due to the revaluation reserves being higher than budget by \$37.22 million from the higher than anticipated revaluation gains and increased opening balance. All other equity is \$4.77 million higher than budget, due to the increased net surplus for the year and increased opening balance.

Statement of Trust Monies

For the year ended 30 June 2025

Fire and Emergency operates one trust account as the agent under section 66 of the Public Finance Act 1989. The transactions through this account and the balance as at 30 June 2025 are not included in Fire and Emergency's own financial statements. Movements in this account during the year ended 30 June 2025 were:

	2025 Actual \$000	2024 Actual \$000
Retention Trust Account		
Balance at 1 July	948	-
New Retentions Held	176	1,288
Retentions Release	(515)	(340)
Balance at 30 June	609	948

Retention Trust Account

Fire and Emergency is responsible for holding retentions amounts separately from other funds for any commercial construction contracts (as per the Construction Contracts Act 2002). This applies to all commercial contracts from 5 October 2023. The requirements for withholding retention money include:

- clarifying that retention money is automatically held in trust by Fire and Emergency once the contract allows it to be withheld from the contractor
- · removing the ability to mix retention money with other cashflow and assets
- requiring that retention money held as cash must also be held separately in a bank account with prescribed ledger accounts.

Appendix 1: Statutory Remuneration Disclosures

Remuneration of employees

Total remuneration paid or payable	2025 Actual	2024 Actual
\$100,000-\$109,999	188	174
\$110,000-\$119,999	277	213
\$120,000-\$129,999	297	298
\$130,000-\$139,999	347	346
\$140,000-\$149,999	291	285
\$150,000-\$159,999	242	255
\$160,000-\$169,999	216	184
\$170,000-\$179,999	158	170
\$180,000-\$189,999	124	132
\$190,000-\$199,999	108	126
\$200,000-\$209,999	113	96
\$210,000-\$219,999	59	63
\$220,000-\$229,999	55	43
\$230,000-\$239,999	37	31
\$240,000-\$249,999	24	16
\$250,000-\$259,999	18	15
\$260,000-\$269,999	11	8
\$270,000-\$279,999	7	1
\$280,000-\$289,999	5	7
\$290,000-\$299,999	2	3
\$300,000-\$309,999	3	1
\$310,000-\$319,999	3	3
\$320,000-\$329,999	2	1
\$330,000-\$339,999	2	2
\$340,000-\$349,999	2	2
\$350,000-\$359,999	2	1
\$360,000-\$369,999	-	1_
\$370,000-\$379,999	2	-
\$380,000-\$389,999	-	1
\$390,000-\$399,999	2	1
\$400,000-\$409,999	-	1
\$490,000-\$499,999	-	1
\$500,000-\$509,999	1	-
Total employees	2,598	2,481

Firefighter remuneration

Firefighters included in the remuneration information above were:

	2025 Actual	2024 Actual
Number of firefighters with remuneration over \$100,000	1,618	1,567
Firefighters as a percentage of total employees over \$100,000	62%	63%
Top firefighter remuneration range	329,999	299,999

The remuneration values disclosed above include base pay and additional payments such as call-backs and overtime. Consequently, events such as severe weather where firefighters work extra hours to attend weather related call-outs over the period of the event have an impact on the number of employees included in the >\$100,000 banding.

Remuneration information is reported based on actual remuneration received by employees. This does not include entitlements earned in the period that will be received at a future date (e.g. payments for remediation of non-compliance with the Holidays Act 2003).

Other payments to employees and volunteers

Gratuities were paid out in accordance with the Act and Fire and Emergency policies to employees and volunteers who leave Fire and Emergency following a minimum of 10 years' service. There were 63 employees (2024: 86 employees) and 169 volunteers (2024: 174 volunteers) who received gratuities, costing a total of \$2.76 million (2024: \$3.35 million) and \$0.43 million (2024: \$0.42 million) respectively.

During the year, 3 employees were paid severances, costing a total of \$0.22 million (2024: 17 employees, \$0.86 million).

Remuneration of the Board and Committee members

		2025 Actual \$000	2024 Actual \$000
Rebecca Keoghan	Chair	64	64
Danny Tuato'o	Deputy Chair	31	25
Mary-Anne Macleod	Member	25	25
Amit Prasad	Member	25	25
Belinda Clark	Member	25	25
Dr Daniel Tulloch	Member	15	-
Hon. Ruth Dyson	Deputy Chair (to August 2024) Member (August to October 2024)	10	32
Total Board remuneration		195	196
Murray Coppersmith	Chair of Audit and Risk Committee, Chair of the Financial Sustainability and Investment Committee	37	32
Total Board and Committee remun		232	228

Fire and Emergency has taken out Directors' and Officers' Liability and Professional Indemnity insurance cover during the financial year in respect of the liability or costs of Board members and employees.

No Board or Committee members received compensation or other benefits relating to cessation (2024: \$nil).

Carbon Neutral Government Programme

As a participant of the Carbon Neutral Government Programme (CNGP) we are required to:

- measure, verify and report our emissions annually
- · set gross emissions reduction targets
- · introduce and implement a plan to reduce our organisation's emissions.

Our emissions profile

The activities we undertake result in greenhouse gas emissions. In 2024/25, our total emissions from non-biogenic mandatory sources were 13,686 tonnes carbon dioxide equivalent (tCO2e). This is 18.2% percent lower than our baseline year (2018/19) of 16,849 tCO2e, and 1.7% percent lower than 2023/24.

Emissions from air travel reduced by around 40% compared with the previous year, while challenging generating conditions caused electricity emissions to increase by almost 50% despite a reduction in consumption.

The goods and services we buy also result in emissions, which we calculate using spend-based supply chain estimates. Including these, our total emissions were 48,829 tCO₂e.

This was 4.8% percent lower than the baseline of 51,275 tCO2e. The table below shows Fire and Emergency's total greenhouse emissions from mandatory and supply chain sources to the nearest whole tonne of tCO2e. Supply chain sources are spendbased estimates.

Fleet

As of 30 June 2024, we have five battery electric vehicles and 32 plug-in hybrid vehicles. There are very few options available to replace our fire appliances and incident support vehicles. We are actively monitoring progress by suppliers and are developing an approach to trialling a low or no emissions fire truck once they are suitably available.

Travel

We have reduced travel emissions by maintaining lower levels of air travel and prioritising alternatives such as video calls instead of in-person meetings where appropriate. Our travel policy has driven a reduction in emissions from air travel of 65 percent since 2018. We are continuing to look for further opportunities to reduce emissions, and cost, from air travel.



Source	2018/19 Baseline	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Total (mandatory sources)*	16,722	14,774	14,422	13,146	13,675	13,927	13,835
Total (biogenic emissions)	127	71	102	65	4	141	133
~Total (supply chain)	34,426	33,895	35,200	34,217	30,864	32,444	35,062
Grand total	51,275	48,740	49,724	47,428	44,542	46,512	49,030

^{*} Mandatory sources excluding biogenic emissions. Totals are in tonnes carbon dioxide equivalent (t CO₂e)

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