



ESTA

Annual Report 2013-14

ESTA provides the **critical link** between the Victorian **community** and the State's **emergency service agencies**.

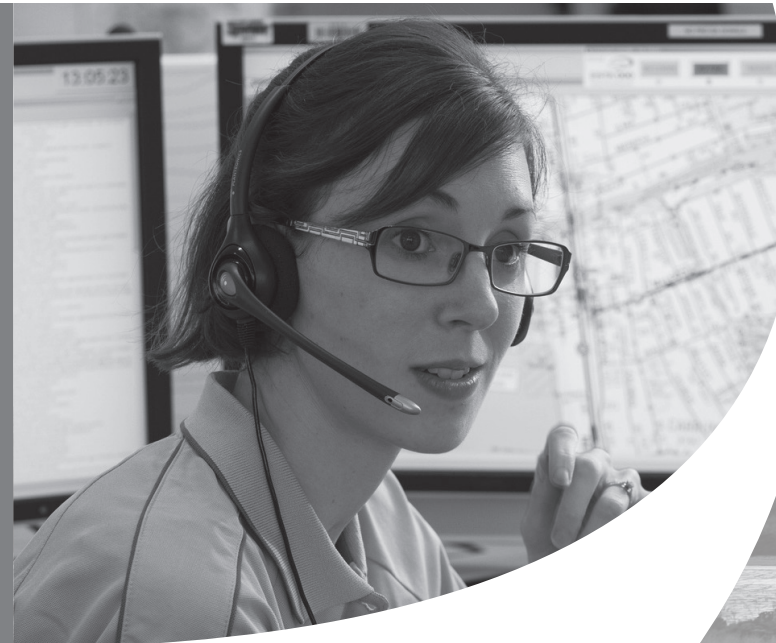
Victorian 2009 Bushfires

Significant service that was extraordinary

Protection of lives and property



In recognition of 'significant service' during the 2009 Victorian bushfires, 362 ESTA staff received the prestigious National Emergency Medal. The Award recognises service that was part of the 2009 bushfires response efforts, assisted with the protection of lives and property, and was "extraordinary". ESTA is proud to recognise all National Emergency Medal recipients on its staff, past and present.



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Chairman's Foreword

ESTA's role is to provide the critical link between people needing assistance and the emergency service response they require. It manages integrated state-wide emergency communications services and works with Victoria's emergency service agencies to help them achieve their goals. Demand for services in each of these areas of endeavour grew again in 2013-14, reflecting a continuing trend in recent years.

ESTA now takes around 6600 calls a day on average, or one every 13 seconds, of which more than 4500 are received via the emergency Triple Zero number. An event is dispatched every 16 seconds on average, reflecting more than 5400 event dispatches each day of the year.

As demand for ESTA's services continues to expand, so does the complexity of the operational and emergency response the organisation must provide for the Victorian community and the State's emergency service agencies. Changes in the emergency management sector and growing community demand represent opportunities for ESTA to increase and improve its significant contribution to the lives of Victorians.

ESTA has given considerable focus this year to how it will meet the challenge of delivering an increasingly complex service in a dynamic technological and sectoral environment. Attention to funding arrangements, both now and into the future, has been a high priority, alongside work to identify and realise operational efficiencies and improve ESTA's financial position.

A Strategic Plan was developed during the year to focus ESTA's investments into areas of operation that will most benefit the community and customer agencies in this changing environment. ESTA's 2014-17 Strategic Plan puts focus on delivering customer requirements in line with State Government emergency management policy. It looks to the development of smart, agile and efficient operations and technology and to ensuring ESTA staff are highly skilled, flexible and engaged. The plan looks to a future where access to emergency and non-emergency

services is more diverse and flexible across multiple channels beyond basic telephony.

A significant addition to the 2014-17 Strategic Plan is the inclusion for the first time of an integrated technology strategy that will help ESTA put the appropriate IT and technology solutions and architecture in place, including improved internal management systems. ESTA has also started work to leverage its considerable stores of data to benefit Victoria's emergency services planning and response. A people and culture strategy within the overall Plan has been designed to deliver necessary leadership capability, skills, training and engagement.

The Authority continued to focus on ESTA's planning, business continuity, risk management and audit capability. Significant improvements were made in these functions throughout 2013-14 and will continue to assist ESTA meet its objectives and obligations in future years.

On behalf of the Authority I thank ESTA's CEO, Ken Shymanski, and his management team and all ESTA staff for their efforts throughout the year. I acknowledge and thank my fellow Authority Members for their contributions. This year saw three new Members join ESTA: Neil Lucas, Daniel Quagliani and John Yates, and saw the retirement of Peter Kronborg in August 2013. On behalf of ESTA, I also thank the Department of Justice personnel with whom we partner, personnel in our customer agencies with whom we continue to strive to improve overall service, and the Minister for Police and Emergency Services, and his advisers, for their support.

Roger Leeming
Chairman



CEO's Report



The Victorian Government approach to emergencies aims to centralise management of events before, during and after they occur. ESTA, as the sole provider of call-taking and dispatch services in Victoria and as the manager of key operational communications services for the sector, is uniquely placed to support the State in these endeavours.

ESTA is committed to achieving common operating standards, shared operational information, and the adoption and use of equipment and systems that work together. ESTA's activities throughout the year, including the development of a 2014-17 Strategic Plan, focus on the system, service and process improvements necessary to assist the Government and the sector achieve these goals.

Community and emergency service agency demand for emergency and non-emergency call-taking and dispatch services continues to grow year-on-year in Victoria. The challenge of responding to this growing demand while meeting tightly monitored performance standards was a key focus for ESTA in 2013-14. Significant work was undertaken to identify improvements and longer-term efficiency initiatives in ESTA's call-taking and dispatch operations.

Calls taken by ESTA increased by 2.4 per cent during the year to 2.4 million, and it dispatched nearly 2 million events, 6.3 per cent more than the previous year. Achieving the necessary funding to meet this increasing service demand remains a challenge for the organisation. ESTA continued to work with the Department of Justice and emergency service agencies to design an improved funding model and is hopeful this will progress successfully to a conclusion in 2014-15.

ESTA has also given increased attention to medium and longer-term information, communications and technology requirements. Strategies have been designed and actions taken to ensure more robust and resilient technological solutions for operational communications and call-taking and dispatch into the future. State Government funding announced during the year will enable a new telephony

platform to support Victoria's critical emergency and non-emergency call-taking capability. Work also continued to strengthen ESTA's Computer Aided Dispatch system.

This Annual Report details these and many other initiatives during the year to improve Victoria's emergency communications. Its contents reflect the efforts of ESTA's staff who continue to prioritise service to the community and the goal of service excellence in all they do. ESTA is committed to investing in a highly skilled, flexible and engaged workforce. The resolution of a new Enterprise Agreement with call-taking and dispatch staff; the development of a new People & Culture strategy; and continuing development of ESTA's workforce strategy are evidence of the investment ESTA is making in its people.

ESTA continues to benefit from the support provided by the Minister for Police and Emergency Services and his advisers, and the Department of Justice. I want to acknowledge their assistance throughout 2013-14. I also want to thank the Fires Services Commissioner, the Office of the Emergency Services Commissioner and all emergency service agencies for their partnership. My appreciation is also extended to my management team and all ESTA personnel, and to the Authority Chair and Members for their efforts and contributions this year.

Ken Shymanski
Chief Executive Officer

Vision, Mission, Values and Community

ESTA's Vision

Service excellence in everything we do.

ESTA's Mission

ESTA will:

- + Provide the critical link between the community and emergency services
- + Provide integrated state-wide emergency communications services
- + Work together with the Emergency Services Organisations to help them achieve their goals.

ESTA's Values

- + Excellent Customer Service
- + Fairness, Integrity and Respect
- + Support, Encourage and Develop
- + One ESTA

ESTA's Community

ESTA operates to benefit the Victorian community. Key stakeholders during 2013-14 included:

- The people of Victoria

Emergency Service Agencies:

Ambulance Victoria

Country Fire Authority (CFA)

Metropolitan Fire Brigade (MFB)

Victoria Police

Victoria State Emergency Service (VICSES)

ESTA employees

Suppliers and technology partners
- State Government

 - Minister for Police and Emergency Services
 - Department of Justice
 - Department of Premier and Cabinet
 - Department of Treasury and Finance
 - Department of Health
 - Department of Environment and Primary Industries
 - Emergency Services Commissioner
 - Fire Services Commissioner



About ESTA

ESTA provides Victoria's 24-hour emergency call-taking and dispatch services for police, fire, ambulance and VICSES

ESTA provides the critical link between the Victorian community and the State's emergency service agencies. It provides Victoria's 24-hour emergency call-taking and dispatch services for police, fire, ambulance and VICSES. ESTA answered more than 2.4 million calls for assistance in 2013-14; on average this is a call every 13 seconds. Close to 1.7 million calls to ESTA this year came via the Triple Zero emergency call service. During the same period, it dispatched almost two million events, an average of more than 5400 each day or one every 16 seconds.

ESTA also manages the provision of advanced, operational communications for Victoria's emergency services. These operational communications support police, fire, ambulance and VICSES personnel in the field by this year carrying close to 20 million radio calls over the Metropolitan Mobile Radio Service (MMR); supporting 7.9 million data transactions on the Mobile Data Network (MDN); and delivering more than 1.1 million messages to CFA, VICSES and Ambulance Victoria volunteers and staff via the State-wide Emergency Alerting System (EAS).

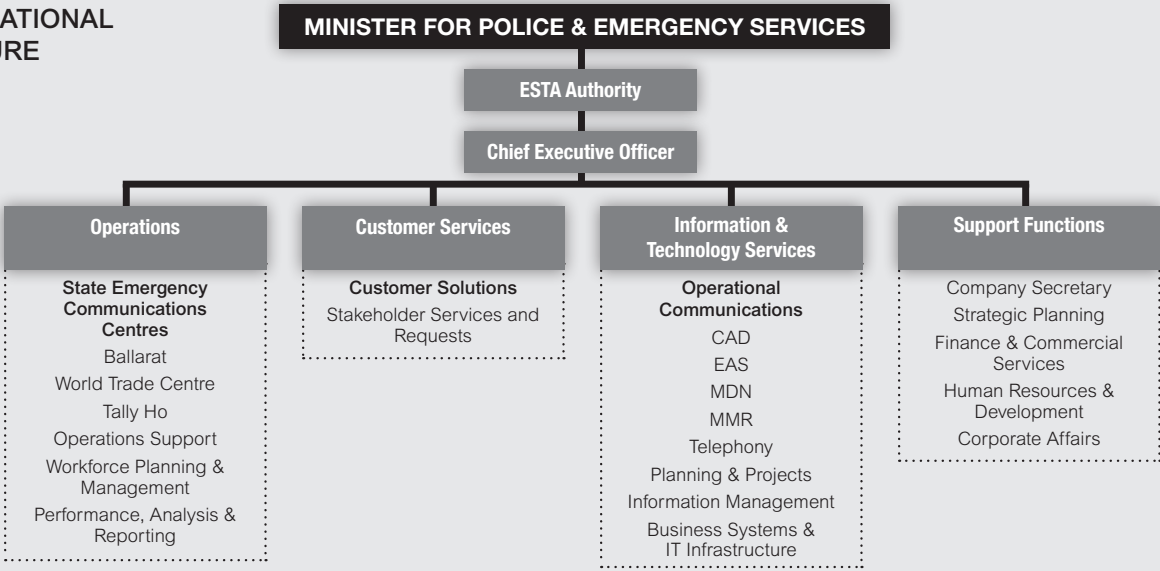
This integration of emergency services communications within ESTA is unique in Australia and rare worldwide. It reflects the Victorian Government's vision for centralised emergency management including the alignment of strategy, planning and investment across emergency service agencies and the promotion of unified information systems. ESTA has a key role in facilitating interoperability for multi-agency response and is committed to providing the operational communications services and support that the emergency services need, when and where it is needed.

ESTA's staff are deeply committed to the community they serve and are among the most dedicated and highly skilled in their field. Call-taking and dispatch services are delivered from three State Emergency Communications Centres (SECCs) located at Ballarat, East Burwood and Docklands.

Operating in an environment of increasing community expectations for seamless and transparent emergency services, ESTA pursues continuous improvement across all areas of its service delivery.

ESTA aims to meet community and emergency service agency demands by offering the highest quality call-taking and dispatch service, being the best organisation at integrating advanced communications technology and to be recognised as a centre of excellence in this field.

ORGANISATIONAL STRUCTURE

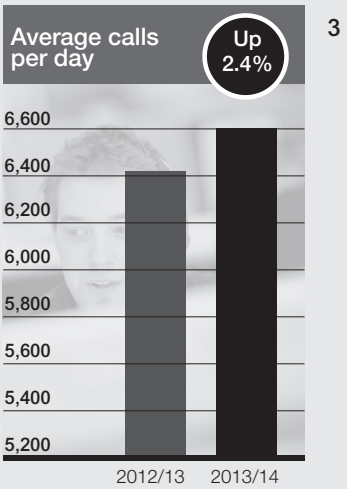
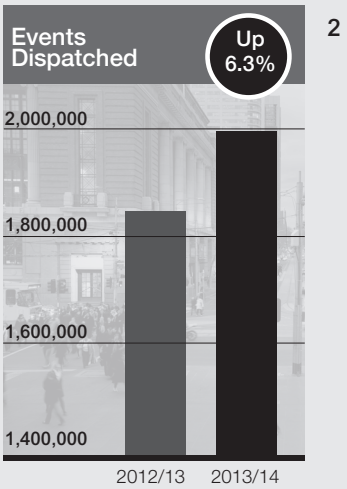
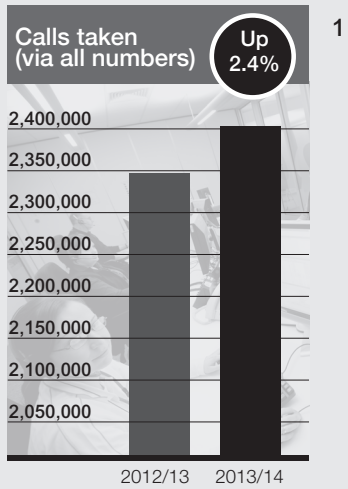


ESTA's Executive Leadership Team during 2013-14, comprised CEO, Ken Shymanski; Chief Financial Officer, Geoff Cutter; Chief Information Officer, Deborah Weiss; Chief Operations Officer, Julia Oxley; Company Secretary, Graeme Allison; and the Heads of Customer Services, John Schurink; Corporate Affairs, Rosie Mullaly; Human Resources & Development, Peter Coulter; and Strategy, Risk & Assurance, Janine Holloway. ESTA's previous Head of Operations, Andrew Wellwood resigned during the year.

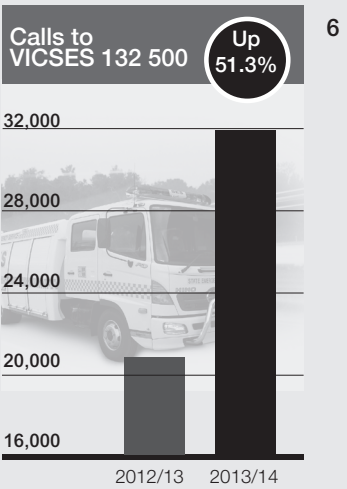
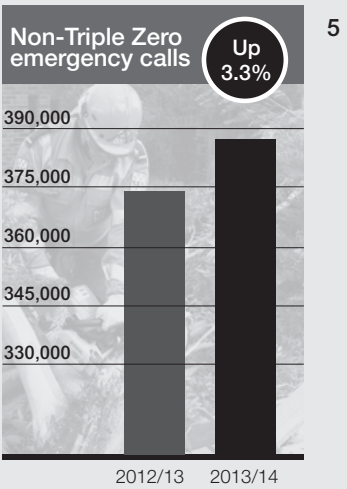
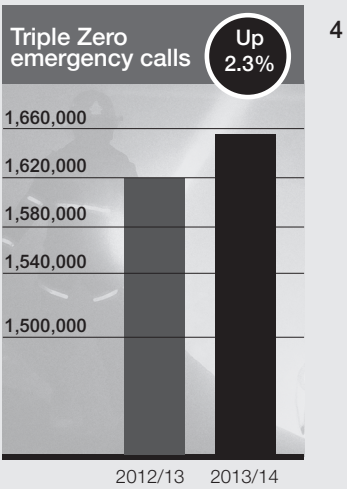


Growth in Demand

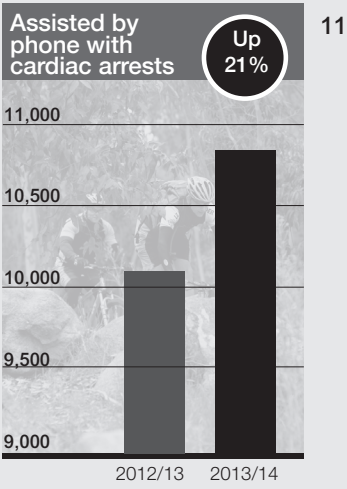
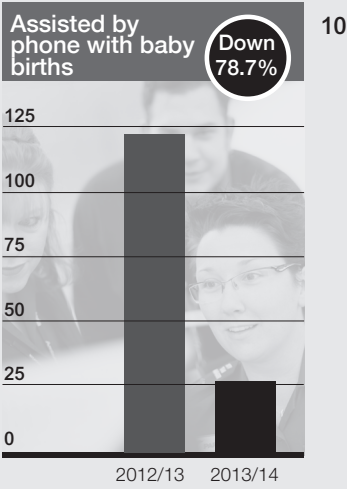
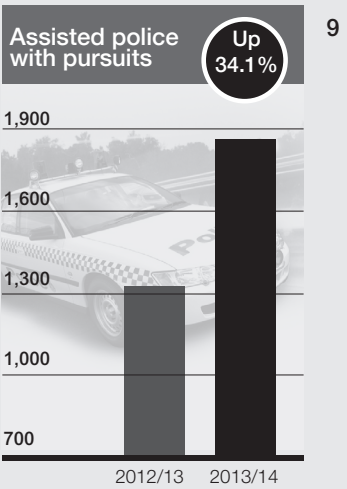
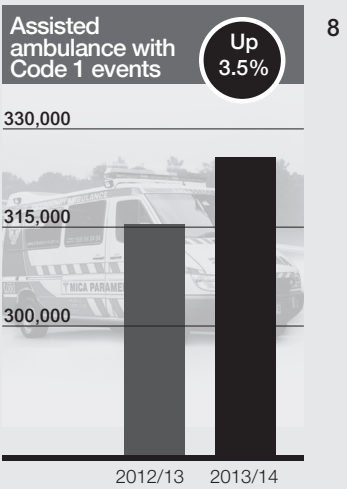
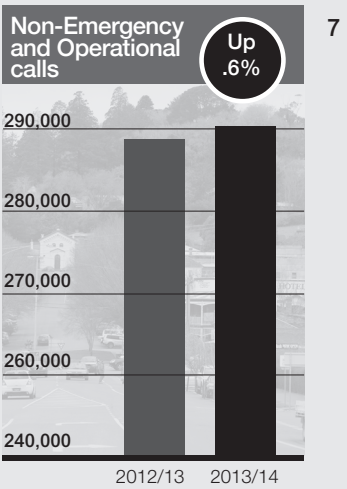
The total number of calls taken was **2,406,433** representing a **2.4 per cent** increase over the previous year.



Activity	2013-2014	2012-2013	Change
1. Calls taken (via all numbers)	2,406,433	2,349,505	+ 2.4%
2. Events dispatched	1,975,889	1,859,524	+ 6.3%
3. Average calls per day	6593	6437	+ 2.4%
4. Triple Zero emergency calls	1,657,441	1,620,164	+ 2.3%
5. Non-Triple Zero emergency calls	387,419	374,909	+3.3%
6. VICSES Storm (132500) calls answered	31,911	21,085	+ 51.3%
7. Non-Emergency and Operational Calls	290,193	288,527	+ 0.6%
8. Assisted ambulance with Code 1 events	326,091	315,160	+ 3.5%
9. Assisted police with pursuits	1866	1391	+ 34.1%
10. Assisted by phone with baby births	26	122	- 78.7%
11. Assisted by phone with cardiac arrests	12,297	10,159	+ 21%



The total number of events dispatched was **1,975,889** an increase of **6.3 per cent** over the same period last year.





The 2013-14 year represented the first full 12 months ESTA had sole responsibility for state-wide call-taking and dispatch services.

ESTA Operation’s staff take Victoria’s emergency, non-emergency and operational calls and dispatch the appropriate agency response. ESTA call-taking and dispatch is a 24 hour continuous service providing the critical link between people requiring assistance and Victoria’s responding agencies.

ESTA personnel took an average of 6600 calls and performed 5400 event dispatches each day. Calls to ESTA come from members of the public, emergency services and health providers with the vast majority of call-taking and dispatch involving emergencies.

The 2013-14 year represented the first full 12 months ESTA had sole responsibility for state-wide call-taking and dispatch services for police, fire, ambulance and VICSES. This model is unique in Australia and reflects Victorian Government policy centralising the state’s emergency management.

Having assumed responsibility for all regional call-taking and dispatch, Operations’ focus this year turned to quality improvement

and efficiency initiatives. Work included a review of structures, systems, resourcing, procedures, controls, targets and management practices. Recommendations for operational improvements are being considered with a view to developing a roadmap in early 2014-15 for the delivery of greater efficiencies, service improvements and employee engagement progressively in the period to 2018.

Mobile Origin Location Information

ESTA cannot send emergency help to a Triple Zero caller if it doesn’t know where the emergency is. Accordingly, verifying a location is the first and most critical element in responding to any Triple Zero call.

The use of mobile telephones to call Triple Zero is increasing rapidly and this continues to highlight the inadequacy of technologies available in Australia for quickly locating callers facing emergencies. The majority of Triple Zero calls in Victoria now come from mobile telephones and

these calls take significantly longer to process, and longer to dispatch emergency assistance. This is in large part because much needed and available location technology has not been prioritised by Australia’s mobile carriers.

Of the more than 1.6 million Victorian Triple Zero calls in 2013-14, 57.8 per cent were made on mobile phones, an increase of more than 4.5 percentage points in less than two years.

ESTA continued throughout 2013-14 to raise concerns in industry and public forums at the lack of action and numerous delays in the introduction of Mobile Origin Location Information (MOLI) technologies by Australian telecommunications carriers. Telstra has continued to lead a national program to introduce a broad ‘push MOLI’ capability but the delivery timeframe for this initiative has moved from an initial implementation date of 2012 to a most recent planned date of November 2014.

While ESTA welcomes any enhancement to assist with locating callers in emergencies, it believes the proposed system is inadequate and less effective than systems used overseas.

When a Triple Zero call is made on a fixed line, ESTA automatically receives the telephone service address which, in the majority of cases, is the address where emergency services are needed. In Victoria, the time to verify a caller’s location when they call from a fixed line is, on average, about 26 seconds.

When a Triple Zero call is made from a mobile phone the actual location of the caller is not provided. This means a Triple Zero call-taker must determine the caller’s location. The time to verify a caller’s location from a mobile phone in Victoria is now on average 45 seconds and, in some individual calls, many minutes when the caller cannot describe where they are. Delays in confirming a caller’s exact location subsequently delay the emergency response and may affect patient survival and public safety. It is also less efficient in call-taker resource terms across the majority of calls now made to Triple Zero.

With increasing mobile phone use to call Triple Zero, the lack of automatic mobile location information is an increasingly serious challenge and public safety concern.

Emergency Markers

The challenge of verifying the location of an emergency is particularly difficult for ‘open spaces’ with no set addresses including foreshores and beaches, walking and riding trails, and parks. ESTA’s Emergency Marker program continues to address this issue in partnership with Victorian municipalities.

Emergency markers are public signs in open spaces with a unique alphanumeric code made up of three letters and three numbers. This code is linked to ESTA’s Computer Aided Dispatch (CAD) system and specifies the location, Global Positioning System (GPS) coordinates, road access route or navigational data, all of which assists the dispatch of emergency services.

ESTA now has a total of 2266 Emergency Marker locations identifiable to call-takers in the CAD system, an increase of 401 during the year, covering 20 new environments and locations. Victoria has 132 locations served by the marker program with efforts during the year focused on a number of shared user trails and pathways.

Marker installations have commenced along the Eastlink shared user path, the Dandenong Creek trail, and Blind Creek Trail. Markers were also installed during the year at the Port of Portland and Community Fire Refuges at Blackwood, Ferny Creek and East Warburton. ESTA has completed work to facilitate the installation of 119 Emergency Markers along the Great Victorian Rail Trail in 2014-15.

Service Demand

ESTA took more than 2.4 million calls and dispatched more than 1.9 million events this year. The total number of calls taken was 2,406,433, representing a 2.4 per cent increase over the previous year. The total number of events dispatched was 1,975,889, an increase of 6.3 per cent over the same period last year.

During 2013-14, there were 1,657,441 Triple Zero emergency calls, an increase of 2.3 per cent on 2012-13.

Calls taken

Agency	2013-14	
VICPOL	1,245,593	51.7%
Ambulance Victoria	911,467	37.9%
CFA	134,713	5.6%
VICSES	66,654	2.8%
MFB	48,006	2.0%
Total	2,406,433	100%

Events dispatched

Agency	2013-14	
VICPOL	1,163,265	58.9%
Ambulance Victoria (Emergency)	520,244	26.3%
Ambulance Victoria (Patient Transport) ¹	176,916	8.9%
CFA	42,851	2.2%
MFB	39,813	2.0%
VICSES	32,820	1.7%
Total	1,975,909	100%

¹ This data reflects a transition to state-wide service for the first full year.

Operations

Heightened Activity

ESTA managed emergency communications during a number of severe weather events during 2013-14. These events affected call-taking and dispatch performance. ESTA responds to these types of events by recalling additional staff and proactively managing the distribution of operational resources across agencies.

1 October 2013

ESTA received more than 5500 VICSES storm emergency calls, the third highest daily activity ever recorded by ESTA for such calls. At the height of the increased activity, ESTA received 234 calls in a 15 minute interval. Call activity also remained high on the following day.

7-10 February 2014

ESTA supported the State Control Centre during this period of high activity. Victoria experienced high temperatures and a sustained dry period resulting in Very High and Severe to Extreme Fire Danger Ratings across most of the state. Additional calls were forecast and additional call-takers and dispatchers and management were rostered.

Sunday, 9 February was a Critical Fire Weather Day and ESTA received the highest number of Triple Zero emergency calls on record for a single day, answering 7371 calls across all services. This exceeded the 6993 and 7010 calls answered on 16 and 17 January 2014 respectively (and 6974 calls answered on Black Saturday in February 2009). Fire activity increased at approximately midday on 9 February and resulted in a sudden and significant increase in demand on ESTA call-taking services. At the onset of the fire activity, call demand far exceeded that of Black Saturday in 2009, but did not result in a sustained demand increase as occurred on Black Saturday.

15 March 2014

Victoria experienced severe storm weather activity leading to increased call demand and dispatch activity. The severe weather started in the early afternoon and extended into the evening with the greatest impact on fire and police services and VICSES. The major effect was in calls to VICSES and the associated activity for VICSES dispatchers. Fire services also experienced an increase in emergency calls, however by proactively allocating staff to the affected call queues, ESTA managed with little impact to call answer performance.

24 June 2014

Victoria experienced severe weather conditions with gale force winds reaching 90-100 km per hour and widespread rainfall across the state. The storm activity resulted in a high volume of calls to Triple Zero and for VICSES. ESTA deployed additional call-taking and dispatch staff to respond to the increased demand, with calls for some services up to 600 per cent greater than usual.

Highlights

Call-taking Software Upgrade

ESTA uses structured call-taking software to triage ambulance calls and provide life-critical instructions to callers. In September 2013, ESTA completed an upgrade to the latest version of the software, the first emergency service agency in Australasia to do so. A number of benefits are associated with the upgrade, including the introduction of the Aspirin Diagnostic for patients reporting chest pain; improved 'time to hands on chest' for patients reported to be in cardiac arrest; and the Stroke Diagnostic Tool to assist diagnose patients reported to have suffered a stroke. According to the International Academy of Emergency Dispatch these changes have been proven internationally to have improved patient outcomes².

Ambulance Dashboard

ESTA developed and deployed an online real time 'dashboard' for Ambulance Victoria in October, providing it with real time information from ESTA's CAD system on ambulance workload and unit availability. The tool provides an additional resource to assist Ambulance Victoria manage its fleet. Similar real time information dashboards were developed for other agencies and used on several occasions at the State Control Centre during major incidents.

Business Continuity Tested

The World Trade Centre complex underwent a planned power shutdown in May to allow necessary works. ESTA used the opportunity to test the relocation of its police and VICSES services to its Tally Ho and Ballarat sites. Plans were put in place to ensure no disruption to call-taking and dispatch services. The activity successfully served as a live test of ESTA's business continuity and site contingency plans.

CFA Regional Radio Dispatch Service (RRDS)

The first transmission between ESTA and CFA over the State's new RRDS network was successfully made in April 2014. The network introduces a new generation of high-quality digital dispatch capability across Victoria and provides CFA regional brigades with direct radio communications to ESTA's dispatchers. At 30 June 2014, CFA and ESTA had successfully transitioned 11 of 16 CFA Districts to the new digital network. Upon completion it will provide a more reliable and robust communications system between ESTA and emergency appliances and personnel across regional Victoria.

ESTA supported CFA in the roll-out of the network, facilitating its connection with the metropolitan radio network. The project also involved coordination of testing and modification of commercial arrangements to ensure the two state networks operate seamlessly. The network is continuing to operate concurrently with the analogue network; this configuration will remain until all CFA Districts have transitioned to the RRDS and arrangements are in place to accommodate any DEPI requirements for its fire appliances to communicate with CFA on the network.

Adverse Events Policy

ESTA developed an Adverse Events Policy in 2014 to promote the early detection and reporting of potentially adverse and near-miss events. ESTA believes the reporting and investigation of adverse and near-miss events is a cornerstone in its continuous improvement strategy. Review and learning from these events assists ESTA take actions to minimise or eliminate recurrence and to improve systems, processes and the skills of staff. The policy promotes professional and appropriate escalation, investigation and the addressing of systemic and performance issues.

Since its implementation in March, 43 'Event of Interest' notifications were made by staff of which one

was rated as critical; eight as major; 11 moderate; seven as minor; six as insignificant and 10 did not represent a reportable incident or event. ESTA conducted internal investigations into these events and provided preliminary reports to the Office of the Emergency Services Commissioner(OESC) in relation to the critical, major and moderate risk events. ESTA worked internally and with the OESC to examine opportunities for systemic and performance improvements.

Open Disclosure Policy

ESTA developed an Open Disclosure policy during 2014. An Open Disclosure is where an organisation meets with a person or family affected by a serious adverse event, usually involving a fatality or other critical outcome. It is an opportunity for those involved to openly discuss what happened and understand the factors involved in the situation. ESTA has modelled its Open Disclosure Policy on that which Ambulance Victoria has used for a number of years, and on the principles outlined in the Australian Open Disclosure Framework³. ESTA believes it is beneficial for people in these kinds of circumstances to have an opportunity to meet face-to-face, ask questions and understand how ESTA's actions have contributed to the situation. There were no ESTA Open Disclosure meetings during 2013-14, which reflects that the policy was not introduced until June. ESTA personnel attended a number of Ambulance Victoria Open Disclosures during the year.

Police Intelligence Initiative

An ESTA designed solution implemented in March is assisting Victoria Police with intelligence and investigation information from ESTA's CAD system about vehicles. The 'Supplementary Information' process was designed to record vehicle descriptions in CAD. This data is now available via ESTA dispatchers

for police members in real time. The process is being used to determine if a vehicle involved in one incident has also been recently involved in others. Demand for this service has steadily increased since it was deployed and it is now used in approximately 13 per cent of police events. It has also increased the average call handling time for events requiring this information by approximately 50 seconds.

Victoria Police 'Footprint' at Tally Ho SECC

ESTA commenced work to scope a police and VICSES call-taking and dispatch capability at the Tally Ho SECC. Currently ESTA operates police, fire, ambulance and VICSES call-taking and dispatch from its Ballarat Centre; police and VICSES only at its World Trade Centre site; and fire and ambulance at Tally Ho. ESTA believes the introduction of police and VICSES at an additional site will provide greater workforce flexibility to manage demand better, improve operator multi-skilling and career opportunities, and will enhance business continuity, redundancy and risk management.

Quality Improvement Team

ESTA transitioned its Audit and Investigations function into a Quality Improvement function in May 2014. This team has responsibility for undertaking quality audits of ESTA's call-taking and dispatch, which facilitates feedback to improve standards and quality. It also assists identify trends and issues that drive process change. These activities support ESTA's continuous improvement program. The team has responsibility for investigating and reporting on all adverse events and identifying areas for improvement. The team collaborated with the OESC on a number of investigations. The Quality Improvement team has day-to-day accountability for the implementation of ESTA's Adverse Events and Open Disclosure policies.

² <http://prioritydispatch.net/mpds12-2>.

³ <http://www.safetyandquality.gov.au/our-work/open-disclosure/the-open-disclosure-framework/>

Operations

Highlights (continued)

Manual Operations Enhancements

While ESTA Operations used its manual card system to record call-taking and dispatch activities on four occasions during the year, there were only two instances of CAD unavailability throughout the period. The third instance was for planned upgrade works and affected the Ballarat site only, and the fourth was a preventative measure, isolated to fire services only, where the issue was resolved before CAD became unavailable.

Following internal and external reviews, a number of enhancements to ESTA's manual card system and associated processes were implemented. These enhancements included revision of the cards to ensure accurate event information can be recorded for reporting, and a refresher training program for all call-takers and dispatchers. An alternate automated system is under consideration and a separate reporting database is being developed for implementation in 2014-15. Related policies, processes and procedures were updated and additional quality assurance measures have also been put in place.

PERFORMANCE AGAINST STANDARDS

Victoria's Emergency Services Commissioner determines quantitative and qualitative standards for ESTA's call-taking and dispatch performance. ESTA reports monthly against these standards. ESTA aims to achieve a consistent state-wide level of performance for each agency in metropolitan and regional areas. Performance standards continued to apply in 2013-14 on a state-wide basis for the fire services and VICSES. ESTA reports call answer and dispatch performance on a metropolitan, regional, and state-wide basis for Victoria Police and Ambulance Victoria, based on the relevant metropolitan performance standard.

Quantitative performance

On a monthly basis, ESTA met or exceeded the majority of performance benchmarks throughout the year. .

ESTA did not meet dispatch performance for ambulance Code One events. A 'Dispatch Improvement' working group comprising Ambulance Victoria and ESTA representatives was established to address this issue. A range of improvement initiatives were identified towards the end of the year and are being progressed as a priority.

ESTA did not meet call answer and Priority One dispatch performance for VICSES. There was a 51.3% increase in call activity compared with the same time last year with the typically low volumes and surge nature of SES related activity affecting performance.

CFA Code One and Three dispatch standards were not met. Work is continuing with CFA to lift this performance and improve processes that will assist ESTA to return to compliance in this area.

Qualitative performance

ESTA assesses qualitative performance by using a combination of results from regular internal quality and service delivery audits of call-taking and dispatch; and valid Observation Reports provided by other emergency service agencies. An Observation Report reflects feedback which may include complaints or compliments.

Monthly Qualitative Performance standards are specific to each service and apply to all agencies in the categories of call processing, dispatch, messaging and data transfer.

Protected industrial action in relation to ESTA's Operations Enterprise Agreement over nine months of the year resulted in service delivery audits not being conducted by Team Leaders. The Quality Improvement team continued to conduct audits for Ambulance and Police during this period and provided feedback to staff who elected to receive it, and when performance issues were identified. Following resolution of a new Enterprise Agreement in March, there was a significant uplift in quality audits, with results improving month on month.

During 2013-14 ESTA received 694 Observation Reports for the year, of which 489 reflected opportunities for improvement. This equates to approximately one valid Observation Report per 4040 events dispatched or 0.02 per cent.

Performance against benchmarks

VICTORIA POLICE

Calls for police assistance are directed via a common queue to an assigned team of ESTA call-takers located at the World Trade Centre and Ballarat SECCs. This arrangement ensures callers are directed to the first available call-taker, regardless of where the call originates. ESTA:

- + Consistently exceeded the performance benchmark in all months of the year requiring 80 per cent of emergency calls to be answered within 5 seconds.
- + Averaged a state-wide monthly call answer performance of 88.3 per cent for the year, answering 88.2 per cent of all calls within 5 seconds with an average call answer time of 4.1 seconds compared to 3.4 seconds last year.
- + Consistently exceeded the metropolitan area dispatch performance benchmarks for Victoria Police on a state-wide basis in all months of the year. ESTA dispatched 89.9 per cent of Priority 1 events within the metropolitan benchmark time of 160 seconds across the State.

AMBULANCE VICTORIA

Calls for emergency ambulance assistance are directed via a common queue to an assigned team of ESTA call-takers located at the Tally Ho and Ballarat SECCs. This arrangement ensures callers are directed to the first available call-taker, regardless of where the call originates. ESTA met or exceeded the metropolitan performance standard for 90 per cent of calls to be answered in 5 seconds for eleven months of the year. ESTA:

- + Averaged a state-wide monthly call answer performance of 91.3 per cent, for the year answering 91.4 per cent of ambulance emergency calls within 5 seconds with an average call answer time of 3.5 seconds compared to 3.9 seconds last year.
- + Answered 95.6 per cent of ambulance non-emergency calls within 30 seconds, with an average call answer time of 5.0 seconds compared to 4.7 seconds last year.
- + Dispatched 77.1 per cent of Code 1 events across the state within the metro-politan benchmark time of 150 seconds. Our performance standard requires 90 per cent of Code 1 events to be dispatched within this benchmark time. ESTA and Ambulance Victoria are working together to address system-wide issues that impede our ability meet this standard.

FIRE SERVICES

Calls for the MFB and CFA are directed via a common queue to an assigned team of ESTA call-takers located at the Tally Ho and Ballarat SECCs. This arrangement ensures callers are directed to the first available call-taker, regardless of where the call originates. ESTA:

- + Exceeded the call answer performance standard for 90 per cent of emergency calls to be answered in 5 seconds, for both the MFB and CFA for ten months of the year.
- + Answered 94.1 per cent of emergency calls for CFA within 5 seconds and 94.0 per cent of emergency calls for MFB within 5 seconds, with an average call answer time of 2.9 seconds and 2.8 seconds respectively.
- + Dispatched 92.6 per cent of MFB events within the benchmark time. Dispatch performance for MFB met the performance standard for eleven of the twelve months in 2013-2014.
- + Met the dispatch performance standard for CFA priority 3 in only one month, but achieved 86.8 per cent of Priority 3 dispatches within the benchmark time for the year.

VICSES

ESTA met compliance against the VICSES Emergency call answer performance standards for only two months of the year. VICSES call activity is highly subject to adverse weather events, resulting in significant surges in call volume often with very little notice. ESTA is working to understand better how to accommodate these unpredictable and rapidly occurring peaks in demand.

- + VICSES storm emergency calls offered to ESTA varied from two to 5518 calls per day. Only twelve days in the year exceeded 400 calls.
- + ESTA answered 71.6 per cent of storm calls for the year within the benchmark of 20 seconds and achieved an average call answer time of 92.4 seconds, compared to 27 seconds last year.
- + ESTA answered 83.8 per cent of operational VICSES calls for the year within the benchmark time of 20 seconds.
- + While ESTA did not meet the 90.0 per cent Priority 1 dispatch benchmark in any month, 83.4 per cent of Priority 1 Events were dispatched within the benchmark time of sixty seconds. ESTA met the Priority 3 Dispatch benchmark for 10 out of 12 months of the year and achieved 91.5 per cent of Priority 2 and 3 events dispatched within the benchmark time for the year.



Customer Services

Customer Services' day-to-day operations focus on service and change requests made by our customers and from within ESTA.

Customer Services

The ESTA Customer Services Department performs the dual role of liaison with ESTA's customers and stakeholders, and customer advocacy within ESTA. Customers and stakeholders include Victoria's emergency service agencies, government departments and agencies, and service suppliers.

ESTA Customer Services continues to provide the link between ESTA and the ESTA Advisory Committee which is formed under the ESTA Act and provides advice and recommendations to the organisation. Customer Services also chairs the newly created Service Performance and Development Committee where all aspects of ESTA's service performance and service development are reviewed and discussed by senior agency and ESTA representatives.

Customer Services' day-to-day operations focus on the management and facilitation of service and change requests made by our customers, and from within ESTA for its own operations. We work

with the emergency services and other community service agencies to promote interoperability and consistency in Victoria's operational communications.

ESTA's Customer Services Department:

- + Works with emergency service agencies to review, prioritise, and enhance the services ESTA delivers to them as they respond to community needs;
- + Provides advice, communications and assistance supporting solution development, and the subsequent progress and delivery of agency and internal service and change requests;
- + Ensures prioritisation and scheduling of requests is undertaken, and that consistent and up-to-date information is communicated between the agencies requiring services and the ESTA personnel delivering outcomes; and

- + Engages with other departments and agencies including Corrections Victoria, Sheriff's Office Victoria, Life Saving Victoria and the Department of Environment and Primary Industry, with a view to examining how each of these agencies might take advantage of ESTA's capability and services to improve business performance and service.

Highlights

A comprehensive review of ESTA's Administrative Arrangements was concluded in 2013-14. These Arrangements set out how ESTA interacts with, and delivers services to its customers. The revised Arrangements have delivered a simplified governance model; clarified accountabilities and responsibilities; and improved engagement. Efficiencies realised through the revised governance model include a reduction in the number of formal meetings from 23 to three per month. A Service Performance and Development Committee and a Commercial Committee were created under the auspices of the ESTA Advisory Committee and these groups now oversee key contracts and performance requirements.

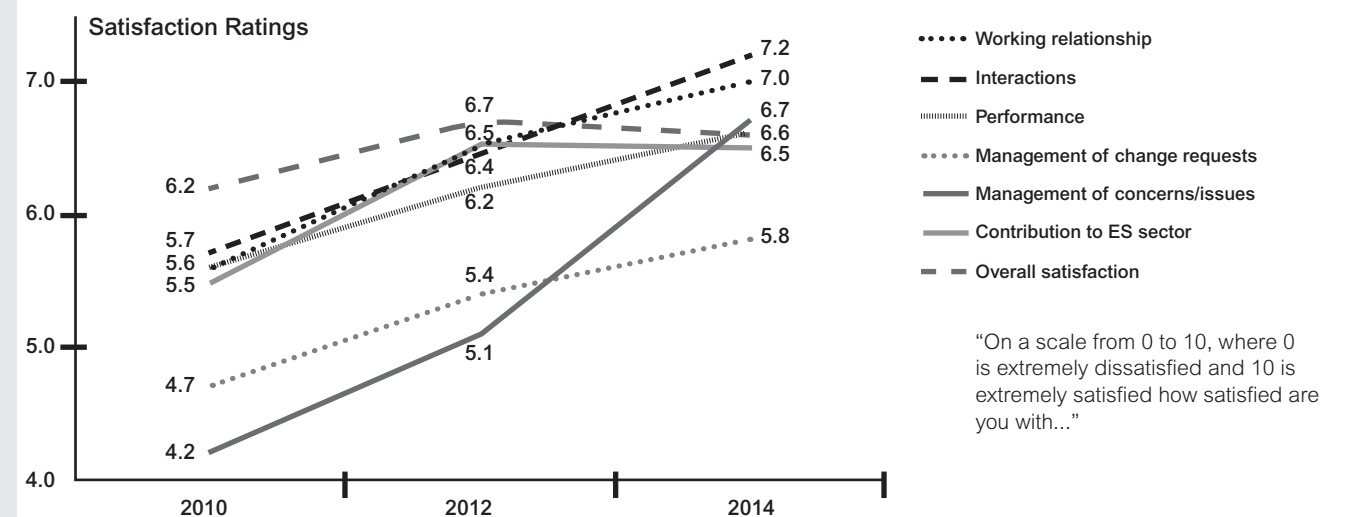
An Administrative Arrangements project team, comprising representatives from ESTA, customer agencies and the OESC commenced work to develop new performance standards and Service Level Agreements for ESTA's call-taking and dispatch. These are to be concluded in 2014-15.

The annual ESTA Customer Services Stakeholder Survey over the 2013 to 2014 period generally reflects an improving trend in most survey

indicators. Of special note is the marked increase of satisfaction in the way ESTA manages the concerns and issues of the emergency service agencies.

ESTA employs an automated workflow management tool to monitor and progress service requests. Following its introduction during 2012-13, specific Service Request and Change Request management capabilities were introduced in 2013-14. Further functionality will be delivered under a revamped ESTA Service Desk initiative scheduled for completion in 2014-15.

ESTA Customer Services continues to build upon the work commenced last year to reduce the number of outstanding change requests - both internal and external. This has been aided by the introduction of the workflow management tool, which provides enhanced reporting and task management capabilities. At the beginning of 2013-14 there were 490 active Change Requests. The end of 2013-14 saw 405 service requests active in the platform, a decrease of 17.5 per cent. A total of 2709 Service Requests were submitted in 2013-14, of which 85 per cent were completed during the year.





Information and Technology Services

ESTA's ITS Department manages the provision of critical information, data and operational communications services.

The Information and Technology Services Department (ITS) manages the provision of critical information technology, data and operational communications services supporting the whole of ESTA and Victoria's emergency service agencies. An enterprise-wide approach is taken to identifying, prioritising and executing a portfolio of short, medium and long term initiatives, projects and programs. These programs and projects are aligned with ESTA's Business Plan, Strategic Plan and Victorian Government policy for the emergency service sector.

ESTA's operational communications services include the:

- + Computer Aided Dispatch system
- + Emergency Alerting System
- + Mobile Data Network
- + Metropolitan Mobile Radio
- + Triple Zero Telephony Platform

Data and information services are managed within ITS, including geospatial data and mapping activities critical to the delivery of timely emergency responses.

The focus of ESTA's planning approach is promoting the use of shared infrastructure and applications when projects and activities are initiated and scoping work is first undertaken. The approach is consistent with the Victorian Government's Information Communications and Technology Strategy and assists in reducing costs, improves information flows, and helps ensure architectural designs do not duplicate functionality or diverge from ESTA and sector strategies.

ITS also oversees and supports ESTA's internal management platforms and services.

ITS delivered information communications and technology strategic elements within the ESTA Business Plan during the year including:

- + An Information Management Strategy incorporating a data warehouse roadmap;
- + A concept brief for a diverse access web portal;
- + A roadmap for administrative enterprise resource planning; and
- + A pilot of enhanced mobile data location information.

Highlights

ITS addressed a number of single points of failure and built resilience in our delivery model. This includes duplication of the CAD network, commencement of work to replicate MDN integration services at Ballarat and improving our data storage architecture.

ITS introduced new technologies during

the year to drive efficiency and improve communication and collaboration. A modern unified communications system was introduced to support the activity based and remote working environment adopted for ESTA's Support Office in early 2014.

An improved Service Desk system to support emergency service agencies and internal ESTA staff was introduced. ITS is now able to track better and improve performance of ESTA in delivering customer requests.

PROGRAMS AND PROJECTS

ESTA's significant portfolio of projects is managed within ITS. Program Management Office functions within ITS were brought within an extended Planning and Projects group during 2013-14. In 2013-14, the ITS Department managed 16 different programs and projects, with a total portfolio budget valued at over \$42M for the financial year. Six projects were successfully completed during the year:

Connectivity Upgrade for ESTA and Police

- + Victoria Police and ESTA worked together on the urgent removal of aged equipment providing connectivity between ESTA's CAD system and the Victoria Police Law Enforcement Assistance Program (LEAP) application. This project included the decommissioning of the end-of-life equipment, replacement of the CAD interface to LEAP with a commercial data integration solution, decommissioning of ageing servers and replacement of complex network links with commercial resilient services.

Radio Terminal Trial

- + The MMR network facilitates emergency services communications in metropolitan Melbourne for Ambulance Victoria, the MFB and Victoria Police. ESTA manages a contract with Motorola to provide this service including the leasing of radio terminals. In July 2012 Motorola advised that the radio terminals in use would cease to be manufactured from the 31 October 2013, and would be replaced with a new series of radio terminals. This project, which included a testing program, provided assurance that a new fleet of portable and mobile radio terminals complied with contract requirements and met emergency service agencies operational requirements.

Service Management Tool Installation

- + The objective of the Service Management Tool Installation project was to introduce an ITIL (Information Technology Infrastructure Library) compliant, business-wide service management solution for ESTA. It gave consideration to existing processes and tools and ensured the solution architecture was consistent with ESTAs strategic direction.

ESTA Support Office Relocation

- + ESTA continues to experience increased demand for emergency and non-emergency call-taking and dispatch services. A significant risk was identified as inadequate floor space for future operations growth. In June 2013, the ESTA Authority approved the relocation of ESTA's Support Office from Melbourne's CBD, to its existing facilities at Tally Ho in East Burwood. This activity secured significant floor space that can be used to expand call-taking and dispatch in the future. Project relocation activities commenced in June 2013, with the successful relocation of the support functions in February 2014.

CFA Regional Radio Dispatch Service (RRDS)

- + ESTA supported CFA in the roll-out of the State's new RRDS network facilitating its connection with the MMR network and integration into ESTA dispatch. The project also involved coordination of testing and modification of commercial arrangements to ensure the two state networks operate seamlessly.

Emergency Alerting System (EAS) Transition

- + The ownership of the EAS transitioned from a Public Private Partnership to the State in November 2012. During 2013-14, ESTA finalised transition arrangements and closed the project.

Program and Project Management

In addition to the successful delivery of six projects, ITS also progressed a number of key projects and programs during 2013-14 including:

- + The continuing upgrade of ESTA's CAD;
- + Activities to enhance call-taking and dispatch resilience, completing upgrades to our network, preparing concept architectures and going to market to source a monitoring tool to better understand and pro-actively manage technology support;
- + The commencement of a project to gather requirements for the introduction of four new customers to the State's metropolitan and regional radio networks in compliance with Australian Communications and Media Authority (ACMA) requirements;
- + Undertaking preparations with the State's MDN provider to ensure MDN services continue to be delivered beyond the current contract end date of December 2014
- + Work to upgrade ESTA's workforce planning tool, to improve the planning and management of our call-taking and dispatch staffing; and
- + Planning for the implementation of a new, State Government funded Triple Zero Communications Enhancement program.

Information and Technology

Emergency Data and Geographic Information Systems

Data and information are critical in the delivery of emergency and non-emergency call-taking and dispatch and for operational communications in the emergency services sector. A detailed ESTA-wide information strategy was developed in 2013-14. Key recommendations included the establishment of a central reporting and analysis group for the whole of ESTA and to support the sector; and the development of an enterprise data warehouse roadmap to consolidate all ESTA business information and enable data sharing externally.

ITS currently provides databases, data integration, data and geospatial data management and reporting. It builds and maintains the electronic maps used in the CAD system which are known as ESTAMaps. ESTAMaps are based on geospatial data provided to ESTA by the Department of Environment and Primary Industries and by the Public Sector Mapping Association for interstate addressing. This information is used to verify the location of incidents and contains geographic data, common place names, and specialised data for emergency services use, including data specific to each agency response business rules.

Highlights

Interoperability is a key requirement of Victoria’s emergency management policy. In line with this approach, ESTA upgraded its data integration system to the current version which provides enhanced data interoperability with emergency service agencies. It also completed geo-spatial changes to enable the implementation of state-wide referral services for Ambulance Victoria.

ESTA worked with the Victorian Commission for Gambling and Liquor Regulation to geocode all the liquor licences in Victoria against the authoritative address database. This resulted in a high quality data set of liquor licences that is now used by call-takers to help reduce call times by using venue names to help determine location.

ESTA worked with the Mount Buller and Mount Stirling Alpine Resort Management Board, the Department of Environment and Primary Industries and CFA to complete a significant addressing project that has improved ESTA’s ability to locate emergencies at the resort. Mount Buller is a multi-season activity centre attracting 400,000 visitors annually. It has a significant risk for fires and other emergencies. Previously not covered by standard addressing arrangements, the project added hundreds of urban addresses and other features of interest into ESTA’s CAD maps. This project will enable visitors to obtain emergency services support faster and more efficiently in the event of dialling Triple Zero and has become a model for other unaddressed resorts.

OPERATIONAL COMMUNICATIONS

Computer Aided Dispatch

ESTA’s CAD System is a key component of Victoria’s centralised emergency response infrastructure. The CAD System combines software, hardware and map data that enable ESTA operators to enter and record emergency event details. These elements assist operators in accurately pinpointing an incident location. The CAD System and associated systems assist ESTA operators in determining an event type and the required emergency resources. It also assists operators in sending the appropriate response to the correct location.

Performance

During 2013-14, the CAD System operated at satisfactory service levels. The service availability target is set at 99.8 per cent and was met with combined availability across the three SECCs of 99.96 per cent; an improvement over the 2012-13 figure of 99.86 per cent. A review of the current CAD availability target is ongoing.

Two incidents occurred during 2013-14 that required unplanned use of ESTA’s back-up systems for call-taking and dispatch. Post incident reviews revealed no systemic issues with the CAD system itself.

In July, the back-up was used for three hours at all SECCs following an incident as a result of data contention; and in August, a localised hardware failure at the Tally Ho SECC caused the CAD System to fail.

ESTA continues to work closely with its vendors to ensure steps are taken, as far as practicable, to prevent CAD disruptions. Work also commenced in 2013-14 to identify options for a technology based CAD back-up system.

CAD Upgrade

ESTA operates CAD on software that is no longer supported beyond end of life. The State Government has provided \$10.26 million to increase the availability and quality of ESTA’s call-taking and dispatch service through the upgrade of the CAD platform. ESTA continued to prepare throughout the year for the introduction of a newer version of CAD software. ESTA built a parallel CAD system on the new software in preparation for the cutover. This approach minimises any impact on this mission critical system in a live environment. The CAD upgrade was delayed through 2013-14 and is now scheduled to transition to the live environment in 2014-15.

Planning also commenced for the introduction of enhanced mobile data location information to assist in locating people calling Triple Zero from mobile telephones.

CAD Resilience

The State Government provided funding totalling \$3.182 million in 2012-13 to improve the resilience and reliability of the overall CAD system environment and call-taking and dispatch performance. In 2013-14, ESTA improved the CAD network’s resilience, introducing a Wide Area Network with high availability.

ESTA also commenced work to improve its technology management capability. These improvements will provide proactive monitoring of call-taking and dispatch technology services. ESTA will be able to make faster decisions as a result of this monitoring and this will reduce the number and severity of incidents.

EAS MESSAGING VOLUMES				
Message Priority	2013-14	2012-13	% Change	Delivery Success 2013-14
Emergency	520,456	524,065	-0.7%	99.982%
Non-Emergency	442,853	436,209	1.5%	99.989%
Administrative	169,631	166,681	1.8%	99.997%
TOTAL Messages	1,132,940	1,126,955	0.5%	99.989%

Emergency Alerting System

The EAS is a dedicated alerting system that alerts and simultaneously mobilises career staff and volunteer members from CFA, VICSES and Ambulance Victoria. Text messages sent via EAS personal paging devices dispatch emergency services’ personnel to incidents.

The EAS network comprises 227 sites across the State of Victoria, and transmits messages to approximately 40,000 pagers. The EAS is reliable and efficient and is able to sustain a high level of service during high demand or peak events.

During 2013-14, ESTA managed the State owned assets that make up the EAS network. The service entered its second year of system support under an ‘operate and maintain’ contract.

Performance

The EAS transmitted more than 1.13 million messages in 2013-14, with an overall message delivery success rate of 99.989 per cent above the target level of 99.95 per cent.

Highlights

Funding of \$21.53 million over four years was received from the State Government in 2009-10 to improve network performance during major events and to improve coverage. Benefits have been realised with considerable improvement in message delivery performance during major storm and fire events throughout the year. Work is underway to deliver a second channel on the EAS Network which will facilitate a considerable increase in message capacity and improve service during major events. An EAS capital refresh program is underway to ensure that the EAS operates with high levels of performance for this mission critical network.

A major software upgrade was implemented successfully in October 2013 to improve resiliency and facilitate further improvements.

Information and Technology

MOBILE DATA NETWORK

The MDN is a secure, digital, data switching telecommunications network providing connectivity between mobile data equipped emergency service resources in the field, their corporate databases and the ESTA call-taking and dispatch environment. It enables the efficient dispatch of events to emergency service resources in the field. It includes in-field enquiry functionality for corporate databases such as the LEAP database used by Victoria Police. MDN also supports Automatic Vehicle Location which facilitates both the identification of the closest appropriate emergency service resource to an event, and personnel duress alerting that provides the location of agency personnel under duress.

Performance

The availability of the MDN core network was 99.99 per cent for the year (the same result as 2012-13) against a target of 95 per cent. The network recorded an increase in MDN transactions; the biggest increase, 41 per cent, was recorded for Victoria Police CAD-MDN transactions. LEAP inquiries increased by more than 13 per cent.

MDN TRANSACTIONS			
Transaction Type	2013-14	2012-13	Per Cent Change
CAD – Ambulance Victoria	492,861	467,101	5.5%
CAD – Victoria Police	1,404,837	997,420	40.8%
LEAP inquiries	5,972,495	5,267,610	13.4%
Sheriff’s Office	6,571	7,389	-11.1%
TOTAL Transactions	7,876,764	6,739,520	16.9%

Highlights

MDN terminal software upgrades were implemented to provide enhanced functionality for users.

The use of the MDN in regional Victoria increased, supported by laptop data terminals for agency personnel using commercial telecommunications carriers.

Restoration standards were introduced for regional data services that are consistent with the service levels provided in the metropolitan area.

The 16 per cent increase in use of the service is due to the introduction of enhanced MDN functionality and

wider use of laptop mobile data devices by Victoria Police, enabling members to make better use of MDN devices both inside and outside the Melbourne metropolitan service area.

The rollout of Victoria Police’s electronic Patrol Duty Running sheet contributed to increased MDN usage, assisting Victoria Police’s officers with simplified shift reporting.

MDN supported the rollout of Victoria Police’s ‘BlueNet’ Automatic Number Plate Recognition program and its integrated In-Car Video system to provide officers with greater access to databases not previously available while mobile.

MMR RADIO CALLS			
Agency	2013-14	2012-13	% Change
Ambulance Victoria	4,845,668	4,750,962	2.0%
Metropolitan Fire Brigade	1,349,385	1,313,353	2.7%
Victoria Police	12,795,681	12,835,206	-0.3%
TOTAL Calls	18,990,734	18,899,521	0.5%

METROPOLITAN MOBILE RADIO

The MMR service is a digital radio voice communications system. It provides mission critical high quality and secure communications in the greater metropolitan area supporting Victoria Police, Ambulance Victoria and the MFB. The MMR network comprises 111 radio transceiver sites servicing more than 8000 portable and vehicle radios.

Performance

The MMR core network availability for the year was 99.99 per cent against a target of 99.95 per cent.

TRIPLE ZERO TELEPHONY

ESTA’s telephony platform is divided into two main parts – the Triple Zero emergency and non-emergency call-taking component, and a corporate phone system used by the Support Office. The underlying Triple Zero platform is supported by a commercial product that, while extremely robust and reliable, is now over 30 years old and will be unsupported by 2016.

Performance

The availability of the Telstra Spectrum component of ESTA’s telephony platform was 99.999 per cent in 2013-14.

Highlights

An upgrade of all MMR base station transceivers is almost complete with only the CBD sites due for completion by September 2014. In excess of 600 transceivers have been replaced. The new series of transceivers will increase the capacity of the MMR network by leveraging new radio management technology.

Work to upgrade the MMR core operating system software to the latest version was progressed throughout the year. The upgrade, which will be fully implemented in 2014, will provide enhanced features such as dynamic site resilience to improve system reliability and remove site redundancy risk when switching cores during future upgrades.

ESTA have worked with the CFA to integrate successfully its new digital radio system with the MMR network. Work has also commenced transitioning the ongoing management of the RRDS contract over to ESTA.

During 2013-14, Motorola announced the current version of MMR portable radios would cease production. ESTA, in collaboration with the existing MMR customers coordinated a successful series of comprehensive user and operational test cases on the replacement portable radio.

Several coverage enhancements for newly constructed police stations have also been implemented or initiated including for the new City West Police complex.

Highlights

ESTA commenced planning to upgrade its Triple Zero emergency and non-emergency call-taking telephony platform following a successful bid to the Budget Estimates Review Committee. The State Government is providing \$15 million for the project. ESTA’s new telephony system will deliver a range of benefits including voice switching across all SECCs; greater integration between systems; and improved data management and reporting. This project will provide the foundation for future initiatives such as intelligent call management; improved surge management; skills based routing and call prioritisation. These improvements will be scoped in the Triple Zero Telephony Strategic Roadmap to be developed within the available funding. The implementation of any opportunities identified during the scoping exercise would be subject to additional funding in future years.



Finance & Commercial Services provides ESTA with key services and functions including: budget and costing, accounting, contract and procurement management, payroll, and asset and facilities management.

Highlights

Priority was given throughout the year to participation in and support for a Department of Justice review of ESTA's funding model. This work included development of an econometric tool which enhances ESTA's forecasting abilities by linking demand for ESTA's services with required resources and costs. Work also commenced to compare services provided by ESTA with other similar providers in Australia and overseas. It is expected the funding model review will conclude during 2014/15 with revised arrangements between government and the ESOs in place for the 2015/16 financial year.

ESTA commenced work to modernise its labour management and payroll system which remained largely manual and paper-based. The key focus of the project has been to identify efficiency opportunities across the administration of employee conditions, including options for the introduction of on-line roster, shift and leave management, and payroll information technology.

ESTA has successfully market tested over 50 of the more than 200 contracts under its management, consistent with government procurement guidelines to maximise value for money and find cost saving opportunities. ESTA relies on the

Financial & Commercial Services

sound provision of services from a variety of suppliers and service providers to contribute to its day-to-day services as well as business continuity and disaster recovery.

A review of ESTA's Administrative Arrangements resulted in the consolidation from several committees into a single forum to monitor and assess contractual performance and any variations in relation to the State contracts managed by ESTA. The Commercial Committee, reporting to the ESTA Advisory Committee, comprises representatives from Victoria's emergency service agencies, the Department of Treasury and Finance, and the Department of Justice.

Financial Results

ESTA's financial statements for 2013-14 are included in this Annual Report. The organisation's consolidated Net Result reflects a combination of its lines of business, including projects:

- + Emergency and non-emergency call-taking and dispatch operations and related support functions;
- + Operational communications including the management of State contracts;
- + Support and administrative functions, including Customer Services.

The organisation's Net Result for the year is a deficit of \$8.83 million, outlined in the accompanying table.

This summary highlights the impact of depreciation on ESTA's financial performance, especially the impact of the \$18.96 million depreciation of State owned operational communications assets now managed by ESTA. The underlying financial results for ESTA's emergency and non-emergency call-taking and dispatch operations are best judged by the Net Result before Depreciation measure. For 2013-14, this was a deficit of \$3.1 million.

ESTA's cash in banks and investments in money market instruments at 30 June 2014 of \$23.9 million include amounts earmarked for employee entitlements and multi-year projects, and amounts quarantined under the provisions of contracts managed on behalf of the State. At 30 June 2014 these amounts total \$29.7 million. ESTA therefore has a negative net operating cash position at the end

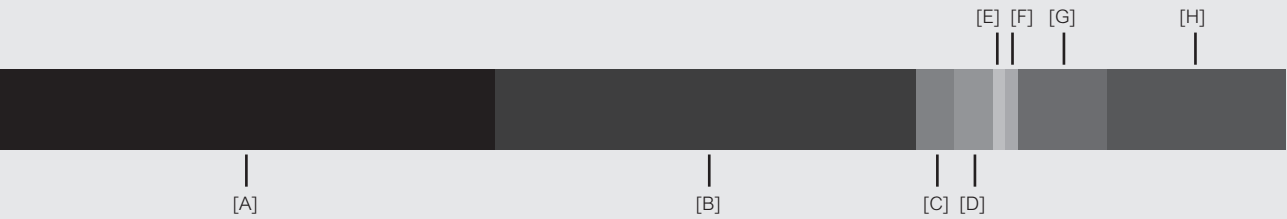
	Net result Surplus/(Deficit) 2013/14	2012/13
Net result before Depreciation by Line of Business:	\$'000	\$'000
CTD Operations and related Support	(3,095)	(6,705)
Operational Communications	23,462	27,465
Projects	(3,175)	922
	17,193	21,682
Depreciation		
Operational Communications	(18,959)	(19,427)
Other	(7,064)	(7,581)
	(26,023)	(27,008)
Net Result	(8,830)	(5,326)

of the year. Greater cash depletion was avoided earlier in the year via a change to ESTA's customer invoice cycle, which created a one off cash flow benefit of \$6 million for the year. Action has been taken to ensure operating cash resources are available for the 2014-2015 financial year.

back to the State, an upgrade to that network (the value of \$14.1M which was recognised through ESTA accounts as passed back to the State), and an upgrade and added resilience to the CAD system and software.

Expenditure

ESTA accounts for changes of significant magnitude in relation to the State contracts it manages. It also takes on and manages key sector projects, many with multi-million dollar budgets. These contract requirements and funded projects contribute to significant year-on-year variations to ESTA's underlying business result and cash flows. In 2013-14, these contracts and projects included finalisation of the transition in ownership of EAS assets



Operating expenses by type

- [A]

Employees expenses

38%
- [B]

IT, CAD and Operational Communications Infrastructure

33%
- [C]

Property and building accommodation

3%
- [D]

Project and related technical advisory

3%
- [E]

General operational

1%
- [F]

Interest expense

1%
- [G]

Transfer of EAS assets of DoJ

7%
- [H]

Depreciation and Amortisation

14%

Note: Items labelled B, C, D and E comprise the category 'Other Operating Expenses; in the Comprehensive Income Statement



Strategy, Risk & Assurance

The Strategic Plan outlines ESTA's goals, priorities and strategic investments for the period 2014-2017, and sets out how success will be measured.

ESTA restructured its Strategic Planning Department during the year to reflect better the functions it oversees, particularly risk, audit and business continuity. The new Strategy, Risk & Assurance Department has an increased focus on investment including the identification of funding opportunities to complement established Budget Estimates and Review Committee processes.

During 2013-14, ESTA developed a 2014-2017 Strategic Plan to support its service excellence vision. The Strategic Plan outlines ESTA's goals, priorities and strategic investments for the period 2014-2017, and sets out how success will be measured. ESTA integrated its ICT strategic requirements into this Strategic Plan to ensure alignment of business and ICT initiatives. ESTA also mapped a People and Culture Strategy which will be part of its overall strategic plan. The People and Culture Strategy is designed to strengthen skills, training, employee engagement and leadership capability at ESTA.

ESTA's Internal Audit program continued to give detailed focus to management and administrative improvements across the organisation. Audits during the year considered ESTA's Workforce Management; Risk Management and Business Continuity; Physical and Information Security; Disaster Recovery; Adverse Events; and Post Incident Review processes. Activities and detailed planning are in place to address recommendations and monitor progress.

Assurance

Two key activities during the year have been coordinating and monitoring ESTA's response to:

- + The OESC Review of ESTA CAD disruptions - May-August 2013
- + The Victorian Auditors General Office (VAGO) Emergency Response ICT Systems Performance Audit

Attention continued throughout the year to tracking ESTA's agreed actions arising from the CAD disruptions review. Assistance was provided to VAGO for its audit which is to be finalised in the first half of 2014-15 and tabled in Parliament.

Highlights

- + ESTA took the opportunity during essential works to test its business continuity processes during the year. In July metropolitan ambulance operations were managed at the Ballarat SECC during a system infrastructure upgrade. Similar activity in October saw rural operations transitioned to ESTA's metropolitan sites. A planned full building power outage at the World Trade Centre complex in May allowed ESTA to relocate a 12 hour day shift from the centre to its Tally Ho and Ballarat SECCs. The exercise was a success with a smooth transition of operations.
- + KPMG assisted ESTA to compare its operations against like organisations in relation to cost and service. This activity was designed to assist the funding review led by the Department of Justice. Having initiated an approach to benchmarking, ESTA will continue to investigate productivity and efficiency comparisons.
- + ESTA commenced development of an organisation-wide Incident Management Framework. Recommendations from a range of KPMG audits are informing this work.
- + An Internal Audit reviewed ESTA's risk management system and identified that the organisation's risk management approach demonstrates repeatable processes; co-ordination between business units; common risk management tools and processes; execution on controls and treatments; risk management policy alignment with the ESTA strategy; risk champions are engaged and risk appetite is defined.
- + A Business Continuity and Disaster Recovery Steering Committee was convened to promote and embed pro-active, effective and accountable business continuity management and disaster recovery processes across ESTA. The Committee will ensure business continuity management and disaster recovery arrangements are in place at all ESTA sites and it will coordinate the response and recovery following incident or situation that causes significant disruption or potential disruption to ESTA's service delivery. The Committee includes a Single Points of Failure working group, set up to identify and mitigate single points of potential failure which could affect the delivery of ESTA's services.
- + ESTA participated in the pilot program required by the OESC to establish performance standards for the State's emergency management sector. These performance standards were proposed to meet community and government expectations and drive a culture of continuous improvement in the way emergencies are prepared for and managed in Victoria.



People & Culture

ESTA's staff are deeply committed to the Victorian community they serve.

ESTA's staff are deeply committed to the Victorian community they serve and are among the most dedicated and highly skilled in their field. To support its staff and strengthen skills, training, engagement and leadership capability, ESTA developed a new People and Culture Strategy in 2013-14 and will begin implementing a range of new approaches to recruitment, retention, reward, recognition and renewal during 2014-15.

ESTA's call-taking and dispatch services continue to be delivered from three communications centres located at Mt Helen in Ballarat, Tally-Ho in East Burwood and the World Trade Centre at Docklands. Support functions for the organisation were located across two sites in Melbourne's central business district during the first half of the year. ESTA has now consolidated its Support Office and co-located those functions with its East Burwood operations.

Highlights

National Emergency Medal

ESTA's call-taking and dispatch team played a critical role in the communications and emergency response efforts during the 2009 Victorian bushfires. Those efforts were recognised this year with 362 ESTA current and former staff awarded the prestigious National Emergency Medal. The Australian Honours and Awards Secretariat recognised recipients who provided 'significant service' during the 2009 Victorian bushfires, in a way that was 'extraordinary,' and assisted with the protection of lives and property.

APCO Award

ESTA was awarded the 2014 Communications Award by APCO Australasia, the peak Association of Public-Safety Communications Officials in our region. ESTA nominated its call-taking and dispatch team for the Award following a major multi-agency event in regional Victoria. The incident involved a number of patients, including emergency services personnel, who were overcome with toxic fumes. ESTA's coordination of the event demonstrated its ability to manage emergency communications simultaneously for a number of emergency service agencies.

The APCO Australasia Communications Award acknowledges those who have made a direct and positive impact on the resolution of an incident through effective communications and collaboration. It celebrates leaders in emergency management and rewards professionals who have gone above and beyond in pursuit of service, innovation and communications excellence.

Leadership Development

ESTA's Leadership Development Program continued in 2013-14. ESTA once again partnered with Swinburne University in 2014 to offer a Diploma of Management program for first line managers. This was the third time ESTA has offered the Diploma and 29 managers are participating. A graduation ceremony was held in December 2013 for the 25 managers who completed the Diploma in 2013. A further Leadership Program designed for senior and strategic leaders also continued at Swinburne throughout the year. Nineteen managers are participating in this program with a number formally working to complete a Graduate Certificate in Business. In total, 69 employees have completed this development activity, with 28 more participating during the year.

Service Awards

Recognition ceremonies were held for staff completing 10 and 15 year continuous service at ESTA. Awards were presented to 38 staff achieving 10 years of service and nine staff achieving 15 years of service.

Enterprise Agreement - Operations

ESTA and the unions finalised a new Enterprise Agreement for all operational employees following a lengthy negotiation period and the imposition of a range of protected industrial actions. The Agreement, which includes remuneration increases and a revised classification structure in line with Government wages policy, was approved by employees and the Fair Work Commission and came into effect from April 2014.

Enterprise Agreement – Administrative and Support

A new Enterprise Agreement for staff in administrative and support roles was also negotiated. At the end of the financial year the proposed Agreement was subject to formal approval and is expected to be finalised in early 2014-15.

Activity Based Working

ESTA introduced new collaborative work practices for its support functions as part of its move from central Melbourne to Tally Ho. ESTA management and the majority of support staff no longer have allocated desks and there are no offices in the new work environment. Management and employees now decide where in the environment to work based on the demands of the day, such as requirements to collaborate with others or to work uninterrupted. ESTA also trialled flexible work arrangements for support staff affected by the office move, including opportunities to work from home or nine-day fortnights. The trial will be evaluated in the second half of 2014.

During 2013-14:

ESTA employed an average of 828 employees or 757 full time equivalents (FTE) per month in 2013-14, compared with 801 employees or 752 FTE in 2012-13.

ESTA's annual employee attrition rate was reduced from 9.8 per cent in 2012-13 to 8.6 per cent in 2013-14. This compared with a target maximum of 10 per cent.

ESTA recruited 123 staff, including 92 call-takers and dispatchers during the year, down from 165 recruited the previous year. It recruited 31 administrative and support staff, up from 20 recruited in 2012-13. A number of the administrative and support staff have been employed on fixed terms linked to funded projects.

Absenteeism decreased from 6.3 per cent in 2012-13 to 5.7 per cent in 2013-14, still within the targeted maximum of 6.5 per cent.

ESTA employees experienced 106 incidents during the year, of which 13 resulted in lost time. This represented a reduction from 114 incidents in 2012-13, of which 16 involved lost time.



Community Engagement

Environment



ESTA's engagement activities focus on educating members of the community about the Triple Zero service and on providing assistance to others via fund-raising activities. ESTA works with other emergency service agencies to ensure information about calling Triple Zero is part of engagement and education efforts across the sector. Facebook and Twitter are increasingly used by ESTA to share information about Triple Zero services.

Highlights

ESTA celebrated its 10th annual Junior Triple Zero Heroes Awards with 21 young Victorians recognised for their bravery and appropriate use of the Triple Zero service. The Junior Heroes received their Awards from the Minister for Police and Emergency Services, Kim Wells, at a special ceremony in August and included:

- + young brothers who assisted an elderly neighbour who had collapsed in his backyard;
- + a five year old whose little sister was choking;
- + a young boy who called for help while his father battled the Gippsland bushfires of January 2013;
- + a teenage restaurant employee who reported a hold-up in Melton South by an assailant armed with a machete; and
- + a 10 year old and his friend who found a young child who was lost and had difficulty speaking.

ESTA supported and promoted the launch of the Federal Government funded 'Emergency+ App', an Australian, sector-wide initiative that helps users connect to Triple Zero using smartphone GPS technology. The app allows users to identify their location by longitude and latitude and relay this information to Triple Zero call-takers.

ESTA was involved again in a CFA coordinated program – Safety Awareness Field Education (SAFE) – a structured and interactive program run each year delivering Triple Zero safety messages to children in grades three and four.

ESTA also supported the Ambulance Victoria Community Education & Engagement team, assisting it with detailed information from call-takers and dispatchers on the operation of the service.

ESTA staff helped raise in excess of \$3800 for this year's Royal Children's Hospital Good Friday Appeal. For

the fourth year running, ESTA people volunteered their time and efforts to help raise much needed funds for equipment, research and education to support the work of the Hospital. ESTA staff raised money for the Appeal throughout the year and a number volunteered their time on Good Friday to answer telephones and support the annual telethon.

Typhoon Haiyan in the Philippines in late 2013 was one of the most powerful in history. ESTA responded by sending unusable uniforms with old logos to the Sacred Heart Institute for Transformative Education Foundation in Samar Province. Fundraising activities were also undertaken to assist people affected by the Typhoon.

ESTA's environmental objectives and targets are set in its Environmental Management Strategy and form part of the organisation's commitment to sustainability. Changes in ESTA's operating environment during 2013-14 influenced its environmental management performance. The nature of ESTA's 24 hour a day, year round operations contributes to its energy consumption. ESTA has a high reliance on electrical equipment to provide service to the community. ESTA has a maintenance regime for its electrical and environmental infrastructure which assists improve efficiency and minimise unnecessary power usage.

Paper Consumption

Paper usage increased marginally reflecting an increase in FTE and demand for printing.

Energy & Fuel Consumption

Electricity consumption per FTE was lower than the previous financial year. This was due to ESTA rationalising support function accommodation and consolidating at the Tally Ho site.

Water

Water consumption decreased over the previous year. Water metering is only available for the Ballarat and Tally Ho properties. The former Support Office and World Trade Centre SECC are both located in multi-tenanted buildings, and not separately metered. Consumption has been estimated on percentage of building occupied for those premises and may not reflect a true indication of ESTA's water consumption.

Waste

ESTA's waste measurement is by audit sampling and the proportion of recycled waste declined.

Transport

Kilometres travelled and fuel use decreased. Contributing factors were that field work for the EAS network upgrade and pager replacement projects came to a close, and travel between sites reduced following the relocation of the Support Office to Tally Ho.

ESTA has installed additional video conferencing to reduce travel between sites.

Sustainable Procurement

ESTA's procurement strategy continues to include environmentally sustainable procurement activities including environmental weighting factors in tender evaluations. As a matter of policy, ESTA gives consideration to recycling goods that are no longer required, including via donation, and it also engages suppliers to dispose of goods by environmentally sound methods. During the year ESTA contributed goods to a Philippines-based charity following Typhoon Haiyan; to the South Australian Radio network for improvement to inter-border radio coverage; and to CFA. These activities were in line with Victorian Government Procurement Board procurement guidelines for recycling goods.

GHG Emissions

ESTA's GHG emissions per FTE increased by four per cent over the previous year.

Environment

ENVIRONMENTAL REPORT							
Environment Aspect	Description	Unit of Measurement	Fin. Year 2013 - 14	Fin. Year 2012 - 13	Fin. Year 2011 - 12	Fin. Year 2010 - 11	Fin. Year 2009-10
Paper	Use per FTE	Reams per FTE	3.7	3.4	4.4	4.8	3.7
	Total Use	Reams	2823	2566	3199	3215	2061
	Total GHG emissions	Tonnes CO ² equivalent	9.9	9.7	15.1	15.2	9.8
Energy (Electricity & Gas)	Use per FTE	Mega joules per FTE	17,430	19,438	21,657	21,320	24,569
	Use per square metre of office space	Mega joules per m2	1186	1797	1565	1768	1797
	Total Use	Mega joules	13,497,571	15,006,136	15,679,453	14,220,157	13,608,484
	Total GHG emissions	Tonnes CO ² equivalent	3806	3267	4693	4296	4181
	Green Power	%	25	25	25	25	20
Water	Consumption per FTE	Kilolitres per FTE	4.3	6.4	3.5	4	4.9
	Total Consumption	Kilolitres	3313	4955	1246	1153	1183
	Total GHG emissions	Tonnes CO ² equivalent	7.7	11.5	2.9	2.7	2.6
Waste ⁴	Generated per FTE	Kilograms per FTE	43	63	42	47	45
	Total Recycled	%	28	28	59	58	59
	Total GHG emissions	Tonnes CO ² equivalent	15.44	39.67	15	13.3	10.3
Transport	Fuel (petrol)	Litres	5530	6508	6212	4766	5172
	Operational Kilometres travelled	Km	49,700	65,773	59,555	61,244	44,373
	Vehicle emissions	Tonnes CO ² equivalent /1000km	0.22	0.28	0.24	0.18	0.27
	Total GHG emissions	Tonnes CO ² equivalent	11.2	18.4	14.2	10.9	11.8
GHG Emissions	Total GHG emissions for Fin. Year	Tonnes CO ² equivalent	3850	3606	4740	4338	4218
	Total GHG emissions per FTE	Tonnes CO ² equivalent	4.9	4.7	6.5	6.5	7.6

Prior year corrections: The 2012-13 source data for energy, waste and kilometres were reviewed and have been revised in the table to correct inconsistent treatment and reporting. Likewise, GHG calculations for water have been revised. Some figures that were unavailable in 2012-13 have been established and provided.

⁴ Waste is sampled one day in the year.

Corporate Governance

The ESTA Members during 2013-14 comprised:
CURRENT MEMBERS

EMERGENCY SERVICES
TELECOMMUNICATIONS
AUTHORITY AND COMMITTEES

The Authority Members have the overall responsibility for the corporate governance of ESTA. In particular, the Members are responsible for:

- + Setting the strategic direction, objectives and targets of the business for the benefit of all stakeholders;
- + Monitoring and assessing performance of the business and of management against the agreed strategies, targets and objectives;
- + Identifying significant areas of business risk;
- + Ensuring that procedures and internal controls are established to manage such risks;
- + Ensuring that policies and appropriate ethical standards are established;
- + Ensuring compliance in legal and ethical matters;
- + Reporting to the Minister for Police and Emergency Services through the Chairperson;
- + Appointing the Chief Executive Officer and undertaking his/her performance reviews;
- + Ensuring that appropriately skilled management are employed and provided with direction to manage the business and implement the initiatives required to achieve the objectives and targets of the business.

Mr Roger Leeming
(Chairman)

Appointed as a Member of ESTA in July 2006, Mr Leeming became Chairman in November 2012. Mr Leeming retired from the role of CEO, Pilkington Australasia in 2006 with international experience in the construction and automotive industries. He was also President of the Australian Industry Group in Victoria (and National Vice President) and President of the Australian Glass and Glazing Association. Mr Leeming sat on the Victorian Skills Commission for two years, which advised the State Minister on Industry-led Skills Development and is a Director of the Holmesglen Institute. Mr Leeming also formerly chaired the Authority’s Human Resources and Remuneration Committee.

Ms Christina Gillies
(Member)

Appointed Director of Emergency Communications Victoria in July 2002 and ESTA Member on 1 July 2005, Ms Gillies is an independent non-executive director serving on a number of boards, associations and charities and advises boards on establishing IT Governance leadership in the boardroom. She also uses her current and past experience as an executive mentor. She is a Director of Oakton Ltd and Chair of the MS Society NSW, VIC and ACT. She has established and chairs a number of Board IT committees, including ESTA’s Information and Communications Technology Committee, and advises a number of others. Ms Gillies is also a member of the Authority’s Human Resources and Remuneration Committee. Ms Gillies previously held executive positions with St George Bank, Bank of Melbourne, Coles Myer and DMR Group Australia.

Corporate Governance

Ms Marion Lau OAM
(Member)

Appointed as a Member of ESTA in February 2013 Miss Lau has a distinguished career which includes the Order of Australia awarded in 1996 for her work with older Australians and those from Chinese backgrounds; and a 2003 Centenary Medal for her work in promoting multiculturalism. Miss Lau leads her own management consultancy which focuses on aged care, ethnic aged and migrant women's health and is a member of the Ministerial Advisory Council for Senior Victorians. She also provides counselling and mentoring for small businesses and is a member of the Victorian Multicultural Business Ministerial Council. Miss Lau has a strong background and significant qualifications in the nursing profession. She served over 15 years on the Board of Royal District Nursing Service, retiring in 2011, the same year she was inducted to the Victorian Honour Roll of Women. Ms Lau chairs the Authority's Human Resources and Remuneration Committee.

Mr Stewart Leslie
(Member)

Appointed as a Member of ESTA in July 2009, Mr Leslie is a Fellow of the Institute of Chartered Accountants in Australia. For 15 years he was a partner with accounting firm KPMG, where he specialised in assurance and advisory services. Since retiring from that partnership in 2001 he has been appointed to a number of governance roles in the public sector. He is a Council member of the Australian Community Support Organisation, which assists the disadvantaged and holds a senior management role at a significant philanthropic foundation. Mr Leslie is a past member of the Board of the Royal Women's Hospital. Mr Leslie chairs the Authority's Audit, Risk Management and Compliance Committee.

Mr Neil Lucas PSM
(Member)

Appointed as a Member of ESTA in July 2013, Mr Lucas has had a broad range of experience in management and organisational governance. Following a career in local government which culminated in appointment as Chief Executive of the City of Berwick, Mr Lucas served as a Member of Parliament in the Victorian Legislative Council. During his parliamentary service Mr Lucas chaired the Joint Parliamentary Economic Development Committee and was Parliamentary Secretary to the Leader of the Opposition. He served as a City of Casey Councillor, including as Mayor in 2003-4, and during 2006-08 served as Administrator of the Cocos (Keeling) Islands and Christmas Island. He is currently a Member of the Victorian Government Purchasing Board, a Member of the Board of Holmesglen Institute and Trustee and Chairman of the Harkaway Cemetery Trust. Mr Lucas is also a member of the Authority's Audit, Risk Management and Compliance and Human Resources and Remuneration Committees.

Mr Daniel Quagliani
(Member)

Appointed as a Member of ESTA in November 2013, Mr Quagliani is also a Director and part-owner of radio solutions and support company, AA Radio Services. Mr Quagliani has an extensive background of over 30 years in the two-way radio and wireless communications industry. Over this period he has held roles in a technical, sales, projects and business management capacity. Mr Quagliani is also a member of ESTA's Information and Communications Technology Committee.

Mr Greg Tweedly
(Member)

Appointed as a Member of ESTA in September 2012, Mr Tweedly was formerly the Chief Executive of WorkSafe Victoria, and has served in a variety of directorships and senior executive positions in the past. He is currently a Director of DorsaVi Ltd. Mr Tweedly is Chair of the ESTA Advisory Committee and is also a member of ESTA's Audit, Risk Management and Compliance Committee.

Mr John Yates
(Member)

Appointed as a Member of ESTA in August 2013, Mr Yates is a Chartered Accountant with Fellow status of the Institute of Chartered Accountants in Australia and is also a Registered Company Auditor and Tax Agent. He has 30 years experience and is currently a Partner in a long standing Melbourne based Chartered Accounting practice. Mr Yates has held many community based board positions, is currently a tribunal panel member of a sporting competition and has been heavily involved in community based youth work over a long period of time. Mr Yates is also a member of ESTA's Information and Communications Technology Committee.

Retired Members during 2013-14

Mr Peter Kronborg
Member August 2012- August 2013

COMMITTEES

The Authority operated four committees in 2013-14:

- + ESTA Advisory Committee;
- + Audit, Risk Management and Compliance Committee;
- + Human Resources and Remuneration Committee; and
- + Information and Communications Technology Committee.

ESTA ADVISORY COMMITTEE

The ESTA Advisory Committee is appointed by ESTA pursuant to Section 21 of the Emergency Services Telecommunications Act 2004.

The functions of the Advisory Committee are to:

- (a) Advise the Authority of any specific requirements of, or issues relating to, the organisations represented on the committee; and,
- (b) Carry out any other functions that are conferred on the committee by this Act, by the regulations or by the Authority.

The 2013-14 Advisory Committee members were:

Greg Tweedly Chairman of the Advisory Committee and Member of ESTA

David Youssef Deputy Chief Fire Officer Metropolitan Fire Brigade

Joe Buffone Deputy Chief Officer, Country Fire Authority

Trevor White Director Operations, Victoria State Emergency Service.

Mark Rogers Manager Operations, Ambulance Victoria.

Andrew Humberstone Superintendent, Victoria Police

Standing invitees to the Advisory Committee were:

Michael Hallowes Former Commissioner, Office of the Emergency Services Commission (until March 2014)

Craig Lapsley Fire Services Commissioner

Ian Nicklen Acting Director, Emergency Management Programs & Resources, Department of Justice

AUDIT, RISK MANAGEMENT AND COMPLIANCE COMMITTEE

The objectives of the Committee are to:

- + assist the Authority to fulfil its risk management, accounting and reporting responsibilities by providing independent and objective oversight and review of the information presented by Management on ESTA's performance and operations to stakeholders;
- + ensure that appropriate risk management policies and procedures are developed and implemented by Management;
- + provide a formal process for communication between the Members of the Authority, Management and the internal and external auditors; and,
- + oversee and appraise the quality, efficiency and effectiveness of the internal and external audit functions.

Members of the Audit, Risk Management and Compliance Committee in 2013-14 were:

Stewart Leslie (Chair)

Chris Gillies (until November 2013)

Neil Lucas (from November 2013)

Greg Tweedly

HUMAN RESOURCES AND REMUNERATION COMMITTEE

The role of the Human Resources and Remuneration Committee is to provide oversight and guidance in relation to ESTA's Human Resources policies and employment terms and conditions.

Members of the Human Resources and Remuneration Committee in 2013-14 were:

Marion Lau (Chair from September 2013)

Chris Gillies

Neil Lucas (from September 2013)

INFORMATION AND COMMUNICATIONS TECHNOLOGY COMMITTEE

The Information and Communications Technology Committee was established in December 2009.

The primary objective of the Committee is to ensure that Information and Communications Technology governance is addressed in a structured manner, while ensuring that the Authority has the information it needs to make informed Information and Communications Technology decisions.

Members of the Information and Communications Technology Committee in 2013-14 were:

Chris Gillies (Chair)

Stewart Leslie (until February 2014)

John Yates (from November 2013)

Daniel Quagliani (from February 2014)

Karen Corry (Independent member)

Corporate Governance

Attendance at Authority and Committee meetings

Authority Members	Authority meetings		Audit, Risk Management & Compliance Committee		Human Resources Committee		Information & Communications Technology Committee		ESTA Advisory Committee	
	A	B	A	B	A	B	A	B	A	B
Roger Leeming	10	10		2*		1*				
Christina Gillies	10	10	2	1	4	3	4	4		
Marion Lau	10	9		2*	4	4				
Stewart Leslie	10	8	4	3			2	2		
Neil Lucas	10	10	2	4*	4	4				
Daniel Quagliani	6	6					2	2		
Greg Tweedly	10	10	4	3					4	4
John Yates	10	9		1*			4	4		
Karen Corry**							4	4		

A - Number of meetings held during the time the Member held office during the period.

B - Number of meetings attended.

* These members each attended some Committee meetings by invitation. Mr Lucas attended two Audit, Risk Management and Compliance meetings following his appointment to that Committee.

** Independent Member of ICT Committee.

Statutory information

The Emergency Services Telecommunications Authority, as part of its public accountability, is required to report on some specific activities undertaken during the year.

Disclosure of major contracts

ESTA has not entered into any new contracts for the year ended 30 June 2014 greater than \$10 million in value.

National Competition Policy

ESTA complied with the Victorian Government's policy statement on competitive neutrality.

Purchasing

All tenders undertaken within the year were consistent with the Victorian Government Purchasing Board policies and guidelines.

Publications

In addition to material distributed through our website and ESTA's social media sites, ESTA produced and distributed internal publications updating staff about business activities. The Annual Report for 2012-13 was presented to Parliament and the 2013-14 Business Plan was produced for staff and stakeholders.

Consultants

The definition of consultancy was updated effective from 1 July 2013. Consequently, the 2013-14 consultancy expenditure cannot be compared with previous year disclosures. In 2013-14, there were 20 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2013-14 in relation to these consultancies was \$1.41 million (excl. GST). Details of individual consultancies are outlined below:

Vendor Names	Purpose of Consultancy	Start Date	End Date	Expenditure 2013-14 (ex GST)
THE IN WRITING GROUP PTY LTD	A number of engagements including strategic advice and business development assistance; VAGO Audit support; Crises management planning	15/08/2013	N/A	\$142,598.50
LIMEBRIDGE AUSTRALIA	Operations diagnostic undertaken	28/04/2014	23/06/2014	\$135,000.00
ADEPTO RESULTS P/L	Call-taking and dispatch ambulance operations analysis; Rural Radio Network project assistance	22/12/2013	N/A	\$131,600.00
PITCHER PARTNERS	A number of engagements including MDN service continuity; benchmarking; risk	15/01/2014	26/06/2014	\$126,706.00
KPMG AUSTRALIA	A number of engagements including CAD resilience project; funding model analysis; CAD9 quality assurance	1/01/2014	31/01/2014	\$123,800.92
SENATESHJ	Communications and stakeholder advice and assistance	1/05/2013	28/02/2014	\$111,919.80
MINTER ELLISON	Legal advisory services	13/06/2013	10/09/2013	\$110,930.00
DELOITTE TOUCHE TOHMATSU	CAD resilience project - advice on critical technology support options	1/11/2013	30/11/2013	\$100,227.50
DEVELOPING PROPERTY SOLUTIONS	Engagement for ESTA Support Office relocation.	6/10/2013	30/11/2013	\$91,544.73
CONTAGIOUS	Support Office relocation.	2/10/2013	29/04/2014	\$65,800.00
THE AMBOGNEE CONSULTING GROUP PTY LTD	A number of engagements including ACMA options analysis; State introduced traffic load analysis	3/06/2013	5/05/2014	\$54,910.00
PREDICTIVE ANALYTICAL GROUP PTY LTD	Provision of financial modelling tool.	1/10/2013	31/10/2013	\$52,000.00
GQI CONSULTING PTY LTD	ACMA project-advice on provision of EAS transceiver site co-location services.	19/02/2014	29/04/2014	\$34,136.36
WATERFIELD CONSULTING PTY LTD	Strategy development facilitation; ongoing support	13/11/2013	14/11/2013	\$31,323.70
ESSENTIAL UTILITIES CORPORATION	Audit of Telstra telecomm services including pre-tender preparation and analysis	15/07/2013	31/08/2013	\$24,551.19
GARY ROTHVILLE & ASSOCIATES	Legal advisory services	1/12/2013	31/05/2014	\$18,400.00
KATHRYN ARNDT CONSULTING	Advice on labour management and information systems change	15/05/2014	30/06/2014	\$17,143.00
LOGICAL TECHNOLOGIES PTY LTD	CAD 9 project - Oracle architecture review	1/08/2013	N/A	\$14,685.00
OPPEUS PTY LTD	Human resources advisory services	1/09/2013	19/03/2014	\$14,350.00
JB SA (TRADING NAME FOR TRUST)	Human Resources investigation and report	1/03/2014	31/03/2014	\$14,271.43
Grand Total				\$1,415,898.13

Corporate Governance

There were four consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2013-14 in relation to these consultancies was \$17.5K (excl. GST). Details of individual consultancies are outlined right.

Vendor Names	Expenditure 2013-14 (ex GST)
PEOPLES ONE PTY LTD	\$3,000.00
HIVE LEGAL PTY LTD	\$500.00
MARKET SOLUTIONS PTY LTD	\$7,228.56
SALTARE PTY LTD	\$6,806.24
Grand Total	\$17,534.80

Freedom of Information

ESTA was subject to the Freedom of Information Act 1982 (Vic.) and was committed to making documents and information available to the community whenever it could.

The designated person for the purpose of the Act was:

ESTA Chief Executive Officer

ESTA used a computerised records management system to manage its correspondence and documents during 2013-14. Other computer systems manage financial, human resources and operational activities.

People wanting access to ESTA documentation under the Freedom of Information Act 1982(FOI Act) should write to:

Company Secretary
Emergency Services
Telecommunications Authority
Level 1
33 Lakeside Drive
East Burwood VIC 3151

General inquiries concerning Freedom of Information can be made by telephoning the Company Secretary on (03) 8656 1200 between 8.30 am and 5.00 pm, Monday to Friday or via email info@esta.vic.gov.au

ESTA responded to 31 FOI requests during 2013-14 compared to 61 in 2012-13.

ESTA was also given Ministerial authorisations in June 2013 enabling it to release information that would otherwise be confidential under the Emergency Services Telecommunications Authority Act 2004 (ESTA Act) and therefore unable to be released under the FOI Act. These authorisations allow ESTA in certain circumstances to release information for the purposes of:

- + Educating the community or any section of the community about the role of and the services offered by, the Authority;
- + Promoting public health and safety;
- + Responding to complaints, enquiries or compliments about or relating to the Authority, a member of or acting member of the Authority or an employee of the Authority;
- + Support for the staff of the Authority, which may include commendations or other recognition; and
- + Responding to requests for access to records under the FOI Act so far as the exemptions contained in that Act (other than that contained in s 38 of that Act) do not apply to the information.

In June 2014, ESTA was advised by the Department of Justice that it was commencing work to amend the ESTA Act to incorporate the provisions of the Ministerial Authorisations into legislation.

Privacy Legislation

ESTA is subject to the Information Privacy Act 2000 and the Health Records Act 2001 and is committed to protecting the privacy of all personal and health information it collects and handles.

ESTA uses personal information provided for responding to emergencies and related activities. This information may also be used for research and statistical analysis purposes.

ESTA operates telephone call recording equipment. Recordings may be provided to emergency service agencies, law enforcement bodies, the Courts and judicial officers or may be used for purposes authorised by the Telecommunications Act, the ESTA Act and the Ministerial authorisations noted above.

ESTA is committed to openness and transparency and welcomes any queries about its approach to privacy. People wanting to make a privacy inquiry should write to:

Chief Executive Officer

Emergency Services
Telecommunications Authority
Level 1
33 Lakeside Drive
East Burwood VIC 3151

Whistleblowers' Protection

ESTA is committed to its obligations under the Whistleblowers' Protection Act 2001. This commitment includes protecting people (known as "whistleblowers") who come forward with a public interest disclosure about any perceived improper conduct by ESTA or its staff. ESTA supports the promotion of public sector accountability and transparency.

ESTA has implemented procedures to establish a system for reporting disclosures of improper conduct or detrimental action in accordance with the legislation.

Discrimination, Bullying and Harassment

ESTA provides services to, and is part of, a diverse multicultural community and its staff will not discriminate, directly or indirectly, in relation to:

- + employment, including recruitment, selection, promotion, transfer, assessments, remuneration, conditions of service, training, staff discipline and termination of employment;
- + the opportunity for staff to compete and apply their abilities, aptitude and knowledge; or,
- + the conduct of its business.

ESTA and its staff will not harass or bully another person or a group of people and will not engage in behaviour that is unwanted or unwelcome and uninvited and is likely to offend, embarrass, insult, humiliate or intimidate another person or a group of people.

ESTA will do whatever is necessary to rectify any discrimination, harassment or bullying.

ESTA's policies and procedures detail arrangements for the reporting of any discrimination, bullying or harassment to their line manager or higher manager if necessary and for the investigation and resolution of matters when that becomes necessary.

People with a Disability

ESTA celebrates diversity within its workforce and the community that it serves including responding to needs of people with a disability.

ESTA's commitment to people with a disability and our responsibilities under the Disability Discrimination Act include:

- + Actively promoting our Reasonable Adjustment Policy to improve access to employment opportunities within ESTA and the ongoing employment of employees with a disability;
- + Our ongoing program to review all employment and other organisation policies and procedures, to ensure they are compliant with the Disability Discrimination Act;
- + Ensuring access to all ESTA workplaces;
- + Providing an Internet and Webpage that satisfies disability access standards; and
- + Providing access to publicly available ESTA documents in formats suitable for people with a disability.

Risk Management

I, Roger Leeming certify that the Emergency Services Telecommunications Authority (ESTA) has a risk management process in place consistent with the Australian/ New Zealand Risk Management Standard and an internal control system in place that enables the executive to understand, manage and satisfactorily control risk exposures. The ESTA Audit, Risk and Compliance Committee verifies this assurance and that the risk profile of ESTA has been critically reviewed within the last 12 months.



.....

Roger Leeming
Chairman

Authority Member's, Accountable Officer's and Chief Finance and Accounting Officer's declaration

We certify that the attached financial statements for the Emergency Services Telecommunications Authority (ESTA) have been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards, including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2014 and financial position of ESTA as at 30 June 2014.

We are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 25 August 2014.

On behalf of the Authority:

Roger Leeming

Chairman

Melbourne

25 August 2014

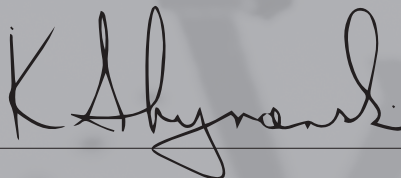


Ken Shymanski

Chief Executive Officer

Melbourne

25 August 2014

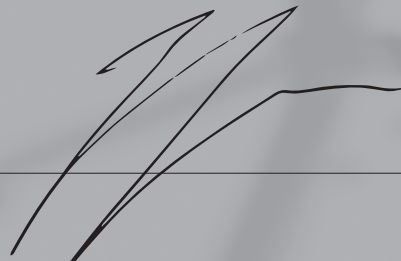


Geoff Cutter

Chief Financial Officer

Melbourne

25 August 2014



Financial statements

Comprehensive Operating Statement			
for the financial year ended 30 June 2014	Notes	2014	2013
		\$'000	\$'000
Income from transactions			
Revenue	4(a)	183,988	191,210
Total income from transactions		183,988	191,210
Expenses from transactions			
Employee expenses	4(b)	75,415	74,737
Depreciation and amortisation	4(c)	26,023	27,008
Other operating expenses	4(d)	76,476	88,094
Interest expense	4(e)	969	1,758
Transfer of EAS assets	4(f)	14,139	5,159
Total expenses from transactions		193,022	196,755
Net result from transactions (net operating balance)		(9,034)	(5,545)
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	4(g)	(4)	(33)
Other gains/(losses) from other economic flows	4(h)	209	253
Total other economic flows included in net result		205	220
Net result		(8,829)	(5,325)
Comprehensive result		(8,829)	(5,325)

The above comprehensive operating statement should be read in conjunction with the accompanying notes.

Financial statements

Balance Sheet			
as at 30 June 2014	Notes	2014	2013
		\$'000	\$'000
Assets			
Financial assets			
Cash & deposits	17(a)	8,419	18,566
Short term investments	17(a)	15,510	15,041
Receivables	5	8,539	17,267
Total financial assets		32,468	50,874
Non-financial assets			
Prepayments		1,421	1,758
Plant and equipment	6	48,993	56,489
Intangible assets	7	2,141	2,718
Total non-financial assets		52,555	60,965
Total assets		85,023	111,839
Liabilities			
Payables	8	24,044	33,919
Borrowings	9	13,504	25,180
Provisions	10	13,256	11,287
Total liabilities		50,804	70,386
Net assets		34,219	41,453
Equity			
Accumulated surplus/(deficit)		(24,585)	(16,490)
Contributed capital		47,798	46,203
Contract contingency reserve	18	11,006	11,740
Net worth		34,219	41,453
Commitments for expenditure	14		
Contingent liabilities and contingent assets	15		

The above balance sheet should be read in conjunction with the accompanying notes.

Financial statements

Statement of changes in equity					
for the financial year ended 30 June 2014	Notes	Accumulated surplus/ (deficit)	Contributed Capital	Contributed Capital Contract Contingency Reserve	Total
		\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2012		(10,542)	39,644	11,117	40,219
Net result for the year		(5,325)	-	-	(5,325)
Capital appropriations		-	6,559	-	6,559
Transactions with owner in their capacity as owner		(623)	-	623	-
Balance at 30 June 2013		(16,490)	46,203	11,740	41,453
Net result for the year		(8,829)	-	-	(8,829)
Capital appropriations		-	1,595	-	1,595
Transactions with owner in their capacity as owner		734	-	(734)	-
Balance at 30 June 2014		(24,585)	47,798	11,006	34,219

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Financial statements

Cash flow statement			
for the financial year ended 30 June 2014	Notes	2014 \$'000	2013 \$'000
Cash flows from operating activities			
Receipts			
Receipts from customers		209,750	207,138
Interest Received		1,039	1,132
Total receipts		210,789	208,270
Payments			
Payments to employees and suppliers		(187,706)	(178,216)
Goods and Services Tax paid to the ATO		(4,726)	(5,193)
Total payments		(192,432)	(183,409)
Net cash flows from/(used in) operating activities	17(b)	18,357	24,860
Cash flows from investing activities			
Purchases of non-financial assets		(16,436)	(14,646)
Sales of non-financial assets		136	87
Net cash flows from/(used in) investing activities	17(c)	(16,300)	(14,558)
Cash flows from financing activities			
Owner contributions by State Government		1,595	6,559
Repayment of borrowings and finance leases		(13,330)	(16,110)
Net cash flows from/(used in) financing activities	17(c)	(11,735)	(9,551)
Net increase/(decrease) in cash and cash equivalents		(9,678)	751
Cash & cash equivalents at the beginning of the financial year		33,607	32,856
Cash & cash equivalents at end of the financial year	17(a)	23,929	33,607

The above cash flow statement should be read in conjunction with the accompanying notes.

Notes to the financial statements

1. INTRODUCTION

The financial statements cover the Emergency Services Telecommunications Authority (ESTA) which is a statutory authority created by the *Emergency Services Telecommunication Act 2004* and commenced operations on 1 July 2005.

ESTA's principal address is: ESTA
33 Lakeside Drive
Burwood East VIC 3151

A description of the nature of ESTA's operations and its principle activities is contained in the Report of Operations which does not form part of these financial statements.

These financial statements were authorised for issue on 25 August 2014.

2. SUMMARY OF ACCOUNTING POLICIES

2.1 Statement of compliance

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable *Australian Accounting Standards* (AAS) which include Interpretations, issued by the *Australian Accounting Standards Board* (AASB). In particular, they are presented in a manner consistent with the requirements of the *AASB 1049 Whole of Government and General Government Sector Financial Reporting*.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Due to the nature of different revenue sources and purposes, the treatment of revenue can be guided by either *AASB 118 Revenue or AASB 1004 Contributions*. Compliance with Standards for recognition of grant income may result in revenue and matching expenditure being recognised in different periods.

2.2 Basis of accounting preparation and measurement

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates, with a risk of material adjustments in the subsequent reporting period, are disclosed throughout the notes to the financial statements.

The financial statements are presented in Australian dollars, and prepared in accordance with the historical cost convention except for:

- Non-financial physical assets which, subsequent to acquisition, are measured at a revalued amount being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair value.
- The fair value of an asset other than land is generally based on its depreciated replacement value.
- Net Present Value assumptions for employee benefit provisions

based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates.

Historical cost is based on the fair values of the consideration given in exchange for assets.

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the settlement of liabilities in the normal course of business. Operating and cash flow budgets for the forthcoming year indicate that if ESTA is to continue to operate as a going concern, it will require funding in addition to the operating revenue it is to receive from its emergency service agency customers. The Authority has received an undertaking from the Secretary of the Department of Justice that the Department will, if necessary, provide this additional funding to ensure ESTA can continue to operate as a going concern with application for the period of twelve months from the date of audit clearance certificate from the Auditor General.

The accounting policies set out below have been applied in preparing the statements for the year ended 30 June 2014 and the comparative information presented for the year ended 30 June 2013.

2.3 Management of State Service Contracts

Certain technology services are managed by ESTA on behalf of the State. While ESTA is accountable for the transactions involving such items, it does not have the discretion to deploy the resources for its own benefit or the achievement of its objectives. Accordingly, transactions and balances relating to State Contract items are recognised using segment accounting principles and reported in a 'line of business' form under the term 'Operational Communications'.

State Contract income includes fees raised on emergency service agencies under arrangements made by the State to 'pass-through' appropriations designated for State

Contract commitments. Assets managed on behalf of the State include leased assets financed through Public Private Partnerships whose ownership will be transferred to the State at the end of contracts.

Except as otherwise disclosed, administered resources are accounted for on an accrual basis using the same accounting policies adopted for recognition of the organisational items in the financial statements. Both controlled and administered items of ESTA are included in the financial statements.

Disclosures related to such items can be found in Note 3.

2.4 Objectives and funding

ESTA is predominantly funded by service charges levied upon the emergency service agencies. These charges are approved by the Minister for Police and Emergency Services.

ESTA's main purpose is to give Victorians access to emergency and non-emergency help at all times via multi-agency call taking and dispatch.

2.5 Scope and presentation of financial statements

Comprehensive operating statement

The comprehensive operating statement comprises three components, being 'net result from transactions' (or termed as 'net operating balance'), 'other economic flows included in net result', as well as 'other economic flows – other comprehensive income'. The sum of the former two, together with the net result from discounted operations, represents the net result.

The net result is equivalent to profit or loss derived in accordance with AASs.

Income and expenses in the comprehensive operating statement are classified according to whether or not they arise from 'transactions' or 'other economic flows'. This classification is consistent with the whole of government reporting format and is allowed under AASB 101 *Presentation of Financial*

Statements.

'Transactions' and 'other economic flows' are defined by the *Australian System of Government Finance Statistics: Concepts, Sources and Methods, 2005* (ABS Catalogue No. 5514.0)

'Transactions' are those economic flows that are considered to arise as a result of policy decisions, usually interactions between two entities by mutual agreement. Transactions also include flows within an entity, such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the Government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash.

'Other economic flows' are changes in the volume or changes arising from market measurements. They include:

- gains and losses from disposals;
- revaluations and impairments of non-financial physical and intangible assets and
- gains and losses from the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

The net result is equivalent to profit or loss derived in accordance with AASs.

Balance sheet

Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets.

Current and non-current assets and liabilities (non-current being those assets or liabilities expected to be recovered or settled later than 12 months) are disclosed in the notes, where relevant.

Cash flow statement

Cash flows are classified according to whether or not they arise from operating activities, investing

activities, and financing activities. This classification is consistent with requirements under AASB 107 *Statement of Cash Flows*.

Statement of changes in equity

The statement of changes in equity presents reconciliations of each non-owner and owner changes in equity from opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the 'Comprehensive result' and amounts recognised in 'Other economic flows – other movement in equity' related to 'Transactions with owner in its capacity as owner'.

Rounding of amounts

Amounts in the financial statements have been rounded to the nearest \$1000, unless otherwise stated. Figures in the financial statements may not equate due to rounding.

Changes in accounting policies

Subsequent to the 2012-13 reporting period, the following new and revised Standards have been adopted in the current period with their financial impact detailed as below.

AASB 13 Fair Value Measurement

AASB 13 establishes a single source of guidance for all fair value measurements. AASB 13 does not change when ESTA is required to use fair value, but rather provides guidance on how to measure fair value under AAS's when fair value is required or permitted. ESTA has considered the specific requirements relating to highest and best use, valuation premise, and principal (or most advantageous) market. The methods, assumptions, processes and procedures for determining fair value were revisited and adjusted where applicable. In light of AASB 13, ESTA has reviewed the fair value principles as well as its current valuation methodologies in assessing fair value, and the assessment has not materially changed fair values recognised.

Notes to the financial statements

However, AASB 13 has predominantly impacted the disclosures of ESTA. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards, including AASB 7 *Financial Instruments: Disclosures*.

The disclosure requirements of AASB 13 apply prospectively and need not be applied in comparative information before first application. Consequently, the 2012-13 comparatives of these disclosures have not been provided, except for financial instruments, of which the fair value disclosures are required under AASB 7 *Financial Instruments: Disclosures*.

Consistent with AASB 13 *Fair Value Measurement*, ESTA determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment and financial instruments and for non-recurring fair value measurements such as non-financial physical assets held for sale, in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, ESTA has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, ESTA determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

AASB 119 Employee Benefits

In 2013-14, ESTA has applied AASB 119 *Employee benefits* (September 2011, as amended) and the related consequential amendments for the first time.

The revised AASB 119 changes the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligation and plan assets. As the current accounting policy is for the Department of Treasury and Finance to recognise and disclose the State’s defined benefit liabilities in its financial statements, changes in defined benefit obligations and plan assets will have limited impact on ESTA.

The revised standard also changes the definition of short-term employee benefits. These were previously benefits that were expected to be settled within twelve months after the end of the reporting period in which the employees rendered the related service, however, short-term employee benefits are now defined as benefits expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. As a result, accrued annual leave balances which were previously classified by ESTA as short-term employee benefits no longer meet this definition and are now classified as long-term employee benefits. This has resulted in a change of measurement for the annual leave provision from an undiscounted to discounted basis.

The change in classification has not materially altered ESTA’s measurement of annual leave provision and therefore no adjustment was required.

2.6 Income from transactions

Income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income can be reliably measured. As noted at 2.1, due to the nature of different revenue sources and purposes, the treatment of revenue can be guided by either *AASB 118 Revenue* or *AASB 1004 Contributions*. Compliance with Standards for recognition of grant income may result in revenue and matching expenditure being recognised in different periods.

Revenue from the provision of services

The service charges levied upon the Emergency Services Organisations for both CTD Operational services and the State contracts form a fixed monthly fee and are therefore recognised monthly. Other *ad hoc* charges for work undertaken as requested by the emergency services agencies are recognised at the time when services have been rendered or goods have been supplied.

Interest revenue

Interest revenue includes interest received on bank term deposits, interest from investments, and other interest received. Interest revenue is recognised using the effective interest method which allocates the interest over the relevant period.

Net realised and unrealised gains and losses on the revaluation of investments do not form part of income from transactions, but are reported as part of income from other economic flows in the net result or as unrealised gains and losses taken direct to equity, forming part of the total change in net worth of the comprehensive result.

2.7 Expenses from transactions

Expenses from transactions are recognised as they are incurred and reported in the financial year to which they relate.

Employee expenses

Employee expenses comprise all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, WorkCover premiums and superannuation contributions. These are recognised when incurred, except for contributions in respect of defined benefit superannuation plans.

Superannuation

The amount recognised in the comprehensive operating statement is the employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period.

Depreciation and amortisation

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets (excluding items under operating leases, assets held for sale) that have finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset’s value, less any estimated residual value, over its estimated remaining useful life.

Leasehold improvements are depreciated over the shorter of the remaining term of the lease or the estimated useful life of the improvements using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate. Note 6 provide details on the estimated useful lives that are used in the calculation of depreciation on property, plant and equipment.

Intangible assets with finite useful lives are amortised as an expense from transactions on a systematic (typically straight-line) basis over

the asset’s useful life. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The following useful lives of assets are used in the calculation of depreciation and amortisation for the current year and prior years:

Asset	Useful life
Computers and communications equipment	3 years
Computers and communications equipment (under MMR/MDN Contracts)	4 years
Leased motor vehicles	1 - 3 years
Leased communications equipment	4 years
Plant and equipment	5 - 10 years
Leasehold improvements	5 - 10 years
Software (Intergraph)	9 years

The ESTA capitalisation threshold is \$5000, consistent with Minister for Finance Directives. The consequence of this threshold where a significant number of technology items used in the provision of services fall below this level is that expenditure on such items are accounted for in operating expenses.

Financial Reporting Direction (FRD) 103E requires that property, plant and equipment are classified primarily by the ‘purpose’ for which the assets are used, according to one of six purpose groups based on government purpose classifications. ESTA classifies all of its assets within one purpose group: ‘Public Safety and Environment’.

Interest Expense

Interest expenses are recognised in the period in which they are incurred and include finance lease charges.

Supplies and services

Supplies and services costs are recognised as an expense in the reporting period in which they are incurred. They generally represent the day-to-day running costs, including maintenance costs, incurred in the normal operations of ESTA.

Other Economic Flows included in net result

Other Economic Flows measure the change in volume or value of assets or liabilities that do not result from transactions. These include:

Net gain/(loss) on non-financial assets

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses from revaluations, impairments, and disposals of all non-financial assets and intangible assets.

Disposal of non-financial assets

Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal and is determined after deducting from the proceeds the carrying value of the asset at that time.

Impairment of non-financial assets

Assets are assessed annually for indications of impairment. This is undertaken during the asset stocktake. If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset’s carrying value exceeds its recoverable amount, the difference is written off as an Other Economic Flow. The recoverable amount for assets is measured at the higher of depreciated replacement cost and fair value less cost to sell.

Notes to the financial statements

Other gains/(losses) from other economic flows

Other gains/(losses) from other economic flows include the gains and losses from the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

2.8 Financial Instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of ESTA's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*. Where relevant, for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

The following refers to financial instruments unless otherwise stated.

Loans and receivables

Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

The Loans and Receivables category includes cash and deposits (refer note 2.9), term deposits with maturity greater than three months, trade receivables, loans and other receivables, but not statutory receivables.

Financial assets and liabilities at fair value through profit and loss

Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any

directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

Financial assets are categorised as fair value through profit or loss at trade date if they are classified as held for trading or designated as such upon initial recognition. Financial instrument assets are designated at fair value through profit or loss on the basis that the financial assets form part of a group of financial assets that are managed based on their fair values, and have their performance evaluated in accordance with documented risk management and investment strategies.

Attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in the net result as Other Economic Flows. Any dividend or interest on a financial asset is recognised in the net result from transactions.

Financial liabilities at amortised cost

Financial instrument liabilities measured at amortised cost include all payables, deposits held and advances received, and interest-bearing arrangements other than those designated at fair value through profit or loss.

2.9 Financial Assets

Cash and deposits

Cash and deposits recognised on the balance sheet comprise cash on hand and cash at bank, deposits at call and those highly liquid investments (with an original maturity of three months or less), which are held for the purpose of meeting short term cash commitments rather than for investment purposes, and readily convertible to known amounts of cash with an insignificant risk of changes in value.

For the cash flow statement presentation purposes, Cash and Cash Equivalents includes bank overdrafts, which are included as borrowings on the balance sheet.

Receivables

Receivables consist of:

- Contractual receivables, which include mainly debtors in relation to goods and services, loans to third parties, accrued investment income and finance lease receivables; and
- Statutory receivables, which include predominantly amounts owing from the Victorian Government and GST input tax credits recoverable. Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments.

Trade terms for general receivables are 14 days from date of invoice and 10 days for invoices related to the State Services contracts managed by ESTA. The latter terms are set out in Agency Agreements made between the Minister, the emergency service agencies and ESTA.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less an allowance for impairment.

A provision for doubtful receivables is made when there is objective evidence that the debts may not be collected. Bad debts are written off when identified.

Impairment of financial assets

At the end of each reporting period, ESTA assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Receivables are assessed for bad and doubtful debts on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense.

Bad debts not written off by mutual consent and the allowance for doubtful receivables are classified as other economic flows in the net result.

During 2013-14 ESTA recognised bad debts related to recovery of professional services fees from customer's and provided allowance for doubtful receivables.

2.10 Non-Financial Assets

Non-financial assets classified as held-for-sale

Non-financial physical assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than continuing use.

The condition is regarded as met only when:

- the asset is available for immediate use in the current condition; and
- the sale is highly probable and the asset's sale is expected to be completed within twelve months from the date of classification.

These non-financial physical assets, related liabilities and financial assets are measured at the lower of carrying amount and fair value less costs to sell, and are not subject to depreciation or amortisation.

Property, plant and equipment

All non-financial physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount. The fair value of communications and computer equipment and vehicles, is normally determined by reference to the asset's depreciated replacement cost. For plant, equipment and vehicles, existing depreciated historical cost is generally a reasonable proxy for depreciated

replacement cost because of the short lives of the assets concerned.

Leased assets

Assets held under finance leases are recognised as assets at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The initial cost for non-financial physical assets under a finance lease is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Leased assets relate primarily to assets transferred under PPP contracts and are amortised over the term of these contracts.

Intangible assets

Purchased intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to ESTA.

Other non-financial assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Revaluations of non-financial physical assets

Non-financial physical assets are measured at fair value on a cyclical basis, in accordance with the Financial Reporting Directions (FRDs) issued by the Minister for Finance. A full revaluation normally occurs every five years, based on the asset's government purpose classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are

used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRDs.

Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Net revaluation increases (where the carrying amount of a class of assets is increased as a result of a revaluation) are recognised in 'Other Economic Flows – other movements in equity' and accumulated in equity under the revaluation surplus, except that the net revaluation increase shall be recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant and equipment previously recognised as an expense (other economic flows) in the net result.

Net revaluation decreases are recognised immediately as expenses (Other Economic Flows) in the net result, except that the net revaluation decrease shall be recognised in other comprehensive income to the extent that a credit balance exists in the revaluation surplus in respect of the same class of property, plant and equipment. The net revaluation decrease recognised in Other Comprehensive Income reduces the amount accumulated in equity under revaluation surplus.

Revaluation increases and decreases relating to individual assets within a class of property, plant and equipment, are offset against one another within that class but are not offset in respect of assets in different classes. Any revaluation surplus is not normally transferred to accumulated funds.

Notes to the financial statements

2.11 Liabilities

Payables

Payables consist of:

- Contractual payables, such as accounts payable and unearned income. Accounts payable represent liabilities for goods and services provided to ESTA prior to the end of the financial year that are unpaid, and arise when ESTA becomes obliged to make future payments in respect of the purchase of those goods and services; and
- Statutory payables, such as goods and services tax and fringe benefits tax payable.

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

Leases

A lease is a right to use an asset for an agreed period of time in exchange for payment.

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases of property, plant and equipment are classified as finance infrastructure leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases.

At the commencement of the lease term, finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease

asset is depreciated over the shorter of the estimated useful life of the asset or the lease term.

Minimum finance lease payments are apportioned between reduction of the outstanding lease liability and periodic finance expense which is calculated using the interest rate implicit in the lease and charged directly to the Comprehensive Operating Statement. Contingent rentals associated with finance leases are recognised as an expense in the period in which they are incurred.

Provisions

Provisions are recognised when ESTA has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows, using a discount rate that reflects the time value of money and risks specific to the provision.

In accordance with the lease agreement at 33 Lakeside Drive Burwood East, ESTA must restore the premises and all services in the premises back to base building condition at the end of lease term. A provision was provided for during the year for this purpose.

A provision is made for Lease Incentive Liability in respect of the rent free period under the lease agreement at 33 Lakeside Drive Burwood East.

Employee Expenses

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits annual leave and accumulating sick leave, are all recognised in the provision for employee benefits as 'current liabilities', because ESTA does not have an unconditional right to defer settlements of these liabilities. As noted in 2.5 above, as a result of amendments to AASB 119 Employee Benefits, some accrued annual leave balances which were previously classified by ESTA as short-term employee benefits no longer meet this definition and are now classified as long-term employee benefits.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries, annual leave and sick leave are measured at:

- undiscounted value if ESTA expects to wholly settle within 12 months; or
- present value if ESTA does not expect to wholly settle within 12 months.

(ii) Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL representing 5 or more years of continuous service is disclosed as a current liability even where ESTA does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- undiscounted value if ESTA expects to wholly settle within 12 months; and
- present value if ESTA does not expect to wholly settle within 12 months.

Conditional LSL representing less than 5 years of continuous service is disclosed as a non-current liability. There is an unconditional

right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates; for which it is then recognised as an 'Other Economic Flow' refer to Note 2.7.

(iii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee decides to accept an offer of benefits in exchange for the termination of employment. ESTA recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Employee benefits on-costs

Employee benefits on-costs such as payroll tax, workers compensation and superannuation are recognised separately from the provision for employee benefits.

2.12 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

2.13 Equity

Contributed Capital

Additions to net assets which have been designated as contributions by owners are recognised as Contributed Capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributed capital.

2.14 Commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note at their nominal value and inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

2.15 Service concession arrangements

ESTA sometimes enters into certain arrangements with private sector participants to design and construct or upgrade assets used to provide public services on behalf of the State. These arrangements are typically complex and usually include the provision of operational and maintenance services for a specified period of time. These arrangements are often referred to as either Public Private Partnerships or State Managed Contracts (see Note 2.3).

ESTA pays the operator over the period of the arrangement, subject to specified performance criteria being met. At the date of commitment to the principal provisions of the arrangement, these estimated periodic payments are allocated between a component related to the design and construction or upgrading of the asset and components related to the ongoing operation and maintenance of the asset. The former component is accounted for as a lease payment in accordance with the lease policy

(see Note 2.11). The remaining components are accounted for as commitments (see Note 2.14) for operating costs which are expensed in the comprehensive operating statement as they are incurred.

2.16 Goods and services tax

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

2.17 Events after reporting date

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between ESTA and other parties, the transactions are only recognised when the agreement is irrevocable at or before the end of the reporting period. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting date and before the date the statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the balance date and the date the statements are authorised for issue where the events relate to conditions which arose after the end of reporting period and which may have a material impact on the results of subsequent reporting periods.

Notes to the financial statements

2.18 New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2014 reporting period.

The Department of Treasury and Finance assesses the impact of these new standards and advises departments and other entities of their applicability and early adoption where applicable.

As at 30 June 2014, the following standards and interpretations had been issued but were not mandatory for the financial year ending 30 June 2014. ESTA has not, and does not intend to, adopt these standards early.

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 9 Financial Instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).	1 Jan 2017	<p>The preliminary assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss.</p> <p>While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.</p>

3. Comprehensive Operating Statement - Lines of Business										
	CTD Operation(i)		Operational Communications (ii)		Projects (iii)		Suport Function (iv)		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from transactions										
Service revenue	88,002	82,565	76,341	80,229	-	-	2,285	2,246	166,628	165,041
Project revenue	-	-	-	-	17,360	26,169	-	-	17,360	26,169
Total Income from transactions	88,002	82,565	76,341	80,229	17,360	26,169	2,285	2,246	183,988	191,210
Expenses from transactions										
Employee expenses	67,768	66,849	-	-	1,557	2,301	6,090	5,588	75,415	74,737
Depreciation and amortisation	6,832	7,045	18,959	19,427	-	-	232	536	26,023	27,008
Other operating expenses	16,045	15,307	51,928	51,041	4,841	17,792	3,663	3,953	76,476	88,093
Interest expense	11	35	951	1,723	-	-	7	-	969	1,758
Transfer of EAS assets	-	-	-	-	14,139	5,159	-	-	14,139	5,159
Total Expenses from transactions	90,656	89,236	71,838	72,191	20,537	25,252	9,992	10,077	193,022	196,755
Net result from transactions (net operating balance)	(2,654)	(6,671)	4,503	8,038	(3,177)	917	(7,707)	(7,831)	(9,034)	(5,545)
Other economic flows included in net result										
Net gain/(loss) on non-financial assets	-	-	-	-	-	-	(4)	(33)	(4)	(33)
Other gains/(losses) from other economic flows	188	232	-	-	3	5	19	17	209	253
Total other economic flows included in net result	188	232	-	-	3	5	15	(16)	205	220
Net result	(2,466)	(6,439)	4,503	8,038	(3,175)	922	(7,692)	(7,847)	(8,829)	(5,325)
Comprehensive result	(2,466)	(6,439)	4,503	8,038	(3,175)	922	(7,692)	(7,847)	(8,829)	(5,325)

(i) CTD (Call-Taking and Dispatch) Operations

Based on the objectives of the People & Culture (P&C) and Information and Technology Services departments, these departments are allocated to CTD Operations. The recruitment, training, and technical support functions provided by these departments are directed to support CTD Operations. Accordingly, the service revenue and expenses related to calltaking & dispatch operations, P&C, ITS and contract administration of the systems required are allocated to CTD Operations.

(ii) Operational Communications

Operational Communications represents revenue and expenses for state service contracts managed by ESTA on behalf of Department of Justice. Across the contracts there are different contract terms, and different financing and depreciation cycles. Accordingly, the service revenue and service expenditures (including lease interest & depreciation/amortisation) are allocated to Operational Communications.

(iii) Projects

ESTA manages various projects funded by State, Emergency Services Organisations and State Contract Contingency reserves. Accordingly, revenue and expenditures related to projects and the Project Management Office responsible for project delivery are allocated to the Projects line of business. EAS assets were transferred back to the State from a PPP arrangement during 2012/13. An upgrade program managed by ESTA transferred the commissioned values to the Department of Justice during the year (refer to note 4 f).

(iv) Support Function

Based on the objectives of Finance and Commercial Services, Strategy and Assurance, Customer Services, Corporate Affairs, and other Corporate Support, these departments are allocated to the Support Function. Accordingly the revenue and expenses related to these departments are allocated to the Support Function line of business.

Notes to the financial statements

4. Net Result from Transactions (net operating balance)		
	2014	2013
	\$'000	\$'000
Income from transactions		
(a) Revenue		
CTD services revenue	80,600	75,389
Project revenue (excluding the transfer of EAS asset revenue)	3,221	21,009
Transfer of EAS assets (i)	14,139	5,159
State service contracts revenue	83,888	87,755
Other operating revenue	1,151	729
Interest on deposits	989	1,169
	183,988	191,210
Revenue from operations	183,988	191,210
Expenses from transactions		
(b) Employee expenses		
Salaries, wages and overtime	56,894	57,582
Sick leave, annual leave and long service leave	8,406	7,294
Superannuation	5,558	5,447
Related on-costs	4,557	4,414
Total employee expenses	75,415	74,737
(c) Depreciation and amortisation		
Depreciation of property, plant and equipment	11,313	6,911
Amortisation expense	14,710	20,097
Total depreciation and amortisation	26,023	27,008
(d) Other operating expenses		
Staff costs other	893	959
Contractors/Professional Services	5,313	4,829
Communications	4,051	4,480
Information technology and infrastructure	6,292	6,014
Payments under state service contracts	52,457	64,800
Property	4,927	4,468
Office equipment	404	480
Travel and accommodation	345	237
Stationery	165	193
Finance & insurance costs	347	303
Audit services	402	469
Bad debts from transactions	51	598
General	829	264
Total other operating expenses	76,476	88,094
(e) Interest expense		
Finance lease interest	969	1,758
Total interest expense	969	1,758

4. Net Result from Transactions (net operating balance) <i>continued</i>		
	2014	2013
	\$'000	\$'000
(f) Non discretionary expenditure		
Transfer of EAS assets (i)	14,139	5,159
Total transfer of EAS assets	14,139	5,159
Expenses from operations	193,022	196,756
Other economic flows included in net result		
(g) Net gain/(loss) on non-financial assets		
Net gain/(loss) on disposal of property, plant and equipment	(4)	(33)
Total net gain/(loss) on non-financial assets	(4)	(33)
(h) Other gains/(losses) from other economic flows		
Net gain/(loss) arising from revaluation of long service leave liability	209	253
Total other gains/(losses) from other economic flows	209	253

- (i) Under the EAS operating and maintenance contract commencing November 2012 (previously under a Public Private Partnership contract) the State now owns the assets. ESTA acquired (funded by the EAS Network Upgrade Project; the revenue and expnditure offsetting each other) and transferred \$14.1m of assets to the Department of Justice as assets given free of charge in 2013-14. This aligns to the Department of Justice's treatment of assets received via free of charge transfer. These assets are part of an EAS Network upgrade project which is expected to be completed in 2014-15.

5. Receivables		
Trade receivables comprise almost exclusively amounts due from Victorian Government agencies. Trade terms for general receivables is 14 days from date of invoice and 10 days for invoices related to contracts managed on behalf of the State.		
	2014	2013
	\$'000	\$'000
Current		
<i>Contractual</i>		
Services	1,191	7,499
Accrued investment income	35	85
Provision for doubtful contractual receivables	(51)	(35)
Other receivables	5,667	7,456
	6,842	15,005
<i>Statutory</i>		
GST input tax credit recoverable	1,697	2,262
	1,697	2,262
Total current receivables	8,539	17,267

Notes to the financial statements

6. Plant and Equipment					
(a) Classified as ‘Public safety and environment’ Purpose Group (refer note 2) - Carrying amounts					
	Net Carrying amounts as at 30 June 2014 \$'000	Fair value measurement at the end of reporting period using:			At cost:
		Level 1	Level 2	Level 3	
2014					
Computers and communications equipment					
Computers and communications equipment at fair value	50,970	-	50,970	-	-
Less: accumulated depreciation	(30,008)	-	(30,008)	-	-
	20,962	-	20,962	-	-
Leased motor vehicles					
Motor Vehicles Leased	471	-	-	471	-
Less: accumulated amortisation	(138)	-	-	(138)	-
	333	-	-	333	-
Leased communications equipment					
Communications equipment leased	167,742	-	-	167,742	-
Less: accumulated amortisation	(154,915)	-	-	(154,915)	-
	12,827	-	-	12,827	-
Plant and equipment					
Plant and equipment at fair value	1,831	-	-	1,831	-
Less: accumulated depreciation	(1,762)	-	-	(1,762)	-
	69	-	-	69	-
Leasehold improvements					
Leasehold improvements at fair value	14,770	-	-	14,770	-
Less: accumulated amortisation	(6,019)	-	-	(6,019)	-
	8,750	-	-	8,750	-
Capital works in progress					
Capital works in progress at cost		-	-	-	6,052
	6,052	-	-	-	6,052
Net carrying amount of plant and equipment	48,993	-	20,962	21,979	6,052

6. Plant and Equipment (continued)					
(a) Classified as ‘Public safety and environment’ Purpose Group (refer note 2) - Carrying amounts					
2013	Net Carrying amounts as at 30 June 2013 \$'000	Fair value measurement at the end of reporting period using:			At cost:
		Level 1	Level 2	Level 3	
Computers and communications equipment					
Computers and communications equipment at fair value	38,191	-	38,191	-	-
Less: accumulated depreciation	(19,622)	-	(19,622)	-	-
	18,569	-	18,569	-	-
Leased motor vehicles					
Motor Vehicles Leased	546	-	-	546	-
Less: accumulated amortisation	(200)	-	-	(200)	-
	346	-	-	346	-
Leased communications equipment					
Communications equipment leased	166,801	-	-	166,801	-
Less: accumulated amortisation	(142,176)	-	-	(142,176)	-
	24,625	-	-	24,625	-
Plant and equipment					
Plant and equipment at fair value	1,810	-	-	1,810	-
Less: accumulated depreciation	(1,666)	-	-	(1,666)	-
	144	-	-	144	-
Leasehold improvements					
Leasehold improvements at fair value	14,116	-	-	14,116	-
Less: accumulated amortisation	(5,372)	-	-	(5,372)	-
	8,744	-	-	8,744	-
Capital works in progress					
Capital works in progress at cost	-	-	-	-	4,061
	4,061	-	-	-	4,061
Net carrying amount of plant and equipment	56,489	-	18,569	33,859	4,061

- (i)

Classified in accordance with the fair value hierarchy, see note 2.5.
- (ii)

There have been no transfers between levels during the period.
- (iii)

Computers and communications equipment

Computers and communications equipment are valued using the market approach. Under this valuation method, the assets are compared to sales of comparable assets which are considered to have nominal or no added improvement value.

Leased Motor Vehicles

Leased motor vehicles are valued using the depreciated replacement cost method. ESTA acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition and disposal is managed by experienced fleet managers at the Department of Treasury and Finance who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Plant and equipment and Leasehold improvement

Plant and equipment and Leasehold improvement assets are valued using the depreciated replacement cost method. This cost represents the replacement cost of the building or component after applying depreciation rates on a useful life basis.

Leased communications equipment

Leased communications equipment are assets contracted under Public Private Partnership or Operate and Maintain contractual arrangements with specific use and restrictions associated with the assets. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the assets that is physically, legally permissible, and financially feasible.
- (iv)

Capital works in progress

Capital works in progress is measured at cost.

Notes to the financial statements

6 (b) Classified as 'Public safety and environment' Purpose Group - Movement in carrying amounts							
	Computers and communi-cations equipment at fair value	Leased motor vehicles at fair value	Leased communi-cations equipment at fair value	Plant and equipment at fair value	Leasehold improve-ments at fair value	Work in progress at cost	Total
2014	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	18,569	346	24,625	144	8,744	4,061	56,489
Additions	11,249	209	1,863	21	51	5,701	19,094
Disposals	-	(140)	(921)	-	(130)	-	(1,191)
Assets acquired on behalf of DoJ	14,139	-	-	-	-	-	14,139
Assets transferred to DoJ free of charge	(14,139)	-	-	-	-	-	(14,139)
Depreciation/amortisation expense	(10,639)	(82)	(12,740)	(96)	(1,887)	-	(25,446)
Capitalisation of works in progress	1,785	-	-	-	1,973	(3,710)	48
Closing balance	20,962	333	12,827	69	8,751	6,052	48,993

	Computers and communica-tions equipment at fair value	Leased motor vehicles at fair value	Leased communi-cations equipment at fair value	Plant and equipment at fair value	Leasehold improve-ments at fair value	Work in progress at cost	Total
2013	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	8,026	411	28,866	382	10,690	6,385	54,760
Additions	11,293	142	13,492	0	298	3,056	28,280
Disposals	(1)	(87)	-	(32)	-	-	(120)
Assets acquired on behalf of DoJ	5,159	-	-	-	-	-	5,159
Assets transferred to DoJ free of charge	(5,159)	-	-	-	-	-	(5,159)
Depreciation/amortisation expense	(6,129)	(120)	(17,733)	(206)	(2,244)	-	(26,432)
Capitalisation of works in progress	5,380	-	-	-	-	(5,380)	0
Closing balance	18,569	346	24,625	144	8,744	4,061	56,489

ESTA classifies all of its assets within one purpose group - Public Safety and Environment (Refer note 2)

- (i) The following useful lives of assets as stated in Accounting Policy Note 2 are used in the calculation of depreciation.
- (ii) Fair value assessments have been performed for all classes of assets in this purpose group and judged that changes were not material for a full revaluation.
- (iii) On the transfer of the MMR and EAS contracts to ESTA, the Authority received \$122.3m of communications equipment under PPP arrangements and assumed the associated finance lease liabilities.
- (iv) In 2013-14, ESTA acquired assets (funded by the EAS Network Upgrade Project) on behalf of the State. These assets were transferred to the State (Department of Justice) free of charge.

6 (c) Description of significant unobservable inputs to Level 3 valuations				
	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Leased motor vehicles	Depreciated replacement cost	Cost per unit Useful life of Leased motor vehicles	\$24,517 - \$47,865 per unit (\$36,232 per unit) 1 - 3 years	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Leased communications equipment	Depreciated replacement cost	Cost per unit Useful life of Leased communications equipment	\$806,809 - \$28,549,433 per unit (\$9,756,450 per unit) 4 years	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Plant and equipment	Depreciated replacement cost	Cost per unit Useful life of plant and equipment	\$5,341 - \$1,488,043 per unit (\$87,201 per unit) 5 - 10 years	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Leasehold improvements	Depreciated replacement cost	Cost per unit Useful life of Leasehold improvements	\$3,329 per sqm 5 - 10 years	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

Notes:

- (i) Depreciated replacement cost technique was used for fair value measurement ranging per unit cost. ESTA assets are specialised in use, such that they are rarely sold other than a part of going concern or technology replacement.

Notes to the financial statements

7. Intangible Assets			
	Note	Intergraph Software Licences	
		2014	2013
		\$'000	\$'000
Gross carrying amount			
Opening balance		5,200	5,200
Additions (CAD Software licenses)		-	-
Disposals		-	-
Transfer to assets classified as held for sale		-	-
Closing balance		5,200	5,200
Accumulated amortisation and impairment			
Opening balance		(2,482)	(1,905)
Amortisation expense (a)		(577)	(577)
Disposals		-	-
Transfer to assets classified as held for sale		-	-
Closing balance		(3,059)	(2,482)
Net book value at the end of the financial year		2,141	2,718
Note: (a) Amortisation expense is included in the line item 'Depreciation and Amortisation expense' in the Comprehensive Operating Statement.			

8. Payables			
		2014	2013
		\$'000	\$'000
Current payables			
Contractual			
Supplies & services		9,240	13,244
Unearned income		3,684	2,349
Accruals		9,064	15,847
		21,988	31,440
Statutory			
Payroll tax payable		346	408
GST payable		1,710	2,071
		2,056	2,479
Total payables		24,044	33,919

9. Borrowings (i)			
		2014	2013
		\$'000	\$'000
Current finance lease liability			
Communications equipment		8,199	11,955
Motor vehicles		169	164
Total current borrowings		8,368	12,119
Non current finance lease liability			
Communications equipment		4,969	12,874
Motor vehicles		167	187
Total non-current borrowings		5,136	13,061
Total borrowings		13,504	25,180

(i) Secured by the assets leased. Finance leases are effectively secured, as the rights to the leased assets revert to the lessor in the event of default.

10. Provisions			
		2014	2013
		\$'000	\$'000
Current			
(i)	Employee benefits - annual leave and time in lieu:		
(ii)	Unconditional and expected to be settled within 12 months	3,081	2,847
(iii)	Unconditional and expected to be settled after 12 months	1,320	1,220
Employee benefits - long service leave:			
(ii)	Unconditional and expected to be settled within 12 months	850	611
(iii)	Unconditional and expected to be settled after 12 months	2,503	2,054
		7,754	6,732
Provisions related to employee benefit on-costs			
(ii)	Unconditional and expected to be settled within 12 months	798	707
(iii)	Unconditional and expected to be settled after 12 months	443	425
		1,241	1,132
(iv)	Lease Incentive Liability	95	0
Total current provisions		9,090	7,864
Non-current			
(i)	Employee benefits	1,892	2,180
	Employee benefit on-costs	337	427
(iv)	Lease Incentive Liability	733	0
(v)	Make - good provision	1,204	817
Total non-current provisions		4,166	3,424
Total provisions		13,256	11,288

11. Employee benefits and related on-costs (i)			
		2014	2013
		\$'000	\$'000
Current employee benefits			
	Annual leave and time in lieu entitlements	4,401	4,067
	Long service leave entitlements	3,353	2,665
Non-current employee benefits			
	Long service leave entitlements	1,892	2,180
Total employee benefits		9,646	8,912
	Current on-costs	1,242	1,132
	Non-current on-costs	337	427
Total on-costs		1,579	1,559
Total employee benefits and related on-costs		11,225	10,471

(i) Provisions for employee benefits consist of amounts for annual leave, long service leave and time in lieu accrued by employees not including on-costs.

(ii) The amounts disclosed are discounted to present values.

(iii) The amounts disclosed are discounted to present values.

(iv) The provision for Lease Incentive Liability represents value of the rent free period under the lease agreement at 33 Lakeside Drive, Burwood East.

(v) In accordance with the lease agreement at 33 Lakeside Drive, Burwood East, ESTA must restore the premises and all services in the premises back to base building condition at the end of lease term. A provision was provided for during the year for this purpose.

Notes to the financial statements

12. Superannuation		
All ESTA employees are entitled to benefits under accumulation funds. Employees are covered under Vic Super, Australian Government Employees Superannuation Trust (AGEST)- now merged with Australian Super - or in the case of some employees, their own self-managed superannuation schemes. Employees have the opportunity to make personal contributions to the funds at a self-nominated rate or amount. The minimum employer contribution to the fund, pursuant to the Superannuation Guarantee Charge, was 9.25 per cent for the period 1 July 2013 and 30 June 2014.		
	2014	2013
	\$'000	\$'000
Employer contributions		
AGEST/Australian Super	576	627
Vic Super	4,248	3,954
Personal superannuation funds	624	509
Total employer contributions to the funds	5,448	5,090
Outstanding contributions	(100)	358
Total Contributions	5,348	5,448

Note: ESTA has no unfunded liability at the end of the period. There were no loans made between any of the superannuation funds and ESTA during the period.

13. Leases				
Finance lease liabilities				
Leasing arrangements				
Finance leases relate to communications equipment with a lease term of 5 years and motor vehicles with a lease term of 1-3 years. ESTA does have options to purchase the former equipment at the expiry of the lease period.				
	Minimum future lease payments (i)		Present value of minimum future lease payments	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
PPP related finance lease liabilities payable				
Not longer than 1 year	8,474	12,889	8,199	11,955
Longer than 1 year and not longer than 5 years	5,042	13,219	4,970	12,874
Longer than 5 years	-	-	-	-
Other related finance lease liabilities payable				
Not longer than 1 year	183	180	169	164
Longer than 1 year and not longer than 5 years	174	196	167	187
Longer than 5 years	-	-	-	-
Minimum future lease payments	13,873	26,484	13,505	25,180
Less future finance charges	(367)	(1,304)	-	-
Present value of minimum lease payments	13,506	25,180	13,505	25,180
Included in the financial statements as:				
Current borrowings lease liabilities (note 9)			8,368	12,119
Non-current borrowing lease liabilities (note 9)			5,136	13,061
			13,504	25,180

(i) Minimum future lease payments includes the aggregate of all lease payments and any guaranteed residual

Operating lease liabilities

Leasing arrangements

Operating leases relate to office equipment with a lease term of 2-5 years and properties with a lease term of 1-15 years. ESTA has no options to purchase this equipment or property at the conclusion of the lease agreement.

	2014	2013
	\$'000	\$'000
Non-cancellable operating leases		
Not longer than 1 year	3,085	2,388
Longer than 1 year and not longer than 5 years	11,655	7,900
Longer than 5 years	9,813	2,785
	24,553	13,073

14. Commitments for expenditure				
The following commitments have not been recognised as liabilities in the financial statements:				
(i) Service Concession (PPP) related commitments	2014		2013	
	\$'000	\$'000	\$'000	\$'000
	Net Present Value	Nominal Value	Net Present Value	Nominal Value
Service concession arrangements				
MDN	10,006	10,363	32,551	34,152
MMR	53,725	56,658	77,278	83,289
Total service concession commitments	63,731	67,021	109,829	117,441
Less PPP related finance lease liabilities (Note 13)	12,546	13,168	23,298	24,828
Total PPP operation and service commitment	(Note 14 (ii)(e)) 51,185	53,853	86,531	92,613

(ii) Commitments are payable as follows	2014	2013
	\$'000	\$'000
(a) Capital expenditure commitments		
Total capital expenditure contracted for purchase and implementation of infrastructure at balance date but not provided for in the accounts:		
Not longer than 1 year	881	1,146
Longer than 1 year and not longer than 5 years	-	-
Longer than 5 years	-	-
	881	1,146
(b) Property lease agreements		
Commitments in relation to property leases contracted for at the reporting date but not recognised as liabilities, payable:		
Not longer than 1 year	2,942	2,327
Longer than 1 year and not longer than 5 years	11,386	7,790
Longer than 5 years	9,813	2,785
	24,141	12,902

Notes to the financial statements

(c) Photocopier/IT Equipment operating lease agreements		
All photocopier/IT equipment lease agreements have finite lease terms, no renewal clauses or purchase options. The lease terms do not contain any further restrictions.		
Not longer than 1 year	143	61
Longer than 1 year and not longer than 5 years	269	110
Longer than 5 years	-	-
	412	171
(d) Software Licence & Services Agreement (i)		
A commitment exists in relation to a software licensing and support agreement for call-taking and dispatch held with Intergraph Corporation Pty Ltd.		
Not longer than 1 year	2,673	2,546
Longer than 1 year and not longer than 5 years	-	-
Longer than 5 years	-	-
	2,673	2,546
(e) PPP operation and service commitments (ii)		
Not longer than 1 year	29,916	39,186
Longer than 1 year and not longer than 5 years	23,937	53,427
Longer than 5 years	-	-
	53,853	92,613
(f) PPP payments from contingency (iii)		
Not longer than 1 year	594	512
Longer than 1 year and not longer than 5 years	-	-
Longer than 5 years	-	-
	594	512
(g) Operating and Maintenance Contract (EAS) (iv)		
Not longer than 1 year	20,806	28,881
Longer than 1 year and not longer than 5 years	30,578	51,383
Longer than 5 years		
	51,384	80,264
Total commitments for expenditure (exclusive of GST)		
	133,938	190,154
Plus GST recoverable from the Australian Taxation Office	13,394	19,015
Total commitments for expenditure (inclusive of GST)	147,332	209,169

- (i)

This agreement is renewed annually in March.
- (ii)

This expenditure is offset by equivalent amounts in revenue.
- (iii)

These payments are sourced from the contingency funds held by ESTA specifically for this purpose. Thebalance of these funds at 30th June 2014 is \$11 m.
- (iv)

This expenditure is offset by equivalent amounts in revenue under the EAS Operating and Maintenance contract.

15. Contingent liabilities and contingent assets		2014	2013
		\$'000	\$'000
Contingent Liability			
(i)	Make Good - ESTA Support Office	-	375
		-	375

- (i)

ESTA negotiated an extension of the 215 Spring Street, Melbourne lease for an additional seven months (until April 14). The make good liability was contingent upon the lease extension terms and conditions.
- (ii)

ESTA had no contingent assets and liabilities for the years covered by this report.

16. Financial Instruments

(a) Financial risk management objectives and policies	
ESTA's principal financial instruments comprise of:	
<ul style="list-style-type: none">cash assets;term deposits;receivables (excluding statutory receivable);payables (excluding statutory payables);finance lease payables	
Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 2.	
The main purpose in holding financial instruments is to prudentially manage ESTA's financial risks within the government policy parameters, and as a requirement linked to managing State Contracts.	

The carrying amounts of ESTA's financial assets and financial liabilities by category are in table 16.1 below.

Notes to the financial statements

Table 16.1: Categorisation of financial instruments			
2014	Contractual financial assets - loans and receivables \$'000	Contractual financial liabilities at amortised cost \$'000	Total \$'000
Contractual financial assets			
Cash and deposits	8,420	-	8,420
(i) Receivables:			
Services	1,140	-	1,140
Other	5,667	-	5,667
Accrued investment income	35	-	35
Other receivables			
Investments and other contractual financial assets:			
Term deposits	15,510	-	15,510
Total contractual financial assets	30,772	-	30,772
Contractual financial liabilities			
(i) Payables:			
Supplies and services	-	9,240	9,240
Accruals	-	9,064	9,064
Borrowings:			
Lease liabilities	-	13,504	13,504
Total contractual financial liabilities	-	31,808	31,808

2013	Contractual financial assets - loans and receivables \$'000	Contractual financial liabilities at amortised cost \$'000	Total \$'000
Contractual financial assets			
Cash and deposits	18,567	-	18,567
(i) Receivables:			
Services	7,464	-	7,464
Other	7,456	-	7,456
Accrued investment income	85	-	85
Other receivables			
Investments and other contractual financial assets:			
Term deposits	15,041	-	15,041
Total contractual financial assets	48,613	-	48,613
Contractual financial liabilities			
(i) Payables:			
Supplies and services	-	13,244	13,244
Accruals	-	15,847	15,847
Borrowings:			
Lease liabilities	-	25,180	25,180
Total contractual financial liabilities	-	54,271	54,271

Note: (i) The total amounts disclosed here exclude statutory amounts (i.e. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

Table 16.2: Net holding gain/(loss) on financial instruments by category				
2014	Net holding gain/(loss) \$'000	Total interest income/(expense) \$'000	Fee income/(expense) \$'000	Total \$'000
Contractual financial assets				
Financial assets - loans and receivables	-	989	-	989
Total contractual financial assets	-	989	-	989
Contractual financial liabilities				
Financial liabilities at amortised cost	-	969	-	969
Total contractual financial liabilities	-	969	-	969
2013	Net holding gain/(loss) \$'000	Total interest income/(expense) \$'000	Fee income/(expense) \$'000	Total \$'000
Contractual financial assets				
Financial assets - loans and receivables	-	1,169	-	1,169
Total contractual financial assets	-	1,169	-	1,169
Contractual financial liabilities				
Financial liabilities at amortised cost	-	1,758	-	1,758
Total contractual financial liabilities	-	1,758	-	1,758

(b) Credit risk

ESTA's exposure to credit risk arises from the potential default of counterparties on their contractual obligations resulting in financial loss to ESTA. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with ESTA's contractual financial assets is considered minimal due to receivables comprising almost exclusively amounts due from Victorian government agencies.

Currently ESTA does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

Credit quality of contractual financial assets that are neither past due nor impaired			
2014	Financial institutions (AA credit rating) \$'000	Government agencies (AAA credit rating) \$'000	Total \$'000
Cash and deposits	8,417	15,510	23,927
Total contractual financial assets	8,417	15,510	23,927
2013			
Cash and deposits	14,378	19,226	33,604
Total contractual financial assets	14,378	19,226	33,604

Notes to the financial statements

Ageing analysis of contractual financial assets						
	Carrying amount	Not past due and not impaired	Past due but not impaired			
			Less than 1 mth	1 - 3 mths	3 mths - 1 year	1 - 5 years
2014	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(i) Receivables:						
Services	1,140	757	4	6	373	-
Accrued investment income	35	35	-	-	-	-
Other receivables	5,667	5,667	-	-	-	-
Investments and other contractual financial assets:						
Term deposits	15,510	15,510	-	-	-	-
Total	22,352	21,969	4	6	373	-
2013						
(i) Receivables:						
Services	7,464	7,195	268	1	-	-
Accrued investment income	85	85	-	-	-	-
Other receivables	7,456	7,456	-	-	-	-
Investments and other contractual financial assets:						
Term deposits	15,041	15,041	-	-	-	-
Total	30,046	29,777	268	1	-	-

Note: (i) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

(c) Liquidity risk

Liquidity risk arises when ESTA is unable to meet its financial obligations as they fall due. ESTA operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, makes payments within 30 days from the date of resolution. It also continuously manages risk through monitoring future cash flows. ESTA relies on a Letter of Comfort from the Department of Justice.

Maturity analysis of contractual financial liabilities (ii)

	Carrying amount	Nominal Amount	Maturity dates				
			Less than 1 mth	1 - 3 mths	3 - 12 mths	1 - 5 years	5+ years
2014	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(i) Payables:							
Supplies and services	9,240	9,240	9,240	-	-	-	-
Accruals	9,064	9,064	9,064	-	-	-	-
Borrowings:							
Lease liabilities	13,504	13,504	1,105	2,200	5,070	5,130	-
Total	31,808	31,808	19,409	2,200	5,070	5,130	-
2013							
(i) Payables:							
Supplies and services	13,244	13,244	13,244	-	-	-	-
Accruals	15,847	15,847	15,847	-	-	-	-
Borrowings:							
Lease liabilities	25,180	25,180	1,049	2,039	9,040	13,054	-
Total	54,271	54,271	30,140	2,039	9,040	13,054	-

Notes: (i) The carrying amounts disclosed exclude statutory amounts (e.g. GST payables).
(ii) Maturity analysis is presented using the contractual undiscounted cash flows.

(d) Interest rate exposure of financial instruments

Exposure to interest rate risk is insignificant and might arise primarily through ESTA's interest bearing liabilities. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments. For financial liabilities, ESTA mainly undertakes financial liabilities with relatively even maturity profiles. ESTA's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and liabilities follows. Exposures arise predominantly from assets and liabilities bearing variable interest rates.

	Weighted avg. annual effective interest rate %	Carrying amount	Interest rate exposure		
			Fixed interest rate	Variable interest rate	Non-interest bearing
2014		\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and Deposits:	2.46%	8,420	-	8,417	3
(i) Receivables:					
Services		1,140	-	-	1,140
Accrued investment income		35	-	-	35
Other receivables		5,667	-	-	5,667
Investments and other contractual financial assets:					
Term deposits	2.64%	15,510	15,510	-	-
Total contractual financial assets		30,772	15,510	8,417	6,845
Financial liabilities					
(i) Payables:					
Supplies and services		9,240	-	-	9,240
Other payables		9,064	-	-	9,064
Borrowings:					
Lease liabilities	6.97%	13,504	13,504	-	-
Total contractual financial liabilities		31,808	13,504	-	18,304
2013					
		\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and Deposits:	2.98%	18,567	-	18,564	3
(i) Receivables:					
Services		7,464	-	-	7,464
Accrued investment income		85	-	-	85
Other receivables		7,456	-	-	7,456
Investments and other contractual financial assets:					
Term deposits	3.27%	15,041	15,041	-	-
Total contractual financial assets		48,613	15,041	18,564	15,008
Financial liabilities					
(i) Payables:					
Supplies and services		13,244	-	-	13,244
Other payables		15,847	-	-	15,847
Borrowings:					
Lease liabilities	6.97%	25,180	25,180	-	-
Total contractual financial liabilities		54,271	25,180	-	29,091

Note: (i) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

Notes to the financial statements

(e) Fair value

The fair values and net fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

	2014		2013	
	Carrying amount	Net fair value	Carrying amount	Net fair value
	\$'000	\$'000	\$'000	\$'000
Contractual financial assets				
Cash and Deposits:	8,420	8,420	18,567	18,567
(i) Receivables:				
Services	1,140	1,140	7,464	7,464
Accrued investment income	35	35	85	85
Other receivables	5,667	5,667	7,456	7,456
Investments and other contractual financial assets:				
Term deposits	15,510	15,510	15,041	15,041
Total contractual financial assets	30,772	30,772	48,613	48,613
Contractual financial liabilities				
Payables:				
Supplies and services	9,240	9,240	13,244	13,244
Other payables	9,064	9,064	15,847	15,847
Borrowings:				
Lease liabilities	13,504	13,504	25,180	25,180
Total contractual financial liabilities	31,808	31,808	54,271	54,271

Note: (i) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

17. Notes to cash flow statement

(a) Reconciliation of cash

	2014	2013
	\$'000	\$'000
Cash at bank and on hand	8,419	18,566
Short term investments	15,510	15,041
Balance as per cash flow statement (i)	23,929	33,607

Notes (i) **Balance as per cash flow statement**
Balance as per cash flow statement include:
Provisions held for employee entitlements and funds held for specific funded projects.
Short term investments include non discretionary funds held for third parties. These are funds held in contingency reserves for the State managed contracts MDN, MMR and EAS. The funds in reserves are quarantined specifically for the purposes under which these reserves have been established for State managed PPP and Operate and Maintenance contracts.
The balance of these reserves at 30th June 2014 is \$11 mill. (\$11.7 mill. in 2013).

(b) Reconciliation of net result for the period

	2014	2013
	\$'000	\$'000
Net result for the period	(8,829)	(5,325)
Non-cash movements:		
Depreciation and amortisation	26,023	27,008
Loss/(gain) on sale of assets	4	33
Movements in assets and liabilities:		
Decrease (increase) in receivables	8,146	(1,470)
Decrease (increase) in prepayments	336	33
Increase (decrease) in payables	(10,645)	3,655
Increase (decrease) in unearned income	1,335	743
Increase (decrease) in provisions	1,985	184
Net cash flows from/(used in) operating activities	18,355	24,860

(c) Non-cash financing and investing activities

During the reporting period ESTA acquired motor vehicles, and technology assets for the State contracts - MMR (Metropolitan Mobile Radio) and MDN (Mobile Data Network) through a finance lease arrangement to the value of \$208k (\$142k in 2013) and \$1.9 mill. (\$13.5 mill in 2013) respectively. The assumption of the related assets and liabilities is not reflected in the cash flow statement.

18. Equity and reserves

Since the establishment of ESTA a progressive transition of responsibility for the management and delivery of three Public Private Partnership projects from the Department of Justice has been completed. The transition included the transfer and recognition of revenues that are specific purpose funding. The funding may only be applied by the recommendation of multi agency contract management committees and may only be applied for the purpose of the project to which it was allocated. ESTA holds no discretion over the funds and may not apply them to operational purposes.

ESTA has determined that in order to best present its discretionary financial reserves and contributed capital that these amounts be identified as non discretionary service contract specific contingency reserves.

Notes to the financial statements

19. Responsible persons

The persons who held the positions of Ministers and Responsible Persons in ESTA are as follows:

Minister for Police and Emergency Services - The Hon. Kim Wells, MP	1 July 2013 to 30 June 2014
Chairman - Mr Roger Leeming	1 July 2013 to 30 June 2014
Chief Executive Officer - Mr Ken Shymanski	1 July 2013 to 30 June 2014
Authority Member - Ms Christina Gillies	1 July 2013 to 30 June 2014
Authority Member - Mr Stewart Leslie	1 July 2013 to 30 June 2014
Authority Member - Mr Peter Kronborg	1 July 2013 to 7 August 2013
Authority Member - Mr Greg Tweedly	1 July 2013 to 30 June 2014
Authority Member - Ms Marion Lau	1 July 2013 to 30 June 2014
Authority Member - Mr John Yates	9 September to 30 June 2014
Authority Member - Mr Neil Lucas	30 August 2013 to 30 June 2014
Authority Member - Mr Daniel Quagliani	5 December 2013 to 30 June 2014

Remuneration

Total remuneration received or receivable by the Accountable Officer in connection with the management of ESTA during the reporting period was in the range:\$290,000 - \$299,999 (\$320,000 - \$329,999 in 2013)

Remuneration of Authority Members and Accountable Officer in ESTA are as follows:

	Base remuneration	Total remuneration	Base remuneration	Total remuneration
Income band	2014	2014	2013	2013
	No.	No.	No.	No.
\$0 - \$9,999	1	1	1	1
\$10,000 - \$19,999	1	1	1	1
\$20,000 - \$29,999	2	2	3	3
\$30,000 - \$39,999	4	4	3	3
\$50,000 - \$59,999	-	-	1	1
\$60,000 - \$69,999	-	-	-	-
\$70,000 - \$79,999	1	1	-	-
\$280,000 - \$289,999	-	-	-	-
\$290,000 - \$299,999	1	1	1	-
\$320,000 - \$329,999	-	-	-	1
Total Numbers	10	10	10	10
	\$'000	\$'000	\$'000	\$'000
Total Amount	583	583	543	570

Amounts relating to Ministers are reported in the financial statements of the Department of Premier and Cabinet.

20. Remuneration of executives

(a) Remuneration of executive

The number of executive officers, other than Ministers and Responsible Persons and their base remuneration is shown in column two of the table below in their relevant income bands. The total remuneration of executive officers is shown in column three. Base remuneration is exclusive of bonus payments, long service leave payments upon termination, retirement and redundancy payments.

Remuneration between	Base Remuneration	Total Remuneration	Base Remuneration	Total Remuneration
	2014	2014	2013	2013
	No.	No.	No.	No.
\$0 - \$99,999	2	1	3	1
\$100,000 - \$109,999	-	1	-	-
\$140,000 - \$149,999	-	-	1	-
\$150,000 - \$159,999	1	1	1	1
\$160,000 - \$169,999	3	1	1	1
\$170,000 - \$179,999	1	2	1	1
\$180,000 - \$189,999	-	1	1	1
\$190,000 - \$199,999	1	1	-	1
\$200,000 - \$209,999	1	1	1	1
\$210,000 - \$219,999	1	1	1	1
\$220,000 - \$229,999	2	1	-	-
\$240,000 - \$249,999	-	1	-	-
\$250,000 - \$259,999	-	-	-	1
\$260,000 - \$269,999	-	-	1	1
\$280,000 - \$289,999	-	-	-	1
Total number of executives (i)	12	12	11	11
Total annualised employee equivalent (AEE) (ii)	8.8	8.8	8.6	8.6
	\$'000	\$'000	\$'000	\$'000
Total Amount	1,900	2,055	1,642	2,139

Notes: (i) The total number of executives includes one executives that departed during the past year.
(ii) Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

(b) Payment to other personnel with significant management responsibility

The following disclosures are made in relation to other personnel of ESTA. Payments have been made to a contractor with significant management responsibilities. This contractor is responsible for planning and managing the Government funded CAD9 project.

Expense band	Total Expenses (exclusive of GST)
	2014
	\$'000
\$300,000 - \$309,999	1
	1

Notes to the financial statements

21. Remuneration of auditors		
	2014	2013
	\$'000	\$'000
Victorian Auditor General's Office		
Audit of the financial report	31	30
	31	30

22. Subsequent events


Support Enterprise Agreement

Negotiations for a new Enterprise Agreement for administrative and support employees were current with a registered agreement expected in 2014-15.

MDN Contract Extension

The State contract for Mobile Data Network (MDN) concludes during 2014-15. The Government is actively exploring options.

Independent Auditor’s Report



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INDEPENDENT AUDITOR’S REPORT

To the Authority Members, Emergency Services Telecommunications Authority

The Financial Report

The accompanying financial report for the year ended 30 June 2014 of the Emergency Services Telecommunications Authority which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the authority member's, accountable officer's and chief finance and accounting officer's declaration has been audited.

The Authority Members’ Responsibility for the Financial Report

The Authority Members of the Emergency Services Telecommunications Authority are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Authority Members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity’s preparation and fair presentation of the financial report 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 the entity’s internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Authority Members, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report

Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Emergency Services Telecommunications Authority as at 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of the Emergency Services Telecommunications Authority for the year ended 30 June 2014 included both in the Emergency Services Telecommunications Authority's annual report and on the website. The Authority Members of the Emergency Services Telecommunications Authority are responsible for the integrity of the Emergency Services Telecommunications Authority's website. I have not been engaged to report on the integrity of the Emergency Services Telecommunications Authority's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE
27 August 2014

for 
John Doyle
Auditor-General

Glossary of Terms

23. Glossary of terms

Comprehensive result

Total comprehensive result is the change in equity for the period other than changes arising from transactions with owners. It is the aggregate of net result and other non-owner changes in equity.

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Employee expenses

Employee expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments and superannuation contributions.

Financial asset

A financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual right: to receive cash or another financial asset from another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to ESTA; or
- (d) a contract that will or may be settled in ESTA's own equity instruments and is: a non-derivative for which ESTA is or may be obliged to receive a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of ESTA's own equity instruments.

Financial statements

Depending on the context of the sentence where the term 'financial statements' is used, it may include only the main financial statements (i.e. comprehensive operating statement, balance sheet, cash flow statements, and statement of changes in equity); or it may also be used to replace the old term 'financial report' under the revised AASB 101 (Sept 2007), which means it may include the main financial statements and the notes.

Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Interest expense

Costs incurred in connection with the borrowing of funds. Interest expenses include interest on bank overdrafts and short-term and long-term borrowings, amortisation of discounts or premiums relating to borrowings, interest component of finance leases repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

Interest income

Interest income includes interest received on bank term deposits, interest from investments, and other interest received.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner changes in equity'.

Net result from transactions/net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Non-financial assets

Non-financial assets are all assets that are not 'financial assets'.

Other economic flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. It includes gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; actuarial gains and losses arising from defined benefit superannuation plans; fair value changes of financial instruments and assets; and depletion of natural assets (non-produced) from their use or removal. In simple terms, other economic flows are changes arising from market re-measurements.

Payables

Includes short and long term trade debt and accounts payable, grants and interest payable.

Receivables

Includes short and long term trade credit and accounts receivable, grants, taxes and interest receivable.

Sales of goods and services

Refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services, work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

Supplies and services

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of ESTA.

Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

Acronyms

Acronyms used throughout this report:

ATO	Australian Taxation Office
AV	Ambulance Victoria
CAD	Computer Aided Dispatch
CFA	Country Fire Authority
CTD	Call-taking and Dispatch
DEPI	Department of Environment & Primary Industries
EAS	Emergency Alerting System
ECSAC	Emergency Call Service Advisory Committee
ESOs	Emergency Services Organisations
ESTA	Emergency Services Telecommunications Authority
FRD	Financial Reporting Directions
FTE	Full Time Equivalent
GHG	Greenhouse Gas
GPS	Global Positioning System
GST	Goods and Services Tax
LEAP	Law Enforcement Assistance Program
LSL	Long Service Leave
MDN	Mobile Data Network
MFB	Metropolitan Fire Brigade
MMR	Metropolitan Mobile Radio
OESC	Office of the Emergency Services Comminssioner
PMO	Program Management Office
PPP	Public Private Partnership
RMR	Rural Mobile Radio
SECCs	State Emergency Communications Centres
VAGO	Victorian Auditors General Office
VICSES	Victoria State Emergency Service

Appendix

Appendix

ESTA's performance in 2013-14, including against the standards applied to emergency and non-emergency call-taking and dispatch services, are detailed in the following tables. The information includes performance results for the speed of answering emergency calls and the dispatch of the relevant emergency services and performance data at the 50th and 90th percentile and average times.

Call answer performance (Emergency Events) ⁵							
Agency	Benchmark	2013-14 Performance	2012-13 Performance	Change	2013-14 50th Percentile Performance	2013-14 90th Percentile Performance	2013-14 Average time to answer/dispatch
Victoria Police	80 per cent answered within 5 seconds ⁶	88.2%	89.7%	- 1.5%	< 1 second	12 seconds	4.2 seconds
Ambulance	90 per cent answered within 5 seconds ⁷	91.3%	90.7%	+ 0.66%	<1 second	1 second	3.78 seconds
CFA Emergency	90 per cent answered within 5 seconds	94.1%	96.8%	- 2.70%	<1 second	< 1 second	2.9 seconds
MFB Emergency	90 per cent answered within 5 seconds	94.0%	95.3%	- 1.36%	< 1 second	< 1 second	2.8 seconds
VICSES Emergency	90 per cent answered within 20 seconds	62.7%	81.3%	- 18.6%	2 seconds	201 seconds	91 seconds

⁵ Technical limitationa within ESTA's Emergency Telephone System prevent accurate determination of call answer time where calls are subject to re-presentation. This limitation applies only to Triple Zero calls to ESTA via the Emergency Call Service. ESTA uses a mathematical formula to estimate the overall call answer times for these calls, based on a number of assumptions. Figures stated for average, 50th and 90th percentile call answer times include these estimated times and should be considered indicitive only. ESTA has recently received funding to upgrade its Emergency Telephone System and it is anticipated that the new system will not be subject to the same technical limitations.

⁶ Currently applies to Metropolitan Service Delivery only

⁷ Currently applies to Metropolitan Service Delivery only

Appendix

Dispatch performance (Emergency Events)							
Agency	Benchmark	2013-14 Performance	2012-13 Performance	Change	2013-14 50th Percentile Performance	2013-14 90th Percentile Performance	2013-14 Average time to answer/ dispatch
Victoria Police	80 per cent dispatched within 180 seconds ⁸	89.9%	91.7%	-1.8%	48 seconds	165 seconds	80 seconds
Ambulance Code One events	90 per cent dispatched within 150 seconds ⁹	77.0%	83.6%	- 6.6%	110 seconds	184 seconds	122 seconds
CFA Priority One events ¹⁰	90 per cent dispatched within benchmark	88.7%	90.7%	- 2.0%	P1 Urban 69 seconds	P1 Urban 139 seconds	P1 Urban 84.4 seconds
					P1 Rural 96 seconds	P1 Rural 220 seconds	P1 Rural 125.8 seconds
					Alarms10 seconds	Alarms 15 seconds	Alarms 12.4 seconds
					EMR 9 seconds	EMR 14 seconds	EMR 11.2 seconds
					Other Agency 25 seconds	Other Agency 69 seconds	Other Agency 44.9 seconds
MFB Priority One events ¹¹	90 per cent dispatched within benchmark	92.6%	93.3%	- 0.7%	Telephone 72 seconds	Telephone 145 seconds	Telephone 88.4 seconds
					Alarm 10 seconds	Alarm 14 seconds	Alarm 11.2 seconds
					EMR 9 seconds	EMR 13 seconds	EMR 10.7 seconds
					Other Agency 22 seconds	Other Agency 54 seconds	Other Agency 37.1 seconds
VICSES Priority One events	90 per cent dispatched within 60 seconds	83.4%	85.1%	- 1.7%	26 seconds	93 seconds	77.6 seconds

⁸ Currently applies to Metropolitan Service Delivery only

⁹ Currently applies to Metropolitan Service Delivery only

¹⁰ Emergency Medical Response/Alarm Events – 28 seconds, Urban Events – 120 seconds, Rural Events – 190 seconds, Other Agency Events – 60 seconds

¹¹ Emergency Medical Response/Alarm Events – 28 seconds, Urban Events – 120 seconds, Other Agency Events – 60 seconds

Dispatch performance (Lower Priority Events)							
Agency	Benchmark	2013-14 Performance	2012-13 Performance	Change	2013-14 50th Percentile Performance	2013-14 90th Percentile Performance	2013-14 Average time to answer/ dispatch
Victoria Police (state-wide) Priority Two events	80 per cent dispatched within 300 seconds ¹²	86.8%	89.8%	--3.0%	95 seconds	348 seconds	159 seconds
Victoria Police Priority Three e vents	80 per cent dispatched within 900 seconds ¹³	98.1%	98.4%	- 0.3%	177 seconds	764 seconds	297 seconds
Ambulance Code Two events	90 per cent dispatched within 300 seconds ¹⁴	91.8%	93.1%	- 1.3%	133 seconds	264 seconds	174.9 seconds
CFA Priority Three events ¹⁵	90 per cent dispatched within benchmark	86.8%	88.1%	- 1.3%	P3 Urban 92 seconds	P3 Urban 183 seconds	P3 Urban 112 seconds
					P3 Rural 119 seconds	P3 Rural 247 seconds	P3 Rural 147.5 seconds
VICSES Priority Two and Three events ¹⁶	90 per cent dispatched within benchmark	91.5%	96.0%	- 4.5%	P2/P3 Urban 193 seconds	P2/P3 Urban 427 seconds	P2/P3 Urban 280.5 seconds
					P2/P3 Rural 201 seconds	P2/P3 Rural 384 seconds	P2/P3 Rural 256.8 seconds
					P2/P3 Other Agency 35 seconds	P2/P3 Other Agency 191 seconds	P2/P3 Other Agency 109.7 seconds

¹² Currently applies to Metropolitan Service Delivery only

¹³ Currently applies to Metropolitan Service Delivery only

¹⁴ Currently applies to Metropolitan Service Delivery only

¹⁵ Urban Events – 160 seconds, Rural Events – 230 seconds

¹⁶ Urban Priority 2 & 3 Events – 460 seconds, Rural Priority 2 & 3 Events – 460 seconds, Other Agency Events – 230 seconds



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