

## **Finance and Administration**

### **Development of a 10-year financial model**

Work has commenced on development of a 10-year financial model, incorporating cash flow and sensitivity analysis, budget benchmarking and a focus on the outputs described in our annual and corporate plans. The tender process for developing this model has been completed and a consultant appointed to assist in developing this model as well as a 30-year strategic planning model.

### **Improved budget process**

We have also continued development of a long-term rigorous budget process that supports our corporate planning process. This process provides financial statements for the annual, corporate and strategic plans in a manner that optimises the use of CFA's limited financial resources and allows the reporting of these resources in the form of PPRR outputs approved by the Board. The 2003/04 budget is the first year of a three-year integrated planning and budgeting improvement plan.

The outputs of this process will provide an improved understanding of the use of CFA's existing resource base and associated activities.

### **Improved financial reporting**

In addition, we have implemented improved Board and departmental financial reporting, using Systems Applications Processes (SAP) as CFA's single, corporate financial management system. Board recurrent financial reports are now produced from SAP on a monthly basis and are consistent with accrual accounting principles.

### **GIMS asset management system**

The Government Infrastructure Management System (GIMS) is a Department of Justice pilot project for the State Government. Its objectives are to standardise the categorisation and reporting of assets and provide an information technology system designed to assist 'total lifecycle asset management'. The GIMS system will become the primary system for project management, incorporating the full PPRR output-based planning framework.

Implementation of the project has experienced minor delays due to availability of staff and protracted negotiations regarding the interface into the SAP finance system. The system interface between SAP and GIMS has now been finalised; we expect initial roll-out to start in October 2003 and to be completed in March 2004.

### **Activity based costing**

Following a review of the available options for activity based costing (ABC), it has been decided that CFA's requirements will be met through the GIMS asset management system. ABC functionality will be implemented progressively during 2003/04.

### **Information management strategy**

Work on development of a five-year information management strategy was completed during the year.

## **Community perceptions of CFA**

For many years we have collected annual baseline information on community perceptions of CFA and our service provision. Each year, public response demonstrates a positive perception of CFA with 99.5% of those surveyed believing that CFA provided excellent service, 93.2% believing all CFA members were highly skilled and competent to fight fires, and 97.2% expressing confidence in calling CFA in the event of a fire.

Community perception research is now being redesigned to allow benchmark measurement of community attitudes and flexibility for annual adjustment according to current areas of public or CFA concern. It will also provide a useful performance benchmark for measuring the effectiveness of our annual and corporate plans. However, due to a reallocation of priorities associated with the campaign fires and their aftermath, the next survey will be conducted later in 2003.