



**VFBV** | VOLUNTEER FIRE  
BRIGADES VICTORIA

1<sup>st</sup> October 2013

The Secretary  
CFA Brigade

As Addressed

Dear Secretary

**RE: CFA Review of Annual Brigade Allowance**

CFA is undertaking a review of the Annual Brigade Allowance that is made to all brigades. VFBV's Finance and Administration Committee is seeking advice and feedback from Brigade Management Teams to determine a position on:

- The annual allowance \$ amount allocated to each Brigade;
- The types of expenditure that the allowance is designed to contribute towards;
- The equitable rate of allowance based on Brigade Classification;
- The other 'out of pocket' expenditure that should be considered during this review;
- Should the introduction of a 2 part annual allowance be considered in light of upcoming Brigade Classification changes.

The re-classification of all CFA Brigades as part of CFA's Brigade and Membership Classification provides an opportune time to review existing Annual Allowance arrangements. The CFA's new five level risk based classification scale coupled with indicative planning / infrastructure and appliance requirements, management functions, membership size and categories provides a clear map for Brigades to prepare annual and longer term plans.

Current Annual allowance payments to brigades vary widely with Regional Directors applying some discretion to amounts paid to Brigades on a case by case basis.

Much of the reasoning for the size of the Annual Brigade Allowance is historical and the current CFA Brigade Management Manual in Section 3.5.2 provides guidance regarding the types of expenditure that the Annual Allowance was set to contribute towards:

- Brigade purchase of items of equipment;
- Postage;
- Printing and stationery;
- Running track utilities and maintenance;
- Firefighter personal expenses;
- Non-standard improvements to brigade facilities and equipment.

There are also a series of brigade expenses that are paid directly by CFA including:

- Power
- Gas
- Fuel
- PPC
- BA
- Fire Stations and certain vehicles.

CFA is not intending to alter these direct payment arrangements as part of this Annual Allowance review.

CFA Regions each calculate and distribute Annual Allowances to all Brigades and Groups. There are wide variations in the amount paid to Brigades of similar or equivalent classifications across CFA, thus it is timely to conduct a review. CFA Fire Brigade Groups in some cases receive an Annual Allowance, the amounts payable to Groups also vary widely across the State and should be considered as part of this review.

In June 2013, CFA Executive Director of Business Services Michael Wootten delivered a discussion paper on Annual Allowance Review to the Joint CFA/VFBV Finance & Administration Committee. In this paper, CFA are proposing to refresh the guidelines listing of typical expenditure items that Annual brigade Allowances may be expected to contribute towards. It should be noted that in some cases, the allowance may only cover a portion of an expense rather than the full amount.

The following expenses have been proposed to be those for which the Brigade Allowance is paid:

- Postage, stationery, photocopying and printing;
- Computer consumables;
- Venue hire and advertising;
- Asset maintenance including cleaning;
- Freight;
- Additional telephone (landline) and Mobile Phones;
- Catering;
- Brigade needs (groceries, hygiene);
- First Aid kit updates;
- Internet connectivity / access.

CFA are proposing that internet connectivity costs may possibly be funded through the savings that many brigades may have from the need to no longer pay for an annual audit of the Brigade's financial reports and documentation.

In terms of Annual Allowance payment options, CFA is proposing that a 2 part allowance arrangement be introduced as follows:

- Fixed amount per brigade; and
- Variable amount based on Brigade Classification.

*Note: This option recognises that all Brigades incur certain common expenses to 'keep the doors open' and also allows for additional amounts based on risk and activity.*

To assist VFBV to formulate a response to CFA, we seek your help in completing the attached questionnaire which also provides your Management Team with space to add additional comments and advice.

NOTE: Brigade Owned Vehicle Allowances are not part of this review process and are being considered as part of separate reviews including the red plating and registration changes previously advised.

Please complete and return the attached questionnaire by **Friday 8<sup>th</sup> November 2013** to ensure collation of data in preparation for the next meeting with CFA officers and staff.

Enquiries should be directed to Allan Monti on 0407 334 685 or E: [a.monti@vfbv.com.au](mailto:a.monti@vfbv.com.au)

Thankyou in anticipation for your feedback and participation in this matter.

Yours faithfully,

Allan Monti  
Executive Officer  
(Ref: 587/13)





1<sup>st</sup> October 2013

## BRIGADE ANNUAL ALLOWANCE REVIEW QUESTIONNAIRE 2013 CFA - BRIGADE ALLOWANCE REVIEW

**BRIGADE NAME** \_\_\_\_\_  
(optional)

<b>REGION</b>		<b>Current Brigade Classification</b>	
<b>DISTRICT</b>		<b>Current Annual Allowance</b>	<b>\$</b>

1. Please tick against the expense items that your Brigade supports being part of future Brigade Allowance guidelines. (Where possible indicate your Brigade's current \$ expenditure against each)

BRIGADE EXPENSE	ANNUAL BRIGADE SPEND \$	SUPPORT
Postage, stationery, photocopying and printing		<input type="checkbox"/>
Computer consumables		<input type="checkbox"/>
Venue hire and advertising		<input type="checkbox"/>
Asset maintenance including cleaning		<input type="checkbox"/>
Freight		<input type="checkbox"/>
Additional telephone (landline) and Mobile Phones		<input type="checkbox"/>
Catering		<input type="checkbox"/>
Brigade needs (groceries, hygiene)		<input type="checkbox"/>
First Aid kit updates		<input type="checkbox"/>
Internet connectivity / access		<input type="checkbox"/>
<b>Other 'Allowance Items' Expenditure your Brigade would include:</b>		
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>

2. Do you support the introduction of a Two Part Brigade Allowance where a fixed payment allowance is paid to all CFA brigades with a variable amount further applied based on Brigade Risk Classification?

*Note: Currently each Region applies their own sliding scale allowance with no base or variable component and across CFA Regions these sliding scales vary considerably.*

<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
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3. If such a two part Brigade allowance were introduced, based on your 'out of pocket' expense costs that could be attributed to 'just keeping the doors open' what \$ figure do you support as the Base Allowance for every CFA brigade.

*Note: Consider the costs you believe are not impacted by your activity levels or risk classification.*

\$ 100	<input type="checkbox"/>
\$ 200	<input type="checkbox"/>
\$ 300	<input type="checkbox"/>
\$ 400	<input type="checkbox"/>
\$ 500	<input type="checkbox"/>
\$	<input type="checkbox"/>

4. **Internet connectivity** for the receipt and distribution of CFA information (emails) and access to web based data systems is a growing and potentially core consideration for Brigade Management Teams.

If your BMT agrees with this assertion, would your Brigade contribute to a shared cost model with CFA to broker a 'Corporate Rate' with a provider for ISP and internet connectivity?

<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
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5. If a **Variable component** were to be added to the Base Allowance in a Two Part Allowance scheme in the future, the following table suggests a percentage difference between various risk classifications as per the CFA's Brigade Classification Risk profiles.

Do you support the percentage (%) increases contained as the example in the table below?

<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
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If not please add your BMT's advice as to the equitable percentage increase as risk and activity levels escalate.

RISK CLASSIFICATION	EXAMPLE	\$	YOUR BMT's ALTERNATIVE SCALE
STRUCTURE	100%	2,000	
STRUCTURE WITH BUSHFIRE	75%	1,500	
BUSHFIRE WITH STRUCTURE	50%	1,000	
LOW STRUCTURE	35%	700	
BUSHFIRE	25%	500	

Example: In the example above if the maximum variable component Brigade Allowance payable was say \$ 2000, then using the sample percentage split above would see Structure classified Brigades receiving \$2,000, Structure with Bushfire brigades \$1,500, Bushfire with Structure \$ 1,000, Low Structure Brigades \$700 and Bushfire brigades \$500.

THANK YOU for completing the questionnaire.  
Please complete and return no later than **Friday 8<sup>th</sup> November 2013** to  
VFBV PO Box 453 Mt Waverley Vic 3149 Or Fax (03) 9886 1618