

**Submission
No 71**

ASSETS, PREMISES AND FUNDING OF THE NSW RURAL FIRE SERVICE

Organisation: Bega Valley Shire Council

Date Received: 15 May 2024

15 May 2024

Parliament of New South Wales

Via email: publicaccountscommittee.pac@parliament.nsw.gov.au

Dear Committee

Submission for inquiry into assets, premises and funding of the NSW Rural Fire Service

We welcome the opportunity to provide information to support a review of the arrangements between the NSW RFS and Councils, recognise the role of local government in providing emergency services and the impacts and consequences on local communities due to the significant financial and administrative contributions to emergency service provision. We are pleased to provide recommendations to the committee that support clarity for roles and responsibilities of local government and NSW RFS.

1. The mechanisms for:

a. Funding Rural Fire Service assets and premises

Currently, the NSW Government provides councils with the annual contribution assessment notice in (or about) April each year. This notice includes the council's contribution to the Rural Fire Service. Councils have no indication of what the contribution amount may be and Council budgets are required to be placed on exhibition to the public for at least 28 days before being adopted by 30 June. Council then does not receive formal notification of the RFS allocation until later in the year, and often as late as December. Bega Valley Shire Council (BVSC) along with most if not all regional councils do not have the financial capacity to fund RFS support given our highly financially constrained operating environment.

b. Maintaining Rural Fire Service assets and premises

According to the 2010 Bega Valley Shire Council Service Level Agreement (SLA) Bega Valley Shire Council is responsible for the operating and maintenance costs of premises for the Rural Fire Service including Council rates, taxes, insurance, electricity, gas, oil and water charges. These costs are in addition to the Emergency Service levy.

Council is also required to provide extensive administrative support for the RFS for land tenure, accounting, maintenance and undertake procurement activities related to new building assets for the RFS and we have no input or control into the decision for the expansion, renewal or building of new assets and premises. In Bega Valley Shire Council, there are 30 RFS premises scattered across our local government area, and while we have no control over the costs to operate and maintain these, we are responsible for providing budget monitoring to ensure expenditure aligns with the allocation from RFS. This places pressure on the staff of RFS and has resource impacts on council as well.

Rural and regional Councils including BVSC do not have the financial capacity to manage the community assets we are directly responsible for let alone those further imposed upon us by the

state through the RFS Act. This can be clearly evidenced through observing financial results of local government and reviewing asset management schedules that compare asset values, depreciation and infrastructure renewal ratios.

c. Accounting for the ownership of Rural Fire Service assets and premises

NSW Treasury and the NSW Auditor General assert that the RFS 'Red fleet' of operational vehicles can be controlled, deployed, disposed of, and relocated by Councils. Council does not agree.

The vehicles are purchased and constructed by the RFS, installed in a brigade station, deployed to local, out of area and interstate incidents without the knowledge or consent of council. The deployment out of the shire regularly occurs during times of increased fire activity across the state and in doing so the resource is not available for the protection of the community in which it is housed and vested. Council has no oversight in the reduction of availability of emergency resources when this occurs. If Council was able to make decisions on the deployment of appliances vested to out of area incidents then negotiation with the RFS District Manager and Major Incident Co-Ordinator in RFS State Operations would be required to understand the increased risk of reducing the asset availability and the reduction in local fire protection. Out of area deployments are not a single vehicle, it often involves 5 or more appliances as well as a strike team leader.

To further demonstrate the lack of control in purchasing or allocation of red fleet in local government areas, we note that quite often the first time that Council becomes aware of a new RFS resource in the LGA is a social media post showing a member of the RFS Executive and NSW Government politicians handing over the keys to the host brigade. There is no formal notification to council and therefore impossible for us to be responsible for the accounting of these assets.

RFS Policy P8.1.0, RFS Service Standards and rural fire district service level agreements confirm that the decisions around fleet are purely those of the RFS. Policy P 8.1.0 section 8.2.3 also includes the intent that asset ownership has been marked for review in the Asset Management Policy Implementation Plan.

Section 119 of the *Rural Fires Act 1997* (the Act) compels the RFS to vest assets in Council and prohibits Council from selling or disposing of assets without the written consent of the Commissioner of the RFS further supporting that that Council has no control of the assets and therefore cannot be responsible for the accounting of these assets.

To further demonstrate that councils are not owners of the assets is the fact that at no time in the life of an RFS asset is Council consulted about its location, deployment, any relocations, or disposal. Councils are not permitted to use the vehicles. The firefighting fleet are not registered and operate on roads under Part 2 of Road Transport (Vehicle Registration) Regulation 2017 and only for operational purposes, training, and maintenance. This is another legislative restriction that further precludes Council from having access to or using them should they be able. Regarding the maintenance of the red fleet, the RFS determines the servicing schedule and level of servicing for each vehicle and in Bega Valley Shire Council, this work is undertaken by our employees.

RFS stations, while vested in council, are not open for use by any person other than an RFS member. In addition, the fire control centre and training facilities that are accounted for and maintained by council are not even a shared resource between RFS and Council.

The legal vesting of assets with Council as stipulated in section 119 of the Act has not changed since it was first included in the *Bushfires Act 1949* and remained in the rewriting of the Act in 1997 however Australian Accounting Standards have changed considerably since the current Act was written and the accounting requirements are negatively impacting on the financial performance of councils. We do not agree with the argument that the single word "vesting" means that Councils control and manage RFS resources. It is time for the Act to be amended and recognise the reality of how emergency management is provided in local communities. This is an opportunity for NSW

Government to be clear on the investment made and stipulate that the RFS as an agency have the authority and responsibility for their assets and premises across the state.

d. Operational management, including the control of assets and premises, risks, and impacts to local government, and the ability to effect a response to emergencies

Local Government is responsible for providing building and equipment maintenance, purchasing, accounts payable, emergency funds, petty cash and purchase cards to Rural Fire Service. Council has no visibility of the budget for these items until many months (often more than six months) after the financial period has commenced. It would make more sense that the RFS have the ability to manage their own operational budgets. This would alleviate the cost shifting and administrative burden on councils, improve decision-making for RFS by having control over their own budget monitoring and improve accountability and transparency for the State Agency delivering services across NSW.

As mentioned previously, Council has no knowledge or decision-making responsibilities for the availability of emergency services assets available locally. The RFS maintains the fleet allocations and determines the deployment of the assets according to their own policies and procedures.

2. Whether the following arrangements between Councils and the Rural Fire Service are fit for purpose:

a. Service agreements

The service level agreements **are not** fit for purpose.

The current SLA was signed in 2010 (attachment 1) and is long overdue for a review. For over 10 years the sector has been told that the RFS is doing a legal review of the SLA instrument and we are still waiting.

This submission has spoken to many aspects of the SLA that duplicates effort, facilitates

b. The division of responsibilities for bushfire management and hazard reduction

The Bushfire Management Committee is a suitable mechanism for preparedness between local government and emergency services. Council arranges hazard reduction activities within the allocated budget, however a risk-based approach is taken due to the financial resources not being adequate. It is also important to note that local government is responsible for bushfire management on council managed crown land without adequate compensation for this devolved responsibility.

Alternative approaches, such as cultural burning are being explored in the Bega Valley, however clarity in roles and responsibilities and how success of these interagency approaches requires further investigation.

It is estimated that BVSC is approximately \$350,000 under funded relative to similar scale Councils with respect to its ability to manage bushfire risk on its recreation and natural areas land. This is reflective of the relative area for rateable land compared to where the additional bushfire risk is sourced from.

There is very strong community sentiment that funding and resourcing of bushfire risk management and hazard reduction on public land in the Bega Valley is significantly underfunded.

It is considered important that there is a continuation of collaborative approaches towards bushfire risk management planning (i.e. through bushfire management committees).

c. Upkeep of assets

Council supports the RFS in meeting their operations and maintenance activities within the allocated budget for both assets and premises. The Act should be updated to accurately reflect the ownership and control of these activities and remove council as a party.

Council calls on the NSW Government to take immediate action to permanently remove the inequities and inconsistencies in the accounting treatment of RFS assets and acknowledge that rural

firefighting equipment is vested in and under control of the RFS. We ask you support councils to have s119 of the *Rural Fires Act 1997* amended, making it clear that RFS assets are not the property of councils.

d. The provision of insurance

Council includes RFS premises in our property register and provides insurance, however this is not by choice and nor do we believe we should. This means when new buildings are added, or the value increased through asset renewals, the expenses of that new insured value is increased and covered by Council. The valuation and administration required to insure these premises takes time and money for assets of which we have no control or use.

e. Provision of land and construction management for RFS premises

The responsibility for local government to identify and make available land for RFS premises is difficult and adds bureaucracy through delegation and decision making. In many instances, RFS premises are located on private property and council managed crown land and in some cases private land that councils need to enter into lease arrangements on. Council is extremely constrained in its management of assets within a diminishing budget and the very controlled rate pegging regime and is of the firm belief that the NSW Government should provide suitable funding for State owned assets or manage their use directly with building occupiers.

In addition, council provides administration support for the procurement, engagement and monitoring of projects and project management services for funded capital works. Additional complications can be seen in the contract being awarded and formed between Council and a contractor, with the delivery of the procurement and subsequent project lying with RFS. This increases financial, legal and reputational risks for all parties.

Further, recent examples have shown that the preferred project management contractor of RFS for scoping and delivery of capital projects is being utilised across multiple LGAs and therefore individual councils risk breaching the *Local Government Act 1993* through the value of investment with a single supplier.

f. Bushfire Management Committees

It is estimated that the disadvantage to the Bega Valley community is a cost of approximately \$60,000 per annum relating to management of fire risk associated with natural areas, recreation assets and coastal hazards under Councils management.

3. The appropriate role for local authorities in the provision of emergency services

The Bega Valley Shire area is identified as one of the highest risk bushfire areas in the country and has experienced significant natural disasters over the past decade. Since 2012 there have been over thirteen disaster declarations for the shire covering floods, East Coast Low coastal impacts and fires. In 2020 alone we experienced five natural disaster declarations. In the Black Summer bushfires 61% of the shire's area was burnt; 599 houses, 1401 outbuildings and 47 facilities were destroyed or significantly damaged. During this time, council provided support to the Emergency Operations Centre as key partners with RFS for several months.

When we are not facing an emergency, Council undertakes significant planning, asset protection zone works, and preparedness, response and recovery work in the emergency management area.

Council acknowledges the work and legislation supporting NSW Reconstruction Authority as a key action taken by NSW Government to implement the recommendations from the Bushfire Inquiry. This does not ignore the fact that 28 of the 76 recommendations bring increased roles to local government. This is not realistic and other agencies such as those providing emergency services and the NSW Reconstruction Authority should have clear obligations to lead this in our local community, in partnership with Council.

Over time the expectations from the State Government and the community on local government have increased yet there are not the resources available to meet the needs for emergency management planning, response and recovery. It is time that the NSW Government took emergency management more seriously by developing a consistently defined role at an executive level to fulfill the duties of a Local Emergency Management Officer (LEMO). This would ensure our communities are better prepared for and protected during emergencies and will save money over the long term. The NSW Government has allocated a large budget to the administration of the NSW Reconstruction Authority and in comparison, the anticipated cost of LEMOs would be relatively small.

Council has always provided an important role during fires in provision of support for aspects such as road impact management, heavy plant provision (for example graders, excavators, water carts etc) and we will continue to support on the assumption there will be appropriate mechanisms for reimbursement.

In the black summer fires BVSC was 'out of pocket' in excess of \$900k in support of combatting the fires that were not reimbursed.

4. The sustainability of local government contributions to emergency service provision

Council has expressed its strong opposition to the NSW Government's decision to impose an enormous Emergency Services Levy (ESL) cost increase on councils this financial year and scrapping the ESL subsidy. As a consequence of the unannounced 73% increase in the State Emergency Service budget and an 18% increase in the Fire and Rescue NSW budget, Council's ability to provide essential community services and infrastructure has been significantly eroded.

The ESL increases paid to NSW State reduces our ability to deliver important local services and requires us to cancel delivery of necessary infrastructure projects that cannot be funded because of these obligations. The forced emergency services contribution is manifestly disproportionate to the rate cap, resulting in additional financial stress for our council.

We recommend that the committee introduce legislation to decouple the ESL from the rate peg and enable councils to recover the full cost and, develop a fairer, more transparent and financially sustainable method of funding critically important emergency services in consultation with local government.

5. Any other related matters

Bega Valley Shire Council Recommendations (in addition to those listed above)

1. That the Service Level Agreement between NSW RFS and local councils be immediately reviewed and updated to reflect a more realistic operating environment between RFS and Council in 2024 and beyond.
2. Review the operating models of the State Emergency Service and Fire and Rescue NSW and implement this as a preferred model for the Rural Fire Service. This would consistently align funding and delivery of emergency services in local communities.
3. That legislation be amended to decouple the emergency services levy from the rate peg.
4. The *Rural Fire Service Act 1997* be amended to allow Rural Fire Service to hold land and assets.
5. That funding be provided to each council to employ a suitably qualified executive to perform the responsibilities and functions of LEMO.

We thank you for the opportunity to make a submission on the improvements that can be made on management of assets, premises and funding of the NSW RFS. I would like to reinforce our position that Council is not the appropriate level of Government to be burdened by the financial responsibility for the RFS.

Relevant attachments for reference are as follows:

- Attachment 1: NSW Rural Fire District service agreement March 2010 between BVSC and Eurobodalla Shire Council.

- Attachment 2: 2013.11.06 Notice of Motion – Rural Fire Service (RFS) State Government Funding.
- Attachment 3: 2022.08.17 Mayoral Minute – NSW Audit Office position on Rural Fire Service Assets.
- Attachment 4: 2022.11.11 Mayoral Letter sent to 11 NSW State Ministers. Subject: *Accounting for Rural Fire Service assets*.
- Attachment 5: 2023.05.24 Mayoral Minute – Damaging increases in Emergency Service Levy Costs.
- Attachment 6: 2023.05.26 BVSC CEO Anthony McMahon letter to The Hon. Jihad Dib MP - Emergency Services.
- Attachment 7: 2024.04.22 Mayor Russell Fitzpatrick letter to The Hon. Daniel Mookhey MLC - Emergency Services Levy Reform.

Should the committee members require any further context or evidence on the matters raised above I am more than happy to be contacted.

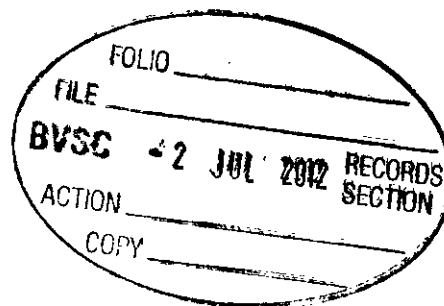
Yours sincerely



Anthony McMahon
Chief Executive Officer

The Council of the Bega Valley Shire
the Bega Valley Shire Council

The Council of the Eurobodalla Shire Council
the Eurobodalla Shire Council



Rural Fire District Service Agreement
FAR SOUTH COAST TEAM

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	Annexure A	Error! Bookmark not defined.

This Agreement made on

March 2010.

Parties **The Council of Bega Valley Shire** of Zingel Place Bega in the State of New South Wales ("The Council")

The Council of Eurobodalla Shire of Vulcan Street, Moruya in the State of New South Wales ("The Council")

(collectively referred to in this Agreement as "**the Councils**")

The Commissioner of the NSW Rural Fire Service of 15 Carter Street Lidcombe NSW 2141 ("**The Commissioner**")

Recitals

- A. The parties have agreed to enter into a rural fire district service agreement pursuant to the provisions of section 12A of the *Rural Fires Act 1997* (NSW).
- B. The Commissioner has agreed to exercise all of the functions imposed on the Council by and under the *Rural Fires Act 1997* (NSW) other than those functions specified in clause 4.2.
- C. The Commissioner has agreed to undertake the day-to-day management of the rural fire services operating in the Districts on behalf of the Councils.
- D. The Councils have agreed to provide certain administrative accounting and maintenance services to the Commissioner and to the RFS.
- E. The Councils have agreed to allow the Commissioner and the RFS to use the District Equipment.
- F. The Councils have agreed to allow the Commissioner and the RFS to use the Premises.
- G. The Councils and the Commissioner have agreed to establish a Liaison Committee.
- H. The Councils have agreed to delegate certain functions, powers and duties to members of the RFS.

The parties agree

1. Definitions

In this agreement:

- a) **Act** means the *Rural Fires Act 1997* (NSW) as amended.
- b) **Delegation** means the delegation made by the Council to the District Manager, a copy of which is annexed to this Agreement and marked with the letter "A".
- c) **District** means the **Bega Valley and Eurobodalla** Rural Fire Districts.
- d) **District Equipment** means the Fire Fighting Apparatus and the other vehicles and equipment:

- (i) owned by the State of New South Wales;
- (ii) owned by the Councils; or
- (iii) vested in the Councils

and used by the Members of the Rural Fire Service operating in the District.

- e) **"District Manager"** means the district manager for the District/Team.
- f) **"Fire Control Officer"** and **"FCO"** means the fire control officer appointed for the District by the Commissioner.
- g) **"Fire Fighting Apparatus"** means all vehicles, equipment and other things used for or in connection with, the prevention or suppression of fire or the protection of life or property in case of fire, by the Members of the Rural Fire Service operating in the District.
- h) **"Liaison Committee"** means the Liaison Committee established pursuant to clause 9 of this Agreement.
- i) **"Minister"** means the Minister responsible for the administration of the Act.
- j) **"Premier"** means the Premier of New South Wales.
- k) **"Premises"** means the land and buildings or parts of land and buildings specified in Schedule 1.
- l) **"Members of the Rural Fire Service operating in the District"** means the fire control officer for the District, the deputy fire control officers for the District, the other staff of the Service assigned to the District, the group officers and the volunteer rural fire fighters forming the rural fire brigades and groups of rural fire brigades in the District.
- m) **"RFS"** means the NSW Rural Fire Service established by the Act.
- n) **"Service Standards"** means the Service Standards issued by the Commissioner pursuant to the provisions of section 13 of the Act.
- o) **"Term"** means the period specified in clause 3.1 for which this Agreement is to continue.

2. Interpretation

In this Agreement:

- (a) headings are for convenience only and do not affect interpretation; and unless the context indicates a contrary intention;
- (b) words importing the singular include the plural and vice versa, and words denoting a given gender include all other genders;
- (c) the expression "person" includes an individual, the estate of an individual, a body politic, a corporation and a statutory or other authority or association (incorporated or unincorporated);
- (d) references to parties, clauses, sub-clauses, schedules, exhibits or annexures

are references to parties, clauses, sub-clauses, schedules, exhibits and annexures to or of this Agreement and a reference to this Agreement includes any schedule, exhibit and annexure;

- (e) references to this Agreement, or any other deed, agreement, instrument or document shall be deemed to include references to this Agreement, or other deed, agreement, instrument or document as amended, novated, supplemented, or replaced from time to time.
- (f) a reference to an agreement includes a representation, undertaking, deed, agreement or legally enforceable order or arrangement or understanding, whether or not in writing;
- (g) a reference to a document includes any written agreement and any certificate or note or other document of any kind;
- (h) references to any person or to any party to this Agreement include that person's or party's executors, administrators, successors and permitted assigns;
- (i) where any word or phrase is given a defined meaning any other part of speech or grammatical form in respect of that word or phrase has corresponding meaning;
- (j) where the day on or by which any sum is payable under this Agreement, or any act, matter or thing is to be done is a day other than a Business Day, that sum will be paid and such act, matter or thing will be done on the immediately preceding Business Day;
- (k) where two or more parties to this Agreement make a joint covenant, undertaking, representation or warranty, it will be construed to refer to and bind each of such parties jointly and each of them severally;
- (l) references to payments to any party to this Agreement will be construed to include payments to another person upon the direction of such party;
- (m) all payments to be made pursuant to this Agreement will be made by unendorsed bank cheque or other immediately available funds; and
- (n) reference to any legislation or to any section or provision of any legislation includes any statutory modification or re-enactment or any statutory provision substituted therefore and all ordinances, by-laws, regulations and other statutory documents issued there under.

3. Commencement and Term

- 3.1. Notwithstanding the date upon which this Agreement is signed the parties agree that the operation of the Agreement will commence on 1 March 2010 and continue until it is terminated pursuant to provisions of clause 14.
- 3.2. This Agreement replaces the Service Agreement between the Commissioner and the Bega Valley Shire Council and the Commissioner and the Eurobodalla Shire Council.

4. Commissioner to exercise Councils' Functions and manage the District

- 4.1 This Agreement is a rural fire district service agreement under section 12A of the Act.
- 4.2 The Commissioner will, in consideration of an annual fee of \$1.00 payable by the Councils:
- (a) exercise, for the Term, all of the functions imposed on the Councils by or under the Act other than those functions specified in
 - (i) sections 7, 12A, 37(3), 60(2), 60(6), 62, 63, 64, 65, 74(1)(2)(a) & (b), 74C(3), 76, 77, 79, 95, 83(1)(a), 100E (2)(b) & (c), 100G, 100H, 104, 109, 110, 119 (save for sub-section 119 (5), 120 and 126 of the Act; and
 - (ii) Regulations 14(a), and 37 of the Rural Fires Regulation (2008):
 - (b) undertake the day to day management of the RFS in the District.
- 4.3 The Councils will:
- (a) deliver a written report to the Commissioner setting out the information specified in sub-sections 74 (1), 74 (2) (a) & 74 (2) (b) of the Act not later than three months after the end of the Financial Year;
 - (b) deliver to the Commissioner any bush fire hazard complaint it receives within 14 days of receipt of the complaint;
 - (c) upon request, provide the RFS with the following datasets for use in undertaking assessments in accordance with the Bush Fire Environmental Assessment Code on behalf of Council:

Data Type	Format
Weeds map	GIS layer if available and hard copy map if available
Heritage sites	GIS layer if available and hard copy map if available

- (d) upon request, provide the RFS with the following data for use in undertaking assessments in accordance with the Bush Fire Environmental Assessment Code on behalf of Councils:

- (i) property address; and
- (ii) property ownership

This data must be provided by Councils within 2 working days of a request being made; and

- (e) upon request, provide the RFS with a copy of any consent provisions imposed by the Councils pursuant to clause 2.7 of the Bush Fire Environmental Assessment Code, 2006.

4.4 The Councils acknowledge that, in exercising the Councils functions pursuant to this Agreement the Commissioner may, but is not obliged to, utilise or provide additional equipment or personnel in addition to the District Equipment and the Members of the Rural Fire Service operating in the District.

5. District Equipment

5.1 The Councils agree that they will, during the Term, make available to and allow the Commissioner and the RFS to use the District Equipment which is owned by, vested in or under the control of the Councils.

5.2 The Commissioner agrees that he or she will, during the term of this Agreement, maintain the District Equipment on behalf of the Councils in accordance with the applicable Service Standards.

5.3 The RFS will maintain a register of the District Equipment.

6. Land and Buildings

6.1. The Councils agree that it will, during the Term, allow the Commissioner and the RFS to occupy and use the Premises (being the land and buildings or parts of land and buildings specified in Schedule 1), or such other land and buildings as may be agreed upon in writing between the Councils and the Commissioner, on the following terms and conditions:

6.2. The Councils grant and the Commissioner accepts a licence to enter and use the Premises during the term of this Agreement.

6.3. The Commissioner has:

- (a) a personal right of occupation of the Premises on the terms specified in this Licence;
- (b) no tenancy, estate or interest in the land on which the Premises are situated.

6.4. The legal right to possession and control over the Premises and the land upon which they are situated remains vested in the Councils throughout the term of this Licence.

6.5. The Councils will:

- (a) not interfere with the Commissioner's use and enjoyment of the Premises during the Term;
- (b) pay all rates, taxes, electricity, gas, oil and water charges separately metered and charged to the Premises;
- (c) maintain the Premises in good repair in accordance with paragraph 6.7; and

- (d) effect and keep current at all times during the continuance of this Agreement the following insurances:
 - (i) building insurance; and
 - (ii) public risk insurance in an amount of not less than \$20,000,000.
- 6.6. The Commissioner will:
- (a) not occupy or use the Premises for any purpose other than the provision of rural fire services and any other purpose incidental thereto, without the prior consent of the Councils, which shall not be unreasonably withheld or delayed;
 - (b) not assign the benefit of this licence or grant any sub-licence;
 - (c) keep the Premises clean and tidy and carry out minor repairs and maintenance in accordance with paragraph 6.8;
 - (d) comply with all statutes, regulations and ordinances regarding its use of the Premises; and
 - (e) not deface or alter the Premises without the consent of the Councils, such consent not to be unreasonably withheld or delayed.
- 6.7. The Councils will undertake all painting, maintenance and repairs of the Premises involving:
- (a) the roof and external structure of the Premises;
 - (b) any internal or external fittings or fixtures placed by the Councils;
 - (c) any work that must be carried out by a licensed trades person, including, but not limited to:
 - (d) electrical repairs and maintenance; and
 - (e) plumbing repairs and maintenance; and
 - (f) maintenance and repair of any air conditioning or heating system.
- 6.8. The Commissioner will undertake any painting, maintenance and repairs of the Premises involving:
- (a) the ceiling and internal structure of the Premises;
 - (b) any internal or external fittings or fixtures placed by the RFS; and
 - (c) the lawn, garden and grounds surrounding the Premises.

7. Administrative, Accounting and Maintenance Services

- 7.1 The Councils will, in consideration of an annual fee of \$1.00 payable by the RFS to the Councils, provide to the Commissioner and the RFS the administrative, accounting and maintenance services specified in Schedule 2.
- 7.2 The Councils or their General Manager will delegate to the District Manager the functions specified in Annexure "A" for the purpose of enabling the District Manager to utilise the Council's administrative, accounting and maintenance services.

- 7.3 The District Manager will, in exercising the functions delegated to him or her pursuant to clause 7.2, ensure that they are exercised in accordance with the Council's policy and procedures.

8. Finance

- 8.1 The Councils will, in consultation with the Commissioner, by no later than 30 September of each year, submit to the Commissioner an estimate of probable expenditure for the Districts for the next financial year ("**the Bid**").
- 8.2 Following consultation with the Councils, the Commissioner will, by no later than 28 February of each year, submit to the Councils:
- (a) a probable allocation of expenditure for the Districts for the next financial year ("**the probable allocation**"); and
 - (b) a probable contribution ("**the probable contribution**") by the Councils to the New South Wales Rural Fire Fighting Fund ("**the Fund**").
- 8.3 In the event that the Commissioner and the Councils cannot agree upon the contribution of the Councils to the Fund within 28 days of the Commissioner delivering the probable allocation and probable contribution to the Councils pursuant to clause 8.2, the parties will ask the Minister to determine the Councils contribution pursuant to section 110 of the Act.
- 8.4 The Commissioner will, following consultation with the Councils, provide the Councils with a budget forecast of the expenditure for the Districts for the next four years, commencing on 1 July 2011, then updated annually.
- 8.5 In preparing the budget forecast the Commissioner will consult with the Councils in relation to a range of matters including:
- (a) the Council's capacity to contribute to the Fund; and
 - (b) RFS and government policies with respect to:
 - (i) the replacement of District Equipment;
 - (ii) the Districts' requirements by reference to Standard of Fire Cover and other policies; and
 - (iii) standards for fire stations and other facilities.
- 8.6 The Commissioner will provide to the Councils on 1 July 2011 then update annually, a draft 10 year capital works program for the District identifying projected capital works requirements by reference to RFS and government policies with respect to:
- (i) the replacement of District Equipment
 - (ii) the Districts' requirements by reference to Standards of Fire Cover and other policies; and
 - (iii) standards for fire stations and other facilities.
- 8.7 Where the Councils provide funds for the delivery of Rural Fire Services in the District in addition to its statutory contribution to the Fund the District Manager will, on behalf of the Commissioner, manage those funds in accordance with any relevant policies or

directions of the Councils.

- 8.8 The Councils acknowledge that, in exercising the Councils' functions pursuant to this Agreement, the Commissioner:
- (a) has unrestricted access to and may expend, in the Commissioner's discretion, the monies received by the Councils from the Fund for the delivery of rural fire services in the District; and
 - (b) may, but is not obliged to, expend any monies in addition to those referred to in paragraph (a).
- 8.9 The Councils acknowledge that the funding for the expenditure under the Maintenance and Repair sections of the Fund estimates process shall, continue to be provided on a reimbursement basis with claims submitted quarterly and the claims paid within thirty (30) days of the date on which they are submitted provided that such claims are submitted in the proper format with all necessary supporting documentation.
- 8.10 The Councils will provide the District Manager with a quarterly report of the amount of the RFS budget for the District that has been expended in a format agreed between the District manager and the Councils.

9. Liaison Committee

- 9.1 The Liaison Committee will consist of nine (9) members as follows:
- (a) One (1) Councillor from the Council appointed by resolution of the Councils;
 - (b) the General Manager of the Councils or his or her delegate;
 - (c) two volunteer rural fire fighters from each District appointed by the local branch of the NSW Rural Fire Service Association Inc ("**the RFSA**"), or, in the absence of a local branch of the RFSA, elected in accordance with the applicable Service Standard;
 - (d) one member of the RFS staff assigned to the District nominated by the District Manager and approved by the Regional Manager for the District; and
 - (e) the District Manager who will be the committee's Executive Officer.
- 9.2 The Commissioner, the Councils and the groups or entities which appoint or elect members of the Liaison Committee pursuant to sub-clauses 9.1(c) and (d) respectively may appoint another person to attend any meeting of the Liaison Committee in the event that the person they have elected pursuant to clause 9.1 is unable, for any reason, to attend that meeting.
- 9.3 The Liaison Committee will:
- (a) monitor and periodically review the performance of this Agreement by the Councils and the RFS;
 - (b) review the following documents prepared by the District Manager prior to submission to and consideration by the Council:

- (i) the annual budget and business plan; and
 - (ii) the quarterly financial and performance reports
- 9.4 The procedures for calling meetings and the conduct of business at those meetings shall be determined by the Liaison Committee.
- 9.5 Minutes of each meeting of the Liaison Committee must be circulated to each of the Councils, the members of the Liaison Committee and the Commissioner within 2 weeks of the meeting.
- 9.6 The Liaison Committee is not a committee of the Councils or the RFS.

10. Insurance and Related Covenants

- 10.1 The Councils agree that it will, during the Term, effect and keep current the following insurances ("**the Councils' Insurances**"):
 - (a) property damage and public liability insurance in relation to the Premises;
 - (b) compulsory third party and comprehensive insurance in relation to any motor vehicles which form part of the District Equipment, except where otherwise agreed in writing between the Councils and the Commissioner;
 - (c) property damage and public liability insurance, third party and comprehensive insurance (including fire and theft), in relation to all Premises and District Equipment controlled, occupied or managed by the Commissioner or the RFS including, but not limited to:
 - i. fire boats, boat motors, pumps and ancillary marine fire fighting equipment;
 - ii. wharves, jetties or boat sheds;
 - iii. radio base stations;
 - iv. radio transmitting towers;
 - v. computer paging systems;
 - vi. pager repeater sites and towers;
 - vii. fire spotting towers; and
 - viii. training facilities.
- 10.2 The District Manager may authorise the Executive Committee of a rural fire brigade to effect insurance in relation to any specified item or items of equipment that have been purchased by the brigade or its members or which have been donated to the brigade.
- 10.3 The Commissioner on behalf of the RFS covenants with the Councils that the RFS will, during the Term, in respect of the Councils' functions under the Act, which the Commissioner has agreed to exercise, effect and keep current the RFS's indemnity coverage with the NSW Treasury Managed Fund ("**the TMF Indemnity**").

10.4 Indemnity by the Councils:

(a) The Councils agree to indemnify the Commissioner, the RFS, its members and agents from and against all actions, claims, costs, losses, expenses and damages (including the costs of defending or settling any action or claim) in respect of:

- (i) Loss of, loss of use of, or damage to property of the RFS; or
- (ii) Personal injury (including death) or illness to any person or loss of, loss of use of, or damage to any property;

arising out of or by reason anything deliberately or negligently done or omitted to be done by the Councils, the Councils' officers or employees.

(b) The Councils' liability to indemnify the Commissioner, the RFS, its members and agents, is reduced proportionally to the extent that a malicious or negligent act or omission of the Commissioner, the RFS, its members and agents (other than of the Council) or a breach of this Agreement by the Commissioner has contributed to the injury, damage or loss.

10.5 Indemnity by the Commissioner and RFS:

(a) The Commissioner and RFS indemnifies the Councils and its agents from and against all actions, claims, costs, losses, expenses and damages (including the costs of defending or settling any action or claim) in respect of:

- (iii) Loss of, loss of use of, or damage to property of the Councils; or
- (iv) Personal injury (including death) or illness to any person or loss of, loss of use of, or damage to any property;

arising out of or by reason anything deliberately or negligently done or omitted to be done by the Commissioner, the RFS or its members.

(b) The liability of the Commissioner and the RFS to indemnify the Councils is reduced proportionally to the extent that a malicious or negligent act or omission of the Councils or employees or agents (other than of the Commissioner or RFS) of the Councils or a breach of this Agreement by the Councils has contributed to the injury, damage or loss.

11. Key Performance Indicators

The Commissioner and the Councils will, in carrying out their obligations under this agreement, endeavour to meet the Key Performance Indicators that are specified in Schedule 3 or agreed in writing between the Councils and Commissioner from time to time.

12. Reporting and Review

12.1 The District Manager will submit a report to the Councils, based on the current district business plan, within 6 weeks of the end of the financial year.

- 12.2 The report will be tabled at the next Liaison Committee meeting.
- 12.3 The District Manager will provide the Councils with information that is reasonably required by it to comply with its reporting obligations under the Local Government Act, 1993.
- 12.4 The Councils will, within 30 days of the end of the financial year, provide the District Manager with a report of the amount expended on Maintenance and Repairs during the preceding financial year in a format agreed between the District Manager and the Councils.
- 12.5 The Councils will enter data relating to its hazard reduction program into any reporting system in accordance with the policy and procedures specified by the NSW Bush Fire Co-ordinating Committee from time to time.

13. Dispute Resolution

- 13.1 The parties will use their best endeavours to avoid and resolve any disputes in relation to the performance of their respective obligations under this Agreement.
- 13.2 In the event that the parties are still unable to resolve the matter in dispute the matter in dispute will be referred to the Ministers who will decide the matter. If the Ministers cannot resolve the matter within 21 days, the matter will be resolved by the Premier.

14. Termination

This Agreement will terminate:

- a) if either party breaches it's obligations under this Agreement and fails to rectify that breach within 21 days of the other party giving written notice to the party in default requiring that the breach be rectified;
- b) immediately upon the revocation of, or failure to renew, the delegation;
- c) immediately in the event that the Councils refuse to advance monies in respect of maintenance of the District Equipment; or
- d) upon the expiration of six months notice in writing given by either the Councils or the Commissioner.

15. GST

- 15.1 The parties acknowledge that the amounts set out in this Agreement as consideration for supplies are calculated without regard to GST.
- 15.2 If any party to this Agreement ("**Supplier**") becomes liable to remit GST in respect of a taxable supply made under or in connection with this Agreement, the person to whom that supply is made ("**Recipient**") shall, in addition to any other consideration, which the Recipient is required to provide to the Supplier in connection with that taxable supply under other provisions of this Agreement, pay to the Supplier the amount of the Supplier's GST liability.
- 15.3 The additional amounts to be paid by the Recipient under paragraph 15.2 will be payable at the same time as the other consideration for that taxable supply is to be provided in accordance with the other provisions of this Agreement.

- 15.4 The Supplier will provide to the Recipient a tax invoice for each taxable supply made under or in connection with this Agreement at or before the time the Recipient is required to provide the consideration for that taxable supply.
- 15.5 The parties will endeavour to minimise the impact of GST on the transactions contemplated by this Agreement and will provide reasonable assistance to one another with regard to the claiming of input tax credits in respect of taxable supplies to which paragraph 15.2 relates.
- 15.6 "GST" and other terms used in this Clause 15 which are defined under *A New Tax System (Goods and Services Tax) Act 1999* (Cth) have the meanings provided by that Act. A reference to a party's liability for GST will include the GST liability of the representative member of any GST group to which that party belongs.

16. Further Assurance

The parties covenant and agree that each will do all acts and things and execute all deeds and documents and other writings as are from time to time reasonably required for the purposes of or to give effect to this Agreement.

17. Governing Law

This Agreement will be governed by and construed in accordance with the laws of New South Wales.

18. Waiver

No waiver of any breach of this Agreement will be held or construed to be a waiver of any other subsequent or antecedent breach of this Agreement.

19. Notices

- 19.1 All notices, requests, consents, and other documents authorised or required to be given by or under this Agreement will be given in writing and either personally served or sent by facsimile transmission ("**fax**") or email addressed as follows:

The Commissioner

To: The Commissioner
Address: 15 Carter Street
LIDCOMBE NSW 2141

Fax No.: [REDACTED]

The Councils

To: The General Manager
Bega Valley Shire Council
Address: PO Box 492 Bega NSW 2550
Fax No.: [REDACTED]

To: The General Manager
Eurobodalla Shire Council
Address: PO Box 99 Moruya NSW 2537
Fax No.: [REDACTED]

19.2 Notices, requests, consents and other documents ("**Notices**") will be deemed served or given:

- a) if personally served by being left at the address of the party to whom the Notice is given between the hours of 9.00am and 5.00 pm on any Business Day, then in such case at the time the Notice is so delivered;
- b) if sent by fax or email, then in such case when successfully transmitted during business hours, or if not during business hours, then when business hours next commence.

19.3 Any party may change its address for receipt of Notices at any time by giving notice of such change to the other party. Any Notice given under this Agreement may be signed on behalf of any party by the duty authorised representative of that party and will be sent to all parties to this Agreement.

20. Counterparts

This Agreement may be signed in any number of counterparts and all such counterparts taken together will be deemed to constitute one and the same document.

21. Modification

This Agreement may not be modified, amended, added to or otherwise varied except by a document in writing signed by each of the parties.

22. Legal Costs

Each party will bear their own legal costs in relation to this Agreement.

23. Entire Agreement

This Agreement comprises the entire agreements between the parties and no earlier agreement, understanding or representation, whether oral or in writing, in relation to any matter dealt with in this Agreement will have any effect from the date of this Agreement.

24. Severability

In the event that part of all of any clause of this Agreement is held to be illegal or unenforceable it will be severed from this Agreement and it will not effect the continued operation of the remaining provisions of this Agreement.

Signed as an agreement.

The Common Seal of the Shire of Bega Valley Council was affixed in pursuance of a resolution passed by the Council on the _____ day of _____ 2010 in the presence of:


Cllr Tony Allen
Mayor


Peter Scott Tegart
General Manager

The Common Seal of the Shire of Eurobodalla Council was affixed in pursuance of a resolution passed by the Council on the _____ day of _____ 2010 in the presence of:

Cllr Fergus Thomson
Mayor
Paul Anderson
General Manager

SCAND

Signe
Shane
Comr
NSW
in the

Signature

Sign

Name of Witness in full

Annexure A

Instrument of Delegation Bega Valley Shire Council

I, **Peter Scott Tegart** General Manager of **Bega Valley Shire Council**, pursuant to Section 378 (1) of the Local Government Act 1993, (NSW) hereby delegate to the Team Manager, Far South Coast Team of the New South Wales Rural Fire Service, and to any person holding the aforementioned position in an acting capacity, power and authority, subject to compliance with office / or accounting procedure, Council safe working procedure, any policy, regulation or resolution of Council, or directive of an authorised officer of the Council and also subject to the terms and conditions of the Service Agreement or Service Level Agreement entered into by Council and the New South Wales Rural Fire Service.

- a) to carry out the regular rural fire protection services and operations of the Council within the sums voted by Council for expenditure within the NSW Rural Fire Service's area of responsibility; and
- b) to act as an authorised person within the meaning of the Local Government, Act 1993; and
- c) to organise the repairs/maintenance of Council owned bushfire fighting equipment provided for bushfire suppression and related activities; and
- d) to enter upon any land in accordance with the powers granted under the Rural Fires Act or any Act administered by Council for the purposes of carrying out the rural fire protection services, and operations of Council; and
- e) authorise, pursuant to Section 125 of the Local Government Act 1993, or Rural Fires Act, Councils staff or contractors engaged on Council's behalf to enter premises to carry out work required to be done, where such work has not been fully completed, abate public nuisance; and
- f) authorise the text and placement of advertisements relating to the NSW Rural Fire Service's area of responsibility; and
- g) authority to raise and sign orders and authorise payment for the purchase of goods and services and assets within the NSW Rural Fire Service's area of responsibility as provided for in Council budget or as voted the Council, this authority being limited to an amount of \$10 000; and
- h) certify that the goods particularised on invoices, accounts or vouchers, within the area of responsibility of the NSW Rural Fire Service have been received in good condition and according to order, that any services have been rendered, and that the prices charged are fair and reasonable; and
- i) to issue on Council's behalf infringement notices under the Rural Fires Act 1997, the Rural Fires Regulation 1997, the Protection of the Environment Operations Act 1997 (Individuals) and the Protection of the Environment Operations (Control of Burning) Regulations 2000; and
- j) such delegation to take effect from 1 March 2010 and to remain in force until specifically altered or revoked by notice in writing. All or any of these delegations may be delegated by the Team Manager to any authorised employee of the NSW Rural Fire Service.

k) All prior delegations are hereby revoked.

Such delegation to take effect from **1 March 2010** and to continue until **1 March 2013**.


Peter Scott Tegart
GENERAL MANAGER
Bega Valley Shire Council

9/3/10
Date


Witness:

9/3/10
Date

Name of Witness: Janelle Ann Curtis

Annexure A

Instrument of Delegation Eurobodalla Shire Council

I, **Paul Anderson**, General Manager of **Eurobodalla Shire Council**, pursuant to Section 378 (1) of the Local Government Act 1993, (NSW) hereby delegate to the Team Manager, Far South Coast Team of the New South Wales Rural Fire Service, and to any person holding the aforementioned position in an acting capacity, power and authority, subject to compliance with office / or accounting procedure, Council safe working procedure, any policy, regulation or resolution of Council, or directive of an authorised officer of the Council and also subject to the terms and conditions of the Service Agreement or Service Level Agreement entered into by Council and the New South Wales Rural Fire Service.

- a) to carry out the regular rural fire protection services and operations of the Council within the sums voted by Council for expenditure within the NSW Rural Fire Service's area of responsibility; and
 - b) to act as an authorised person within the meaning of the Local Government, Act 1993; and
 - c) to organise the repairs/maintenance of Council owned bushfire fighting equipment provided for bushfire suppression and related activities; and
 - d) to enter upon any land in accordance with the powers granted under the Rural Fires Act or any Act administered by Council for the purposes of carrying out the rural fire protection services, and operations of Council; and
 - e) authorise, pursuant to Section 125 of the Local Government Act 1993, or Rural Fires Act, Councils staff or contractors engaged on Council's behalf to enter premises to carry out work required to be done, where such work has not been fully completed, abate public nuisance; and
 - f) authorise the text and placement of advertisements relating to the NSW Rural Fire Service's area of responsibility; and
 - g) authority to raise and sign orders and authorise payment for the purchase of goods and services and assets within the NSW Rural Fire Service's area of responsibility as provided for in Council budget or as voted the Council, this authority being limited to an amount of \$10 000; and
- a. certify that the goods particularised on invoices, accounts or vouchers, within the area of responsibility of the NSW Rural Fire Service have been received in good condition and according to order, that any services have been rendered, and that the prices charged are fair and reasonable; and
 - b. to issue on Council's behalf infringement notices under the Rural Fires Act 1997, the Rural Fires Regulation 1997, the Protection of the Environment Operations Act 1997 (Individuals) and the Protection of the Environment Operations (Control of Burning) Regulations 2000; and
 - c. such delegation to take effect from 1 March 2010 and to remain in force until specifically altered or revoked by notice in writing. All or any of these delegations may be sub-delegated by the said Team Manager to any authorised employee of the NSW Rural Fire Service.

d. All prior delegations are hereby revoked.

Such delegation to take effect from **1 March 2010** and to continue until **1 March 2013**.

Paul Anderson
GENERAL MANAGER
Eurobodalla Shire Council

Date

Witness:

Date

Name of Witness: _____



SCHEDULE 1

PREMISES OCCUPIED BY THE RFS

1. Identification of Premises

Description	Address	Registered Proprietor (Owner)	Title Particulars (Lot & Plan, Volume & Folio or Folio Identified)
Bega Valley Fire Control Centre	Maher Street Bega	Bega Valley Shire Council	Lot 11 DP 799742
Angledale / Stony Creek	Princes Hwy	[REDACTED]	[REDACTED]
Bega HQ	Maher St		Lot 1 DP 199274
Bemboka	Kameruka St		Lot 6 DP 758087
Bermagui	Bunga St	Crown Reserve R88259	Lot 2 Sec 17
Barragga Bay			
Brogo	Cnr Warrigal Range Rd & Hawkshead Rd		
Upper Brogo			
Buckajo / Springvale	Cnr Gillcrest Ave & Buckajo Rd		
Burragate	Davidson St	Crown Reserve R96871	
Candelo	Wolumla Rd	Crown Reserve	Lot 311 DP 750201
Cobargo	Wandellow Rd	Bega Valley Shire Council 12 - 14 Wandellow Rd Cobargo	Lot 2 DP 13453Vol 9908 Folio 246
Dignams Creek	Dignams Creek Rd	Bega Valley Shire Council	Lot 277 DP 752154
Eden	Princes Hwy	Bega Valley Shire Council Cnr Alms St & Princes Highway Eden	Lot 1 DP 89332
Jellat	Thornhill Rd	[REDACTED]	[REDACTED]
Kiah	Princes Hwy	Road No 322	

	Kiah Store Rd		
Merimbula	Merimbula Dve	BVSC	Lot 2 DP 521986
Nethercote	Cnr Nethercote & Back Creek Rd	Crown Reserve R94731	DP 821408 Lot 4
Numbugga	Snowy Mts Hwy	BVSC Reserve	Lot 299 DP 750216
Pambula	Sir William McKell Dve	Crown Reserve R89141	Lot 1 DP 732008
Quaama	Field Bucketts Rd	BVSC	Lot 10 DP 758860
Rocky Hall	Big Jack Mt Rd	BVSC	Lot 16 DP 2141 (750212)
Tanja	Bermagui-Tathra Rd	Crown Reserve R891261	Lot 20 DP 850949
Wapengo	Cnr Tathra Bermagui Rd & Barrabooka Rd Nth		
Tarraganda	Tarraganda Lane	BVSC	Lot 279 DP 750190
Tathra	Snowy Mts Hwy		Lot 1 502253
Towamba	Cnr Albert & Towamba Streets	Reserve	
Wolumla	Candelo-Wolumla Rd	BVSC	Lot 1 DP 168899
Wonboyn	Gleeson Rd	BVSC	Lot 42 1021182
Wyndham-Bega Valley	Gordon St	Reserve	
Mt Darragh	Mt Darragh Rd		



SCHEDULE 1

PREMISES OCCUPIED BY THE RFS

1. Identification of Premises

Description	Address	Registered Proprietor (Owner)	Title Particulars (Lot & Plan, Volume & Folio or Folio Identified)
Eurobodalla FCC	30 Campbell St, Moruya	Eurobodalla Council Shire	Lot 11 Sec 22 DP 758710
Hotfire Training Facility	28 Bimbimbie Rd, Bimbimbie	Eurobodalla Council Shire	Lot 55 DP 755963
Batemans Bay	54 Orient St	Eurobodalla Council Shire	Lot 40 DP 758064
Belowra	Belowra via Bodalla	Private Land	
Bingi	Bingie Rd	Eurobodalla Council Shire	Closed road
Bodalla	Princes Hwy	Eurobodalla Council Shire	Lot 13 DP 263277
Runnyford	Mays Rd	Private Land	
Candlagan	Broulee Rd, Broulee	Eurobodalla Council Shire	Lot 70 DP 831111
Central Tilba	Station St	Eurobodalla Council Shire	Lot 1 DP 240467
Dalmeny	Mort Ave	Eurobodalla Council Shire	Part Lot 7018 DP 752162
Deau River	Araluen Rd, Moruya	State Forests	DP 755917 Wandera State Forest
Durras South	31 Banyandah St	Eurobodalla Council Shire	Lot 11 Sec 6 DP 758369
Longbeach	348 Cullendulla Dve	Eurobodalla Council Shire	Lot 195 DP 832872

Malua Bay	Reservoir Rd	Eurobodalla Council	Shire	Lot 11 DP 850712
Mogendoura	Clouts Rd	Eurobodalla Council	Shire	Lot 7002 DP 1020337
Mogo	Tomakin Rd	Eurobodalla Council	Shire	Section 18 DP 758688
Moruya	30 Campbell St	Eurobodalla Council	Shire	Lot 11 Sec 22 DP 758
Narooma	Princes Hwy	Eurobodalla Council	Shire	Lot 1 DP 884085
Nelligen	Runnyford Rd	Eurobodalla Council	Shire	Lot 113 DP 238007
Nerrigundah	Gulph Creek Rd	Eurobodalla Council	Shire	Lot 1 Sec 4 DP 758765
Potato Point	759 Potato Point Rd	Eurobodalla Council	Shire	Lot 174 DP 217622
Surf Beach	Pleasurelea Dve	Eurobodalla Council	Shire	Lot 7 DP 215957
Tuross Head	Hood Crescent	Eurobodalla Council	Shire	Lot 1 DP 504784
Tinpot	Tinpot	State Forests		Lot 75 DP 752145 Bodalla SF

SERVICE AGREEMENT - SCHEDULE 2

Specified services to be delivered by the local authorities to the Commissioner

Team		Far South Coast Team					
KEY RESULT AREA		Bega Valley & Eurobodalla Districts					
KEY RESULT AREA		Financial Services					
REFERENCE NUMBER	SOURCE	KEY STRATEGIES	KEY PERFORMANCE INDICATORS	PROGRAMS OR ACTIONS	PERFORMANCE INDICATORS	CURRENT TARGET PERFORMANCE	TIMEFRAME
1		Purchasing					
2		Accounts payable/receivable					
3		Emergency Funds					
4		Petty Cash					
5		Fuel Card for fleet vehicles					

SERVICE LEVEL AGREEMENT - SCHEDULE 2

Specified services to be delivered by the local authorities to the Commissioner

TEAM		Far South Coast Team - Bega Valley & Eurobodalla Districts					
KEY RESULT AREA		Maintenance Services					
REFERENCE NUMBER	SOURCE	KEY STRATEGIES	KEY PERFORMANCE INDICATORS	PROGRAMS OR ACTIONS	PERFORMANCE INDICATORS	CURRENT TARGET PERFORMANCE	TIMEFRAME
6		Access to Council's Workshop at an agreed rate for fleet and equipment maintenance etc.					
7		An agreement to allow outsource maintenance contractors for RFS appliances as well as building structures etc					
8		Provision of after hours services for emergency repairs					



**Far South Coast Team - Bega Valley & Eurobodalla
Districts**

TEAM		Far South Coast Team - Bega Valley & Eurobodalla Districts					
KEY RESULT AREA		Maintenance Services					
REFERENCE NUMBER	SOURCE	KEY STRATEGIES	KEY PERFORMANCE INDICATORS	PROGRAMS OR ACTIONS	PERFORMANCE INDICATORS	CURRENT TARGET PERFORMANCE	TIMEFRAME
9		Access to Council's plant equipment at an agreed rate, for maintenance works on fire trails					
10		Cleaning of Fire Control Centres					
11		Provision of security services for NSW Rural Fire Service buildings					
12		Repairs and Maintenance of Radio Communications Infrastructure and mobile radio communications equipment.					

SERVICE LEVEL AGREEMENT - SCHEDULE 2

Specified services to be delivered by the local authorities to the Commissioner

TEAM		Far South Coast Team					
KEY RESULT AREA		Bega Valley & Eurobodalla Districts					
KEY RESULT AREA		IT Services					
REFERENCE NUMBER	SOURCE	KEY STRATEGIES	KEY PERFORMANCE INDICATORS	PROGRAMS OR ACTIONS	PERFORMANCE INDICATORS	CURRENT TARGET PERFORMANCE	TIMEFRAME
13		IT services to allow access to data (eg GIS, Property ownership, financial) as required.					
14		Computer maintenance and IT assistance with computer problems					
15		Telephone systems including mobile phones.					



SERVICE LEVEL AGREEMENT - SCHEDULE 2

Specified services to be delivered by the local authorities to the Commissioner

TEAM		Far South Coast Team					
KEY RESULT AREA		Bega Valley & Eurobodalla Districts					
KEY RESULT AREA		Environmental Services					
REFERENCE NUMBER	SOURCE	KEY STRATEGIES	KEY PERFORMANCE INDICATORS	PROGRAMS OR ACTIONS	PERFORMANCE INDICATORS	CURRENT TARGET PERFORMANCE	TIMEFRAME
16		Council to provide any assistance in the assessment of environmental impacts and associated matters.					
17		Council relevant staff will be reasonably available to assist in assessment of these issues					

SERVICE LEVEL AGREEMENT - SCHEDULE 2

Specified services to be delivered by the local authorities to the Commissioner

TEAM		Far South Coast Team Bega Valley & Eurobodalla Districts					
KEY RESULT AREA		Administrative Services					
REFERENCE NUMBER	SOURCE	KEY STRATEGIES	KEY PERFORMANCE INDICATORS	PROGRAMS OR ACTIONS	PERFORMANCE INDICATORS	CURRENT TARGET PERFORMANCE	TIMEFRAME
18		The Administrative Services currently provided by Council be maintained					
19		Printing and Stationery, laminating documents, Photocopying and document management systems					
20		Provision of Data and Land and property (rates) information					

SERVICE LEVEL AGREEMENT - SCHEDULE 2

Specified services to be delivered by the local authorities to the Commissioner

TEAM		Far South Coast Team					
KEY RESULT AREA		Bega Valley & Eurobodalla Districts					
KEY RESULT AREA		Other Services					
REFERENCE NUMBER	SOURCE	KEY STRATEGIES	KEY PERFORMANCE INDICATORS	PROGRAMS OR ACTIONS	PERFORMANCE INDICATORS	CURRENT TARGET PERFORMANCE	TIMEFRAME
21		Access to Council's plant, at an agreed rate, for fire suppression and mitigation.					
22		Waste Collection and access to other waste disposal facilities within the districts.					
23		Provision of personnel as required in emergencies					

Costs incurred in the provision of services under this scheduled are reimbursed to councils through the 'M & R' component of the Rural Fire Fighting Fund in accordance with policy and guidelines.



SERVICE DELIVERY MODEL
District / Team / Zone Business Planning

PROPOSED SERVICE AGREEMENT - SCHEDULE 3

Far South Coast

2009-10

08/03/2010

Submitted by:

Approved by:

Position:

Position:

Date:

Date:

PROPOSED SERVICE AGREEMENT - SCHEDULE 3

District / Team / Zone: Far South Coast **Report Date:** 08/03/2010 **Implementation Year:** 2009-10

Pathway Strategy: 1. Appropriate and Tailored Risk Treatment

Task ID.	Proposed Task / Action	Performance Measure	Target Performance
1.01	Plan, implement and record community education programs in accordance with Bush Fire Risk Management Plans.	Community Education strategy submitted into BRIMS.	31/05/2010
1.01	Plan, implement and record community education programs in accordance with Bush Fire Risk Management Plans.	Number of scheduled Community Education youth activities completed and recorded.	0.00
1.01	Plan, implement and record community education programs in accordance with Bush Fire Risk Management Plans.	Number of scheduled Community Education youth activities scheduled for the year.	0.00
1.03	Assess Development Applications in Bush Fire Prone Areas.	Number of total 79BA development applications completed in 14 days and recorded.	0.00
1.03	Assess Development Applications in Bush Fire Prone Areas.	Number of total 79BA development applications received.	0.00
1.04	Undertake hazard reduction (HR) planning, and maintain reporting and recording of DTZ hazard management activities.	All data entered into BRIMS within 5 working days at the end of each month.	100%
1.04	Undertake hazard reduction (HR) planning, and maintain reporting and recording of DTZ hazard management activities.	Proposals for hazard reductions submitted by the target date.	31/05/2010
1.04	Undertake hazard reduction (HR) planning, and maintain reporting and recording of DTZ hazard management activities.	Annual Hazard reduction works programs submitted by target date.	31/08/2010
1.05	Conduct HR programs to protect properties and other assets.	% of works programs complete	0%

PROPOSED SERVICE AGREEMENT - SCHEDULE 3

District / Team / Zone: Far South Coast **Report Date:** 08/03/2010 **Implementation Year:** 2009-10

Pathway Strategy: 1. Appropriate and Tailored Risk Treatment

Task ID.	Proposed Task / Action	Performance Measure	Target Performance
1.05	Conduct HR programs to protect properties and other assets.	Total number of works completed.	0.00
1.05	Conduct HR programs to protect properties and other assets.	The number of works proposed for the District BFMC.	0.00
1.06	DTZ's to co-ordinate the planning appropriate location and type of fire trails in accordance with BFRMP and in line with BFCC Policy and Operations.	Number of trails identified and classified in accordance with current BFCC policy.	0.00
1.06	DTZ's to co-ordinate the planning appropriate location and type of fire trails in accordance with BFRMP and in line with BFCC Policy and Operations.	Number of total trails identified in BFMC Area.	0.00
1.06	DTZ's to co-ordinate the planning appropriate location and type of fire trails in accordance with BFRMP and in line with BFCC Policy and Operations.	% fire Trails recorded on a local Fire Trail Register by 1 October 2009.	100%
1.07	DTZ's to develop and implement comprehensive BFRMP's on behalf of the BFCC.	Number of months since the last District BFRMP was approved by the BFCC.	0.00
1.07	DTZ's to develop and implement comprehensive BFRMP's on behalf of the BFCC.	Start date of new BFRMP.	
1.10	DTZ's to inspect properties subject to Bush Fire Hazard Complaints.	Number of properties inspected.	0.00
1.10	DTZ's to inspect properties subject to Bush Fire Hazard Complaints.	The number of complaints received.	0.00

PROPOSED SERVICE AGREEMENT - SCHEDULE 3

District / Team / Zone: Far South Coast Report Date: 08/03/2010 Implementation Year: 2009-10

Pathway Strategy: 1. Appropriate and Tailored Risk Treatment

Task ID.	Proposed Task / Action	Performance Measure	Target Performance
1.10	DTZ's to inspect properties subject to Bush Fire Hazard Complaints.	Total number of properties where hazards were reduced within 6 months.	0.00
1.11	Monitor and maintain statutory requirements for local bushfire danger periods.	BFDP amended at start of fire season.	100%
1.11	Monitor and maintain statutory requirements for local bushfire danger periods.	BFDP amended at end of fire season.	100%
1.12	Improve the ignition management in order to reduce the number of accidental, deliberate and malicious ignitions.	Number of permit escapes for year to date.	0.00
1.12	Improve the ignition management in order to reduce the number of accidental, deliberate and malicious ignitions.	Number of permits issued for the year to date.	0.00
1.13	Investigate reported fires to determine a cause.	Total number of reported fires.	0.00
1.13	Investigate reported fires to determine a cause.	Number of fires with a probable cause identified.	0.00
1.13	Investigate reported fires to determine a cause.	The number of formally investigated structural fires.	0.00
1.13	Investigate reported fires to determine a cause.	The number of formally investigated wildfires.	0.00
1.14	Record the probable cause of reported fires and determine the cause and origin of investigated fires.	Number of formally investigated wildfires where the cause is determined.	0.00
1.14	Record the probable cause of reported fires and determine the cause and origin of investigated fires.	Number of formally investigated structural fires where the cause is determined.	0.00

PROPOSED SERVICE AGREEMENT - SCHEDULE 3

District / Team / Zone: Far South Coast **Report Date:** 08/03/2010 **Implementation Year:** 2009-10

Pathway Strategy: 1. Appropriate and Tailored Risk Treatment

Task ID.	Proposed Task / Action	Performance Measure	Target Performance
1.15	Maintain an adequate number of Wildfire investigators.	Number of qualified Wildfire investigators within a DTZ.	0.00
1.16	Maintain a dedicated 24 hour contact system for the receipt of fire and related incident calls and response of brigades in; OCSC; Aviation; DTZ's.	% of 000 calls received that we actioned.	100%
1.17	Prepare, implement and monitor the Plan of Operations.	The date of approval by the BFCC of last Plan of Operations.	
1.17	Prepare, implement and monitor the Plan of Operations.	The date the Plan contact list details reviewed.	
1.19	Review and implement response arrangements and boundary reviews with NSWFB in accordance with Memorandum of Understanding (MOU), Mutual Aid Agreement (MAA) and Joint Planning Strategies.	Date of reviewed MAA's.	
1.20	Ensure that competent local volunteers are nominated for membership of Incident Management Teams as part of Plan of Operations.	Number of volunteers listed on DTZ register of IMT members.	0.00
1.20	Ensure that competent local volunteers are nominated for membership of Incident Management Teams as part of Plan of Operations.	Number of volunteers who have completed ICS of IMT's assessment as at 1 September 2009.	0.00

PROPOSED SERVICE AGREEMENT - SCHEDULE 3

District / Team / Zone: Far South Coast **Report Date:** 08/03/2010 **Implementation Year:** 2009-10

Pathway Strategy: 2. Defined and Articulated Processes

Task ID.	Proposed Task / Action	Performance Measure	Target Performance
2.12	Issue appropriate Personal Protective Equipment (PPE) in accordance with relevant Service Standards.	% PPE issued in accordance with fire-fighting roles as per Service Standard.	100%
2.13	Inspect, or cause to be inspected fire fighting apparatus in the DTZ other than fire fighting apparatus under the control of the authority responsible for managed land.	% of inspections of fire-fighting appliances recorded on Red Fleet.	100%
2.13	<i>Inspect, or cause to be inspected fire fighting apparatus in the DTZ other than fire fighting apparatus under the control of the authority responsible for managed land.</i>	All appropriate District equipment recorded on Firezone inventory.	100%
2.14	Ensure that all equipment listed in Schedule 4 of the Service Agreement will be maintained in a serviceable condition in accordance with the Service Standards.	% of items of equipment maintained as per specified conditions	100%
2.15	All Service vehicles properly identified using the BF plates and registered using the Red Fleet Management System.	Total number of appliances or plant have a BFO plate and registered in Red Fleet	0.00
2.15	All Service vehicles properly identified using the BF plates and registered using the Red Fleet Management System.	Total number of vehicles	0.00
2.19	Finalise program to replace all Service funded petrol appliances.	Total number of petrol tankers still contained in Red Fleet.	0.00
2.19	Finalise program to replace all Service funded petrol appliances.	Replacement information put into Red Fleet.	100%

PROPOSED SERVICE AGREEMENT - SCHEDULE 3

District / Team / Zone: Far South Coast **Report Date:** 08/03/2010 **Implementation Year:** 2009-10

Pathway Strategy: 2. Defined and Articulated Processes

Task ID.	Proposed Task / Action	Performance Measure	Target Performance
2.20	Implement standardised Brigade Station and Fire Control Centre designs.	Total number of Brigade stations with funds committed for standard designs.	0.00
2.20	Implement standardised Brigade Station and Fire Control Centre designs.	The number of existing stations that do not comply with minium standard designs.	0.00
2.21	Fit water tanks to all RFS stations.	Total number of stations fitted with water tanks.	0.00
2.22	Complete the annual Resource Allocation Planning System.	Record the date of the Regional approval of the Resource Allocation Planning System.	
2.23	Implement and maintain radio infrastructure and management arrangements.	% of formal agreements in place with all owners regarding security of tenure of radio repeater infrastructure.	100%

PROPOSED SERVICE AGREEMENT - SCHEDULE 3

District / Team / Zone: Far South Coast **Report Date:** 08/03/2010 **Implementation Year:** 2009-10

Pathway Strategy: 3. Clear and Defined Roles

Task ID.	Proposed Task / Action	Performance Measure	Target Performance
3.01	Ensure that all records kept with respect to brigade membership and their location, brigade training and associated activities are maintained.	Record the date that all brigades are supplied with membership list for review.	
3.01	Ensure that all records kept with respect to brigade membership and their location, brigade training and associated activities are maintained.	All brigades with Junior members to have completed the child related check and submit to Membership Services.	100%
3.03	Ensure all brigade and group officers are appointed and authorised to enter premises in accordance with the Service Standards.	Appointments confirmed within 14 days of receipt of advice.	100%
3.03	Ensure all brigade and group officers are appointed and authorised to enter premises in accordance with the Service Standards.	% of appointed Brigade officers have appropriate authority.	100%
3.03	Ensure all brigade and group officers are appointed and authorised to enter premises in accordance with the Service Standards.	Total number of years since last general group officer election conducted.	0.00
3.04	DTZ's to revise and update Local Government Service Agreement and Schedules (1, 2, 3, 4, 5).	The expiration date of DTZ Service Agreements.	
3.04	DTZ's to revise and update Local Government Service Agreement and Schedules (1, 2, 3, 4, 5).	Date of approval by SA committee of schedules 1,2,3,4,5.	
3.05	Ensure all brigades have adopted the current constitutions.	Total number of brigades with approved constitutions.	0.00

PROPOSED SERVICE AGREEMENT - SCHEDULE 3

District / Team / Zone: Far South Coast **Report Date:** 08/03/2010 **Implementation Year:** 2009-10

Pathway Strategy: 4. Whole of Human Services Approach

Task ID.	Proposed Task / Action	Performance Measure	Target Performance
4.03	Develop a range of strategies to manage all forms of staff leave including reducing the number of staff with excess recreation leave balances.	Number of total DTZ staff that have excess leave balances.	0.00
4.03	Develop a range of strategies to manage all forms of staff leave including reducing the number of staff with excess recreation leave balances.	Number of DTZ staff that have more than 5 periods of sick leave per financial year.	0.00
4.06	Provide guidance and support to staff in the performance of their PMPRS work plans.	Number of total staff that have approved workplans.	0.00
4.06	Provide guidance and support to staff in the performance of their PMPRS work plans.	Number of total staff that have approved PDP's.	0.00
4.06	Provide guidance and support to staff in the performance of their PMPRS work plans.	Number of total staff that have completed quarterly reviews.	0.00
4.09	DTZ's to be supplied with training materials in accordance with the RFS Training SOPs.	Date Annual training endorsed by District Manager by target date.	
4.09	DTZ's to be supplied with training materials in accordance with the RFS Training SOPs.	Local training plan published on MyRFS by December 2009.	100%
4.09	DTZ's to be supplied with training materials in accordance with the RFS Training SOPs.	Number of people in a District training team.	0.00
4.10	Members are trained to the required level of competency (based on organisational requirements).	Total number of members competent to Basic Firefighter level.	0.00

PROPOSED SERVICE AGREEMENT - SCHEDULE 3

District / Team / Zone: Far South Coast **Report Date:** 08/03/2010 **Implementation Year:** 2009-10

Pathway Strategy: 4. Whole of Human Services Approach

Task ID.	Proposed Task / Action	Performance Measure	Target Performance
4.10	Members are trained to the required level of competency (based on organisational requirements).	Total number of personnel assessed as competent for at least one IMT role.	0.00
4.10	Members are trained to the required level of competency (based on organisational requirements).	Number of new staff members that have had a Safety induction.	0.00
4.17	DTZ's to develop a program which aims to attract & retain sufficient members to deliver our services.	Total number of membership resignations.	0.00
4.17	DTZ's to develop a program which aims to attract & retain sufficient members to deliver our services.	Total number of new memberships approved.	0.00

PROPOSED SERVICE AGREEMENT - SCHEDULE 3

District / Team / Zone: Far South Coast **Report Date:** 08/03/2010 **Implementation Year:** 2009-10

Pathway Strategy: 5. Effective Communication

Task ID.	Proposed Task / Action	Performance Measure	Target Performance
5.01	Ensure consultation between DTZ staff and volunteers through brigade meetings, captains meetings and other forums.	Number of staff meetings held by DTZ to date.	0.00
5.01	Ensure consultation between DTZ staff and volunteers through brigade meetings, captains meetings and other forums.	Total number of brigade AGM's attended by staff to date.	0.00
5.01	Ensure consultation between DTZ staff and volunteers through brigade meetings, captains meetings and other forums.	Number of captains meetings held by DTZ to date.	0.00
5.01	Ensure consultation between DTZ staff and volunteers through brigade meetings, captains meetings and other forums.	Number of SMT meetings held by DTZ to date.	0.00
5.07	Support development and use of MyRFS in order to improve communication with volunteers.	Total number of volunteers using MyRFS.	0.00

PROPOSED SERVICE AGREEMENT - SCHEDULE 3

District / Team / Zone: Far South Coast Report Date: 08/03/2010 Implementation Year: 2009-10

Pathway Strategy: 6. Evidence Based Decision Making

Task ID.	Proposed Task / Action	Performance Measure	Target Performance
6.04	Comply with data compliance requirements for corporate systems.	All FIRS reports validated within 14 days working days of incident completion.	100%

16.1. Cr Sharon Tapscott - Rural Fire Service (RFS) State Government Funding

Background

During the current bushfire crisis in the north of the state it became apparent that more resources are required by our Rural Fire Service (RFS) throughout the state of NSW.

Bega Valley Shire was requested to send five fully manned units to the fireground. We were only able to provide three as we needed to plan for incidents in our area and protect ourselves from becoming vulnerable should an incident occur.

Given that the nearest fire was less than 100km away, this was a very real possibility.

At this time the Bega Valley Shire would not have enjoyed the benefit of any air support.

- 10 It appears that the Bush Fire Season is becoming longer each year and its intensity is not diminishing.

Any sources of extra funding would be appreciated and used to great benefit for all rural communities.

Cr Sharon Tapscott

ATTACHMENTS

Nil

NOTICE OF MOTION

1. That Council write to the Rural Fire Service (RFS) in support of our local and Statewide RFS organisations including volunteers and paid staff commending the work that they do;
2. That Council request the State Government find additional funding for the purpose of purchasing additional assets and the engagement of trained instructors to provide additional community volunteer training and community safety education.

6.1. NSW Audit Office position on Rural Fire Service Assets

Cr Russell Fitzpatrick

Mayor's Recommendation

That:

1. Council writes to the local State Member, the Hon Michael Holland MP, Treasurer the Hon Matt Kean MP, Minister for Emergency Services and Resilience the Hon Stephanie Cook MP and the Minister for Local Government Wendy Tuckerman MP:
 - a. Expressing Council's objection to the NSW Government's determination on ownership of Rural Fire Service assets;
 - b. Advising of the impact of the Government's position on Council finances of this accounting treatment;
 - c. Informing that Council will not carry out RFS assets stocktakes on behalf of the NSW Government and will not record RFS assets in (Bega Valley Shire Council's) financial statements;
 - d. Calling on the NSW Government to take immediate action to permanently clear up inequities and inconsistencies around the accounting treatment of Rural Fire Service (RFS) assets by acknowledging that rural firefighting equipment is vested in, under the control of and the property of the RFS; and
 - e. Amending s119 of the *Rural Fires Act 1997* so that the effect is to make it clear that RFS assets are not the property of councils.
2. Council writes to the Shadow Treasurer Daniel Mookhey MLC, the Shadow Minister for Emergency Services Jihad Dib MP, the Shadow Minister for Local Government Greg Warren MP, the Greens Spokesperson for Local Government Jamie Parker MP and the leaders of the Shooters, Fishers and Farmers, Animal Justice and One Nation parties Robert Borsak MLC, Emma Hurst MLC and Mark Latham MLC:
 - a. Advising Members Bega Valley Shire Council's position, including providing copies of correspondence to NSW Government Ministers; and
 - b. Seeking Members' commitments to support NSW Councils' call to amend the *Rural Fires Act 1997* as set out in correspondence.
3. Council writes to the Auditor General advising that notwithstanding any overtures of future qualified audits, it will not carry out RFS stocktakes on behalf of the NSW Government and will not record RFS assets in Bega Valley Shire Council's financial statements, noting that the State Government's own Local Government Accounting Code of Practice and Financial Reporting provides for councils to determine whether or not they record the RFS assets as council assets.
4. Council promotes these messages via its digital and social media channels and via its networks.
5. Re-affirms its complete support of and commitment to local RFS brigades noting that Council's action is entirely directed towards the NSW Government's nonsensical position that rather than being owned and controlled by local brigades, RFS assets are somehow controlled by councils, which councils consider to be a cynical financial sleight of hand abdicating the NSW Government's responsibilities at the cost of local communities.

6. That Council affirms its support to Local Government NSW (LGNSW) and requests LGNSW continue advocating on Council's behalf to get clarification finally from the State Government about the accounting treatment of RFS assets

Background

I am calling on Councillors to support the local government campaign on the financial accounting treatment of Rural Fire Service (RFS) mobile assets known as the 'Red Fleet'.

A long-standing dispute over the accounting treatment of the Red Fleet has come to a head with the Auditor-General's 2021 Report on Local Government on 22 June 2022. The Audit Report reemphasises the State Government determination that RFS assets are the "property" of councils and must be recorded in Council's financial statements with Council required to therefore absorb all depreciation costs.

The *Audit Office Local Government Report* has reinforced the notion that RFS mobile and other fire-fighting assets can somehow be deemed to be council assets and applies more pressure on councils and the Office of Local Government (OLG) to conform with this determination, even though councils do not have effective management or control of these assets.

Councils across the State and Local Government NSW (LGNSW) refute this determination. Councils do not have any say in the acquisition, deployment, or disposal of these assets. Comparable assets held by Fire & Rescue NSW (FRNSW) are not vested anywhere other than with the organisations that purchase, use, maintain and dispose of them.

Councils and LGNSW have also raised concerns that the requirement breaches Australian Accounting Standards. The State Government's own *Local Government Accounting Code of Accounting Practice and Financial Reporting* provides for councils to determine whether to record RFS assets on their books as council assets. This position has been confirmed by the Secretary of the Department of Planning and Environment in his letter to the Auditor-General dated 7 June 2022, presented in Appendix 1 on page 47 of the 2021 Local Government Audit Report.

Council notes advice from LGNSW that many councils are refusing to comply with the Auditor General's instructions. Councils remained firm in 2021, resisting pressure to record RFS assets with the majority (68), choosing not to record the RFS mobile assets in accordance with the *Local Government Accounting Code*. This was the same number of councils as in 2020. LGNSW is encouraging councils to continue resisting pressure from the Audit Office and make their own determinations notwithstanding overtures that ongoing non-compliance with the Auditor General's instructions may result in future qualified financial reports.

The latest Audit Report has made further impositions on (Council) by:

- recommending Council undertakes a stocktake of RFS assets and records the value in Council's financial statements;
- warning that if Council does not recognise the assets, it will be found non-compliant and will have a high risk finding reported; and
- calling on the NSW Department of Planning and Environment (OLG) to intervene where councils do not recognise rural firefighting equipment.

The Government's blanket determination is not only nonsensical, but also inconsistent with the treatment of the comparable assets of other emergency service agencies such as Fire & Rescue NSW (FRNSW). There is no rational reason for maintaining this anomaly.

LGNSW has been advocating this position on councils' behalf and has written to the NSW Treasurer the Hon. Matt Kean MP, Minister for Emergency Services, the Hon. Steph Cooke MP, Minister for Local Government the Hon. Wendy Tuckerman MP and the Auditor-General, Ms

Margaret Crawford to express the local government sector's strong objection to the NSW Government's determination, applied by the Auditor-General, that RFS assets are the property of councils for accounting purposes and amend the Rural Fires Act 1997.

LGNSW has advised it will continue its advocacy efforts on councils' behalf and is asking all affected councils in NSW to consider adopting a resolution advising the Audit Office that Council will not carry out the RFS stocktakes on behalf of the NSW Government and will not record RFS assets on Council's financial statements.

Attachments

Nil



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11 November 2022



Via email: [\[REDACTED\]@parliament.nsw.gov.au](mailto:[REDACTED]@parliament.nsw.gov.au)

Dear [REDACTED]

Accounting for Rural Fire Service assets

Council objects to the NSW Government's determination on ownership of Rural Fire Service assets.

Councils across the State and Local Government NSW (LGNSW) refute this determination. Councils do not have any say in the acquisition, deployment, or disposal of these assets. Comparable assets held by Fire & Rescue NSW (FRNSW) are not vested anywhere other than with the organisations that purchase, use, maintain and dispose of them.

Councils and LGNSW have also raised concerns that the requirement breaches Australian Accounting Standards. The State Government's own Local Government Accounting Code of Accounting Practice and Financial Reporting provides for councils to determine whether to record RFS assets on their books as council assets. This position has been confirmed by the Secretary of the Department of Planning and Environment in his letter to the Auditor-General dated 7 June 2022, presented in Appendix 1 on page 47 of the 2021 Local Government Audit Report.

Whilst Council acknowledges the NSW Government fact sheet on "Treatment of Red Fleet Assets by Council" provided by the Minister of Local Government in September 2022, it would argue that these statements provide information to our communities and Councils are often judged by headline numbers each year. This is a reputational risk each year for Councils that are constantly struggling to demonstrate financial sustainability.

Included in the Councils annual financial statements are performance measures that provide information on financial sustainability such as the operating performance ratio. This measure of containing operating expenditure with operating revenue includes depreciation and was promoted as a demonstration of being "Fit for the Future".

Bega Valley Shire Council has resolved not to carry out RFS assets stocktakes on behalf of the NSW Government and will not record RFS red fleet assets in our financial statements

Council calls on the NSW Government to take immediate action to permanently remove the inequities and inconsistencies in the accounting treatment of Rural Fire Service (RFS) assets

and acknowledge that rural firefighting equipment is vested in and under the control of the RFS and support Councils to have s119 of the Rural Fires Act 1997 amended, making it clear that RFS assets are not the property of councils.

Yours sincerely



Cr Russell Fitzpatrick
Mayor

6.2. Damaging increase in Emergency Services Levy costs

Cr Russell Fitzpatrick

Recommendation

1. Council writes to the Treasurer, the Minister for Emergency Services, the Minister for Local Government and local State Member(s):
 - a) Expressing Council's strong opposition to the NSW Government's last minute decision to impose an enormous Emergency Services Levy (ESL) cost increase on councils for 2023/24 by scrapping the ESL subsidy for councils and at a time after Council has publicly advertised its Operational Plan and annual budget to the community;
 - b) Noting that as a consequence of the unannounced 73% increase in the State Emergency Service budget and an 18% increase in the Fire and Rescue NSW budget, Council's rate increase to provide essential community services and infrastructure has been significantly eroded.
 - c) Advising that the Government's decision may/will lead to a reduction in important local services and/or the cancellation of necessary infrastructure projects;
 - d) Calling on the NSW Government to take immediate action to:
 - i. restore the ESL subsidy in 2023/24
 - ii. urgently introduce legislation to decouple the ESL from the rate peg to enable councils to recover the full cost
 - iii. develop a fairer, more transparent and financially sustainable method of funding critically important emergency services in consultation with local government.
2. Council writes to the Chair of the Independent Pricing and Regulatory Tribunal (IPART) advising that Council's forced emergency services contribution is manifestly disproportionate to the 2023/24 rate cap, which has resulted in additional financial stress.
3. Council writes to the President of LGNSW seeking the Association's ongoing advocacy to bring about a relief in the burden of Councils' emergency services contribution.

Background

I am calling on Councillors to support representations to the NSW Government in response to the highly damaging increase in the Emergency Services Levy (ESL) imposed on all councils without warning for the 2023/24 financial year.

The ESL is a cost imposed on councils and insurance policy holders to fund the emergency services budget in NSW. The majority is paid as part of insurance premiums, with a further 11.7 per cent funded by councils and 14.6% by the NSW Government. The ESL represents cost shifting at its worse, as it is imposed on councils without any mechanism for councils to recover costs.

The levy increase for the State's 128 councils in 2023/24 amounts to almost \$77 million, with the total cost imposed on the local government sector increasing from \$143 million in the current financial year to \$219 million next year. This represents a 53.1% increase, completely dwarfing the IPART baseline rate peg of 3.7% for 2023/24, and Council's rate peg increase of 4.1%.

Reporting suggests that the increase in costs this year reflects a 73% increase in the State Emergency Service budget and an 18.5% funding increase to Fire and Rescue NSW. The impact of these large increases on councils' finances will be particularly severe in 2023/24 as a result of the NSW Government deciding to scrap the subsidy for council ESL payments.

For many councils, the unexpected cost hit will absorb almost all of their IPART-approved rate rise for this year and in some cases absorb more than 100%. This is placing local government budgets under enormous pressure as they struggle from the combined impact of the pandemic, extreme weather events, high inflation and wage increases.

IPART-approved rate rises are intended to compensate for the impacts of inflation and increases in council costs. Instead, the rate increase will have to be largely diverted to the significantly higher ESL payments this year. NSW councils will have no option other than to make cuts to infrastructure and services expenditure.

For Council, the ESL has increased by \$387,459 for 2023/24, bringing the total Council contribution to \$1,149,218. If the NSW Government's decision is not reversed, the potential impacts on Council's services, infrastructure maintenance and delivery include a further reduction in our ability to look after our critical roads and bridges infrastructure.

The timing of this development is particularly challenging for councils as it comes so late in the local government budgeting cycle, well after IPART's rate determination for the coming financial year.

All councils strongly support a well-funded emergency services sector and the critical contribution of emergency services workers and volunteers (many of whom are councillors and council staff). However, it is essential that these services be supported through an equitable, transparent and sustainable funding model.

Local Government NSW has raised the serious concerns of the local government sector with the NSW Government and is seeking the support of councils across NSW in amplifying this advocacy.

This Mayoral Minute recommends that Council call on the NSW Government to take immediate action to:

- a. restore the ESL subsidy,
- b. decouple the ESL from the rate peg to enable councils to recover the full cost
- c. develop a fairer, more transparent and financially sustainable method of funding critically important emergency services.

The Mayoral Minute also recommends that Council write to IPART advising of the financial sustainability impacts on of the ESL.

Attachments

Nil



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26 May 2023

The Hon. Jihad Dib MP
Minister for Customer Service and Digital Government
Minister for Emergency Services
Minister for Youth Justice
GPO Box 5341
SYDNEY NSW 2001

Via email: [REDACTED]

Minister Dib

Emergency Services

I would like to congratulate you firstly on your party's election, but perhaps more importantly on your appointment as Minister for Customer Service and Digital Government, Minister for Emergency Services and Minister for Youth Justice.

We are entering a phase of rapid and exciting economic and social change in NSW and I am confident your government is up to the task of capitalising on opportunities to make this a better state, navigating the significant challenges we are faced with along the way.

One of the key reasons I am writing to you is to present to you a number of opportunities to effect positive change in your newly acquired Ministerial portfolios.

Local Government is a key pillar in all communities delivering a huge variety of services to residents, ratepayers and visitors. The last few years have been extremely difficult for the local government sector, whether it be drought, bushfires, the COVID-19 Pandemic and as in our case, a series of flood events also. With previous Shadow Ministries in Emergency Services, Energy and Climate Change and Youth I trust you understand the challenges our industry faces in continuing to deliver the much-needed services our community expects whilst remaining financially sustainable, particularly in a regional setting.

We are pleased that the NSW Labor Government is committed to supporting a local government sector that is focused on sustainable and liveable communities. This includes support for appropriate housing, infrastructure, public transport, recreational facilities, in-house employment opportunities, flood recovery and resilience, clean and affordable energy and the arts and live music industry.

Emergency services

As you would be aware the Bega valley is one of the most disaster-prone regions in the country having experienced the devastating effects of the Black Summer bushfires with over 460 homes destroyed, followed by ten declared flood disasters. The effect of disasters on our community and our infrastructure are devastating, in particular our transport network. I have provided for your review a copy of a recent submission Council made to the federal inquiry into the effects of severe weather events in the rural and regional road network. From a BVSC perspective it is imperative

that all levels of government focus on proactive disaster preparedness and resilient infrastructure to minimise future expense on recovery.

In addition to the above BVSC has a strong and cohesive local emergency management committee. Unfortunately, our emergency operations centre, RFS zone headquarters and council works depot are located within the urban area of Bega. We have commenced planning to move these facilities to a new location outside the urban area as well as relocating the Transport for NSW operations depot to the same location. We would welcome the opportunity to discuss the above with you further.

Recognition of Red Fleet Assets

Whilst we are very supportive of our local RFS brigades we are very concerned that assets not owned, managed, or operated by the Councils have to be included in the Councils annual financial statements. This relates to RFS assets, and our position is that local government is not responsible for the care and control of RFS assets. We have continued to advocate our objection to the current determination on ownership of Rural Fire Service assets.

Councils do not have any say in the acquisition, deployment, or disposal of these assets. Comparable assets held by Fire & Rescue NSW (FRNSW) are not vested anywhere other than with the organisations that purchase, use, maintain and dispose of them.

Councils and LGNSW have also raised concerns that the requirement breaches Australian Accounting Standards. The State Government's own Local Government Accounting Code of Accounting Practice and Financial Reporting provides for councils to determine whether to record RFS assets on their books as council assets. This position has been confirmed by the Secretary of the Department of Planning and Environment in his letter to the Auditor General dated 7 June 2022, presented in Appendix 1 on page 47 of the 2021 Local Government Audit Report.

Whilst Council acknowledges the NSW Government fact sheet on "Treatment of Red Fleet Assets by Council" provided by the Minister of Local Government in September 2022, it would argue that these statements provide information to our communities and Councils are often judged by headline numbers each year. This is a reputational risk each year for Councils that are constantly struggling to demonstrate financial sustainability. Included in the Councils annual financial statements are performance measures that provide information on financial sustainability such as the operating performance ratio. This measure of containing operating expenditure with operating revenue includes depreciation and was promoted as a demonstration of being "Fit for the Future".

Bega Valley Shire Council resolved not to carry out RFS assets stocktakes on behalf of the NSW Government and will not record RFS red fleet assets in our financial statements and resulted in a qualified audit for 2022 financial year.

Council calls on the NSW Government to take immediate action to permanently remove the inequities and inconsistencies in the accounting treatment of Rural Fire Service (RFS) assets and acknowledge that rural firefighting equipment is vested in and under the control of the RFS and support Councils to have s119 of the *Rural Fires Act 1997* amended, making it clear that RFS assets are not the property of councils.

Emergency services levy

At the most 24 May 2023 Ordinary meeting of Council a Mayoral minute was considered with the intent of rectifying the currently unviable position Council has been placed in due to the ESL. I have attached a copy of the full Mayoral minute for your reference that was unanimously supported by Council.

Local Emergency Management Officer (LEMO) arrangements

As I am sure you are aware Local Government currently contributes 11.7% of the cost of emergency services in NSW. Under the *State Emergency Response Management (SERM) Act* Councils have been given two key un-resourced responsibilities. The first of those is to convene a Local Emergency Management Committee (LEMC) which has broad responsibilities relating to planning for and managing during emergencies. The second is to employ a Local Emergency Management Officer (LEMO) which has defined responsibilities under the act. How councils go about resourcing and supporting emergency management in reality is highly variable. In many/most cases in rural and regional areas the LEMO role is tacked on to the responsibilities of another employee of council, sometimes a lower-level officer role and other times to an already overstretched executive team member role. In reality the responsibility should sit much closer to an executive level role. The function should report directly to the General Manager/CEO who has legislative responsibility for chairing the LEMC.

Over time the expectations from the State Government and the community on local government have increased yet there are not the resources available to meet the needs for emergency management planning, response and recovery. It is time that the NSW government took emergency management more seriously by developing a consistently defined role at an executive level for LEMO's and funding the role at an executive level. This would ensure that our communities are better prepared for and protected during emergencies resulting from disasters which would over the long run save money. The NSW government has allocated a large budget to the administration of the NSW reconstruction authority with funding of LEMO's anticipated to cost a relatively small comparative amount.

As you and your team consider opportunities to visit regional areas across the state, we would welcome your presence and the opportunity to further discuss the challenges outlined above and the options for adequately resourcing LEMOs. Importantly, as you are no doubt incredibly busy, we have an airport close by with daily flights making the venture south from Sydney far more achievable.

We look forward to working with you and your government to achieve economic, environmental and social outcomes in our local government area of regional NSW. We will look to coordinate meetings with you in the near future through our State Local Member, Dr Michael Holland.

Yours sincerely



Anthony McMahon
Chief Executive Officer

22 April 2024

The Hon. Daniel Mookhey MLC
Treasurer
52 Martin Place
SYDNEY NSW 2000
Via email: [REDACTED]

Dear Minister Mookhey

Funding and management of Emergency Services in New South Wales

I am writing to you to present opportunities available to NSW Government to effect positive change in the operation and funding of Emergency Services in NSW.

Local Government is a key pillar in all communities delivering a diverse range of services to residents, ratepayers and visitors. The last few years have been extremely difficult for the local government sector, experiencing drought, bushfires, the COVID-19 Pandemic and as in our case, a series of flood events also. As Treasurer of New South Wales I trust you understand the challenges our industry faces in continuing to deliver the much-needed services our community expects whilst remaining financially sustainable, particularly in a regional setting.

As you may be aware the Bega Valley is one of the most disaster-prone regions in the country having experienced the devastating effects of the Black Summer bushfires with over 460 homes destroyed, followed by ten declared flood disasters, and more recently the fires we experienced in Coolagolite last October. The effect of disasters on our community and our infrastructure are devastating, in particular our transport network. I have provided for your review a copy of a submission Bega Valley Shire Council (BVSC) made to the federal inquiry into the effects of severe weather events in the rural and regional road network. From a BVSC perspective it is imperative that all levels of government focus on proactive disaster preparedness and resilient infrastructure to minimise future expense on recovery.

Co-location of emergency response agencies out of urban areas

In addition to the above, BVSC has a strong and cohesive local emergency management committee. Unfortunately, our emergency operations centre, RFS zone headquarters and council works depot are all located within the urban area of Bega. We have commenced planning to move these facilities to a new location outside the urban area as well as relocating the Transport for NSW operations depot to the same location. We would welcome the opportunity to discuss how you may be able to support us to consolidate these important community services.

Recognition of Red Fleet Assets

Whilst we are very supportive of our local RFS brigades we are concerned that assets not owned, managed, or operated by Council have to be included in the Council's annual financial statements. Our position is that local government is not responsible for the care and control of RFS assets and we have continued to advocate our objection to the current determination about ownership of Rural Fire Service assets.

Councils do not have any say in the acquisition, deployment, or disposal of these assets. We recommend NSW Government apply the same principles used for assets held by Fire & Rescue NSW (FRNSW). These are vested with the organisations that purchase, use, maintain and dispose of them.

Whilst Council acknowledges the NSW Government fact sheet on “Treatment of Red Fleet Assets by Council” provided by the Minister of Local Government in September 2022, it would argue that these statements generate reputational risk in our communities as Councils are often judged by headline numbers each year. Included in the Councils annual financial statements each year are financial sustainability performance measures. Accounting for red fleet assets and other community services such as State Emergency Service (SES) and Surf Life Saving Clubs (SLSC) is included in our operating performance and impacts on the financial sustainability measures and performance.

Council calls on the NSW Government to take immediate action to permanently remove the inequities and inconsistencies in the accounting treatment of RFS assets and acknowledge that rural firefighting equipment is vested in and under control of the RFS. We ask you support councils to have s119 of the *Rural Fires Act 1997* amended, making it clear that RFS assets are not the property of councils.

Emergency Services Levy (ESL)

At the 24 May 2023 Ordinary Council meeting a Mayoral minute was considered with the intent of rectifying the currently unviable position Council has been placed in due to the ESL. I have attached a copy of the full Mayoral minute for your reference that was unanimously supported by Council. We ask that the NSW Government review the financial burden placed on Councils when increasing the ESL

Local Emergency Management Officer (LEMO) arrangements

As I am sure you are aware Local Government currently contributes 11.7% of the cost of emergency services in NSW. Under the *State Emergency Response Management (SERM) Act* Council have been given two key un-resourced responsibilities. The first of those is to convene a Local Emergency Management Committee (LEMC) which has broad responsibilities relating to planning for and managing emergencies. The second is to appoint a Local Emergency Management Officer (LEMO) who has defined responsibilities under the Act. How councils go about resourcing and supporting emergency management is highly variable. In most cases in rural and regional areas the LEMO role is tacked on to the responsibilities of another employee of council, sometimes a lower-level officer role and other times to an already overstretched executive team member. Ideally the responsibility should sit closer to an executive level role reporting directly to the General Manager/CEO who has legislative responsibility for chairing the LEMC.

Over time the expectations from the State Government and the community on local government have increased yet there are not the resources available to meet the needs for emergency management planning, response and recovery. It is time that the NSW Government took emergency management more seriously by developing a consistently defined role at an executive level to fulfill the duties of a LEMO. This would ensure our communities are better prepared for and protected during emergencies resulting from disasters, saving money over the long term. The NSW Government has allocated a large budget to the administration of the NSW Reconstruction Authority and in comparison the anticipated cost of LEMOs would be relatively small.

Submission to the inquiry of reforming the Emergency Services funding system

Further clarifying our position on this matter BVSC is in the process of writing a submission to the inquiry into reforming the Emergency Services funding system. We welcome the opportunity to outline in more detail the effect the current system has on regional communities such as the Bega Valley. Primarily allowing the cost burden to fall to homeowners and ratepayers, the increase in those underinsured and not insured, the effects on small businesses, and the increasing demand on emergency services due to more frequent and intense climate events. We will also propose our recommendations on the reform, aiming for more transparency and a simplified system that does not keep increasing the financial burden and cost-shifting of providing emergency services on to Councils.

As you and your team consider opportunities to visit regional areas across the state, we would welcome you to Bega Valley. Importantly, as you are no doubt incredibly busy, we have an airport close by with daily flights, making the venture south from Sydney far more achievable.

We look forward to working with you and your colleagues to supporting us by increasing the funding and resources to deliver of emergency services and help us achieve economic, environmental and social outcomes in our local government area of regional NSW.

Yours sincerely



Cr Russell Fitzpatrick
Mayor