



Hawkesbury City Council

Attachment 1  
to  
item 48

LGSA Review of  
LG Engagement with RFS

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location: council chambers  
time: 6:30 p.m.



Local Government  
Association of NSW



Shires Association of NSW

**LGSA**

**Review of Local Government Engagement  
with the NSW Rural Fire Service**

**A Discussion Paper**

**February 2012**

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## Purpose

Local Government plays an important role in the provision of fire services throughout NSW.

NSW councils hold a variety of often conflicting views about the operational structure of the NSW Rural Fire Service (RFS). Many councils are dissatisfied with the current situation.

Throughout the evolution and growth of the RFS, arrangements were progressively implemented between the RFS and councils. However, the existing arrangements are proving to be problematic, complex and inequitable. Increasingly councils are expressing growing frustration with their relationship with the RFS.

It is clear that Local Government needs to develop a more cohesive and comprehensive policy position if any progress is to be made on the many issues of concern. Local Government also needs to be clear about what these concerns actually are if it is to engage in constructive debate on the future delivery of rural fire services.

This discussion paper aims to address the engagement issues between NSW councils and the RFS. The paper will focus on the issues from a Local Government perspective; however it also takes account of broader issues concerning other stakeholders and the general public.

The current policy regarding the Emergency Services Levy (ESL) will not be affected by this discussion paper on operational engagement with the RFS. The Local Government and Shires Associations of NSW (the Associations) already have a developed policy position on emergency services funding. The Associations current position for the funding of Emergency Service Levy is: *The Emergency Services Levy (ESL) should be replaced by a broad based property levy (BBPL) which would be more equitable, transparent and accountable system. Additionally, in the interim of a BBPL being implemented, councils should be allowed to automatically increase their rates to cover the full cost of the ESL separate from the rate pegging process.*

## History of Bush Fire Services in NSW

This section looks at the history of the fire services in NSW from early European settlement through to the *Rural Fires Amendment Act (NSW) 2009*. It clearly shows the important role Local Government has played in the provision of fire fighting services throughout European Settlement.

The information in this section was sourced mostly from Larcombe: *A history of Local Government in New South Wales* and Maiden: *History of Local Government in NSW* as presented in the Associations' 2003 Discussion Paper '*Local Government's Role in the Provision of Fire Services in NSW*'.

**Prior to 1886** – Local Government held an important role in the prevention and mitigation of the menace to life and property from bush fires. The threat of bush fires became a compelling influence in the establishment of local units of self protection against bush fires. When bush fires occurred, settlers rallied to the emergency with such equipment as they could hurriedly gather up.

Local authorities constituted under the *Municipalities Act (NSW) 1867* afforded a measure of fire protection by making equipment available and encouraging the establishment of volunteer fire brigades.

Volunteer bush fire brigades were formed which gave excellent service often with improvised equipment. Local authorities introduced a measure of coordination, and generally council staff formed the nucleus of the bush fire protection personnel in its areas. Council equipment was also drawn on freely for fire fighting whenever the occasion demanded.

**1886** – The *Careless Use of Fire Protection Act (NSW) 1886* introduced preventative measures to control and regulate the cause of bush fires.

**1901 & 1906** – The *Careless Use of Fire Act (NSW) 1901* and *Careless Use of Fire (Amendment) Act 1906* consolidated and later repealed the *Careless Use of Fire Protection Act (NSW) 1886*. They tightened the provisions for permissible burning off, provided regulation of periods when burning off was permitted and prohibited the sale and distribution of all matches except safety matches.

**1906 & 19** – The *Local Government Act (NSW) 1906* included, as a primary function of a council, the authority to make provision for the prevention and mitigation of bush fires including the organisation of bush fire brigades. This provision was also carried into the *Local Government Act (NSW) 1919*.

**1930** – The *Bush Fires Act (NSW) 1930* consolidated the legislation relating to bush fire hazards, providing for the control and regulation of burning off and the provision of fire breaks.

The *Local Government Act (NSW) 1919* was amended to permit the appointment of officers to control and manage bush fire brigades and to vest in such officers the power to take appropriate measures to:

- prevent the outbreak of fires;
- protect life and property in case of outbreak of fire; and
- control and extinguish any fires.

**1939** – The Bush Fires Advisory Committee of New South Wales was formed.

**1944-45** – The NSW Government approved a subsidy scheme to assist councils to acquire fire fighting equipment for voluntary bush fire brigades and to improve the bush fire fighting organisation throughout the State. The NSW Government subsidised the cost of such equipment on a pound for pound basis.

**1949** – The *Bush Fires Act (NSW) 1949* repealed the *Careless Use of Fire Act (NSW 1901)*. The Act proposed state-wide organisation of bush fire protection equipment and brigades manned by fully trained voluntary personnel. The financial provisions were administered by the Department of Local Government and established the Bush Fire Fighting Fund for the purpose of meeting expenditure on bush fire protection. Contributions to the fund were shared between the NSW Government (25%), Local Government (25%), and insurance companies (50%). A council's contribution was not to exceed one twentieth of a penny in the

pound of rateable land in an area which was not within a fire district under the *Fire Brigades Act (NSW) 1909* and the *Fire Brigades Act (NSW) 1989* respectively.

**1956** – The share of contributions to the Bush Fire Fighting Fund was amended to NSW Government 12.5%, Local Government 12.5%, and insurance companies 75%.

**1989** – Local Government’s share of contributions to the Bush Fire Fighting Fund was amended to 12.3%.

**1993** – *The Local Government Act (NSW) 1993* states: “*This Chapter confers on councils their service or non-regulatory functions. Examples of these functions include the provision, management or operation of:… fire prevention, protection and mitigation services and facilities...*”

Immediately following this note, section 24 of the Act goes on to state: “*Provision of goods, services and facilities and carrying out of activities: a council may provide goods, services and facilities, and carry out activities, appropriate to the current and future needs within its local community and of the wider public, subject to this Act, the regulations and any other law.*”

Accordingly, the provision of fire services is not mandatory but rather optional as the Act states ‘a council may’.

**1997** – The *Rural Fires Act (NSW) 1997* and the *Rural Fires Regulation (NSW) 1997* replaced the former *Bush Fires Act (NSW) 1949*. Councils are responsible for providing accommodation and necessary facilities for the fire control officer.

Fire control officers were transferred from councils to the RFS and control of brigades became an RFS function. Local Government’s share of contribution to the RFS consequently was increased from 12.3% to 13.3%.

The transfer of fire control officers from councils to the RFS dramatically changed the operational arrangements and the relationship between Local Government and the RFS.

**2009** - The *Rural Fires Amendment Act (NSW) 2009* amended the *Rural Fires Act (NSW) 1997* to transfer part of Local Government’s bush fire hazard management functions to the RFS and increase the RFS powers of entry and removal.

The *Emergency Services Legislation Amendment (Finance) Act (NSW) 2009* expanded the Fire Service Levy into the Emergency Service Levy (ESL) which consolidated the budgets of the three NSW emergency services (RFS, NSW Fire Brigades, and State Emergency Services) and amended and standardised the share of contributions to the consolidated budget to NSW Government 14.6%, Local Government 11.7%, and insurance companies 73.7%.

**2010** – The *Environmental Planning and Assessment Act (NSW) 1979* was amended to include section 79BA which transferred the responsibility to assess development applications (DAs) in bush fire risk areas from the RFS to councils. The RFS maintained the responsibility to continue to assess DAs in high risk bush fire prone areas and special fire protection purpose developments.

## Snapshot of the RFS

Under the *Rural Fires Act (NSW) 1997* and the *Rural Fires Regulation (NSW) 1997*, the RFS was formed as a single state level/managed agency.

The RFS structure comprises of:

- The RFS head office split into the following directorates:
  - Executive Services;
  - Operational Services;
  - Regional Services;

- Infrastructure Services; and
- Membership and Strategic Services;
- 4 regional offices;
- 49 district offices;
- 126 RFS districts; and
- 2039 RFS brigades.

During 2010/11, the RFS received \$257 million in funding, attended 18,830 incidents, used 70,448 volunteers, and employed 920 staff with employee expenses totalling \$93,327,000 (salaries, leave, superannuation, payroll tax, etc).

Councils and volunteers have raised concerns about the RFS's escalating staff numbers and associated costs particularly within the RFS middle management and at the RFS head office. Over the five years from 2006/07 to 2010/11, RFS staff numbers increased from 685 to 920, a 34.3% increase, and employee expenses increased from \$59,950,000 to \$93,377,000, a 55.7% increase.

Under a Broad Based Property Levy, the funding sources to the RFS would be more transparent and comprehensible, requiring the RFS to be publicly accountable for increases to RFS staff numbers and associated costs.

## **Local Government engagement with NSW Rural Fire Service**

### **LOCAL ENGAGEMENT**

#### **Facilities**

The *Rural Fires Act (NSW) 1997* requires councils which have a fire control officer appointed to provide facilities and accommodation to enable the fire control officer to exercise his or her functions. Such facilities and accommodation are to be of a standard approved by the RFS Commissioner. However, to date standards have not been developed for existing facilities, but there are standard designs used for new RFS facilities.

The responsibility for the facility utility costs is prescribed within the district service agreement between the council and the RFS.

*Issues: Councils have expressed frustration that there is no set standard for facilities. On the one hand, the RFS can impose on councils to build a facility to their choice with no effective consultation, rational or standard to back up the RFS decision. On the other hand, in areas of NSW which are limited in resources, the lack of a minimum standard is beneficial.*

#### **Equipment**

The RFS appliances and support vehicles (new and second hand) are purchased through the Rural Fire Fighting Fund and are vested in council. Councils contribute to the purchase of equipment through the Emergency Services Levy. These arrangements are required under section 119 of the *Rural Fires Act (NSW) 1997*. The situation where councils "own" but do not have operational control of the RFS equipment raises issues in relation to insurance coverage and is in conflict with the *Local Government Accounting Code*.

Maintenance for the RFS operated equipment vested in councils ownership is outlined in section 119 of the *Rural Fires Act (NSW) 1997* or the district service level agreements. The cost to council for the maintenance is reimbursed the following year, of which councils contribute 11.7% to the reimbursement.

Previously, the insurance for vehicles was the responsibility of the council. Since July 2011, the Treasury Managed Fund (TMF) has taken over the insurance for council owned RFS vehicles. The new insurance arrangements are centralised and managed by the RFS with the insurance costs distributed to RFS areas where the vehicles are based. Councils contribute 11.7% to the insurance costs. This change has partially addressed the insurance problems referred to above.



Insurance for the other RFS equipment owned by councils is the responsibility of the council.

***Issue: As councils technically own the equipment but have no control over its management/use, many councils had issues with equipment insurance, especially when the equipment is damaged when used for fire fighting outside of council's district or used for non bushfire fighting activities.***

Disposal of the equipment must be approved by the RFS Commissioner. The fund from the sale is to be returned to the Rural Fire Fighting Fund excluding GST.

***Issues: Councils have expressed frustration with the process for determining the level of equipment and vehicles in their district. The purchase of equipment and vehicles is decided through the district budgeting process which councils are consulted on. However, in some regions the consultation process has been described as tokenistic as council's requests/opinions are overridden by the RFS.***

***It is the Associations view that the RFS should take over the ownership, management, and maintenance of all RFS equipment and facilities, with the NSW Government purchasing the facilities and equipment in a once up reimbursement payment to councils. The NSW Government already owns land, facilities and equipment across NSW through other agencies and has established systems for financial and administrative management. Expanding this model to the RFS will remove duplication and complications between the NSW Government and Local Government.***

### **Bush Fire Management Committee**

A Local Government representative is a member in each local Bush Fire Management Committee (BFMC). Councils are on the BFMC as both land managers and representatives of the community.

The BFMC develops the bush fire risk management plan and plan of operations within its area for approval by the state Bush Fire Coordinating Committee (BFCC). The BFMC identifies the priorities within its area for hazard reduction works and fire trials which are put forward for funding from the RFS.

Councils are often requested to provide the GIS mapping for the development of these plans.

***Issue: If Local Government fully retracts its engagements with the RFS, there may be implications for the future role and structure of BFMCs.***

### **Operational support**

The RFS calls upon support from councils for fire fighting and bush fire mitigation activities through the provision of labour, plant and equipment; e.g. bulldozers, graders, excavators, bulk water carriers, refuelers. It should be noted that any proposed changes derived from this discussion paper will not change the requirement for councils to provide such support during an emergency as prescribed in the *State Emergency and Rescue Management Act (NSW) 1989* and associated disaster plans.

If councils equipment is requested and used during a fire according to section 44 of the *Rural Fires Act (NSW) 1997* on land that is not council managed, councils are eligible to seek reimbursement of some costs. Examples of reimbursable costs are: provision of fuel; staff overtime; hiring of plant and equipment; and repairs/loss to equipment. Normal wages costs of council staff during normal operating hours are not reimbursed. It should be noted that the exclusion from reimbursement of normal wage costs is a condition directed by the Australian Government. The Australian Local Government Association (ALGA) is advocating that this be amended to include reimbursement of all staff hours used to assist in emergencies.

***Issue: Councils have concerns regarding the interpretation by the RFS of 'council managed lands' which prevents them from getting reimbursement when assisting to fight fires on private land. However, this interpretation varies between NSW regions.***

The RFS recently implemented new requirements for heavy plant being supplied by councils during fire fighting. This includes:

- an identification number issued by the RFS on roof and sides of plant;
- a 15lt knapsack or 9lt fire extinguisher;

- a woollen fire blanket in each piece of plant; and
- all operators to complete the bush fire awareness course and be equipped with fire overalls, kit boots, fire fighters gloves, smoke goggles, helmet with hood, smoke mask, flash hood, etc.

While councils fully support improving the health and safety of staff assisting in bushfires, some of the RFS requirements have been questioned as they may actually hinder prompt response and are costly and onerous. It is disappointing that the RFS did not consult with the Associations prior to implementing this policy.

### **Financial arrangements**

Councils contribute 11.7% to the consolidated budget of the RFS, Fire and Rescue NSW, and State Emergency Service through the Emergency Service Levy. RFS contributions are formulated by a combination of the RFS district budget and state budget.

Councils often experience problems with the RFS funding arrangements with councils and the community finding the process complex and confusing. Essentially, the process is not well understood. Issues include: the process of determining the RFS budget allocations; timing of advice for actual contributions; circular funding arrangements; inadequate advice; and accounting errors.

#### *Issues:*

- ***Process of determining the RFS budget allocations*** – *The process of determining the RFS contributions is split into stages and between district and state budget requirements. Firstly, the council provides the RFS (in conjunction with District RFS) with a ‘bid’ for activities and equipment in their area (district budget). Secondly the RFS provides the council an estimate of probable expenditure for the RFS annual contribution (consisting of estimated district budget and estimated state budget). The RFS then advises council of the actual contribution which is invoiced by the Ministry for Policy and Emergency Services as part of the ESL. Reimbursements for maintenance, some state and volunteers services/program , and others are included in the final actual contribution.*
- ***Timing of advice for actual contributions*** – *Councils finalise their budgets in March/April for the following financial year. Included in councils’ budgets is an estimate of the contributions to the RFS (provided by the RFS in around February). However, councils are not advised of their actual contribution until midway through the next financial year (often in around December). In previous years, actual contribution increased significantly and unexpectedly from estimated contribution causing budgetary problems for councils and, in some areas, forced a reduction of other community services to cover the increase in RFS contributions (the problem of the timing of actual contribution advice is caused by the timing of the State budget which is outside of the RFS’s control).*
- ***Circular funding arrangements*** – *Often the assistance provided by councils to the RFS is reimbursed (e.g. maintenance, building fire control centres, etc). However, as councils then pay 11.7% of the reimbursement in the following year into the RFS District budget, the funding for an item can take a circular flow between council and the RFS accounts over a number of years. Additionally, councils are required to carry the debt on behalf of the RFS while waiting for reimbursements. In some cases councils needed to obtain loans and had to pay interest charges without reimbursement from the RFS. These arrangements are cumbersome and cause considerable confusion.*
- ***Inadequate advice*** – *Councils often express frustration with the lack of advice from the RFS regarding funding and expenditure allocations (e.g. new equipment not included in the original probable estimate).*
- ***Accounting errors*** – *In previous years, the final actual contribution advice from the RFS to councils was fraught with accounting errors (either with state-wide accounting errors and/or district accounting errors).*

This discussion paper has not extensively detailed the range of issues associated with the Emergency Service Levy which includes the contributions to the RFS. The Associations have a discussion paper that addresses the funding model of the RFS and a standing policy on a better funding model for the Emergency Services as outlined in the purpose section of this document.

Changes to Local Government operational engagement with the RFS would not in itself alter the ESL system. It may just mean that the relationship is placed on a similar footing to that between councils and the Fire and Rescue NSW.

### **Grants**

Councils are able to apply for a range of funding grants from the RFS, including for fire trails, hazard reduction activities, bush fire risk studies, and roadside vegetation grants.

It should be noted that often the RFS provides assistance to councils for hazard reduction activities, with the costs covered by RFS grants. Any proposed changes to the current arrangements will need to take into consideration how they would affect future assistance and grants from the RFS.

***Issue: Councils are required to be the sponsor for RFS grants provided to private properties and, as such, are delegated the liability.***

### **Planning controls and development applications in bushfire prone areas**

Councils maintain the mapping of bushfire prone areas within their Local Government area. These maps identify the areas where there is a bushfire risk to development.

Development applications (DAs) lodged within a bushfire prone area are assessed using the guidelines entitled 'Planning for Bush Fire Protection' (Blue Book) and building requirements complying to AS3959 *Construction of buildings in bushfire-prone areas, 2009*.

The level of bushfire risk for a site is further categorised in 6 levels of Bushfire Attack Levels (BAL): BAL Low, BAL 12.5, BAL 19, BAL 29, BAL 40, and Flame Zone.

DAs that are located in areas classified as BAL40 and Flame Zone are referred to the RFS for further assessment. Additionally, any DA in a bushfire risk area defined as 'Special Fire Protection Purpose Developments' (SEPPs), e.g. schools, hospitals, retirement villages, are under more rigorous requirements that are applied by the RFS.

Following the enactment of section 79BA of the *Environmental Planning and Assessment Act (NSW) 1979* and later amendments to the *State Environmental Planning Policy (Exempt and Complying Development Codes) 2009* known as the Codes SEPP, councils and private certifiers have been given a more extensive role (previously undertaken by the RFS) to assess DAs and complying development applications in bushfire prone areas identified at BAL 29 or lower.

***Issues: The Associations have raised concerns with the RFS and the Department of Planning and Infrastructure about the above changes as the new practice could undermine best practice where councils and private certifiers lack the required expertise in assessing applications in bushfire prone areas. In response, the RFS has committed to providing further training to councils and develop an assessment tool.***

***Councils have advised of the need to update/amend the 'Planning for Bush Fire Protection' (Blue Book).***

***Part of the requirements for development in bushfire prone areas is the establishment of an Asset Protection Zone (APZ). While it is the responsibility of the property owner to maintain the APZ, compliance and who is responsible for compliance activity remains an issue.***

### **Rural fire district service level agreements**

Rural fire district service agreements outline the legislative requirements and other arrangements between councils and the RFS, e.g. facilities, services by the RFS, and services by the council outside of the Rural Fire Fighting Fund.

Included in most agreements is a requirement for the RFS to provide council with a 4 year budget forecast of the district capital expenditure and a 10 year capital works program.

As part of the agreement, most councils would have agreed to provide administrative accounting and maintenance services to the RFS and pay for all rates, taxes, and utility costs associated with council owned facilities which the RFS occupy.

The consultation process between councils and RFS for the probable expenditure of the RFS district is prescribed within the agreement.

### **Local Liaison Committee**

In most rural fire district service agreements, the structure and purpose of Local Liaison Committees is prescribed. The committee generally consists of two councillors, council's general manager (or delegate), two RFS Association members one RFS staff member and the RFS district manager.

The Local Liaison Committee will monitor and review the rural fire district service agreement, review the annual budget and business plans, review quarterly financial and performance reports, and address any local matters which may arise.

*Issues: Concerns have been raised regarding the representation, communication and purpose of the Local Liaison Committees for councils and volunteers. It has been reported that the RFS often dominate these meetings with excessive focus dedicated to RFS plans and actions which is external to council and volunteer involvement and dilutes the purpose for local representation, coordination and consultation.*

### **Council bushfire responsibilities as land managers**

The *Rural Fires Act (NSW) 1997* prescribes Local Government's role and responsibilities for bush fire hazard reduction on council owned and managed land. Councils are required to report all their hazard reduction activities (including mechanical clearing/slashing) to the RFS, either by entering data directly into the RFS system BRIMS or reporting to their regional RFS office.

Any proposed amendments to council's engagement with the RFS would most likely not absolve council's hazard reduction responsibilities as land managers.

*Issues: Councils have conveyed concerns regarding the provision of training to use the RFS BRIMS system, the useability of the BRIMS program, and the level of administration required to enter data into BRIMS.*

### **Voluntary Support**

Many councils provide additional voluntary support contributions to their local RFS unit, either through additional funding, services, in-kind assistance, equipment or supplies.

## **STATE WIDE ENGAGEMENT**

### **Committees**

Local Government is represented on the following RFS state committees:

#### **Rural Fire Service Advisory Council**

The Advisory Council has the following functions:

- to advise and report to the Minister for Emergency Services and the RFS Commissioner on any matter relating to the administration of rural fire services under the Act;
- to advise the RFS Commissioner on public education programs relating to rural fire matters and on training of rural fire fighters;
- to advise the RFS Commissioner on the issue of service standards; and
- any other function as may be conferred or imposed on it by or under this or any other Act.

#### **Bush Fire Coordinating Committee**

The Bushfire Coordinating Committee has the following functions:

- responsibility for planning in relation to bushfire prevention and coordinated bushfire fighting; and

- responsibility for advising the RFS Commissioner on bushfire prevention, mitigation and co-ordinated bushfire suppression.

### **Local Government and RFS Liaison Committee**

The principal purposes of Local Government and Rural Fire Service Liaison Committee are to:

- discuss and resolve significant issues of a strategic nature that have mutual interest to Local Government and the RFS and provide advice to the RFS Commissioner; and
- discuss, resolve and report upon issues referred to the Liaison Committee by the Minister for Emergency Services.

## **Comparison to arrangements with Fire and Rescue NSW**

Since 1956, Local Government has no operational involvement in Fire & Rescue NSW operations and simply provides funding of 11.7% of the estimated expenditure through the Emergency Service Levy.

## **Comparison with bush fire services in other states**

### **Victoria**

In Victoria, the agency responsible for bushfire management services is the Country Fire Authority (CFA); a statutory authority since 1945.

The CFA is funded by contributions from the Victorian Government and the insurance industry. Local Government only provides voluntary donations to the CFA for their local CFA units.

The CFA's facilities, equipment, training, etc are provided by the Victorian Government; Local Government is not required to provide any resources or assistance to the CFA. However, many council provide voluntary support to their local CFA units.

Councils are required under the *Country Fire Authority Act (Vic) 1958* to employ a Municipal Fire Prevention Officer, conduct fire hazard inspections, issue hazard reduction orders, maintain and conduct hazard reduction activities for council owned land, and have a fire prevention plan for their Local Government area. Currently in development is an integrated planning process for bushfire prevention planning. The plan is to be consultative with other stakeholders, holistic, and fit within a state framework).

A review of the funding arrangements for the fire services is currently being conducted in Victoria.

### **Queensland**

Queensland Fire and Rescue receive the bulk of their funding from the Queensland Government via a broad based property levy.

Local Government is required to establish and maintain disaster management capability within their area for the Queensland Fire and Rescue Authority and State Emergency Service (e.g. funding, facilities, equipment). However, there are no formal structures for the level and range of assistance provided by councils and it is at the discretion of councils to determine the level of what is provided.

During bushfire fighting activities, councils provide assistance similar to NSW (plant, equipment, staff, etc). However, Queensland councils do not receive any reimbursement for the cost of providing assistance.

## **Options for Future Local Government Engagement with the RFS**

It should be first noted that opting to retract Local Government's operational involvement with the RFS would not relieve councils of the obligation to fund the RFS through the ESL. As mentioned at the beginning of this discussion paper, the Associations already are advocating the replacement of the ESL with a Broad Based Property Levy.

It is important to recognise that, even with Local Government retracting its involvement with the RFS agency, councils will continue to support and encourage their local RFS volunteers. It is essential that volunteers are not negatively affected by any proposed changes. However, it appears that volunteers and communities would benefit from a centralised state agency managing and consistently delivering the full range of RFS activities, rather than from the current disjointed roles and responsibilities for each organisation and area. However, there is considerable debate around this topic.

The crux of this discussion paper is to look at the range of engagements with the RFS; what works, what does not work, what should be retained and what should be passed to the RFS. Under Option 1, Local Government will need to identify what areas of engagement with the RFS to retract from and what areas to retain (whether for legislative or continuity reasons).

As the RFS evolves there appears to be an increase in the demands on councils' resources with greater complexity to the arrangements. It is envisaged that in future years the state/RFS imposed requirements will become increasingly burdensome.

## **Option 1 – Retract Local Governments operational involvement with the RFS**

Under option 1, the RFS would centrally take over all budget, administration, assets and project management of the RFS units, rather than having councils partly providing these functions on behalf of the RFS. Additionally, this would remove the hidden costs and burdens outside of the ESL imposed onto councils with these functions. It is often viewed that the NSW Government should restructure the RFS to be a state-wide fully managed agency similar to other state government departments.

The ownership of council owned RFS assets and infrastructure could be transferred to the RFS. This may involve the NSW Government paying a one up payment to councils or councils donating the facilities and assets to the RFS with the proviso that the land is not to be sold by the NSW Government but reverted back to council if the land is no longer used for bushfire services.

The NSW Government already owns land, facilities and equipment across NSW through other agencies and has established systems for financial and administrative management. Expanding this model to the RFS will remove duplication and complications between the NSW Government and Local Government.

Under option 1, councils would still be able to provide supplementary voluntary support (e.g. funding, equipment, services) to their local RFS units without the current pressure and heavy-handed requirements of the NSW Government and RFS head office.

Within the public perception of bushfire operations, there is currently confusion about who is responsible for what areas of bushfire management. Having the RFS centralise and standardise the delivery of bushfire services and management of RFS units would reinforce what is already commonly perceived to be the arrangement by much of the general public.

Removing the requirements imposed by the RFS on councils to deliver services on their behalf would allow councils to focus on the delivery of core functions.

However, as part of removing councils' involvement in the RFS the following could occur:

- Councils may lose their input into the development of the local RFS budgets and the levels of services provided in their communities.
- If equipment and facilities were transferred to the RFS and the NSW Government did not reimburse councils for their proportions of the ownership of the asset or the value of land, councils would experience financial loss. However, the financial burden to maintain and replace equipment and facilities would be removed in the future.
- There is concern that volunteerism could be affected by removing the partly localised management of the RFS units and centralising the service with the NSW Government. Historically, volunteers enjoyed the community aspect of RFS and increasingly the RFS volunteer associations are voicing frustration with

the increasing role of the RFS head office (please see the Rural Fire Service Association and the Volunteer Fire Fighters Association websites).

- A comprehensive change management program would be needed to assist councils, RFS, volunteers and the community with the new arrangements.

### **Option 1A – Merging the two fire services**

The question of whether the two fire services (RFS and Fire and Rescue NSW) should be merged is frequently raised. It is argued that a merger could provide economies of scale, operational and administrative efficiencies and better coordination of resources. There is a sound basis for these arguments.

Under this scenario, it is likely that council engagement with the enlarged fire service would be limited to that currently experienced with Fire and Rescue NSW.

However, in funding terms the merging of the two fire services is largely irrelevant to councils. Potential cost savings may be reflected in reductions in the ESL, but this is not guaranteed. Also, it would not resolve the funding issues. It also raises questions of how Local Government would be involved in bushfire management.

### **Option 2 – Retaining current arrangements with process improvements**

Option 2 aims to enhance the status quo of the current arrangements with the RFS. Part of option 2 is the need to develop clear targets for improvement in the current arrangements that are causing concerns for councils.

Councils often remark that the current relationship between the RFS and councils is reminiscent of a ‘master and servant’ relationship with the RFS dictating to councils. Through option 2 a ‘Partnership’ culture would need to be developed between the RFS and Local Government in order to enhance interaction, understanding, communication, consultation, and process improvements benefiting both organisations, volunteers, and the community.

A part of the process for improvements in the current arrangements could be the development of a Memorandum of Understanding between Local Government and the RFS or, potentially as part of a new Intergovernmental Agreement between the NSW Government and Local Government, the requirement for adequate consultation on all RFS matters and amendments that impact on the other sphere of government.

Under option 2, councils would retain input into the local budget development and have a say in the levels of bushfire services in their area. However, requirements for councils to provide additional services to the RFS may continue to be obligatory.

While there is great opportunity for improvements of the current arrangements, any amendments will need to be managed. Conflicting views between the RFS and Local Government may mean some improvements to the current arrangements may be difficult to achieve.

### **Option 3 – Local Government recovering bushfire responsibilities**

Historically, councils had a large involvement in the delivery of bushfire services in NSW. The NSW Government has progressively transferred the delivery of many of these services to the expanding RFS which has created a ‘half pregnant’ approach to roles and responsibilities for bushfire management in NSW.

If councils recovered the range of bushfire responsibilities from the RFS, councils would have a greater control of the local expenditure and level of services delivered within their areas.

As part of recovering bushfire responsibilities the following impacts for councils, volunteers, and community would need consideration:

- Council would have greater liability for bushfire mitigation and response activities.

- The loss of cost benefits from state wide purchasing power.
- Councils would need to increase their resources, capacity, and the expertise of council staff.
- Risks to the consistency of RFS volunteer training across NSW.
- Maintaining standardised bushfire fighting equipment and systems across RFS.
- The coordination resources in large scale or inter-state emergencies.
- The development of a change management program to assist in the adjustment for councils, RFS, volunteers, and the communities.

## **Option 4 – Maintain status quo**

Option 4 would retain the current arrangements with the RFS and the Associations would not advocate amendments to the current arrangements.

The benefits of maintaining the status quo is that there would be no need to develop a change management program for councils, RFS, volunteers, and community to assist in the adjustment to any amendments.

However, there is concern that if nothing is changed, the current issues and frustrations will escalate and will become harder to fix once the arrangements with the RFS are entirely broken. Costs may increase and services to the community may decline as a result.

Additionally, without a central managing agency for the delivery of bushfire services, a widening disproportion of support maybe created across NSW.

## **Conclusion**

This discussion paper's aim is to outline the past and present engagements with the RFS and propose future potential arrangements to assist in the development of a NSW Local Government policy position for effective future advocacy. It should be noted that this discussion paper is not a matter of a 'turf war'. The primary objective is to ensure bushfire protection of the community is continued by improving associated arrangements.

NSW councils are encouraged to holistically review the current arrangements with the RFS, the issues that commonly arise, and how Local Government should be involved in the RFS in the future.

Feedback on the discussion paper will be collated and assessed to form a policy position on the future engagement of Local Government with the RFS. The newly formed policy will be presented at the annual conferences of the Local Government Association of NSW and the Shires Association of NSW for discussion and adoption.

## **Feedback**

Please provide feedback to the address below by Wednesday 18 April 2012.

### **RFS Feedback**

**Local Government & Shires Associations of NSW**

**GPO Box 7003**

**SYDNEY NSW 2001**

Or email [lgsa@lgsa.org.au](mailto:lgsa@lgsa.org.au) with 'RFS Feedback' in the subject line.