



CENTRAL DARLING SHIRE COUNCIL

24 July 2024

Council continues discussions about RFS agreement amid increasing costs

A report to the July Council meeting highlighted the need for the current Service Level Agreement between Central Darling Shire and the NSW RFS to be renegotiated. This is because costs have increased since the agreement was made 10 years ago.

The General Manager will continue discussions with the NSW RFS for a review of the current agreement to try and reduce the financial and resource burden to Council which is being experienced under the current arrangements.

Under the agreement covering all RFS brigades in the shire area, Council has traditionally been responsible for delivering services including purchasing, accounts receivable, fleet management, maintenance on plant and equipment, maintenance on fixed assets, access to Council data, environmental services and administration Services. Although over the years some of these tasks have fallen back to the RFS to deliver.

Council is reimbursed for outplayed costs and paid an annual fee of \$1 for providing the service. However, since the agreement was signed in 2014 the Council's oncosts have increased considerably in providing services and delivering works, either private or Council works. Council carries the financial liability of providing the service to the RFS for many months, until the funds have been reimbursed, through the budget process, under the agreement. Any financial liability or outstanding debtor affects the Council's ability to maintain a reasonable cash flow to pay Council creditors and wages. Furthermore, providing this service is a burden to Council resources in undertaking administration duties.

In September 2023 and again in March 2024 the General Manager raised the issue with the RFS Regional Commander and District Manager about Council's intention to initiate the termination clause of the agreement and renegotiate a new agreement. Recently the General Manager has been in discussions with the Chief Superintendent Area Commander for the Western Area. Council has been advised the current arrangements will need to remain as they are until such time, as these may be addressed through potential legislative changes. This limits the scope of the discussion around aspects of the agreement.

The financial and governance relationship between Local Government and the RFS is currently subject to examination by the NSW Public Accounts Committee Inquiry, (and a Private Members Bill) which may or may not recommend changes to the relevant sections of the *Rural Fires Act 1997* which apply to these arrangements.

Central Darling Shire Council acknowledges the important and necessary work being done by the RFS. Council will continue to support local brigades within the Council's financial and resources limits. Ends

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