

## Draft Terms of Reference – Review of Fire and Rescue NSW's fees and charges

I, Victor Dominello, Minister for Customer Service, under section 12A of the *Independent Pricing and Regulatory Tribunal Act 1992* (IPART Act), request the Independent Pricing and Regulatory Tribunal (IPART) to investigate and report on fees and charges levied by Fire and Rescue NSW (FRNSW).

### Background

FRNSW is the State Government agency responsible for the provision of fire, rescue and hazmat services in cities and towns across New South Wales in accordance with the Fire and Rescue NSW Act 1989, the State Emergency and Rescue Management Act 1989 and other related legislation.

FRNSW's activities are predominantly funded by the Fire Services Levy paid by insurance companies and local councils, as well as NSW Budget funding. FRNSW does not charge for attending fires, or attending hazardous materials emergencies for less than one hour, or for rescue operations.

However, FRNSW may charge for some of its activities as prescribed by the Fire Brigades Regulation 2014 (FB Regulation) and Environmental Planning and Assessment Act and Regulation.

Fees and charges as prescribed within the FB Regulation have not been reviewed for several years. With the pending repeal of the FB Regulation, there is an opportunity to review current charges in line with modern practices and determine the most appropriate pricing model.

### Reference to the Tribunal

The Minister requests IPART to review FRNSW's current charging model, and make recommendations on:

- ▼ Which FRNSW services should be subject to user-pays charges
- ▼ A pricing framework to recover the efficient costs of those services, including:
  - A methodology or level for prices from 1 September 2022
  - A methodology for reviewing and adjusting prices in future
  - A regulatory framework for applying those prices.

### Matters for consideration

- ▼ The efficient cost of delivering the services in question
- ▼ Appropriate incentives for service users to avoid incidents and events that require FRNSW attendance (eg, fire alarm maintenance to prevent false alarms, safe handling of hazardous materials etc)
- ▼ Any public benefit of the FRNSW's activities which should not be charged to the service user.

## Consultation

IPART must undertake such consultation as is required under the IPART Act and may undertake such further consultation as it considers appropriate, including with key stakeholders such as:

- ▼ Principal Certifying Authorities
- ▼ Planning authorities
- ▼ Consent authorities
- ▼ Local Councils
- ▼ Developers
- ▼ Hydraulic / Fire Engineers
- ▼ Building Owners
- ▼ Other (Federal and State) Government agencies.

## Reporting

IPART will consult stakeholders on the draft terms of reference and recommend final terms of reference to the Minister for Customer Service within 6 weeks of receipt of this draft.

IPART should publicly release a draft report for comment, and submit a final report to the Minister for Emergency Services by 8 months after the settlement of the final terms of reference.



**Victor Dominello MP**  
Minister for Digital  
Minister for Customer Service

Date: 20-5-21