



RFS



IPART Commissioner
PO Box K35
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R18/2730
24 December 2024

Dear Sir/Madam

Submission to the Issues Paper for the Review of Rental Arrangements for Communication Tower Sites Located on Crown land.

Please find the Rural Fire Service (RFS) submission to the Final Report for the Review of Rental Arrangements for Communication Tower Sites located on Crown land for your consideration.

Background

The RFS and other emergency service organisation are required to build and operate communications towers and facilities throughout the state to facilitate the provision of services specifically for the protection of the community. Many areas throughout the state are not commercially viable for a commercial infrastructure/tower owners to implement or operate infrastructure, due to the low population in the coverage area of the tower and limited potential for a return on investment from co-users from carrier operators. As such, most of the sites owned or managed by the RFS are in the Medium and Low category.

The RFS wishes to raise the following comments to the recommendations in the Final 2024 Report:

1. *That we continue to use the approach of benchmarking against the private market for our recommended fee schedule*

The average rents of RFS sites where we are the Primary User (ie we own the infrastructure) to private the landowner's range between \$500 to \$3000 per year, which is substantially less than the proposed rents for Crown Lands.

2. *The existing density classifications continue to be used to minimise the costs of implementing the updated fee schedule.*

The RFS would recommend that two extra classifications be added as per the 2019 Final Report with "Remote" and "Very Remote". As the utilisation of the "Low" location category in these remote areas unduly places a financial onus on non-commercial operators, especially in the areas where construction of structures by carriers or other commercial operators to was not viable.

The shift in classification of Land Categories to utilising the ABS' Australian Statistical Geography Standard in the 2019 Final Report was supported by the RFS as a fairer system. Some areas classed as 'Low' in the Far West (or Western Division) of the State, where most of the land is under the Western Division and managed by the *Department of Planning, Housing and Infrastructure - Crown Lands and Public Spaces*, must be evaluated differently as the rental proposal far exceeded the value of the land occupied. The ABS' Australian Statistical Geography Standard for Remote and Very Remote would go a long way in resolving this inequity.

The current proposed fee structure favours the reduction in costs to commercial carriers which are looking at high population areas.

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3. *The category uplift to the standard rental schedule would apply to sites in national parks.*

RFS supports that the NSW National Parks and Wildlife Service (NPWS) maintain the status quo and continue to set the rent for sites in national parks one location category higher than the site's actual category

4. *The NPWS rental fee approach not be adopted by the other land management agencies.*

Agreed

5. *Co-users are no longer to pay a co-user fee where the land they licence is located wholly within the primary user's compound.*

Agreed

6. *Co-users are to pay a co-user fee that is set at 50% of the primary user's rental fee where they licence additional land outside of the primary user's compound.*

Should be a percentage of the additional land required, relevant to the existing compound m2. Eg. If the area of the existing site is 100m2 and an additional 10m2 is required, the fee should be 10% of the primary user's rental fee.

This area should also exclude any bushfire Asset Protection Zone (APZ) or service delivery, eg electricity.

7. *The co-user discount rate be considered as part of the next rental review.*

Agreed

8. *Primary users deploying small cell and other similar technology on existing, non-communication infrastructure are to pay rent of \$2,000 per annum where:*

- a. *the infrastructure is owned by the land management agencies; or*

No Comment

- b. *the small cell is deployed on another entity's infrastructure, but a small amount of additional land (not more than 7.5 square meters) is required.*

No Comment

9. *Communication sites located on a rooftop are to pay:*

- a. *the relevant density category rental fee*

Communication sites operated by the building owner or occupier, who already has a licence for the land, and used as part of the intrinsic function of the building should not be classified as communication sites for purposes of rent payments under IPART rental agreement, as rent is already being paid for the land. Examples of these would be antenna structures or supports to allow for the use of in-building radios or Communication systems (including Towers), eg Fire Stations and Fire Control Centres.

- b. *plus an additional charge of \$3,380 per annum if they are in the Sydney density category.*

No Comment

10. *The following primary user fees per annum be adopted for communication sites in each density classification: Sydney \$36,915 High \$31,012 Medium \$17,251 Low \$8,793*

Reinstate the additional location categories as indicated in the 2019 review of "Remote" and "Very Remote". As the utilisation of the "Low" location category in these areas unduly places a financial onus on non-commercial operators, especially in the areas where construction of structures by carriers or other commercial operators to was not viable. The rent burden in the Remote and Very remote areas, which are typically more heavily utilised by public safety and other community organisations for community protection and utilisation.

11. *The published fee schedule is to be independently reviewed every 5 years to ensure it continues to reflect market conditions.*

Agreed

12. *If IPART is to be provided a future referral to recommend rents for communication towers on crown land the referral should:*

a. *Explicitly state the reason for referring the review to IPART.*

Agreed

b. *Be under section 12A of the IPART Act so that our information gathering powers are available*

Agreed

c. *Broaden the scope to include investigating the range of fees and charges imposed by the land management agencies*

Agreed

d. *That the 3 land management agencies improve their records, so they have information on whether co-users rent additional land and the additional costs associated with telecommunications towers in national parks.*

Agreed

13. *The rental fees set out in recommendation 10 are to be escalated by 3% per year in line with current private market practice. Existing licences are to adopt the escalator as they are renegotiated.*

Agreed

14. *The rental escalator is to be reviewed as part of the next rental review*

Agreed

Yours Faithfully

