



Review of Fire and Rescue NSW's fees  
and charges

## Public Hearing Transcript

Monday, 31 January 2022

---

## **Tribunal Members**

The Tribunal members for this review are:

Carmel Donnelly, Chair  
Deborah Cope  
Sandra Gamble

Members of the Secretariat for this review are:

Jennifer Vincent, Jenny Suh, Julia Williams, Nadja Daellenbach, Mariki Prozesky and Samantha Zhong.

Enquiries regarding this document should be directed to a staff member:

Jennifer Vincent (02) 9290 8418

Jenny Suh (02) 9113 7775

## **The Independent Pricing and Regulatory Tribunal (IPART)**

Further information on IPART can be obtained from [IPART's website](#).

## **Acknowledgment of Country**

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders, past, present and emerging.

We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

---

# Contents

<b>1</b>	<b>Review of Fire and Rescue NSW's fees and charges</b>	<b>1</b>
1.1	Housekeeping and agenda	1
1.2	Welcome and Acknowledgement of Country	2
1.3	Overview of approach and attendance at hazmat incidents	3
1.4	Fire safety services	10
1.5	False alarm charges	12
1.6	Automatic fire alarm management services	19
1.7	Fire and Rescue NSW's other services	21
1.8	Closing remarks	23

# Review of Fire and Rescue NSW's fees and charges

## Housekeeping and agenda

**Ms Livingstone:** Well good afternoon everyone again and let's make a start. I think we've got most people who've told us they're going to join us today online. Welcome to today's public hearing my name is Liz Livingstone and I'm the CEO of the Independent Pricing and Regulatory Tribunal.

I'll be managing the public hearing today, so I'll start with a few housekeeping notes. Please keep your microphone muted if possible, when you're not speaking, to help avoid feedback and background noise. If you can, we'd love it if you could keep your camera on because it helps us to connect a bit better, if your connection's not up to it, that's okay but especially if you're talking it'd be lovely to see your face. It'll also be helpful if your name and if relevant the organisation that you're here representing is showing in your Zoom name. There's some instructions about how to do that if you're not sure in the chat, but that helps us all know who's here and who's speaking.

To ensure we have an accurate record of the discussion today this hearing is being recorded to YouTube. It's not being made publicly available as we speak, but it will be after the event. Today's hearing will also be transcribed, and we'll place a copy of the transcript, as well as a link to the YouTube recording on our website in a few days' time. Given this is a public hearing, the media and anybody present today are free to publish and refer to what is said during the event. Having said that we'd love to have a good robust discussion and encourage everybody to share their views with each other.

Now I'm just going to provide a very brief overview of today's agenda and then in a moment IPART's Chair Carmel Donnelly will commence with a welcome and update on where our review is up to.

The hearing today is divided into 6 sessions. In the first session we'll give a short presentation of our overall approach for the review, we'll then give a short presentation of our draft findings and recommendations on each of the 5 broad categories of Fire and Rescue Services. Following the presentations in each session we'll invite Fire and Rescue NSW to provide comment on our draft findings and recommendations, and then we'll have time for questions and answers, to give everyone the opportunity to make a comment or ask questions that they might have on the topic for that session.

As I said before, we encourage everybody to share their views and ask their questions and make the most of this time that we've got together. We'll use the chat box in Zoom today, so if you do want to speak or have a question, just let us know via the chat box and I'll come to you in turn. Alternatively, you could raise your hand in Zoom, and I'll keep an eye on that as well and come to you in turn. I'm now going to hand over to IPART's Chair Carmel, thanks Carmel.

## Welcome and Acknowledgement of Country

**Ms Donnelly:** Thank you Liz and good afternoon everybody thanks for joining us at this public hearing into, as you know, Fire and Rescue NSW's fees and charges. I'll introduce myself, I'm Carmel Donnelly. I'm the Chair of IPART and I'm joined by fellow Tribunal Members today Deborah Cope and Sandra Gamble. And we're also joined by some members of the IPART Secretariat, you've already met Liz Livingstone our CEO, the other team members you may have met through the course of this review already Fiona Towers, Jennifer Vincent, Julia Williams, Nadja Daellenbach, Mariki Prozesky and Samantha Zhong.

Now let me begin by acknowledging the traditional custodians of the land wherever we're working and we pay our respects to Elders, past, present and emerging and I'd like to extend our respect to all aboriginal colleagues, stakeholders, customers especially those joining us today and welcome to everyone and thank you very much for making the time to participate today. It's very valuable for us, we particularly welcome and value feedback through this review and I'm very much looking forward to a constructive hearing and I know that all of the other IPART people are as well.

I'd like to just make a few opening remarks about the review. It's a review that was requested by NSW Government, we've been provided with terms of reference and we are undertaking a review of Fire and Rescue NSW's fees and charges. It does not cover the funding of core responsibilities of response to fire and rescue incidents. Those calls are funded by the Emergency Services Levy known as the ESL, and we're certainly not reviewing the ESL as part of the terms of reference that we've been given.

What we are focusing on is the additional services where Fire and Rescue NSW can or could charge and that's equivalent to about 7% of their annual revenue. In the review so far, we've consulted on those terms of reference, we have undertaken research, we have engaged some independent experts to contribute to the review, the Centre for International Economics, the CIE for short, and we've published their work. We've met with stakeholders, we've published and consulted on an Issues Paper, and most recently on the 21st of December we published a Draft Report and 5 Information Papers, and we are now in the middle of consulting further on those. We've called for submissions and I'll just remind you that we'd like to have those by the 8th of February and as part of that consultation, this very important public hearing.

So, the purpose of today's public hearing is very much for you to provide feedback, for you to ask questions and for a good constructive robust discussion. We will be very much listening as Tribunal Members and Secretariat, making sure that we understand the issues and your feedback. We may also ask questions of you as well in order to further our understanding. And again, will be taking into account everything that's said but also very much inviting you to put submissions in writing as well by the 8th of February.

I might just remind you of a couple of things before I hand back to Liz. In the public hearing today, if you have comments or questions that come to you as presenters are speaking, please do put them in the chat box as Liz has suggested and let us know your name and organisation.

And I do want to just make sure that you're aware that as this is a public hearing everybody including the media are free to report what's said here today. That said we are indeed very keen to hear your views and so to get on with the public hearing and do that I will hand back to Liz so thank you.

## Overview of approach and attendance at hazmat incidents

### IPART presentation

**Ms Livingstone:** Thank you very much Carmel and we will get started with our first presentation. I'm going to ask Jennifer Vincent from the IPART secretariat to give us a short overview of the approach that we've taken for this review. Thanks Jennifer.

**Ms Vincent:** Thanks a lot Liz. I will just start with a very quick overview of the approach we took to the review and this slide sets out the principles we considered when developing proposed charges for Fire and Rescue services.

So those principles are that charges should be cost reflective, that is that they should reflect the efficient cost of providing the service, that they should create positive incentives and in this case that is largely incentives to mitigate risk, that charges should be equitable and affordable, that they should be simple in that they should be straightforward, practical, easy to understand and easy to collect, that charges should be transparent, such that information is readily available including the basis for a particular charge, that they should be flexible, that is that they should be easily applicable to any new activities, that Fire and Rescue undertakes in future, and that they should be consistent between similar activities conducted by Fire and Rescue NSW and consistent with charges for any similar activities conducted by other NSW agencies where relevant.

And I would just say that the balance of those principles does differ between the categories of service, so for example, when we were looking at where to set false alarm charges we prioritised the incentive effect of those false alarm charges, and the equitable impact on the people likely to be paying the charges, whereas for the other charges we generally prioritised cost reflectivity on a per service basis.

Then to go into a bit more detail about how we considered costs, these are the costs that we considered should be reflected in charges and again that the mix of these costs did differ depending on which service we were looking at.

So, the first category is operating costs, so that's labour, vehicle and other variable costs. The second category is maintenance and depreciation costs. The third category is standby costs, so this is essentially the cost of having Fire and Rescue standing by ready to respond to an incident. And generally speaking, we consider that these costs are funded by the emergency services levy and shouldn't be included in the costs that should be covered by charges for the services that this review is considering. But in the case of false alarm charges we did include a portion of standby costs in the estimated costs on the basis that more false alarms lead to a greater standby requirement. The fourth category is that we included an allowance a 10% margin for capital costs.

We then engaged the CIE to work with Fire and Rescue to estimate the efficient level of the cost described above for performing the services that is the subject of this review, and we have some representatives from the CIE with us today to answer any questions you might have that go into detail on some of those costs, and how those estimates were reached. But we'll now turn to how we applied this approach to each of the categories of service that we considered.

And first up we've got attendance at hazardous material incidents. We looked at Fire and Rescue's current charging practice, and we found that the charges for hazmat incidents are variable charges depending on the equipment used and that the same charges apply to wires down incidents which is a category of hazmat incident and to other hazmat incidents. And we also found that Fire and Rescue doesn't charge for most of the hazmat incidents it attends, because it doesn't charge for wires down incidents that last less than 2 hours, for other hazmat incidents that last less than one hour or for domestic hazmat incidents or an incident that arises from orphan waste.

While we found that the current level of charges is probably not too far off cost recovery on a per incident basis, Fire and Rescue is currently recovering only a relatively small proportion of its total hazmat response costs because of its policies around non-chargeable incidents.

So, we're proposing a different structure for charging which is a call out fee plus hourly charges. Incidents of one hour or less in duration would incur a flat call out fee only, while incidents of more than one hour in duration would incur a call out fee plus variable charges depending on the equipment used. And we thought that because of the different cost structure for wires down and other hazmat incidents there should be a different call out fee. And we support Fire and Rescue continuing to not charge for domestic or orphan waste related incidents or for other incidents where there might be operational policy reasons for not charging.

So, this next slide shows our recommended draft charges for attending hazmat incidents and compares them to current charges. One thing to note is that as I mentioned on the previous slide the call out fee applicable to wires down we're recommending is \$335, while the call out fee applicable to other hazmat incidents is \$480, and the difference there is largely due to the lower admin costs for wires down billing, where the invoice party is already known to Fire and Rescue as a customer.

And then we've also simplified the charges for the types of vehicles and the crew that attend hazmat incidents. So, there're 3 different hourly rates depending on the type of vehicle that attends, and that's on a per vehicle basis.

We've also asked the CIE to look at the efficient costs of using the other types of equipment that might be used in a hazmat incident, and we've based our recommended charges on those assessed efficient costs, and you can see that in some cases the charges are very similar to the current charges, in others the recommended charges are quite a bit lower, and in the third category they're a little bit higher. So that varies across that gamut of equipment.

We looked at the potential revenue impact on Fire and Rescue NSW. We estimate that our draft recommended charges and recommended changed charging practices could increase Fire and Rescue's revenue from hazmat services by about \$6 million per annum. I would note though that this is likely to be an overestimate because the revenue calculation, using our recommended charges, assumes all incidents are charged, but we note that domestic and orphan waste incidents would not be, but we didn't have sufficient data available on the prevalence of those categories to exclude them from the calculation.

In terms of impact on customers, this slide gives some indication of customer impacts by comparing the estimated bills for some case study incidents under the current and recommended charges. So you can see with short incidents, whether it's wires down or other hazmat, obviously there's a change from the current non-charging policy to either the flat call out fee or an additional hourly fee, while for longer incidents the difference in recommended charge is not as great. So, for example that 3.5-hour wires down incident would currently be charged \$1,481 while our recommended charge is \$1,579. If that was an 'other hazmat' incident that would go up to \$1,722, so those are just some examples of bill impacts for customers.

**Ms Livingstone:** Thanks very much Jennifer for that presentation. We'll have a little bit of a rhythm through the sessions of having a short presentation on a specific set of charges, and then inviting Assistant Commissioner Trent Curtin who's with us today from Fire and Rescue to provide comments on our draft findings and recommendations. So, Trent if you would like to take yourself off mute now, we welcome your comments on the hazmat charging, thank you.

## Fire and Rescue NSW Comments

**Mr Curtin:** Yeah thanks. Liz appreciate that. If you don't mind, just first, I might just acknowledge the work that the team at IPART and CIE have done to get us to this point in the review, but also acknowledge and thank the teams across Fire and Rescue NSW for the huge amount of work that they've done in pulling together a lot of information, advice and data to support the review.

In terms of hazardous materials, we are responsible at Fire and Rescue NSW for responding to hazardous materials incidents across all of NSW, and so the Act provides the responsibility to protect life, property and the environment from hazardous material incidents, and then of course gives us the mechanism to recover charges for hazardous material incidents which are detailed in the schedule.

Our current principles are cost recovery to make sure that we've got a service to limit impact on the environment by cleaning up spills or other impacts. And generally, we won't levy a charge where the administrative cost is greater than the recovery that we expect to receive from collecting hazardous material charges. So, in many cases we don't currently charge for a range of our hazardous material responses. Those include the ones you detailed before where the hazmat incidents less than one hour or by arrangement with electricity companies, we don't charge where the wires down incident is less than two hours in length, and we prefer to continue the practice, as highlighted by IPART, that we think there would be some unintended consequences of charging domestic incidents on the basis that you know, we think people won't call the fire service if they think there's going to be a charge for that sort of incident, so we don't want that unintended consequence to occur.

Generally, in terms of feedback we've got some concerns about our ability to recover the costs for hazmat charging particularly those small events and those short one-hour events and we will be looking towards how it is that we can balance the administrative processes with those particular short incidents. We find generally it can be really difficult to trace where the charge billed party is for those sorts of incidents, so that is sort of a concern that carries through for us.



I've mentioned the domestic incidents and in terms of the wires down we currently have MOUs in place with electricity companies, so we'd have to work through a process of how to reshape those MOUs and the arrangements that were negotiated with those electricity companies, but in the whole we welcome recommendations by IPART for hazmat charging.

## Question and answer session

**Ms Livingstone:** Thanks very much, Trent. So now we'll have some time for anybody to ask questions or make comments on what they've heard so far or what they've read in our draft report. I haven't seen any questions come through in the chat but please also feel free to just raise your hand in Zoom or to take yourself off mute and ask a question or make a comment on the hazmat charging in the first instance. Okay, Robert Armstrong from Endeavour Energy, I might go to you first and then Carmel our Chair. Thanks Robert.

**Mr Armstrong:** Cool, thank you. A couple of quick ones, is there a further breakdown across presumably electricity distributors for wire down events, and where you think those charges land?

**Ms Livingstone:** I might invite someone from our Secretariat to comment on that.

**Ms Thompson:** Okay I can, so hi it's Bee Thompson from IPART. Yes, we do have detailed data on every single wires down for every single event for the distributors. So, we can provide you with sort of the impact on your specific distributor if you wanted it.

**Mr Armstrong:** Yeah it would be good to understand what you think the liability is per distributor and what that means for us, and how it comes about. One of the things to note in our emergency system as well is a lot of the events we are called to don't always end up being ours, and so I think the billing mechanism for how we're often called to a wires down event, but when we attend we find it's a telecommunications cable of another authority, and so the mechanism for Fire and Rescue to then identify that correct authority and send the bill to them, not to us.

**Ms Livingstone:** Thanks Robert, so it sounds like we're able to provide that data and Ausgrid similarly supports that request, they've made a comment in there.

**Ms Thompson:** Yeah, what would I say, we can provide the total amount that we can estimate, but I don't think we can provide, I mean we have to speak to Fire and Rescue about giving the detailed data, and identifying you know which are yours or which are not. So, I think we have to come back to you on the specifics of exactly what we can provide.

**Mr Armstrong:** Okay, then I think as a follow-up to that as well the billing mechanism and who you're intending to charge for vehicle impacts into poles and the wires down associated with them, noting that it's a result of a car impact and a vehicle accident. I'm assuming the billing that has made incident is back to the vehicle owner or the driver.

**Ms Thompson:** We have to speak to Fire and Rescue about that I'm afraid, this is beyond the detail that we looked at.

**Mr Armstrong:** Yeah, one of our concerns I suppose is to and was alluded to in the MOUs that this may set out the recommendation for the price of the service and what it is, but I think who pays for it becomes a critical decision point as well.

**Ms Cope:** What's the current practice Robert for those incidents that are charged for at the moment?

**Mr Armstrong:** They're probably coming to us, but there's very, very few incidents in total so there will be very few which are vehicle impact I imagine, noting the two-hour window. If it's a vehicle impact, by nature of how they happen, it's often a stand-alone sort of an incident, we've got plenty of resources to attend within the two-hour window and relieve Fire and Rescue from site. Most of the bills we get is where there's wind activity and storm activity across the network, we have a lot of incidents occurring at the same time, and stretched resources to be able to attend to them, so it hasn't been an issue for us to date, like anecdotally I can probably count about half a dozen invoices we've received for the last 6 month period, but if there's a call out fee for everything, if I look at the amount of emergency services on site calls coming through our switchboard, there's a massive increase for us in the volume of those that we're going to have to respond to and will receive an invoice for presumably.

**Ms Livingstone:** Thanks, Robert. That's helpful. Carmel would you like to make a comment or ask a question?

**Ms Donnelly:** Look I did have some questions, but I will just also make a comment on the points that Roberts raised and they're very helpful, so thank you very much for that, because I think we could work with Fire and Rescue to understand not just the impacts per distributor, but also perhaps some of those scenarios that you're talking about, and really just think through what we might be able to do in terms of reflecting those issues.

I did actually Liz just want to follow up from some things that Trent mentioned and before we got too far away from the issues that you raised Trent. If in looking at the administrative costs and some of the concerns that you have, if there's more information that you can share with us so that we've got more insight you know we'd be quite open to understanding that, and I'd also just be interested if there's some way that we can better estimate how many of the hazmat incidents are domestic or orphan hazardous materials, so that you know we're able to assess the overall impact as well as possible.

But I did have one question which was also it's particularly about hazmat, it may apply to some of the other categories of fees and services as well. For my information and maybe you can't answer right now, but you might be able to consider it in giving us your submission, whether or not we've adequately reflected appropriately the cost of training, knowing that it's not just a labour force that are turning up, but they have expertise and there's obviously investment in maintaining the currency of expertise.

And while you may well do that anyway because of your core responsibilities, there may be areas where that really should to some degree be reflected in the charges so that was a question I had more for Fire and Rescue, about if you were able to provide insight about that and particularly look at whether or not the skills that are needed and valued are well enough reflected in what we've looked at in terms of the costs. So, thank you Liz for that. I don't need an answer now. I just really am inviting input about all those matters.

**Ms Livingstone:** Thank you, Carmel. Mary-Clare Crowley from Essential Energy.

**Ms Crowley:** Thanks, Liz. I just wanted to I suppose maybe request, is there a definition that Fire and Rescue use for wires down, because there could be a bit of potential difference in interpretation, you know? Is it any incident that includes a network asset or is it actually just a wires down issue? So just clarifying that in terms of the data and the potential costs.

And I suppose the other side of it is when we're thinking about the costs, obviously the charges that we incur will just get added on to customers' bills, so just I suppose thinking about that, also making sure that it's ultimately efficient in the long run for NSW customers.

**Ms Livingstone:** Thanks, Mary-Clare, and I'm not sure if Fire and Rescue wanted to comment on that definition issue here, Trent would you like to comment on that?

**Mr Curtin:** Yeah Liz, the definition I've got in front of me is that we charge where we exceed two hours in duration where electrical cables have been damaged and require rendering safe by Fire and Rescue.

But underneath that the arrangements of the billing and the way we work together is bound by the MOUs, so I would probably just refer back to the MOUs formally if we wanted to get a proper definition of how that billing arrangement occurs. It's typically triggered when we have an appliance at an event and the request is for the energy authority to attend. It's at that point that the billing mechanism starts and then finishes when the appliance is released from that incident. And of course, as described before, typically that occurs where there's a longer duration due to capacity issues due to storms and other things like that. So that's typically how that arrangement comes about.

**Ms Livingstone:** Thanks, Trent. Sandra we'll go to you next.

**Ms Gamble:** Hi Trent, I just, sorry to sort of zigzag you a little bit here, just wanted to build on a couple of points that Carmel made earlier, and especially in relation to administrative costs and domestic situations.

So, in terms of administrative costs, we want to make sure that the charge that's made to either networks or other causes of hazmat incidents, those administrative costs of billing them are included in the charge that's made. So, it's not necessarily a cost that's put separate. It's so that the cost can be recovered by Fire and Rescue and doesn't need to be borne with them. So, they're not in a position necessarily where they have to make a judgment about whether it's worth billing. Having said that though, you know if it was 90% administrative costs and 10% of direct cost that would be a different matter. So, some more information about that would be useful especially the extent to which we might not have included all of the reasonable administrative costs.

Just to build on what Carmel was saying, it's not our intention that domestic situations or orphan waste to be billed, for precisely the reasons that you mentioned. So I can comfort you to some degree that we're not contravening those thoughts that you have about, especially the disincentive for members of the public in a domestic or other situation to contact Fire and Rescue if there's a hazardous material incident.

**Mr Curtin:** Sandra, if you'd like me to comment, just in relation to the administrative charges, I think we see it in the same way you do, understanding that it's been built in the process and very accurately captured in terms of the estimation of the amount of work required to do it.

I think our concern with hazmat is that it is a very challenging environment to identify the circumstances that occur at the incident and in the reporting function. But I think the fear is that a large proportion of the workload you know creates the administrative burden as you say, rather than the cost recovery for the incident itself and doesn't necessarily relate to a change in behaviour activity that changes the safety of the community in the long run. It's a cost recovery I guess for the additional services provided by Fire and Rescue in a hazmat context.

**Ms Gamble:** Okay so that's potentially where the discretion lies, yeah okay got it.

**Mr Curtin:** Yeah, thank you.

**Ms Livingstone:** Thanks, Trent. Now I don't think we have any further questions. I'll just double check with you Mary-Clare, is your hand up from your previous question, or do you have another?

**Ms Crowley:** It is a new comment just in relation to the overarching administrative cost as well. So that will add to our internal costs and increase network charges as well, because as Trent says you know often the administrative cost of it is actually higher than the original cost, so if that can also be captured as part of this assessment.

**Ms Cope:** Can I just Liz, do you mind if on that, it'd be useful to think about if you've got any suggestions Mary-Clare about whether there are ways of making that easier, because it might be that rather than getting a bill for everything at a time it happens, the incidents are blocked, you bill periodically for a block of incidents, and that could be one way of substantially reducing the amount of administration costs associated with the charging. So, there might be ways and means of making that much less burdensome.

**Ms Crowley:** Yep, no I think that's a reasonable suggestion, Deborah.

**Ms Livingstone:** Thank you, Robert Armstrong from Endeavour Energy?

**Mr Armstrong:** Yeah, just following on from what Mary said, that ultimately will flow through our bills, so I think society is paying for this service one way or another, either through the emergency services levy to the fire brigade directly, or through their bills to us to respond to the incidents. I suppose that the reason for then adding these administrative charges in for us to bill customers for the service, instead of removing the administrative burden between Fire and Rescue and ourselves.

And I think going further on what Trent just said about hazmat charges and having a charge which incentivises the correct behaviour from people and improves behaviour and minimises the requirement, billing us for every turnout from Fire and Rescue regardless of the length of time doesn't drive that behaviour at all. We're often notified of these calls by Fire and Rescue. If we turn up in 5 minutes because we have a fantastic response, we turn up in 60 minutes, that's the same outcome for us, and something we really can't influence.

I think the current mechanism of a time based and no charges applying to afterwards really was brought in through consultation, discussion about getting the correct behaviours from us as distributors and making sure we're turning up in an appropriate time, but a call out fee regardless doesn't drive that practice.

**Ms Gamble:** You don't think, Robert, that the efficient pricing of call outs adds some transparency about what's driving costs?

**Mr Armstrong:** Driving costs for Fire and Rescue you mean?

**Ms Gamble:** Yeah, yeah.

**Mr Armstrong:** Oh, I've got no issue pulling out and understanding for them as a holistic bill as to what's driving those costs. But I suppose on top of the turnout costs there's now administrative costs being added by Fire and Rescue to bill us. There'll be extra administrative fees on our end to bill our customers for it, so what may start as a \$200 exercise for firefighters to turn out in a truck suddenly becomes a \$350-\$400 bill that flows through to our customers, to recoup all of the overheads that sit on top of that as well, and I suppose the efficiency of doing that is a question that probably needs to be thought through.

**Ms Gamble:** Okay, thank you.

**Ms Livingstone:** Thanks, Robert. We will now move on to the next set of charges that we want to discuss this afternoon there for fire safety services and I'm going to ask Julia Williams from IPART Secretariat to give a short presentation on these charges and our draft findings and recommendations, and then we'll have a similar pattern to what we've just had with Fire and Rescue providing some comments, and you being able to ask your questions and make comment as well, thanks Julia if you'd like to share with us now.

## Fire safety services

### IPART presentation

**Ms Williams:** Thanks Liz. Overall, we found that current revenue from fire safety services almost recovers the costs of the services that are being charged, but current charges for individual fire safety services are not cost reflective.

Fire and Rescue incurs administration and risk assessment costs for all services that are requested but are currently only charges for services completed. Fire and Rescue also does not currently charge for some aspects of some services, such as travel costs. We think that Fire and Rescue could and should be able to charge for more of the fire safety services it provides. We've recommended amendments to the Act that would make it easier for Fire and Rescue to do this.

CIE's efficient cost analysis showed that fire safety services have different degrees of variability in service time. Services that are highly variable in service time include: the initial fire safety report and the advisory assessment and consultancy services. All other services that are specified in the legislation have a low to medium degree of variability in service time.

We use this information to propose a charging structure for fire safety services to recover Fire and Rescue's fully distributed costs. Our approach prioritises the principle of cost reflectivity. However, we also aimed for simplicity and consistency by setting fixed charges at average costs and by harmonising the application fee across different service types.

We propose a fixed application fee for all services specified in the legislation to cover the cost of administration, risk assessment, and service overheads. For review of emergency plans, we have included these costs in the fixed service charge.

We propose fixed charges for services with low to medium variability and hourly charges per person for services with high variability. Services that are not specified in the legislation and for travel time, we recommend that consumables are charged at reasonable cost for things like overnight travel and meal allowances.

Our proposed charges for the highly variable services comprise an application fee of \$270 for all requested services, and additional hourly charges per person for completed services. These hourly charges represent the average hourly cost of providing the service, and for travel time they include a fuel and toll allowance.

For services with low to medium variability, we propose fixed charges comprising an application fee for all requested services except for the review of emergency plans, and additional fixed charges for all completed services. These fixed charges cover the cost of an average length service. Where the service involves travel, we have included the cost of two hours of travel time for two Fire and Rescue staff, and a fuel and toll allowance. Any travel in excess of the two hours would be charged at hourly rates.

This table shows the difference in the current average charge for each fire safety service and our recommended charge. There is a significant percentage change in the charge for all services reflecting the fact that current charges are not cost reflective.

Overall, our recommended charges would result in a modest increase in Fire and Rescue's revenue from fire safety services of around 5%. We've not included any revenue for general fire safety inspection services or for travel time in this estimate, as the demand or need for these services is hard to predict. Thanks, Liz.

**Ms Cope:** You're on mute, Liz.

**Ms Livingstone:** Apologies for that. Thank you, Julia, for that and I would like to invite Trent again to make any comments from a Fire and Rescue NSW perspective before we then open to questions from the broader group. Thanks, Trent.

## Fire and Rescue NSW comments

**Mr Curtin:** Thanks, Liz. This is a really nice piece of work, and I've been quite heavily involved with the team in the development of these charges. And I think we've come to a really good position on the efficient cost of services for many of the services in the regulatory space that Fire and Rescue provide under a couple of areas of legislation both the Fire and Rescue Act but also the EP&A Act and regulations, where Fire and Rescue NSW has a number of roles and responsibilities to improve the safety of the public and improve the safety of firefighters responding to fires in the built environment.

Fire risk has a really important role to play in this particular area. We have a very unique skill set that only the Fire and Rescue service can provide in this particular area. So, it's you know a very important component of the role of Fire and Rescue to make sure the built environment is safe for our community.

So, in the whole really comfortable with where we've got to with this particular set of recommendations. A couple of areas that we'd like to just discuss further, and we can put this in our report back. One was reasonably minor that there's some administrative charges available for Fire and Rescue for risk assessment and the administrative process, and we're very comfortable with that. We think there's a couple of other areas that we could just tidy up and make that the same for a couple other application types, in terms of the administrative fee.

The area where we're most interested in continuing the conversation is around our compliance and inspection services. At the moment those services are generally funded through the emergency services levy. And for that reason our ability to undertake inspection compliance activities across NSW is limited partly towards being Sydney centric, because it's difficult to distribute those resources out into regional areas due to the limited number that we have and also it's ended up being quite a reactive service due to overwhelming number of events that are reported to Fire and Rescue on an annual basis. And so, we're limited in our ability to undertake a proactive inspection and compliance service.

We'd like to put forward that there's an opportunity to think about a levy based model that creates a funded team of people who can do those proactive and regional based services, and that model is quite similar to one that was recently implemented by the Office of Building Commissioner through Department of Customer Service, using a levy model on applications.

It might be difficult in the numbers in this particular circumstance to model that, but we'd like to continue to put forward that we look at that as an opportunity to reform that part of our service delivery, so that we can deliver a better outcome for our community and so we're not continuing to be limited in numbers. But overall a really nice piece of work and we're happy with the recommendations on the whole thankfully.

**Ms Livingstone:** Thanks very much, Trent. So again I'll invite anyone present now to ask a question or make a comment, you can do that either by letting us know by the chat box or putting up your hand in Zoom, it might be that there aren't many questions on this topic if any. Okay well Trent's conclusion that it's a nice piece of work might be widely supported, but if you do have comments or think of things later and want to include those in your submission please do, even if something strikes you later in today's session, feel free to raise it when we have further time for questions.

Okay we'll move on to our next session and this one is about attendance at false alarms. I'm now going to invite Nadja Daellenbach from the IPART Secretariat to give another short presentation on our draft findings and recommendations for false alarm call out services, thanks Nadja.

## False alarm charges

### IPART presentation

**Ms Daellenbach:** Thanks Liz. First of all, these charges apply to false alarms that have arisen from automatic fire alarm systems only. So these are sometimes called back to base systems, which are installed in higher risk multi-level buildings and connect directly to Fire and Rescue. We do not recommend charging for false alarms that are called in by individuals.



For false alarm charges from automatic fire alarm systems we consider the key principles behind the false alarm charges is to create the right incentives for alarm owners to reduce the occurrence of false alarms. We've also balanced this with meeting equity principles for individual charges, while ensuring that the total incremental cost of false alarm call outs are recovered from revenue from false alarm charges.

So, to achieve the right incentives, we found that the charges should exceed the cost of making necessary repairs, maintenance or behaviour change, to reduce false alarms and we found that there is a large range in the cost of repairs.

The charges should also not be so high as to cause undesirable outcomes of safe and illegal workarounds, such as isolating the system and covering detectors. And finally, the charges should take into account capacity to pay. Again, this varies between the types of owners and is lower when a charge is passed on to occupants.

This slide summarises our draft recommended charging structure. Firstly, we recommend that some false alarms remain non-chargeable, where the cause is deemed beyond the control of the owner and this is the same as the current practice.

Secondly, we recommend a discounted or lower charge be levied for some causes. This would apply to causes that primarily occur in residential units such as when cooking fumes or steam from showers sets off the alarm.

We heard from stakeholders that owners sometimes can pass charges on to occupants and when this happens the current amount can be overly burdensome. Having the discounted charge acknowledges charges may be passed on and that there is a lower capacity to pay when this happens and that there are no clear identifiable costs to change the behaviour involved in some of these causes. Finally, we recommend a full charge would apply to the remaining false alarms. And we note that these charges are still subject to a number of leniencies which allow for free alarms.

So, we also reviewed the charging practices that Fire and Rescue employs to ensure that the incentives and leniencies are best targeted. We found that about 33% of alarms are currently granted a leniency. So, the blue boxes on this slide summarise the current practice and our recommendations are on the right.

The leniencies currently also apply to non-chargeable alarm types and we found this can create some perverse outcomes. So, the first leniency allows for the second and subsequent alarm in a 24-hour period to be uncharged. This gives building owners 24 hours to address the cause of a false alarm such as a detector malfunction without incurring a large bill. We recommend retaining this but not applying it to non-chargeable alarm types to trigger the 24-hour period.

The second leniency is that the first alarm in a 60-day period is free. We recommend changing this to be the first alarm in a 90-day period, not applying it to non-chargeable false alarms, and not applying it where the cause of the alarm is poor building maintenance. This should better target the incentives to buildings with multiple recurring false alarms and encourage better building maintenance to reduce false alarms. We estimate the changes to these incentives might result in around 2% more alarms being charged.



Finally, after a charge is incurred building owners can apply to have this waived for certain causes if they make the appropriate fixes. We recommend retaining this, but also that Fire and Rescue make it easier for occupants to apply for a waiver on hardship grounds.

In addition to setting the right incentives, we considered the cost to Fire and Rescue of attending these false alarms. We found that the appropriate measure of the cost was the average incremental cost of attending each incident, plus a portion of overheads and a portion of standby costs and the 10% margin.

For this charge we included a portion of the standby costs or the cost of the fire brigades being on standby and ready to attend any alarm of fire at speed. We expect the occurrence of false alarms may contribute to the level of standby capacity in Fire and Rescue's operations. Using this approach, we found the cost of attending false alarms by automatic fire alarms to be \$725 and this amounts to about \$35 million per year based on the median number of false alarms.

So, this slide shows our draft recommended charges. We recommend the lower or discounted charge be set at \$395 which is significantly lower than the current \$1,600 charge, and that the full charge be set at \$1,975 per chargeable false alarm. This is 23% higher than the current charge.

We made these draft recommendations taking into account the incentive power to different stakeholders and the cost to Fire and Rescue of attending the false alarms. Our recommendations would have a minor impact on Fire and Rescue's revenue, bringing in an additional 0.5% compared to if the current charge and charging practices continued.

**Ms Livingstone:** Thanks very much for that Nadja, and I will invite Trent once again to provide any comments from a Fire and Rescue NSW perspective, before we open up to comments and questions from everyone else, thanks Trent.

## Fire and Rescue NSW comments

**Mr Curtin:** Thanks Liz. The main principle behind charging an amount for false alarms is to act as a deterrent and to make sure that systems are maintained adequately in order to provide safe environment for our community. Prior to charging we saw you know poor behaviour by industry in you know an unregulated fashion, in terms of maintenance of and compliance with the National Construction Code and otherwise. So, the AFA charges are a mechanism to make sure compliance and make sure safe environments.

We largely agree with the recommendations put forward by IPART in that they create a new mechanism so that the quite strong charging arrangements don't make their way through to an average member of the community that might have had an event in say an apartment or another arrangement, where they're being billed for the services of Fire and Rescue NSW.

So that two-tiered approach is intended to make sure those that are accountable for building maintenance and the management of the building systems are more accountable than those people who might have had a you know minor adverse event, that that might have otherwise received quite a large charge. So, we're supportive of that two-tiered approach, and so that incentivises behaviour in the right ways. There might be some additional administrative responsibilities under the new arrangements, but we can provide some feedback through the process if that would be the case thanks Liz.

## Question and answer session

**Ms Livingstone:** Thanks very much, Trent and James Newton has let me know that he'd like to speak on this topic. James is from the Shopping Centre Council of Australia, so I'll invite you James now to speak thanks.

**Mr Newton:** Yeah thanks, Liz. Thanks very much everyone. So, the Tribunal, IPART earlier identified the Shopping Centre Council as a stakeholder here with respect to attendance at automatic fire alarms and false alarms, and we met with our IPART in September and made a written submission following that.

So, what we tried to get across is describing fire alarm systems and shopping centres as being highly sophisticated and very sensitive. Those attributes are prescribed by Australian Standards in the Building Code of Australia. So, what this translates to in practice is 95% of call outs in shopping centres being for false alarms. And regional size shopping centres think Wollongong, at a rate of one or two a month.

Typically, it's environmental factors that trigger these, for instance bush fire smoke, pollution blown in from the street, or simply atmospheric changes. Fire and Rescue NSW reports on obscuration readings from these systems, taken immediately after a call out, typically indicate that our systems are operating within required tolerances and parameters.

We appreciate that Fire and Rescue NSW can exercise discretion in these instances, however it's not always the case. So, what we asked IPART staff to do was consider applying, what's now recommendation, the principal of circumstances beyond the control of the owner to these instances.

So, our view is essentially that charging for false alarms that are the consequence of compliance with Australian Standards and the Building Code of Australia is inherently flawed and inequitable.

The Draft Report also recommends the continuation of a waiver policy, where adequate steps are taken to prevent future alarms. So, from our perspective it begs the question, what steps can be taken? The charges don't act as a disincentive or a deterrent, so where do we go from here?

It's again why we also have suggested that IPART and the NSW government liaise with Fire and Rescue NSW and other government agencies to reconcile the requirement for these sophisticated and sensitive safety systems, with a significantly increased likelihood of resulting call outs.

So, looking at the Draft Report, none of the commentary was picked up. We were one of the 8 submissions made including 2 individuals but there is no reference to us really having put forward our 2 cents.

And I couldn't reasonably get an explanation from staff other than essentially writing it off as an operational matter for Fire and Rescue NSW. So, this falls short of what we're expecting when IPART was looking into consideration of these and circumstances, basically to provide more clarity.

We'll look at draft recommendation 19 which is identifying where design issues in buildings are a cause and a number of subsequent recommendations from that, it shows that this really should be in scope. So, I'm kind of curious to learn why our circumstances didn't raise a mention or consideration.

**Ms Livingstone:** Sandra, I'll come to you, you're on mute.

**Ms Gamble:** So, James, can I assure you that we are very pleased to receive your submission and for you to participate in the in the conference today? I don't have any detail that answers your question directly, but what I can say is that your input today will be thoroughly taken into consideration and you raised some really interesting points and so it has not gone unnoticed and maybe I can pass on to staff for some more sort of detailed response but we're very pleased to have you today, and for you to put forward your thoughts.

**Mr Newton:** To be fair we did expect to see some of that reflected in the Draft Report and the circumstances that Trent spoke about. I guess when you're looking at acting as a disincentive towards certain landlords, well that doesn't apply in our circumstances and the report seems to be silent when it comes to our sector and if there were an opportunity to I guess factor in our concerns the Draft Report was it, so.

**Ms Gamble:** Well there is another stage and that's the stage we're going through at the moment which is to gather responses on the draft decision, and we've heard you very much and so we will be taking that into account as we develop our final recommendations.

**Mr Newton:** Okay.

**Ms Livingstone:** I might just test whether any other members of the Secretariat and even for Fire and Rescue NSW had any other comments on those issues that James raised about shopping centres and incentives in particular.

**Mr Curtin:** I'd be happy just to make a comment from Fire and Rescue perspective to note that National Construction Code building system requirements' unwanted false alarms is a really complex issue, and a long-standing issue across many jurisdictions. There's a great amount of work that has been done and continues to be done to try and work between the fire services and industry and end-users if you like, in managing this complex problem. And the team would have seen in their review that different states have created different charging mechanisms to try and address that problem and there's not a shared view across Australia as to how that's done.

The issue in relation to the requirements of the National Construction Code and how they relate to the types of systems required in different properties is you know of course another whole complex issue with multiple stakeholders again in different jurisdictions. Fire Services advocate for a particular point of view, industry advocates for you know sometimes the same, sometimes a different point of view.

So, it's a very complex issue, the requirements of building requirements in the National Construction Code. In scope I guess for this conversation is how we use the charging mechanism to create that disincentive, and I wonder if the conversation's sort of looking in a number of areas that might be outside the scope of this particular piece of work.

But it's a very important issue that James raises. Every time a fire truck or fire trucks responds to any event that's an unwanted false alarm, that means those appliances are no longer available to respond to another emergency, which might be just around the corner. So, anything we can do together, to disincentivise response to false alarms, and to do work with the building industry through the National Construction Code and some of the legislation here in NSW. Fire and Rescue is in an ongoing way participating in those conversations, but just to note that it's a really complex issue. James raises a really good point.

**Mr Newton:** Yeah, thanks, Trent. Not wanting to, I guess where we're coming from is, you know our read would be that given that we're completely compliant with those regulations, that arguably alarms that occur in shopping centres are beyond the reasonable control of landlords, when they've done everything they can to ensure that they're functioning properly and within tolerances. So, and ultimately without any further steps or any kind of movement between various levels of government, there is nowhere to go here.

So, I understand through members that Fire and Rescue can apply a kind of their discretion not to charge in those instances, that perhaps what needs to be considered and something that I'll put forward in our submission is that there should be a bit more specificity around that, and that could potentially be prescribed as opposed to something that is just a discretion that's applied differently, in different circumstances.

**Ms Livingstone:** Thanks, James. I've noticed we have Paul Greck from ACT Fire and Rescue who has put his hand up and may have a perspective from another jurisdiction. Paul, do you want to speak to this issue too. You're on mute, thanks.

**Mr Greg:** Yeah, I'd just like to sort of agree with some of the points that James makes and in addition we talk about building owners, managers not just for shopping centres but maintaining their fire systems, but they're at the mercy, first of all they have to comply with the NCC, so that they employ a service provider to install those detectors, they're not experts in the field, so they decide the sensitivity that's required, and as does the NCC specify that sensitivity. They then have to maintain and pay the same service provider or another service provider to maintain the system.

So, you have a building owner, I see building owners charged a fee which comes from Fire and Rescue, sorry Fire and Rescue here, it's actually the government charging that fee here. That building owner, on top of that fee, has then paid the service provider you know maybe \$500 to come out and service that detector that went off. I've had owners replace the detectors every time to ensure that it doesn't go off again.

So, they get charge upon charge and you know that they're at the mercy of a service provider to say look we're maintaining your system, and like the building owner is doing everything in their power, and not really doing anything out of line, and they're getting charged the fees. The billing, because it goes to the building owner here or manager, there's no other responsibility.

Again, then service providers will express their frustration about showing up to a site and there'll be a specific reason, or a code given by the Fire and Rescue attendees, which may or may not be chargeable. But they will find the system working, as James said, exactly as it was intended.

And you know that these things will go off, if there's a simulated condition. But many Fire and Rescue attendees will call this a malfunction, because they say well there was no fire, but the alarm went off, so it's a malfunction. But there could be a bird, a moth, whatever has set it off. It's not necessarily poor maintenance. So, I just wanted to back up what James says about the equity and the fairness of this fee system.

And it's open to some discretion you know, but with through the waiver system, but that's quite complex, at least in our state, it's in our territory, it's quite complex, yeah sorry if I've gone on, but yeah.

**Ms Livingstone:** Yeah, it's helpful thank you to illuminate that a bit more for us. Carmel, you've got your hand up, would you like to speak now?

**Ms Donnelly:** Thank you, Liz. Yes, I just wanted to thank you James for being so forthright and holding us to account, for considering the issues that you've raised. And I think I can assure you that the Tribunal certainly will, and more than that I'm pleased that you're going to give us a submission with more detail.

I would be keen to see from both our team in the Secretariat, Fire and Rescue and yourself, any data that you can give as well, that gives us a sense about I guess the rate of call outs to shopping centres, what they might be triggered by, a bit of a sense about whether or not they're actually driven by, invalidly recorded as being driven by malfunction, or in fact they're driven by the National Construction Code requirements or the sensitivity settings that are obviously determined in the public interest in terms of minimising risk to the public.

So, I thank you for just outlining the dimensions of that challenge, and we would be very keen to consider very closely any information you can provide, you know in a way to resolve and solve for something that is fair and practical, and does create the right incentives so I have heard that. So, I really just wanted to put that on the record and we're very keen to see what you're able to do to make sure that we're well informed on that from your perspective. Thank you.

**Mr Newton:** Thank you.

**Ms Livingstone:** Thank you, thanks, Carmel and I might just ask Paul unless you want to say something great put yourself on mute, that'd be great, before we go to Jennifer, thanks.

**Ms Vincent:** Thanks Liz , and so I just wanted to I guess, firstly from the point of view of process say that yes we did had a very illuminating conversation with you, and received and considered the submission and we do try and reflect all our considerations in our written reports and should have included that in there. So, I'm sorry it didn't appear.

I mean you know as an explanation, but not an excuse, there's a lot going on in the automatic fire alarm false alarms section of the report and I guess in terms of content it's been really helpful to have you here at the same time as obviously the Tribunal, the decision makers, and Fire and Rescue both NSW and ACT to get a better sense of where your issues sit in that story.

And I guess you know as has now been discussed, it is this quite complex interaction of both the level of the charges, the decisions that are made about what stop code gets applied, which is the discretion essentially about what gets charged for and what doesn't, and then the interaction between whether or not something is compliant.

But there are other things that could be done and I think to this point, the way we've dealt with that in our draft recommendations is emphasising the importance of Fire and Rescue continuing to work with AFA owners on ways to minimise false alarm call outs, that goes further than the just the blunt instrument of a charge for a false alarm call out, which I think is where we thought it got into kind of you know operational issues, that aren't really anything that we have any expertise in or any way of kind of getting into sufficient detail and nuance to address that with any degree of expertise. But yes, insofar as we are able to push that conversation further forward, then thanks for re-raising that in this forum.

**Ms Livingstone:** Okay, thanks, Jennifer. I'm just scanning to see if there are any further questions or comments on this topic. No. Okay, that was a really helpful discussion but we will move on now to the next set of charges, which are related, the automatic fire alarm service management charges, and I'll invite Jennifer from our Secretariat to give another short presentation on this area with our draft findings and recommendations on Fire and Rescue's AFA service provider management services, thanks Jennifer.

## Automatic fire alarm management services

### IPART presentation

**Ms Vincent:** Thanks, Liz. This section is about the automatic fire alarm management charges. So, Fire and Rescue enters into arrangements with the automatic fire alarm service providers for the installation and maintenance of automatic fire alarms, and then charges the service providers for connection, monitoring, and system maintenance. The service providers in turn invoice their customers, who are typically building owners or managers. And the charges that we recommend here are the charges that Fire and Rescue levies on the 3 automatic fire alarm service providers.

The key principle for recommending these charges is cost recovery, and we found that the current charging structure and some charges no longer reflect costs. Some charges were higher than efficient costs, and some were lower.

And on the next slide we have a bit of a description about that. We found that technological improvements and automation have reduced the cost of monitoring the AFAs, and also that AFA management charges were set many years ago based on the upfront cost and number of AFA connections at the time, and since then, the number of connections has increased substantially, so the average cost per connection is lower, but that hadn't been reflected in lower charges.

For the key services such as connection, transfer and ongoing monitoring, Fire and Rescue currently charges different fees depending on whether it's an initial service, or a second or subsequent service. But when CIE looked at the costs, they found that the process is exactly the same for Fire and Rescue, whether it's an initial or second subsequent, so the costs are the same, and so we're recommending a single charge for each of those activities, whether or not it is a first connection or second or subsequent.

In the table in this slide shows our recommended charges and the current charges for comparison. And as I discussed previously, we recommend there be a single charge for each type of service. So, for example, on an initial connection that currently is \$256 for a first alarm and \$128 per second and subsequent, we consider that the costs of this of connecting are somewhat higher than is reflected in those charges, and the recommended charge is \$755 for each one of those.

However, there's a material reduction in the recommended charge for ongoing monitoring services. Fire and Rescue currently charges \$57.50 a month which is \$690 per year for ongoing monitoring for a first installation, with the second and subsequent installations being charged at half that, and this ongoing monitoring fee represents the biggest portion of Fire and Rescues revenue from AFA management, and our recommended charge is \$14.45 per AFA connection per month.



For the maintenance fee, we think Fire and Rescue's current charges are cost reflective, but we recommend changing the fee structure from a flat quarterly fee to a monthly charge per AFA. So that AFASPs that have more connections will pay higher maintenance charges, whereas at the moment it's just split evenly between the 3 of them.

There is an application fee for new AFASPs specified in the Fire Brigade regulation, but these applications are extremely rare, so we think that that is unlikely to reflect the actual cost of assessing an application, and that given the rarity of these events, that they should just be charged at a reasonable cost when they occur.

And the current schedule of charges includes testing charges, but we understand that Fire and Rescue hasn't levied these charges for some time, and no longer undertakes physical testing of the physical alarms. So, we're recommending that be removed from the schedule of fees.

In terms of the impact of those recommended draft charges, that we estimate would reduce Fire and Rescue's revenue from AFA management from \$12 million a year to around \$3.7 million a year. That's a net effect of the substantial reduction in the recommended ongoing monitoring charge and increasing the recommended connection charge, and not much change to the recommended transfer or maintenance charges. But an overall impact of a 70% reduction in revenue, which reflects the fact that costs are lower than the current charges are recovering.

**Ms Livingstone:** Okay thanks very much for that Jennifer and Trent I'll invite you again to make some comments on these charges.

## Fire and Rescue NSW comments

**Mr Curtin:** Yeah, thanks, Liz. Thanks, Jennifer. Yeah, Fire and Rescue NSW currently has contracts in place with 3 approved service providers, covering roughly 17,000 alarms. It has grown significantly in the last 19 years.

One of the challenges for us in this area was that the original documentation to establish the fees and charges was some 20 years old, and so it's been difficult to find records or to find the base of the makeup of those fees and charges.

There is a substantial drop in the recommended service provider monitoring and maintenance charges, and so Fire and Rescue are comfortable with efficient cost of services and the principles under which the review has been undertaken.

I just think we need to do a little bit more work prior to the 8th of February submission, just to make sure that we've captured appropriately our internal mechanisms for making up those charges. So, we'll just do another bit of review internally to make sure we've captured that properly.

**Ms Livingstone:** Okay, thanks very much, Trent. Now I will open up to anybody else who has questions or comments on these charges, where there's quite substantial change proposed. Can't see anyone. If you do have a question, feel free to take yourself off mute and let us know. No, okay. Well that's another area where if you do think of something later or either put that in your submission to us about the review. Or, if you think about, if you remember it before the end of the session, feel free to raise it in our next question and answer session.

Because we do have one more little presentation to go, then we'll have one final Q&A session, we are running a little bit ahead of time, so we do have time to answer any questions you might not have asked yet, or if your question's broader than the topics that we've raised, and hasn't quite fit into one of the sessions, feel free to raise it in this next Q&A session. Okay. So, we'll move on to the last session now, and I'm going to invite Jennifer yet again to give a presentation on Fire and Rescue's other services. Thanks, Jennifer.

## Fire and Rescue NSW's other services

### IPART presentation

**Ms Vincent:** Thanks, Liz. So, finally we turn to some miscellaneous activities that Fire and Rescue undertakes some of which it currently charges for and some of which it doesn't.

So, Fire and Rescue provides services to other NSW agencies and other jurisdictions as well as the public. We found that Fire and Rescue should be able to charge for these services where the services are contestable. Fire and Rescue NSW should develop a commercial fee where the services are not contestable. The fees should be set in the Fire Brigades Regulation, and we've made recommendations for what that fee should be.

And this next slide sets out our draft recommendations for each of these types of service and as you can see as I talk through this, it is indeed very miscellaneous. So first in the first category of arrangements with other agencies and jurisdictions, where these are currently charged for and that includes things like the back-end emergency call service, which is a service that's provided to other emergency agencies in NSW. So, they're currently charged, and they should continue as per existing agreements.

For those that aren't currently charged and an example of this is the drone services that are provided to other NSW agencies. We think that Fire and Rescue should review those services and develop charged arrangements with the beneficiary agencies.

Fire and Rescue also can charge and, in some cases, does already charge for attending events and providing services at events. The police force and Ambulance NSW similarly charge, and they have quite complex schedules of their charges. So, essentially this is a contestable service that could be provided by other emergency services as well, so for this we think it would be appropriate for Fire and Rescue to develop a schedule of fees, and that those fees don't need to be set in the regulation. There should be some more flexibility around that.

Thirdly, in cases where there's requests for incident information, usually from owners or occupiers of premises, often for insurance purposes, we think it would be appropriate for Fire and Rescue to charge a fixed fee that's equivalent to the GIPA application fee which is currently \$30 to recover the administrative costs to them.

And Fire and Rescue currently provides training courses through its registered training organisation and we think that it should continue to charge for these on the basis that they're contestable and develop a commercial fee.



And finally, the Fire and Rescue sometimes provides rescues from lifts, and also rescues from rampaging snakes and other reptiles, and in both of these cases there are other commercial services that will provide their services. So, we think it would be appropriate for Fire and Rescue to develop and charge a commercial fee. Of course, with a view to the potential unwanted incentive impacts, if charging a fee is going to lead to people trying to handle reptiles themselves or being stuck in lifts longer, that's something that needs to figure into that as well, and that is the end of the presentation.

**Ms Livingstone:** Thanks very much, Jennifer. Trent, I'd like to invite you again to comment on any of those miscellaneous charges.

## Fire and Rescue NSW comments

**Mr Curtin:** Thanks, Liz. Thanks, Jennifer. We largely agree with the recommendations put forward by IPART here. There's lots of sort of little matters if you like that sit under this particular element, so not to get into the detail of any particular one, generally how those principles are accurate and we're comfortable with those.

There might be a couple of areas where we would review on a case by case basis how we might commercialise or how we might create those charging arrangements. One example being shared services with other emergency services, we sort of have ongoing everyday shared services. Particular matters are charged, and particular matters aren't. So, we just need to work through the processes how we may or may not do that with other emergency services. But generally, yeah, just to say that we genuinely agree with the recommendations made there and we'll just review those in time.

**Ms Livingstone:** Okay, thank you, Trent. So once again, open to any questions or comments from others in the room either on those specific services or if there are issues that you haven't had a chance yet to comment on that you would like to, now's the time to raise those and share those while we have everybody here to hear your views. I wondered if anybody had been stuck in a lift with a reptile at the same time. I hope that's not the case, but I'm sure there'll be a way to calculate the charge for that if it occurs.

But it doesn't look like there are any further questions, so we will keep an eye out but we might just start wrapping this session up, unless someone puts their hand up, and I'd like to thank you for sharing your views so far, and we are very interested in getting your feedback on today's session, and how our online public hearings could be improved.

## Quick poll

So, we would like to do a quick survey on the hearing today before we go to closing remarks. We'll launch that now and give you a minute to get a response and then share the outcome of that survey with you, before we close the session. So, take a minute now to answer our very quick survey so that we can capture your feedback on this online session.

Okay hopefully that's been enough thinking time, I might just ask Joyce to share the results of that quick poll with everybody, so you get a sense okay. So, most people found it useful or very useful, which is helpful for us to know. And people prefer, the majority prefer an online forum and some a hybrid. Okay, that's very helpful for us, so thank you for taking the time to do that. I'm now going to hand back to our Chair, Carmel Donnelly, to make some closing remarks. Thank you, Carmel.

## Closing remarks

**Ms Donnelly:** Thank you, Liz, and thank you very much to everyone who's participated today and the presenters. It's been very useful, and I speak on behalf of the Tribunal, we do find it very useful to hear from people. We really appreciate it when you're forthright and constructive and let us know what we may not understand and spell that out, and it is very constructive to have the conversation with everyone in the room. And so, I do want to particularly thank you for that. We will have a transcript of today and also a link to video on our website in the next few days, so you should be able to have a look at that.

And we will obviously consider everything that's been said today in finalising our report on the review. We'll also be considering everything in the written submissions that we encourage you to put in by the 8th of February. We will then be moving to finalise our decisions on the review and provide a report to the relevant Minister in March.

In the meantime, I do want to invite you, that you are most welcome to, if there is anything that you want to discuss with the IPART Secretariat, contact members of the team and their details are inside the Draft Report and on the IPART website. So I know there are some pieces of information scenarios etc that really came up in the conversation today in which you may have information that you can provide us, and that's one way that you can do that as well as in formal submissions, so that would be great. So, look I will end here by once again just very sincerely thanking you everyone for making the time. It's been very valuable, so thank you, and have a good rest of the afternoon.

**Ms Livingstone:** Thanks, all.