



# NSW RURAL FIRE SERVICE



IPART Commissioner  
PO Box K35  
Haymarket Post Shop NSW 1240

Your reference  
Our reference R17/2132

3 September 2019

Dear Sir/Madam

## Review of Rental Arrangements for Communication Tower Sites Located on Crown Land July 2019

Please find the NSW Rural Fire Service (NSW RFS) submission in relation to the Review of Rental Arrangements for Communication Tower Sites Located on Crown land, for your consideration.

### Background

The NSW Rural Fire Service (NSW RFS) as a state budgeted emergency service organisation, is compelled to build and operate radio communications towers and facilities throughout regional NSW, in order to facilitate protection of communities.

Many areas throughout NSW are not commercially viable for a commercial operator, due primarily to low population in coverage areas and limited potential for paying co-users. Consequently the vast majority of the sites operated and managed by the NSW RFS are of the "Low" category.

The following is the NSW RFS distribution of Crown land occupation, including Crown Lands, Forestry and National Parks:

Low Category Primary User	Medium Category Primary User	High Category Primary User	Low Category Co-user	Medium Category Co-user	High Category Co-user	Total Sites
38	4	0	101	5	3	151

### Co-User

The NSW RFS generally agrees with this proposal, though noting a clearer definition is required in relation to co-users who own a shelter or cabinet on a site, where:

1. The primary user's tower is capped as per recommendation 9; and
2. If additional area is required outside the original head agreement area, are therefore charged by the m<sup>2</sup> as per recommendation

#### Postal address

NSW Rural Fire Service  
Locked Bag 17  
GRANVILLE NSW 2142

#### Street address

NSW Rural Fire Service  
15 Carter Street  
LIDCOMBE NSW 2141

T (02) 8741 5555  
F (02) 8741 5550  
[www.rfs.nsw.gov.au](http://www.rfs.nsw.gov.au)



The IPART proposal will result in the NSW RFS and other emergency service organisations to no longer pay a 50% fee on sites where we only have a shelter or hut, instead paying the total minimum amount. As such, the NSW RFS requests consideration of a co-user cabinet or shelter be added to, the existing definition.

The NSW RFS agrees with recommendation 8, that if you go outside the fenced area, you pay by the m<sup>2</sup>.

### **Rental Rebate**

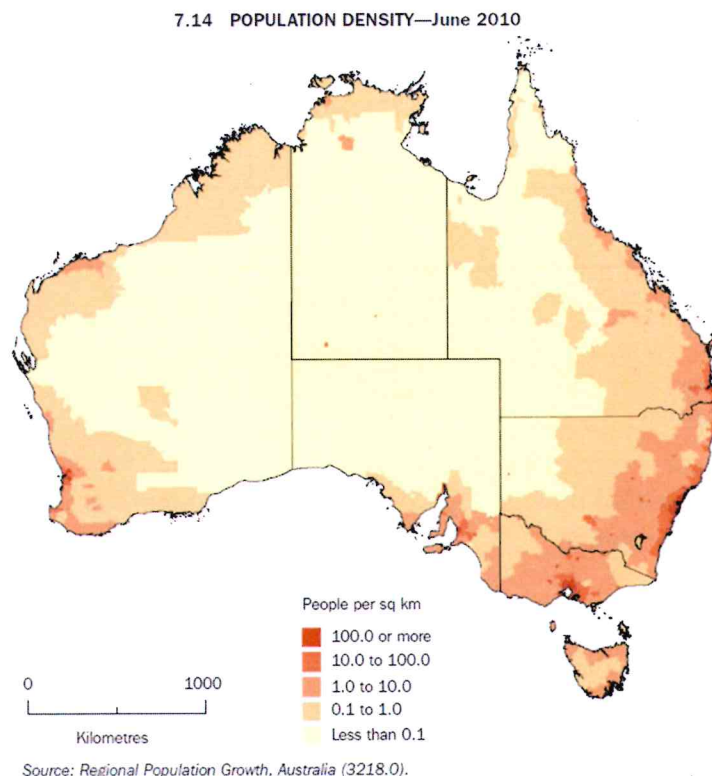
The proposed phasing out of the rental rebate for communication sites in recommendation 15, will increase the financial burden on not-for-profit organisations, like Community Groups and the Budget Funded Sector. This is unfair to agencies like the NSW RFS, who are, by virtue of their legislative responsibility providing community protection to rural and remote communities. Net community benefit should be prioritised rather than an approach of lowering fees for areas of commercial viability.

### **Draft Rents**

The NSW RFS believes the Low category covers too broad of an area, therefore recommending it be divided into the following two categories:

1. "Low", and
2. "Remote".

This will better reflect the land value of the occupation, while considering the population base serviced from the site. The use of the population density from the Bureau of Statistics, would potentially provide a more accurate measurement of the commercial worth of the land the site is located on, noting that population served that is less than 10 persons per km square, is considered remote. This would also have the benefit of making rural and remote locations more financially viable to carriers, enabling the current inequity between population densities and coverage to be progressively addressed.



The remote far west of NSW, is where most of the land is under the Western Lands Act 1901 (WLA) and managed by the Department of Planning, Industry and Environment. The WLA states that the division of lands and water needs to be evaluated differently, given the department has a monopoly of land ownership, with the proposed rental far exceeding the value of the land occupied.

The current proposal unfairly places burden on non-commercial agencies like the NSW RFS, who are providing community protection to rural and remote communities. It does this in favour of lowering fees for commercial carriers in high population as well as increasing rents in the low non-commercially viable locations. It would appear a lack of data analysis was carried out in the far west of the State, except for the regional centre of Broken Hill; subsequently slanting the rent costings for the "Low" category, causing an increase to the value in this category.

The NSW RFS currently has 151 sites located on Crown Land and is currently afforded a community group rebate. Noting that the majority of the RFS sites are categorised as "low", the following financial consequences will occur:

- Removal of the rebate will increase from \$766.00 to \$9900.00 per "Low" site for the NSW RFS, an increase from \$29,100.00 to \$376,200.00 PA.
- It is noted that RFS has 101 "Low Co Category" sites that in turn will attract a lower rental, saving RFS \$20,200.00 As a result of the capped co user charge.
- This results in a net additional rental charges in the vicinity of \$356,000.00

The review needs to understand that in the western part of the state, due to the flat terrain and subsequent distances required to be covered, the resulting communications towers are large, with a significant footprint. As such, it is not commercially viable for commercial operators to maintain facilities in this region, thus requiring Emergency Service Organisations to resort to building, owning and maintaining large facilities.

### **Square Metre Methodology**

The Square Metre Methodology area for rural and remote areas is not large enough for guy masted towers. The proposed area of 80 m<sup>2</sup> for "Low" category in the western part of the state is unrealistic, with the elevation required for the construction of a 90-120m guyed mast tower.

It is worth noting that large towers have a larger footprint, commonly greater than the 80 m<sup>2</sup>, being more of a size upwards of 300 m<sup>2</sup>.

In addition, the track or Asset Protection Zone (APZ) around the site (usually outside the fenced area) should not be included in the square metres of the site rental, as it does not afford the use of exclusive rights to the land in the APZ.

Maintaining the 10m fuel reduction APZ zone on the outside of the fence, if this is included in the m<sup>2</sup> rate; users would be paying premium for a site that we can only mow and have no exclusive rights too, given it is outside the fenced perimeter.

Overall the proposal seems focused around providing a discount to highly populated area sites located along the eastern seaboard, whilst this is offset with increased fees for the low inland sites, which are predominantly owned and operated by emergency service and community service entities.

Rural and Regional NSW has been significantly impacted by drought creating considerable economic hardships and constraints. It would seem the proposal only serves to further that deleterious impact.

Yours faithfully



**Director Assets & Infrastructure**