Advocating for the people of Western Sydney

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The Chairperson
Legislative Assembly Select Committee
on Emergency Services Funding Reform
Parliament of New South Wales
6 Macquarie St,
Sydney NSW 2000

19 June 2026

Re: Emergency Services Funding Reform Options Paper

Dear Chair,

The Western Sydney Regional Organisation of Councils (WSROC) welcomes the opportunity to provide a submission on the NSW Government's Emergency Services Funding Reform Options Paper.

WSROC represents councils across Greater Western Sydney, one of Australia's fastest growing and most diverse regions. Western Sydney communities are experiencing strong population growth, rising infrastructure demands and ongoing cost-of-living pressures. The region is also highly exposed to natural hazards. The Blue Mountains is one of the most bushfire-prone areas in Australia, the Hawkesbury–Nepean Valley is among the most flood-prone regions in the country, and extreme heat is an increasing and widespread risk across Western Sydney, alongside severe storm impacts. These factors must be carefully considered in any reform of emergency services funding arrangements.

WSROC recognises the critical role played by Fire and Rescue NSW, the NSW Rural Fire Service and the NSW State Emergency Service in protecting communities from increasingly complex and frequent natural hazards. Given the scale and intensity of risk across Western Sydney, a sustainable, equitable and transparent funding model is essential to ensure these services can continue to operate effectively alongside broader efforts to strengthen community resilience.

Support for Reform

WSROC supports the NSW Government's objective of reforming the current Emergency Services Levy (ESL).

The existing insurance-based model places a disproportionate burden on insured households and businesses and may discourage adequate insurance coverage. A broader-based funding mechanism has the potential to improve fairness, transparency and long-term sustainability.

WSROC supports an emergency services funding model that:

- Recognises emergency services as a core State responsibility
- Is equitable, reflecting community-wide benefit and capacity to pay
- Is transparent and easy to understand
- Is efficient to administer
- Supports the financial sustainability of local government
- Avoids unintended impacts on housing affordability and growth areas

We wish to highlight that Western Sydney is disproportionately exposed to extreme heat, bushfire, flooding and severe storm events. These risks are increasing in frequency and intensity due to climate change and urban growth.

While emergency services funding reform is important, this reform should sit within a broader i restructure of the current funding arrangements to support long-term investment in disaster resilience, risk reduction, and community preparedness.

Local government plays a critical role in this, including through land use planning, urban heat mitigation, infrastructure investment, community education and emergency management coordination. Sustaining and strengthening this capability is essential to reducing future emergency response costs and improving community outcomes, particularly as councils are already managing significant and growing pressures associated with resilience, recovery and local service delivery.

WSROC encourages the NSW Government to ensure that funding reform complements and supports broader resilience objectives, rather than focusing solely on response funding**.**

WSROC Position

1. **Emergency services funding must remain a State responsibility**

   Emergency services provide benefits across the entire NSW community and should continue to be funded and administered by the State. Reform should improve fairness and transparency without shifting responsibility onto local government. This is particularly important in NSW, where councils operate within a rate-pegging framework that restricts their capacity to absorb growing State-imposed costs

2. **Local government should not collect or administer the levy**

   WSROC does not support councils being required to collect or administer a State-imposed levy. This would create additional costs, complexity and confusion for ratepayers, and would blur the distinction between local government charges and State taxes. A council-collected levy would also involve unnecessary double-handling and added compliance costs.

3. **Reform must avoid cost-shifting to local government**

   Reform must not introduce new or indirect financial burdens on councils, including applying any levy to council-owned land or creating new administrative responsibilities. Councils already contribute significantly to emergency management through local infrastructure, preparedness, emergency coordination, and recovery support. However, these obligations sit within a rate-pegging framework that limits councils' revenue flexibility, even as costs from natural hazards and State-imposed responsibilities continue to rise. Any reform that shifts further costs and effort onto councils would undermine local government financial sustainability and reduce councils' capacity to invest in community services and resilience.

4. **Equity impacts must be clearly understood**

   WSROC encourages the NSW Government to assess and publish distributional impacts across communities, property types and vulnerable groups. This is important to ensure reform is fair in practice, not just in principle, particularly given the diversity of households, land uses and levels of disadvantage across NSW and within Western Sydney.

5. **Growth-area impacts require consideration**

   Western Sydney accommodates a significant share of Sydney's population growth, housing delivery and infrastructure demand. In these areas, rising land values may

reflect growth pressures, rezoning and infrastructure investment, but do not necessarily indicate a greater capacity for households or communities to absorb additional charges. WSROC therefore encourages the NSW Government to specifically assess the impacts of any preferred model on growth-area communities, to ensure reform does not unintentionally shift further cost pressures onto areas already carrying the demands of rapid growth and infrastructure delivery.

6. **Transparency and community understanding are critical**

   Any model should be simple, clearly explained and easily understood by the public. The current contributions model is opaque, with many property owners unlikely to realise that council revenue is being used to fund emergency services. Greater transparency about what the levy funds, who collects it and how it operates will improve public confidence and reduce confusion about the respective roles of State and local government.

7. **Reform should support long-term resilience and risk reduction**

   Emergency services funding reform should be complemented by continued investment in disaster resilience, risk reduction and community preparedness. Western Sydney is highly exposed to bushfire, flooding, severe storms and extreme heat. A balanced approach that strengthens resilience alongside emergency response capability will improve community outcomes, reduce long-term demand on emergency services and provide a more sustainable response to rising natural hazard risk.

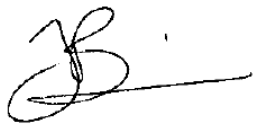
In conclusion, WSROC supports reform of the current emergency services funding model and recognises the need for a fairer, more sustainable and more transparent approach for the future. At the same time, there remains uncertainty as to whether a replacement property-based levy will proceed, what form it may take, and when it may be introduced, and that uncertainty has practical implications for council financial planning, service delivery and implementation across local government.

WSROC therefore urges the NSW Government to work closely and directly with local government in the next phase of reform, including on transitional arrangements and any legislative or regulatory changes required.

Reform of this kind will only be effective if it is developed in genuine partnership with councils and informed by the operational realities facing communities across NSW.

WSROC looks forward to continuing to work constructively with the NSW Government as this reform progresses. Please do not hesitate to contact us if further information or clarification is required.

Yours sincerely,



Francine Binns

Chief Executive Officer

Western Sydney Regional Organisation of Councils