

NAVIGATING FUEL SUPPLY DISRUPTIONS

A guide to seeking contractual flexibility from your NSW Government contract manager



You have legitimate grounds to seek flexibility. Rising fuel costs are placing significant pressure on community organisations across NSW. The NSW Government has confirmed that contract managers will consider all requests for flexibility, and that organisations should raise these through existing contract management arrangements – this guide outlines what to ask for and how.

| KPI Flexibility | Budget Flexibility | Underspend & Rollover |
|---|--|--|
| <ul style="list-style-type: none">• Suspend or reduce specific output targets while fuel costs remain elevated• Shift to hybrid delivery – include virtual or phone – based engagement to offset travel costs, if appropriate for your program and context | <ul style="list-style-type: none">• Move budget from other line items (e.g. training, equipment) to cover fuel• Utilise savings from reduced Portable Long Service Levy to cover fuel costs | <ul style="list-style-type: none">• If services must be reduced due to fuel costs, this may create an underspend. Seek approval to roll over any underspend to the next financial year |

HOW TO APPROACH THE CONVERSATION

Before the meeting

- Quantify the impact – calculate the additional fuel cost compared to your budgeted amount
- Note which services or clients are at risk if costs aren't covered
- Not sure where to look in your contract? Ask your contract manager to point you to the contract variation section
- Put your request in writing ahead of the meeting



HOW TO APPROACH THE CONVERSATION

During and after the meeting

- Ask for specific variations – be clear about what you need and why
- Frame requests around client outcomes, not organisational finances
- Request that any agreed flexibility be confirmed in writing
- Keep a record of what was discussed and agreed

If they say no

- Ask them to escalate to their manager
- Ask for their refusal in writing so you have a record
- Contact NCOSS: we can help you escalate or advocate – info@ncoss.org.au

Potential language to use:

"We are seeking a temporary variation to our KPIs to reflect the impact of elevated fuel costs on our service delivery capacity."

"We would like to reallocate budget from [line item] to transport costs to maintain service levels."

"In the event of an underspend, we are requesting approval to roll over funds to the next financial year rather than return them."

If you are asking for rollover of underspend

Seek clarity around:

- The likely timeframe for processing approval
- Process if written approval is pending but not yet received by 30 June, and
- Clarify any restrictions on how rollover funds may be used in the next financial year – e.g, whether they must apply to the same line item or can offset other unforeseen fuel crisis-related costs

IMPORTANT REMINDER

Get it in writing

Any agreed variation should be confirmed in writing by your contract manager – verbal agreements are difficult to rely on

Document everything

Keep records of fuel costs, impacted services, and all correspondence. A simple spreadsheet or email folder is enough

Act before 30 June

Contract managers have the authority to agree to variations. You are entitled to ask and to receive a written response. If they need more time, ask for a timeline

Need support?

NCOSS is here to help the NSW social sector navigate this pressure. Contact us at info@ncoss.org.au

ncoss.org.au

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