

14 November 2023 Contact: Sally Blanc

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RE: DRAFT FIRE AND EMERGENCY SERVICES BILL AND FUNDING OPTIONS

Thank you for the opportunity to comment on in relation to the draft Tasmania Fire and Emergency Service Bill 2023. Waratah Wynyard Council is pleased to provide the following feedback in relation to the draft Tasmania Fire and Emergency Service Bill 2023.

Proposed new fire levy funding models

Council has modelled the potential impact of both proposed funding models on the municipality with both collecting significantly more revenue than the current fire levy model. It is estimated that between \$1.16m & \$1.57m in extra fire levy being imposed on our ratepayers, an increase of 206-270% on the current fire levy paid by our community.

While Council is supportive of moving to a more equitable and fairer funding model for the Tasmanian Fire and Emergency Services, it can not support such a significant increase in the fire levy for our ratepayers. Council is supportive of the government's announcement on the 11th November that it will establish a working group to develop a new funding model for the TFES.

Collection of the fire levy

While the current fire levy is a state-imposed levy which is collected by local government, Council believes that the collection of the levy should be transitioned to being collected through the land tax collection system administered by the State Revenue Office.

It has become increasingly hard for Councils to provide explanations to ratepayers on what the fire levy is used for and why it has increased in any particular year. In past years the State Fire Commission have provided next to no explanation for yearly increases, even when directly queried the commission no explanations have been forthcoming for significant increases in the fire levy. The lack of transparency places Councils in a particularly hard situation of receiving the backlash for any increases as the collection agency and no mechanism to provide any explanation.

If a move to collection of the levy by the State Government was not made, then at a minimum explanation for any increases in the levy should be fully explained and transparent. The amount collected from the levy should be provided on a statewide basis, and explanations for any increases in the amount collected should be provided to enable Council's to be able to effectively collect the levy on the State's behalf.

Timing of the introduction of the new funding model

The current proposal does not provide an indicative timeframe for implementation of any new funding model, with implementation to be determined by the Minister. Council has a strong view that any implementation of a new funding model which is collected by local government should be implemented in a year in which no municipality is also rating using fresh municipal revaluation data.

Waratah Wynyard Council will rate using a fresh valuation from 1 July 2024 and any change to the fire levy model in the year would make it hard to provide explanation for the impact of the fire levy change and the change that is due to fresh valuations. Council therefore requests that any implementation be completed in a non-revaluation year for any municipality, with the next opportunity being the 2025-26 rating year starting on 1 July 2025.

Funding of the State Emergency Service

Council would request that clarification be provided on the future funding arrangements for the State Emergency Service, Council is of the view that the SES should be fully funded via the new levy model, and that Councils should not be required to provide any funding for the SES once implemented.

Council also seeks clarification on the ownership arrangement of current assets which have been purchased by Councils for the SES and whether these assets will be transferred to the State and on what basis.

Exemption provided under section 87 of the Local Government Act 1993

Section 87 of the Local Government Act 1993 provides exemptions from the fire levy to several types of properties, many of which are state owned such as crown land, national parks, state reserves. Council would request that these exemptions from the fire levy be reviewed when reviewing the proposed future funding model and that many of these exemptions for the fire levy be removed.

Council feels that it is inequitable for state owned land to be exempt from paying the fire levy when they are no less prone to requiring the services of the Tasmanian Fire Service for fires which start or spread into these areas. Under the current model there is an inequity in the exemptions provided to these properties which Council believes should be rectified.

Summary of feedback points

Feedback Point 1: Council is supportive of the Governments announcement on the 11th November that it will establish a working group to develop a new funding model for the Tasmanian Fire & Emergency Service.

Feedback Point 2: That the responsibility for collection of the fire levy should be moved to the State Revenue Office using the land tax system.

Feedback Point 3: That the new Tasmania Fire and Emergency Service department be required to provide explanation for future increases in the new levy and the amount of levy collected state-wide.

Feedback Point 4: That the implementation for any new levy be from 1 July 2025 being the 2025-26 rating year, a year in which no municipality has a fresh valuation.

Feedback Point 5: All SES funding should be provided by the new levy model, and Council should no longer be required to fund any part of the SES.

Feedback Point 6: Council seeks clarification on the future ownership of SES assets which are currently owned by Council and the process for their transfer to the SES.

Feedback Point 7: Council requests a review of the fire levy exemptions provided under section 87 of the Local Government Act 1993, and that many of the exemptions provided under section 87 be removed.

Please do not hesitate to contact me if you have any questions or require any further information.

Yours sincerely

Shane Crawford

GENERAL MANAGER