



HUON VALLEY COUNCIL

HUON VALLEY COUNCIL SUBMISSION

Draft Tasmania Fire and Emergency Services Bill 2023

Thank you for the opportunity to make a submission on the Draft Bill.

There are no issues with the Draft Bill generally and the uniting of the State Emergency Services and Tasmanian Fire Service is welcomed.

Council supports the need for the new authority to be properly funded however Council has significant concerns regarding, and does not support, the proposed funding model.

There is a fundamental question as to why these essential services are funded by a levy in the first instance and not through consolidated revenue. Fire and Emergency is as much an essential service as policing yet there is no separate Police levy. This must be carefully considered and, as a matter of principle, the Government should be aiming to fund Fire and Emergency through consolidated revenue.

It has been proposed that Councils will continue to be responsible for collecting the emergency services funds and the increased fee levy change proposal will undoubtedly adversely impact the Council and most significantly ratepayers.

The Council's position at the outset is the State Government should take over the collection of the fire levy, entirely removing Local Government from the process.

The State Government currently collects land tax directly from property owners and clearly has the systems in place to administer the fire levy as they hold the same valuation information that is provided to Councils.

Currently, our Council rates are based on Capital Value rather than the Assessed Annual Value, and our system does not allow for dual rating.

Resolving this issue to enable fee collection and transfer would require a substantial investment, one which would not see a return on investment, and ultimately be another cost the ratepayers would have to fund as increased rates.

The State Government has provided 2 options for consideration. Both proposed options have a significant impact on our ratepayers.

In option 1, there is a total increase of over \$2 million for our municipal area, and in option 2, the increase is over \$1.7 million. These costs are considerable, especially when borne by the Council, particularly when ratepayers already face challenges in meeting their levy obligations due to cost-of-living pressures. The potential for the Council to be left funding any unpaid levies by ratepayers is high and would flow back into ratepayers or reduced facilities and services provided to the community.

Should option 2 be the preferred choice by State Government, with the split between rural and urban areas, then additional information will be required to determine the criteria to distinguish the

differences. It is crucial to note that assigning this based on street addresses rather than suburbs may impose a heavy administrative burden on Councils which would include clearly being able to articulate the differences to ratepayers.

The Council has conducted our own forecasts using Valuer General data from July 1, 2023, and the provided land classification percentages.

The results reveal significant increases have been identified as follows:

Land Classification	Option 1		Option 2	
	Average Increase	Median Increase	Average Increase	Median Increase
Industrial	\$1,695	\$749	\$1,807	\$800
Commercial	\$1,025	\$728	\$1,119	\$794
Community Services	\$58	\$33	\$79	\$47
Primary Production	\$724	\$509	\$323	\$227
Other	\$20	\$15	\$26	\$20
Residential	\$150	\$138	\$129	\$113

These substantial hikes could have dire consequences for the Huon Valley community, especially in an already challenging economic climate.

Looking more broadly, there will be a high probability that Council staff will receive abuse from ratepayers frustrated by receiving substantially higher levies. There is a real possibility that the negative impact will directly affect the mental wellbeing of Council staff and challenge Council's work health and safety obligations particularly with the new focus on psycho-social hazards.

Overall, based on the information above, the Council's position must be to be removed from the collection process and that additional levy forecasting on current data needs to be completed and analysed to fully understand the implications not only on rate payers, but on service delivery and staff at the Council.

In making this submission the Council does notes the Government's recent announcement to review the funding model. This approach along with a proposed working group to achieve a satisfactory outcome is supported.