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## Tasmania Fire and Emergency Services Bill 2023

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Thank you for the opportunity to provide a submission on the *Tasmania Fire and Emergency Services Bill 2023* (The Bill).

Brighton Council have reviewed the Bill and provide the following feedback.

### *Funding Models*

Option 1 proposes that all residential properties across the State pay a fixed amount of 1%, no matter where you live within the state. Option 2 proposes that there will be a residential rate for Urban areas and another for Rural areas.

Council have now reviewed some sample properties with **Option 2** applied to them; showing some major increases as outlined below.

Current Fire Levy	Rating Classification	Zone	\$ change	% change
\$244.77	Commercial	Brighton Rural District	\$1,814.33	741
\$344.60	Commercial	Brighton Rural District	\$2,554.30	741
\$17,543.06	Commercial	Urban District	\$22,263.82	127
\$3,743.02	Commercial	Urban District	\$4,750.24	127
\$843.13	Community Services	Brighton Rural District	\$793.67	94
\$2,218.33	Community Services	Urban District	-\$1,056.73	-48
\$123.11	Industrial	Brighton Rural District	\$1,231.18	1000
\$398.67	Industrial	Urban District	\$784.29	197
\$85.96	Primary Production	Rural District	\$263.24	306
\$333.44	Primary Production	Urban District	\$15.76	5
\$48.00	Residential (Brighton)	Brighton Rural District	\$41.86	87
\$55.76	Residential (Old Beach)	Rural District	\$57.50	103
\$161.47	Residential (Bridgewater)	Urban District	\$7.63	5
\$163.85	Residential (Gagebrook)	Urban District	\$7.75	5

The above table shows exponential increases to some properties, with others more modest.

Currently, the fire levy is applied/classified in the following areas – Brighton Rural, Rural and Urban. Shown more simply, the increases across existing land classifications can be shown as follows:

Land Classification	Option 1	Option 2
Brighton Rural Commercial	increase of 676%	increase of 741%
Urban Commercial	increase of 109%	increase of 127%
Rural Community services	increase of 61%	increase of 94%
Urban Community services	<i>decrease</i> of 56%	<i>decrease</i> of 48%
Rural Industrial	increase 935%	increase 1000%
Urban Industrial	increase of 179%	increase of 197%
Rural Primary Production	increase of 712%	increase of 306%
Urban Primary Production	increase of 109%	increase of 5%
Brighton Rural Residential	increase of 212%	increase of 87%
Rural Residential	increase of 238%	increase of 103%
Urban Residential	<i>decrease</i> 12%	increase of 5%

It is broadly agreed that the existing system is not as simple or equitable as it should be. However, the proposed two options don't seem to be solving this issue. Based on our AAV's at July, Option 2 is collecting \$226k more than the current model based on all residential properties being urban with Option 1 collecting \$664k more. Clearly there is a huge revenue difference between the two options, which suggests there is not a clear view of the total revenue required and the system required to fairly levy it.

There would be vast increases for many of our ratepayers, especially the commercial and industrial sector. We have seen significant angst towards the changes already and could expect a lot more if the reform was to progress with the existing models. Both proposed models create a high degree of price volatility and significant increases across various categories.

### ***Communication***

The process to date has been poorly communicated or consulted. It is noted that this has now been recognised and that the proposed models have not been adequately considered or modelled in real world scenarios. Councils would expect that its expertise and role in this reform would be better utilised in future.

If and when significant reforms do occur, a strong communication strategy for community education should occur in parallel to ensure the community understand what the levy is, why it is needed and that it is not a council charge.

### ***Committee Membership***

Under section 17 there is no reference to what the membership of the State Fire and Emergency Service Committee will be? It is noted that the current membership of the State Fire Commission includes a Local Government representative. It is essential that a Local Government representative is retained on this committee.

### *Some Unknowns / Queries*

- There is no information on what is proposed for vacant land. This could potentially add an additional rating option.
- It is unclear whether minimums will still be included?
- It is not clear whether updated mapping of “Rural” and “Urban” zones would be provided for Residential classifications?
- It is unclear if councils would still be retaining the 4% administration fee to administer the Levy? Council would not support any proposed reduction in this fee due to the significant and increased workload to implement and manage these changes.

### *Impacts on Council*

- Upgrades would be required to be applied to the software that Council’s use to apply the levy. For example, Brighton software is only set up to apply the fire levy as a rate in the \$ multiplied by AAV. This would need to be negotiated with the software developer and Council would require sufficient timeframes to implement and test these changes. This could be a significant cost to councils.
- Any change will place a significant workload on staff in adding rating options to each property. For example, under *Option 2* there could be a minimum of 7 rating options to be correctly assigned to each property (x 9,000 + properties).
- Due to the identified complexities to implement any of these proposed changes, it would be practical for sufficient lead time to be given to all Councils. A minimum of 12 months from the adoption of the legislation would be ideal.

Brighton Council will continue to monitor and provide input into this Bill to advocate in the best interests of our community. Any reform of the fire levy system should ensure adequate funding for our emergency services, whilst being equitably and easily applied across the Tasmanian community.

I can be contacted on 03 6268 7000 or [james.dryburgh@brighton.tas.gov.au](mailto:james.dryburgh@brighton.tas.gov.au) if you require any additional information.

Yours sincerely



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