

FACT SHEET

FIRE SERVICE AMENDMENT BILL 2009

Following concerns raised by the Local Government Association of Tasmania and a number of Councils in regard to large yearly rises and falls in individual Councils' Fire Service Contributions the Minister for Police and Emergency Management, the Hon Jim Cox MP instigated a Review in mid 2008 to address their concerns.

The purpose of the Review was to identify the reasons for the large rises and falls and to recommend changes that would assist in alleviating these inconsistencies.

The Review Committee comprised a representative from a southern Council (Clarence), the Local Government Association of Tasmania, the Local Government Division of the Department of Premier and Cabinet, the Office of the Valuer-General and the Tasmania Fire Service (TFS).

The Review identified that the formula in the *Fire Service Act 1979* and the interrelationship between the various components in the formula had a major impact on some Council's Fire Service Contribution calculation. As a consequence a number of recommendations were made to mitigate the large movements in individual Council yearly contributions.

The Review Committee recommended that a six year rolling average of adjusted assessed annual values of land and an adjustment rate be incorporated into the formula to allow for a maximum yearly percentage increase or decrease in the Fire Service Contribution. The overall yearly percentage increase or decrease will be determined by the State Fire Commission as part of the budget process and be subject to approval by government. The purpose of this is to ensure that no individual Council's Fire Service Contribution increases or decreases from year to year by more than a pre-determined percentage.

In reviewing the calculation of the Fire Service Contribution the Review Committee also recommended a number of other minor changes to the Act. These included a more realistic reporting timeframe for Councils and the State Fire Commission, abolition of the gazettal of the Commission's minimum assessed annual value of land calculation, as Councils individually calculate this, and the annual reconciliation by Councils of land value information with that of the Valuer-General prior to submission to the State Fire Commission. Councils will be required to furnish their exempt assessed annual values of land, which are determined as at 1 July each year, to the Commission by 30 September in that year instead of 15 April in the following year. The Commission will be required to notify Councils, by 30 April each year instead of 1 June, of the Fire Service Contribution that they are to collect in the following financial year.