

**Portfolio Committee No. 4 – Legal Affairs
Fire and Emergency Services Levy
CR West – Questions taken on notice**

Item 1

The Hon. LYNDA VOLTZ: How much was that fee for service that was included? Did the Government set a rate?

Mr WEST: I will have to take it on notice. I know we did get paid some money or compensation for establishing or starting to put together the base, if you like, of information required. But what the ongoing fee for service was, I cannot tell you; I am sorry.

Further Response

Council received funds for the setup and establishment of the FESL framework. Roughly \$62,105.35 was paid the Cowra Council over four installments. These being;

15/12/16	\$16,476.00
25/5/17	\$26,043.84
30/6/17	\$17,725.17
17/11/17	\$1,860.35

The fourth installment was the final component that was to reimburse Council for the data already collected by Council.

Item 2

The Hon. LYNDA VOLTZ: You can take this question on notice as well. Was it always the intention that there would be an ongoing administration charge?

Mr WEST: There was always an understanding that there would be some administration charge, which local government would be able to place either directly on the Government or as part of collecting the fee in some form or other, yes.

Further Response

With regard to an ongoing agreed fee for the collection of the FESL, Council had a draft memorandum of understanding which showed an amount of \$16,476 pa.

What was, and still is unclear is when the State Government required the revenue collected to be paid.

The concern here relates to rate payers who don't pay on time. There is considerable complexity regarding the accruing of interest and the responsibility for collection which was never properly addressed.

Item 3

The Hon. SHAOQUETT MOSELMANE: You say in your submission that the rates levy only takes place in July each year—

Mr WEST: Yes.

The Hon. SHAOQUETT MOSELMANE: —and to alter that process would require significant additional resources. Can you elaborate on what sort of significant additional resources you are talking about?

Mr WEST: I would probably take that on notice. I think, as the previous question had raised the issue, that information is available to the State Government as well, and on rate notices. And then to go down the path of establishing a new database was going to be costly. But I will have to take that on notice.

Further Response

The calculation and charging of rates are as per legislation. Rates are levied once a year in July, but rate payers have the option of paying in full or over 4 installments. Most opt of installments.

The components to the calculation of rates are as follows;

- Land rating / category
- Base amount
- ad valorem
- Land value

The FESL would show as 1 line item on the rates notice, but depending on the timing of the changes and taking into account the rigidity of software systems used there would be further costs incurred by Council.

As mentioned previously, not knowing the details on the overall management of funds collected and the timing of transfers to the State Government makes quantifying the level of resources extremely difficult.