Emergency Services Levy
Question & Answer Guide 2012/13

CONTENTS

1.0 BACKGROUND INFORMATION ................................................................. 1
  1.1. What is the ESL? .................................................................................. 1
  1.2. When did it start? ................................................................................. 1
  1.3. Why the ESL is better than the old system ........................................ 1
  1.4. What the ESL funds .......................................................................... 1
  1.5. What the ESL does not fund .............................................................. 2
  1.6. How the money is distributed ............................................................ 2
  1.7. How the ESL is helping volunteers ..................................................... 2
  1.8. Which properties pay ESL and how is the ESL collected ................. 3

2.0 BUDGET INFORMATION 2012/13 ............................................................ 3
  2.1. DFES Budget ..................................................................................... 3
  2.2. A boost to frontline emergency services in WA .................................. 3
  2.3. How much ESL is raised .................................................................... 5
  2.4. State Government’s contribution ....................................................... 5

3.0 ESL CHARGES 2012/13 ........................................................................... 5
  3.1. Calculating ESL charges ..................................................................... 5
  3.2. ESL categories .................................................................................. 6
  3.3. Changes to ESL category boundaries ................................................. 6
  3.4. Gross Rental Values (GRV) ................................................................. 7
  3.5. Why use Gross Rental Values (GRV) .................................................. 8
  3.6. ESL Rates .......................................................................................... 8
  3.7. Property Uses - Minimum and maximum charges ............................. 8
  3.8. Multiple residential properties .......................................................... 9
  3.9. Pensioner and senior rebates ............................................................. 9
  3.10. Late payment interest ....................................................................... 10

4.0 OTHER ...................................................................................................... 10
  4.1. Why do I have to pay more than one levy? ....................................... 10
  4.2. I’m a volunteer, why should I have to pay? ..................................... 10
  4.3. Who is the Minister? .......................................................................... 11
  4.4. ESL contact details ............................................................................ 11
  4.5. DFES contact details for non-levy matters ....................................... 11
1.0 BACKGROUND INFORMATION

1.1. What is the ESL?

The Emergency Services Levy (ESL) funds all career and volunteer fire brigades, volunteer State Emergency Service (SES) units and volunteer emergency service units throughout the whole State.

1.2. When did it start?

The levy was introduced on 1 July 2003. 2012/13 is the tenth year it has been included on Council rates notices.

1.3. Why the ESL is better than the old system

- Funding and equipment is allocated to where it is most needed. Before, funding could only be spent in the area it was collected, resulting in many brigades and units being under-funded and under-resourced.

- Not everyone contributed. Funding used to be collected through levies on building and contents insurance, council rates and donations. These ad-hoc and unequal systems meant not all property owners contributed to the emergency services available to them.

- People didn’t know how much they were contributing as they contributed via several sources and many contributions were hidden. The ESL is open and accountable.

1.4. What the ESL funds

The levy funds the operating costs of, and equipment purchases for:

- Career Fire and Rescue Service;
- Volunteer Fire and Rescue Service;
- Local Government Bush Fire Brigades;
- State Emergency Service; and
- DFES’s Multi-Functional Emergency Service Units.

Operating costs include running and maintaining vehicles and buildings, insurance, personal protective equipment and operational consumables.

Capital equipment purchases include firefighting appliances, vehicles, buildings and major rescue equipment.

The ESL also funds volunteer training, fire investigations, building inspections, community safety programs, emergency management planning and DFES’s corporate support costs.
1.5. What the ESL does not fund

The ESL does not fund:
- Volunteer Marine Rescue Services;
- St John Ambulance;
- WA Police;
- Surf Lifesaving Society; or
- The majority of the cost of the RAC Rescue 1, emergency rescue helicopter service and DFES's other rotary and fixed wing services.

1.6. How the money is distributed

Funding to SES units and local government bush fire brigades is through an ESL funded grants program. This year grants for operating expenses and capital items totaling $24.469 million will be provided.

Operating grants are paid to local governments in equal, quarterly installments. Capital grants are usually provided through direct purchases by DFES (i.e. a fire appliance) which are then given to the local government. This provides cost savings through bulk-purchasing.

Funding to the career Fire and Rescue Service, volunteer Fire and Rescue Service and Volunteer Emergency Service Units – which are all managed by DFES – is provided directly through DFES’s financial procedures.

1.7. How the ESL is helping volunteers

In the 9 year period 2003/04 to 2011/12, more that $171 million in grants had been allocated to local governments to fund operating expenses and new/refurbished fire appliances, vehicles, boats, new/upgraded facilities, new equipment, and personal protective clothing for bush fire and SES volunteers.

In addition, more funding has been provided to multi-functional Volunteer Emergency Service Units, and DFES’s Volunteer Fire Service Units. More detailed information on what ESL funding has provided is available in DFES’s “State of the Service” report which is available on the DFES website (www.dfes.wa.gov.au).

The ESL is a flexible funding arrangement that can accommodate the urgent replacement of critical equipment or vehicles. Volunteers play an essential role in helping protect the community. It is in the best interest of all Western Australians to ensure all volunteer brigades and units are properly funded – regardless of where they are located. This is because during emergencies volunteers travel from all over the State to help out – wherever they are needed.
1.8. Which properties pay ESL and how is the ESL collected

The ESL is a State Government charge which is levied on rates notices issued by local governments. With the exception of vacant land owned by a Council, which is exempt from ESL, the ESL applies to all property (including property owned by ‘not for profit’ organisations that may be exempt from local government rates). Certain mining tenements also pay, but not those that are only for exploration or prospecting activities. All ESL money collected by each Council is sent directly to DFES and 100% of it is used to fund fire and emergency services.

*(Local Governments are paid an annual administration fee to help cover the cost of billing and collecting the levy.)*

2.0 BUDGET INFORMATION 2012/13

2.1. DFES Budget

Each year the cost of operating fire and emergency services is determined through the State Government’s budgetary process.

The DFES budget in 2012/13 is $309.972 million and is raised from several sources.

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>$Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Services Levy *</td>
<td>249.877</td>
</tr>
<tr>
<td>State Government Funding</td>
<td>39.647</td>
</tr>
<tr>
<td>Other Revenue &amp; Commonwealth Government Grants</td>
<td>20.448</td>
</tr>
<tr>
<td><strong>Total DFES Funding</strong></td>
<td><strong>$309.972</strong></td>
</tr>
</tbody>
</table>

* The ESL collections include $16 million paid by the State Government for ESL on its own property.

2.2. A boost to frontline emergency services in WA

DFES’s 2012/13 budget of $309.972 million is a $19.888 million (6.9%) increase on the 2011/12 budget of $290.084 million.

The increase reflects the Government’s commitment to the safety of the Western Australians and our paid and volunteer emergency service workers.
Budget Highlights

In response to the Keelty Reviews into the Roleystone-Kelmscott and Margaret River Bushfires the State Government has allocated $44 million to DFES over the next four years to provide:

- **Enhanced bushfire community education and awareness in high risk areas:** to develop a comprehensive bush fire education program to be delivered in high fire-risk locations, whilst maintaining the development and delivery of home fire safety and smoke alarm campaigns, and other programs that support a range of hazard events such as cyclones, floods, storms, tsunamis and earthquakes.

- **Improved field intelligence capability:** through improvements in the sharing of information between agencies and organisations in real time; incident coordination processes and the recording of information and decisions for post incident review. Key initiatives include:
  - the development of a web-based crisis incident management system;
  - increased ICT support to career and volunteer fire and rescue services; and
  - increased availability of specialist IT (including GIS and Spatial Resources) and radio communication personnel in emergency Incident Management Teams.

- **Improved change management and governance:** to continue the development of DFES’s Strategic Management Office to ensure that appropriate governance and accountability arrangements are applied to, and industry best practice is adopted for, all project techniques and methodologies across the DFES organisation.

- **Implementation of structural reform:** to support organisational cultural reform and a restructure of DFES to the ‘Department’ model, with four portfolios comprised of: Operations; Operations Support and Capability; Corporate Services; Governance & Strategy.

- **The establishment of the Office of Bushfire Risk Management (OBRM) to oversee and authorise prescribed burns:** a separate autonomous office within DFES, reporting directly to the DFES CEO, the OBRM, will oversee and authorise all prescribed burns in the new South West Bushfire Risk Zone (Lancelin to Denmark), as well as other high risk burns across the State within the near vicinity of a town.

- **Expanded service delivery in the South West Cape Region:** to support a range of increased emergency response measures in the South West Cape region, including additional fire and emergency resources.

- **Increased training and support for volunteers and staff to enhance operational preparedness:** to support will provide additional support in regional areas assisted by centralised planning and coordination, to facilitate increased emergency planning, training and exercise schedules at the operational level.
• **Increased policy and planning support to the State Emergency Management Committee (SEMC):**
  
  to provide enhanced planning and policy development support for the SEMC to advise Government on the State’s preparedness for emergencies.

The 2012/13 ESL Brochure, that will be included with Council rates notices, provides information about the budget increase.

**2.3. How much ESL is raised**

The levy does not raise more money than is needed. The ESL rates are set each year so that only the required level of funding is raised.

In 2012/13 the levy will raise $249.877 million.

**2.4. State Government’s contribution**

The total State Government contribution to DFES in 2012/13 will be approximately $39.647 million.

This consists of $16 million in ESL on State Government property and a further contribution of $23.647 million.

**3.0 ESL CHARGES 2012/13**

**3.1. Calculating ESL charges**

How much ESL a property is charged depends on four things:

1. the location of the property (the ESL Category it is in);
2. the declared ESL rate for that category;
3. the property’s Gross Rental Value (GRV); and
4. Minimum and maximum charges, which are based on what the property is used for.

The ESL charge for properties located in ESL Categories 1 to 4 is calculated using Gross Rental Value (GRV). The GRV is multiplied by the ESL rate for that category.

Properties located in ESL Category 5 and certain mining tenements (where infrastructure is likely to exist) receive a fixed charge of $57 per rates notice.
3.2. ESL categories

There are 5 ESL categories that apply, depending on the type and level of fire and emergency services available to a property. A different ESL rate is declared for each ESL category. Properties with more services available to them will contribute more.

<table>
<thead>
<tr>
<th>ESL CATEGORY</th>
<th>LOCATION DESCRIPTION</th>
<th>EMERGENCY RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESL Category 1</td>
<td>Perth Metropolitan Fire District</td>
<td>A network of Career Fire and Rescue Service stations, plus the SES</td>
</tr>
<tr>
<td>ESL Category 2</td>
<td>Regional Cities</td>
<td>A career fire station plus Volunteer Fire and Rescue Service Brigade and the SES</td>
</tr>
<tr>
<td>ESL Category 3</td>
<td>Urban Metropolitan Area</td>
<td>A Volunteer Fire and Rescue Service Brigade and/or Bush Fire Brigade supported by the network of career fire stations in the metropolitan region and the SES</td>
</tr>
<tr>
<td>ESL Category 4</td>
<td>Country Towns</td>
<td>Volunteer Fire and Rescue Service Brigade, and the SES OR Bush Fire Brigade equipped with breathing apparatus, and the SES</td>
</tr>
<tr>
<td>ESL Category 5</td>
<td>Pastoral / Rural Areas</td>
<td>Communities supported by the statewide SES network and generally a Bush Fire Brigade</td>
</tr>
</tbody>
</table>

3.3. Changes to ESL category boundaries

Each year the ESL category boundaries and classifications are reviewed. If there has been a change in the delivery of emergency services in an area, then the boundaries, and hence the ESL category classification of impacted properties, are amended accordingly. Any changes become effective on 1 July of each year.

The reasons for changing a boundary include:

- a change in the delivery of emergency services in the area. For example, a new career Fire & Rescue Service station is opened.
- the development of vacant land so that the area the local fire brigades respond to is expanded.
- the development of vacant land into properties changing the level of service. For example, from a bush fire response to a structural firefighting capability.

Boundary changes bring the ESL charge on the affected properties into line with all other properties that are receiving the same level and type of protection.
ESL category boundary changes in 2012/13

Metropolitan Fire District (MFD) Extension
An extension of the MFD boundary has been made to incorporate a conservation park in Darlington that is afforded protection by metropolitan-based career Fire & Rescue Service stations. As a result the property will be reclassified ESL Category 1 (from ESL Category 3) effective 2012/13, and there will be a consequential amendment of the ESL category 3 boundary (which surrounds the MFD).

Collie Fire District Extension
An extension of the Collie Fire District boundary has been made to incorporate a number of properties in Collie that require protection by the Collie Volunteer Fire & Rescue Service. The change will impact 26 properties that as a result will be reclassified ESL Category 4 (from ESL Category 5) effective 2012/13.

Port Hedland Fire District Extension
An extension of the Port Hedland Fire District boundary has been made to incorporate a few properties that require protection by the Port Hedland Volunteer Fire & Rescue Service. The change will impact 8 properties that as a result will be reclassified ESL Category 4 (from ESL Category 5) effective 2012/13.

3.4. Gross Rental Values (GRV)
A Gross Rental Value (GRV) is the estimated amount you could rent your property for in a year. GRVs are independently determined by the Valuer General, (Landgate) and can be appealed. They are reviewed every 3 years in the metropolitan area and every 3, 4 or 5 years in regional areas.

Revised valuations will come into force from 1 July 2012 in the following country regions:

- the City of Greater Geraldton and the City of Kalgoorlie-Boulder (ESL category 2 and 5);
- the City of Busselton (ESL category 4 and 5);
- the Shires of Ashburton, Augusta-Margaret River, Beverley, Broome, Cunderdin, Dumbleyung, East Pilbara, Gingin, Goomalling, Kellerberrin, Lake Grace, Morowa, Port Hedland, Quairading, Roebourne, Shark Bay, Tammin and Wongan-Ballidu (ESL category 4 and 5).
- the Shires of Dowerin, Kent, Mingenew, Nungarin, Perenjori and Three Springs (ESL category 5 only).

For further questions about GRV contact Landgate - Valuations Services:
Telephone: (08) 9429 8400 Email:-vs@landgate.wa.gov.au
3.5. **Why use Gross Rental Values (GRV)**

- Using GRV is a recognised way of apportioning community costs. GRVs are used to calculate council rates and water rates;
- GRVs are an accepted measure for working out what a property is worth, and generally an indication of a person’s capacity to pay;
- GRVs are determined by an independent body, the Valuer General at Landgate; and
- Using GRVs is administratively simpler and less costly to maintain as it has been developed over a number of years, and is used by a variety of organisations meaning its cost can be shared. Using another system would cost a lot more.

3.6. **ESL Rates**

<table>
<thead>
<tr>
<th>ESL Rates 2012/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 1</td>
</tr>
<tr>
<td>Category 2</td>
</tr>
<tr>
<td>Category 3</td>
</tr>
<tr>
<td>Category 4</td>
</tr>
<tr>
<td>Category 5</td>
</tr>
<tr>
<td>Mining Tenement</td>
</tr>
</tbody>
</table>

The ESL charge on a property is calculated by multiplying the ESL category rate by the Gross Rental Value (GRV) of the property.

3.7. **Property Uses - Minimum and maximum charges**

Minimum and maximum charges are set according to the property’s use.

Minimum and maximum charges have been set to make sure each property pays an equitable amount. That is, property owners at the lower end of the scale pay enough, while those at the top don’t pay too much.

The minimum and maximum charges are based on what a property is used for.

The ESL Property Use classifications reflect the actual usage of property and may differ from property zoning classifications used by Local Governments for council rates.
### Minimum and Maximum Charges 2012/13

<table>
<thead>
<tr>
<th>ESL Category</th>
<th>Vacant, Residential and Farming</th>
<th>Commercial, Industrial and Miscellaneous</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Minimum</td>
<td>Maximum</td>
</tr>
<tr>
<td>1</td>
<td>$57</td>
<td>$290 *</td>
</tr>
<tr>
<td>2</td>
<td>$57</td>
<td>$217 *</td>
</tr>
<tr>
<td>3</td>
<td>$57</td>
<td>$145 *</td>
</tr>
<tr>
<td>4</td>
<td>$57</td>
<td>$103 *</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>$57 per Rate Notice</td>
</tr>
<tr>
<td>Mining Tenements</td>
<td></td>
<td>$57 per Rate Notice</td>
</tr>
</tbody>
</table>

*Special conditions apply to multiple residential properties on a single rates notice (see below)*

The minimum charge has increased to $57 in 2012/13 from the threshold that applied in 2011/12 (where a minimum of $55 applied).

Varying maximum charge ceilings apply for the various Property Use groupings within each ESL category in 2012/13. These ceilings have increased from those that applied in 2011/12.

#### 3.8. Multiple residential properties

A multi-residential property is where a duplex or a block of flats/apartments receive a single rates notice for the complex.

For example, a single maximum residential charge of $290 does not apply to multi-residential properties in ESL category 1 in 2012/13 as this would provide a significant and unfair saving for the property owner.

The maximum charge for a multi-residential property in is calculated by multiplying the number of residences/flats/apartments by the maximum residential charge. For example, for a metropolitan residential property with four units, the maximum charge is $1,160 (i.e. 290 x 4).

#### 3.9. Pensioner and senior rebates

If you qualify for a rebate on your Council rates, you will receive the same level of rebate on your ESL charge. The two rebates are combined and printed on the rates notice as one amount.

Pensioners who are eligible to defer their Council rates can also defer their ESL charge. Eligible seniors and pensioners who are living in a “lease for life” accommodation also qualify for a rates/ESL rebate. Claims are coordinated on their behalf by the manager/administrator of the complex.
3.10. Late payment interest

If a property owner does not pay either the full or part payment of ESL on time, late payment interest of 11% per annum will be charged.

However, late ESL payment penalty interest will not be charged when eligible pensioners choose to defer the payment of their ESL charge.

4.0 OTHER

4.1. Why do I have to pay more than one levy?

If you own more than one property

The ESL is charged on all properties. Therefore you will pay the levy charge for each property that you own. This is fair as each property has access to, and may need to use, the emergency services.

Also, some people and businesses own many properties. It would be unfair if they only had to pay the levy on one property as any shortfall would have to be picked up by all other property owners.

If you receive several levy charges for the one property

The levy is included on all rates notices. Therefore, if you receive more than one rates notice it will be included on each.

If you own several adjoining properties that are used for the same purpose (i.e. contiguous properties), you may be able to apply for a Group Valuation. Contact your Council Office or Landgate for more information.

4.2. I'm a volunteer, why should I have to pay?

- To exempt volunteers would be near impossible to administer. How would you work out who qualifies? Some volunteers train weekly and are regularly called out, while others might only meet twice a year. Is it fair that everyone should get the same benefit?
- To keep track of who is an active volunteer would mean a lot of extra paperwork for the brigades, units and Local Governments.
- There are over 32,000 volunteer firefighters and SES volunteers. If you exempted everyone, the shortfall would have to be picked up by other property owners.
- Most volunteers contributed under the old system.
4.3. **Who is the Minister?**
Hon Troy Buswell BEc MLA Treasurer; Minister for Transport; Emergency Services
Mail: 10th Floor, Dumas House, 2 Havelock Street, WEST PERTH WA 6005
Phone: (08) 6552 6400
Fax: (08) 6552 6401

4.4. **ESL contact details**
Call Centre Telephone Number: 1300 136 099 (cost of a local call)
Mail: PO Box P1174, Perth WA 6844
Email: esl@dfes.wa.gov.au
Website: www.dfes.wa.gov.au

4.5. **DFES contact details for non-levy matters**
For information on community safety and other DFES matters:
Mail: PO Box P1174, Perth WA 6844
Phone: (08) 9323 9300
Fax: (08) 9323 9470
Email: dfes@dfes.wa.gov.au
Website: www.dfes.wa.gov.au