



# Emergency Services Levy Question & Answer Guide 2019-20

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## **1.0 BACKGROUND INFORMATION**

### **1.1. What is the ESL?**

The Emergency Services Levy (ESL) is the main source of funding for the Department of Fire and Emergency Services (DFES) and used solely to provide volunteer and career fire and emergency services throughout the whole State.

### **1.2. When did it start?**

The ESL was introduced on 1 July 2003.

### **1.3. Why the ESL is better than the old system**

- Funding and equipment is allocated to where it is most needed. Prior to 2003-04, 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. Prior to 2003-04, most of the required emergency services funding was collected through levies on building and contents insurance, Council rates and donations. These ad-hoc and unequal funding arrangements meant that not all property owners contributed to the emergency services available to them.
- Property owners were not aware of how much they were contributing prior to 2003-04 as they contributed via several sources and many contributions were hidden. The ESL funding system is transparent.

### **1.4. What the ESL funds**

The ESL provides facilities, vehicles, protective clothing, equipment and general operating funding for the:

- Career Fire and Rescue Service (CFRS);
- Volunteer Fire and Rescue Service (VFRS);
- DFES Volunteer Fire and Emergency Service (VFES) units;
- Bush firefighting and bushfire management services including the Rural Fire Division within DFES and Local Government Bush Fire Brigades (BFB);
- Aviation Services engaged over the high risk bushfire season (since 2010-11);
- 50% of the South West Emergency Rescue Helicopter Service;
- Volunteer Marine Rescue Service (VMRS) (since 2015-16);
- State Emergency Service (SES);
- Emergency response services provided by ChemCentre (from 2019-20); and
- DFES' corporate support costs associated with the above services.

Operating costs include running and maintaining vehicles and buildings, insurance, personal protective equipment and operational consumables. Capital equipment purchases include firefighting appliances (fire trucks), vehicles, rescue boats, fire stations and other emergency service buildings and major rescue equipment.

The ESL also funds volunteer training and supports specialist activities such as fire investigations, building inspections, community safety programs and emergency management planning.

## **1.5. What the ESL does not fund**

Major services that the ESL does not fund include:

- St John Ambulance;
- WA Police;
- Surf Life Saving WA;
- Metropolitan Emergency Rescue Helicopter Service;
- Unexploded ordinance services;
- National Aerial Firefighting Committee contributions to the DFES Aerial Firefighting Fleet;
- Volunteer Fuel Card grants;
- State Emergency Management Committee Secretariat functions; and
- Commonwealth and State contributions towards natural disaster grant programs.

Minor activities that DFES undertakes that are also not funded by the ESL include:

- Bushfire mitigation undertaken on behalf of the Department of Education;
- Direct Brigade Alarm Administration; and
- False Fire Alarm Fee Administration.

## **1.6. How the money is distributed**

Funding to SES units and local government BFBs is through an ESL funded grants program. This year approximately \$33.055 million will be provided.

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

The provision of funding for the CFRS, VFRS, VFES units, VMRS units and the aerial firefighting fleet, is directly managed by DFES through its internal financial processes.

## **1.7. How the ESL is helping volunteers**

Over the 17 year period 2003-04 to 2019-20 local government grant allocations in excess of \$408 million have been approved to fund BFBs and SES units and provide for new/refurbished fire appliances, vehicles and vessels, new/upgraded facilities/fire stations, new equipment, and personal protective clothing for these essential volunteer groups.

This has significantly increased the funding provided to BFBs and SES units. More detailed information is available on the DFES website ([www.dfes.wa.gov.au](http://www.dfes.wa.gov.au) under "Local Government Grants BFS and SES").

In addition, more funding has been provided for DFES VFES units and funding for VMRS units has been increased significantly.

The ESL has resulted in more flexible funding arrangements that can accommodate the urgent replacement of critical equipment and 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, groups 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. The ESL applies to all property (including property owned by 'not for profit' and charitable organisations that may be exempt from local government rates), except property specifically exempted from ESL (by Regulations) including:

- vacant land owned by a Council, which is exempt from ESL;
- mining tenements that are only for exploration or prospecting activities; and
- the Wittenoom Townsite (being contaminated land with no service provision).

All of the ESL collected by local governments 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 2019-20**

### **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 operating budget in 2019-20 is \$449.286 million and, in addition, capital funding totaling \$14.638 million will be funded through the ESL. The sources of funding for DFES in 2019-20 are shown below:

Funding Source	\$Million
Emergency Services Levy *	\$405.140
State Government Appropriation	\$24.756
Other Revenue & Commonwealth Government Grants	\$34.028

*\* The ESL includes \$19.663 million paid by the State Government for ESL on its own property.*

### **2.2. How much ESL is raised / How are rates set**

In 2019-20 the ESL will raise \$405.140 million, a \$13.748 million (3.5%) increase on the 2018-19 approved ESL budget of \$391.392 million.

ESL rates are determined by calculating the exact rates that are required so that sum of the ESL assessed on each property will total the funding necessary to meet DFES' approved budget requirements (see 2.1).

The ESL 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.

### 2.3. Continuing support to frontline emergency services in WA

The 3.5% increase in the amount of ESL to be raised in 2019-20 reflects the Government's ongoing commitment to the safety of Western Australians and our paid and volunteer emergency service workers, and includes an increase to Local Government Grants Scheme funding for SES and BFBs and funding for emergency response activities conducted by ChemCentre WA.

### 2.4. State Government's contribution

The total State Government contribution to DFES in 2019-20 will be approximately \$46.022 million. This consists of \$19.663 million in ESL on State Government property, \$1.603 million from the Royalties for Regions fund and a further appropriation of \$24.756 million.

## 3.0 ESL CHARGES 2019-20

### 3.1. Calculating ESL charges

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

1. the location of the property (which determines its ESL Category classification);
2. the ESL rate for that category;
3. the property's Gross Rental Value (GRV); and
4. the minimum and maximum charge thresholds 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 (subject to the declared minimum and maximum ESL charge thresholds).

Properties located in ESL Category 5 and certain mining tenements (where infrastructure may exist) receive a fixed charge of \$84 per Rates Notice in 2019-20.

### 3.2. ESL categories

There are five ESL rate categories that apply, depending on the type and level of fire and emergency services available to a property. Properties with more services available to them will contribute more.

ESL Category	Location Description	Emergency Response
1	Perth Metropolitan Fire District	Network of CFRS stations and the SES
2	Regional Cities	CFRS station plus a VFRS brigade and the SES
3	Urban Metropolitan Area	A VFRS brigade and/or BFB supported by the network of CFRS stations in the metropolitan region and the SES
4	Country Towns	A volunteer service with structural firefighting capability and the SES
5	Pastoral / Rural Areas	Communities supported by the statewide SES network and generally a BFB

### **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.

Reasons for changing a boundary include:

- a change in the delivery of emergency services in the area. For example, a new CFRS station is opened;
- the development of vacant land so that the area the local fire brigade/s respond to is expanded;
- the development of vacant land which results in a change of the level of service. For example, from a bush fire response to a structural firefighting capability; and
- new road infrastructure that increases the area that local services are able to reach and provide a response.

**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.**

#### **Fire District and ESL category boundary changes in 2019-20**

More information regarding boundary changes (including maps showing the areas affected) is available in the Emergency Services Levy section of the DFES website ([www.dfes.wa.gov.au](http://www.dfes.wa.gov.au)) under “Charges and Payments” at the “Boundary Amendments” link under the heading “ESL Categories Boundaries”.

#### **Metropolitan Fire District (MFD) Amendment – Alkimos in the City of Wanneroo**

The MFD boundary has been expanded to the eastern side of Marmion Avenue between Warhol Way and Modernism Way in Alkimos that are now being serviced by the Metropolitan network of Career Fire & Rescue Service (with first response from the Butler CFRS station). As a result, 84 properties were reclassified from ESL category 3 to ESL category 1 with effect from 1 July 2019.

#### **Yanchep Fire District (FD) Amendment – the City of Wanneroo**

The Yanchep FD boundary has been expanded to reflect the need for VFRS service delivery to urban development on the south of Yanchep Beach Road between Bundjalung Road and Butteleaf Avenue in Yanchep. An expansion of the aligning category 3 ESL boundary was also required to reflect a change in service delivery resulting from the commissioning of the Butler CFRS station. The category 3 ESL boundary has been expanded north (aligning with the Yanchep fire district boundary), to Blaxland Avenue. As a result, 5133 properties were reclassified from ESL category 4 to ESL category 3 with effect from 1 July 2019.

#### **Yanchep Fire District (FD) Amendment – Two Rocks in the City of Wanneroo**

The Yanchep FD boundary has been expanded to reflect the need for VFRS service delivery to urban development on the northern side of Breakwater Drive to Lunarossa Drive in Two Rocks. The expansion altered the ESL category classification of 98 properties from ESL category 5 to ESL category 4. All 98 of these properties are privately owned.

### Toodyay Fire District (FD) Amendment – Shire of Toodyay

The Toodyay FD boundary has been expanded to reflect the need for VFRS service delivery to urban development on the eastern side of the town between Murray Walkway and the proposed Bindi Bindi - Toodyay Road in Toodyay. As a result, 79 properties were reclassified from ESL category 5 to ESL category 4 with effect from 1 July 2019.

### Williams Fire District (FD) Amendment – Shire of Williams

The Williams FD boundary has been expanded to reflect the need for VFRS service delivery to urban development to the south of the town on Marjidin Way, and on the west side of the town between Albany Highway and the Williams River. As a result, 23 properties were reclassified from ESL category 5 to ESL category 4 with effect from 1 July 2019.

### Witchcliffe Fire District (FD) Amendment – Shire of Augusta – Margaret River

The Witchcliffe FD boundary has been expanded to reflect the need for VFRS service delivery to urban development on the south side of Redgate Road to McDermott Parade. The expansion altered the ESL category classification of 53 properties from ESL category 5 to ESL category 4 with effect from 1 July 2019.

## **3.4. Gross Rental Values (GRV)**

A Gross Rental Value approximates the amount a property could be rented 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. With effect from 1 July 2019 revised valuations will come into force in:

- the Cities of Mandurah and Kalgoorlie-Boulder; and
- the Shires of Boyup Brook, Bridgetown-Greenbushes, Brookton, Broome, Bruce Rock, Capel, Carnarvon, Collie, Corrigin, Denmark, Donnybrook-Balingup, Dundas, Esperance, Exmouth, Irwin, Katanning, Merredin, Narrogin, Pingelly, Plantagenet, and Toodyay (ESL category 4 and 5), and

All other revaluations occurred in areas where property valuations have no impact on ESL charges (ESL category 5).

For further questions about GRV contact Landgate - Valuations Services:

- Phone: (08) 9273 7373
- Email: [customerservice@landgate.wa.gov.au](mailto:customerservice@landgate.wa.gov.au)

## **3.5. Why use Gross Rental Values (GRV)**

GRVs are used as they are:

- a recognised way of apportioning community costs (e.g. Council rates, water rates);
- automatically adjusted to reflect property development changes;
- an accepted measure for working out what a property is worth, and generally an indication of a person's capacity to pay;
- determined by an independent body, the Valuer General, Landgate; and

- administratively simpler and less costly to maintain (i.e. GRV has been developed over a number of years, and is used by a variety of organisations meaning costs can be shared). Using another system would cost a lot more.

### 3.6. ESL rates

In 2019-20 the following ESL rates and fixed charges were declared by the Minister for Emergency Services on 23 May 2019 (published in the *Government Gazette* on 28 May 2019):

ESL Category	2019-20 ESL Rates
Category 1	\$0.014839
Category 2	\$0.011129
Category 3	\$0.007419
Category 4	\$0.005194
Category 5	\$84 fixed charge per rate notice
Mining Tenement	\$84 fixed charge per rate notice

The ESL charge on a property is calculated by multiplying the ESL category rate by the GRV of the property.

### 3.7. Property Uses – Minimum and Maximum Charges

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 zonings classifications used by Local Governments for Council rates.

#### Minimum and maximum charges 2019-20

ESL Category	Vacant, Residential and Farming		Commercial, Industrial and Miscellaneous	
	Minimum	Maximum	Minimum	Maximum
1	\$84	\$441 *	\$84	\$251,000
2	\$84	\$330 *	\$84	\$188,000
3	\$84	\$219 *	\$84	\$125,000
4	\$84	\$154 *	\$84	\$87,000
5	\$84 per Rate Notice			
Mining Tenements	\$84 per Rate Notice			

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

The minimum charge has increased to \$84 in 2019-20 from the \$82 minimum threshold that applied in 2018-19.

Varying maximum charge ceilings apply for the various Property Use groupings within each ESL Category in 2019-20. These ceilings have also increased from those that applied in 2018-19.

### **3.8. Multiple residential properties**

A multi-residential property is where a duplex or a block of flats/apartments receives a single rates notice for the complex. In such cases the maximum ESL charge threshold for a multi-residential property is calculated by multiplying the number of residences/flats/apartments/units by the maximum residential charge that applies to single residential property. Hence, the \$441 maximum residential charge that applies to single metropolitan-based residential property with an ESL Category 1 classification does not apply to a multi-residential property in that same area as this would provide a significant and unfair saving for the property owner.

For example in 2019-20, the **maximum ESL charge threshold** for a multi-unit metropolitan residential property that has ten units is \$4,410 (i.e. \$441 x 10).

### **3.9. Pensioner and senior rebates**

If a pensioner or senior who is the owner (or part owner) of a residential property and they qualify for a rebate on their Council rates (for their principal place of residence), they will receive the same percentage rebate on their ESL charge.

The recent Government announcement to introduce a maximum monetary capping on the Council rates rebate entitlement for eligible pensioners (applicable to their principal place of residence) does not apply to, or impact, the ESL rebate entitlement for eligible pensioners.

If the Council separately itemises its rubbish and other service charges, the notice will only include a rebate on the Council's general rates plus the ESL, and the two rebates are combined and printed on the Rates Notice as one amount.

Eligible seniors and pensioners who are living in a "lease for life" accommodation also qualify for a Rates/ESL rebate. These type of claims are coordinated on their behalf by the manager/administrator of the complex in consultation with their Council.

Pensioners who are eligible to defer their Council rates can also defer their ESL charge.

### **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 is charged.

However, ESL late payment interest does not apply where qualifying 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 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 Council 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, also known as contiguous property, 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 26,000 volunteers who undertake operational and support roles as firefighters or 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 Francis Logan MLA;

Minister for Emergency Services; Corrective Services

Mail: 10th Floor, Dumas House  
2 Havelock St. Georges Terrace  
West Perth WA 6005

Phone: (08) 6552 6300

#### **4.4. ESL contact details**

Call Centre: 1300 136 099 (cost of a local call)  
Mail: ESL Enquiry  
Department of Fire and Emergency Services  
PO Box P1174  
PERTH WA 6844  
Email: [esl@dfes.wa.gov.au](mailto:esl@dfes.wa.gov.au)

#### **4.5. DFES contact details for non-levy matters**

For information on community safety and other DFES matters:

Mail: Department of Fire and Emergency Services  
PO Box P1174, PERTH WA 6844  
Phone: (08) 9395 9300  
Email: [dfes@dfes.wa.gov.au](mailto:dfes@dfes.wa.gov.au)  
Website: [www.dfes.wa.gov.au](http://www.dfes.wa.gov.au)