

Fire Services Property Levy

Local Government Finance Professionals
10 October 2013



Agenda

- 2013/14 Rates & Levy Cycle
- Revenue Estimates
- Levy Assessment Withdrawals
- FSPL Implementation Committee
- Council Funding
- Community Housing Organisations
- Golf Courses
- SRO Reporting

2013/14 Rates & Levy Cycle

- Rates Notices were issued between 9 July and 23 September:
 - July (3 Councils)
 - August (40 Councils)
 - September (36 Councils)
- Since July the SRO has responded to:
 - 4,400 public telephone enquiries;
 - 380 public written enquiries
 - 850 council enquiries.

2013/14 Rates & Levy Cycle

- The nature of the public enquiries centred around:
 - Perceived increase in levy from insurance model;
 - Policy issues;
 - AVPCC 131;
 - Fixed and variable rates;
 - Vacant Land;
 - Concessions (Health Care Cards / Vacant land)
 - Overlap of levy on insurance and rates
 - What is the levy used for? / How much does the CFA/MFB receive?
 - How is FSPL calculated?

2013/14 Rates & Levy Cycle

- The nature of the Council enquiries centred around:
 - Council specific issues (property / customer);
 - Single Farm Enterprise;
 - Committees of management / public bodies / exempt;
 - AVPCC 131;
 - Section 20 and council owned land;
 - IT testing / digital certificates;
 - Rate notice reviews;
 - Concessions;
 - Reporting requirements.

Revenue Estimates

- 61 councils provided a revenue estimate.
- This process provided significant confidence in the calculations of the levy at an individual level for both council and SRO.
- Majority of councils were within +/- 5% of DTF estimate
- The aggregate revenue estimate was within 1%

Levy Assessment Withdrawals

- Section 38 of the *Fire Services Property Levy Act 2012* (FSPL Act) permits councils to withdraw assessments
- As a result, where council determines land is exempt from the FSPL after being issued they may issue a withdrawal notice to the owner.
- There is no requirement to conduct a supplementary valuation in order to give effect to the exemption.

Council Funding

- In April, the Treasurer issued correspondence to all councils advising of his determination for additional council support funding under s. 70 for 2012/13 and 2013/14.
- To date 74 invoices received for the 2013/14 year.
- 2014/15 funding has not yet been determined. MAV are encouraging councils to keep accurate records of actual costs incurred in the administration of the FSPL.

Council Funding

- The SRO will conduct a review of council funding, to inform the Treasurer's determination of payments for the 2014-15 levy year.

Community Housing Organisations

- Treasurer announced ex gratia relief for community housing organisations (CHOs)
- Relief is limited to properties classified with an AVPCC of 131.
- To qualify the property must be used for social housing and owned by:
 - a registered housing agency (41 agencies), or
 - an entity that has entered into a joint venture agreement with the Director of Housing.
- CHOs will need to pay FSPL to Councils and then apply for a refund from the SRO.
- The refund being the difference between the commercial and residential charges.
- The SRO has formally written to each CHO explaining the requirements for relief.

Golf Courses

- Treasurer directed SRO to administer ex-gratia relief for golf courses
- To qualify the properties must have been levied 'commercial'
- Golf courses need to pay FSPL to Councils and then apply to the SRO for a refund
- The refund being the difference between the commercial and primary production rate
- The Treasurer has formally written to Golf Victoria

SRO Reporting (Pilot Councils)

- Currently reviewing data returns received from pilot councils.
- Common errors with reporting data being submitted by pilot councils:
 - variances between council and SRO calculations
 - concessions have not been deducted from levy amount
 - no data submitted for remittance and reconciliation, or
 - data between remittance and reconciliation do not correlate.

SRO Reporting

- 54 councils have submitted an annual return.
 - 9 have been validated, the remainder are being assessed / reviewed with Councils
- 4 Councils have submitted a remittance return.
- 1 Council has submitted payment.
- Remittance returns and payments are due by 28 October

SRO Reporting – Annual Return



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2013/2014 Annual Return

Due: 31 Jul 2013 Status: In Progress



Land Use Classification	MFB					
	Location (MFB)			Council Owned (MFB)		
	Lands (#)	CIV (\$)	Levy (\$)	Lands (#)	CIV (\$)	Levy (\$)
Residential	10000	\$3,500,000,000	\$1,234,000.00	30	\$4,500,000	\$3,310.50
Commercial	2500	\$1,125,000,000	\$1,182,875.00	10	\$2,100,000	\$3,274.70
Industrial	1100	\$660,000,000	\$847,000.00	5	\$1,750,000	\$2,662.50
Primary Production	5	\$4,000,000	\$1,692.00	0	\$0	\$0.00
Public Benefit	60	\$17,400,000	\$13,200.60	10	\$4,000,000	\$2,276.00
Vacant	300	\$54,000,000	\$63,726.00	0	\$0	\$0.00
Sub-Total	13965	\$5,360,400,000	\$3,342,493.60	55	\$12,350,000	\$11,523.70
Council Fixed Charges				20		\$4,000.00
Total	13965	\$5,360,400,000	\$3,342,493.60	75	\$12,350,000	\$15,523.70
Exempt/Non leviable	125			25		
Total Levy (Net of Concessions) Expected			\$3,342,493.60			

SRO Reporting – Annual Return

Concessions/Fixed Charges/Exclusions		MFB	Total	Council
Concessions	Current Year (\$) ?	<input type="text" value="\$7,500.00"/>	\$7,500.00	
	Current Year (#) ?	<input type="text" value="150"/>	150	
SFE Fixed Charges	Current Year (\$) ?	<input type="text" value="\$0.00"/>	\$0.00	<input type="text" value="\$0.00"/>
	Current Year (#) ?	<input type="text" value="0"/>	0	<input type="text" value="0"/>
SFE Exempt Land	Current Year (#) ?	<input type="text" value="0"/>	0	<input type="text" value="0"/>
Council Fixed Charges	Current Year (\$) ?			<input type="text" value="\$4,000.00"/>
	Current Year (#) ?			<input type="text" value="20"/>
Commonwealth Land	Current Year (#) ?	<input type="text" value="5"/>	5	
Crown Land & Public Bodies	Current Year (#) ?	<input type="text" value="90"/>	90	
Exempt AVPCC Land	Current Year (#) ?	<input type="text" value="30"/>	30	<input type="text" value="25"/>


SRO Reporting – Remittance Return

- Remittance return and payment due by 28 October 2013

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Remittance Return
 Period: Jul 2013 - Sep 2013 Due: **28 Oct 2013** Status: **In Progress** Version: **1**

	MFB			CFA		
	Levy (\$)	Interest (\$)	Council Owned (\$)	Levy (\$)	Interest (\$)	Council Owned (\$)
Previous Year(s)	<input type="text"/>	<input type="text"/>		<input type="text"/>	<input type="text"/>	
Current Year	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

	Total to Remit (\$)	Total to Remit (\$)
Payment Options	\$0.00	\$0.00



BSB: 033222
 Account Number: 170452
 Reference:



BSB: 033222
 Account Number: 170460
 Reference:

Levy (\$) amount is net of concessions
 Locations (MFB or CFA) is the aggregate data for the municipality (includes Council land)
 Council Owned (MFA or CFA) is a sub-set of location data

Save
Lodge

Remittance of FSPL

- Different accounts for MFB and CFA fire districts
- Cross district councils to make separate payments

Method	MFB District	CFA District
Electronic Funds Transfer	Account Name: Fire Services Property Levy - MFB Account BSB: 033 222 Account Number: 170 452 Reference: Council Customer No.	Account Name: Fire Services Property Levy - CFA Account BSB: 033 222 Account Number: 170 460 Reference: Council Customer No.
B-Pay	Biller Code: 215855 Reference: Council Customer No.	Biller Code: 215848 Reference: Council Customer No.