

Office of the CEO


Moreton Bay
Regional Council

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| Date | 4 April 2022 |

Committee Secretary
Economics and Governance Committee
Mr Linus Power MP
Parliament House
George Street
BRISBANE QLD 4000

Via email: egc@parliament.qld.gov.au

Dear Mr Power,

MORETON BAY REGIONAL COUNCIL SUBMISSION ON THE STATE PENALTIES ENFORCEMENT (MODERNISATION) AMENDMENT BILL 2022

Thank you for the opportunity to provide a submission on the *State Penalties Enforcement (Modernisation) Amendment Bill 2022 (the SPER Bill)*.

Moreton Bay Regional Council is a diverse area, spanning more than 2,045 square kilometres and located between Brisbane City and the Sunshine Coast. Moreton Bay is one of Australia's fastest growing urban regions with its population forecast to grow by over 40 percent to more than 690,000 by 2041. Importantly, Moreton Bay has a strong and connected community.

The explanatory notes outline the objectives of the SPER Bill which proposes to amend the *State Penalties Enforcement Act 1999 (The SPE Act)*, the *State Penalties Enforcement Regulation 2014* and the *State Penalties Enforcement Amendment Act 2017* to:

- (a) implement an integrated approach to managing fines for camera-detected offences and tolling offences, with functions centralised in a single agency – the Queensland Revenue Office;
- (b) provide a framework for the earlier registration of unpaid infringement notices with the State Penalties Enforcement Registry (SPER) for enforcement; and
- (c) make miscellaneous amendments to modernise the operation of the *State Penalties Enforcement Act 1999* and support the effective administration of SPER.

Item (a), the State Government centralisation of infringement notice management to effect modernisation (per the name of the SPER Bill), is generally supported. Item (c) also provides for amendments that effect item (a) further.

The Moreton Bay Regional Council submission is **specifically in respect to item (b)**, which provides for earlier registration of unpaid infringement notices with the SPER for enforcement.

The Bill amends the SPER Act to enable the earlier registration of default certificates with SPER by:

- specifying that the 'final day' on which a default certificate must be given to SPER for registration is the latest day on which a prosecution for the offence may be started, or an earlier day that is prescribed by regulation to be the final day; and
- providing that a 'due day' that is earlier than the final day can be prescribed by regulation, and that a default certificate can be given after the due day, subject to payment of a late lodgement fee by the administering authority.

The SPER Bill's explanatory notes specifically state: "*It is intended that the prescription of any final day, due day and late lodgement fee in the SPE Regulation will occur at a later stage.*" This does not allow for transparency in the policy direction of the State.

It is important to note that SPER has earlier this year promoted the time period to be **35 days** under a confidential engagement correspondence with Council. This reduced the ability for local government to secure collective feedback to deliver to SPER.

The impact of the SPER Bill on local government is significant. There are financial and customer service (including community) impacts that need to be recognised to ensure the holistic review of the SPER Bill:

Financial Impact

There is **significant financial impact** on Local Government if the amendment takes place. Importantly there is no option for Local Government to avoid increased costs if the Bill proceeds. To explain this:

- If Local Government acceded to an earlier PIN default time period of 35 days, there would be a 30-40% increase in PINs being referred to SPER. **For every PIN referred to SPER, local government pays \$73.80.** A 30-40% increase is a significant financial impact for local government.
- If Local Government maintained a current system of issuing reminders after a PIN due date it will then be forced to pay a higher SPER referral fee. **This fee is not transparent currently.** In any respect, an increase in scale for SPER PIN referrals would also be a significant impact on local government. Some PIN amounts are currently only \$75. **The current SPER fee of \$73.80 being increased would in some cases exceed the value of the penalty.**

Customer Service (and Community) Impact

A second issue is that customer service capacity is restrained for Local Government. Moreton Bay Regional Council is a strong advocate for quality customer service, irrespective that a penalty infringement has been issued. To explain this:

- In some cases, a PIN recipient may seek a review. If the process and timing of the review application and decision goes outside the PIN default period and remains unpaid, Local Government is forced to pay the higher SPER fee. The SPER fee is also transferred onto the PIN recipient;

- The issue of user declarations has also not been considered by the State. A delay in the submission of a user declaration may result in either the earlier default of a PIN to SPER or alternatively a higher scale SPER fee if the PIN remains unpaid; and
- In any respect, if Local Governments accede to the earlier SPER referral time frame, to avoid increased costs, customers will experience significantly increased costs from SPER on top of the penalty. As explained, the current SPER fee of \$73.80 being increased would in some cases exceed the value of the penalty.

Importantly, having regard for the Good Decision-Making Guidelines outlined by the Queensland Ombudsman, if the timeframes are shortened this will likely impact the most vulnerable within our community. Procedural fairness will be compromised by the imposition of increased fees due to the inability to reasonably respond and provide time to consider the issue before a PIN defaults to SPER or due to the scaled increase of fees by SPER.

If you require any further information in respect to this submission of Moreton Bay Regional Council, please contact Council's Local Laws Manager, Mr Shane Mansfield on [REDACTED]

Yours sincerely,



Greg Chemello
Chief Executive Officer