

Building Fire Safety (Fee Unit Conversion) Amendment Regulation 2022

Explanatory notes for SL 2022 No. 81

made under the

Building Act 1975

Fire and Emergency Services Act 1990

General Outline

Short title

Building Fire Safety (Fee Unit Conversion) Amendment Regulation 2022

Authorising law

Section 261 of the *Building Act 1975*

Section 154E of the *Fire and Emergency Services Act 1990*

Policy objectives and the reasons for them

The objective of the *Building Fire Safety (Fee Unit Conversion) Amendment Regulation 2022* (the Amendment Regulation) is to convert fees prescribed under the *Building Fire Safety Regulation 2008* (BFSR) from dollar amounts to fee units.

Amendments to the *Acts Interpretation Act 1954* (AIA) commenced on 1 January 2022 introducing the fee unit model. Queensland Treasury's Principles for Fees and Charges requires all regulatory fees which are subject to the Government Indexation Rate (GIR) - considered in-scope fees - to be prescribed as a number of fee units, not dollars (unless exempted) from 1 July 2022. The fees prescribed in the BFSR are in-scope fees.

The initial fee unit value of \$1.00 was prescribed in the AIA and applied from 1 January 2022. The fee unit value applying generally from 1 July 2022 (\$1.025) is prescribed under the *Acts Interpretation (Fee Unit) Regulation 2022* and reflects the application of GIR for 2022-23.

Achievement of policy objectives

The Amendment Regulation will achieve its objectives by expressing fees prescribed in the BFSR as fee units, rather than in dollars, to give effect to the fee unit model.

The initial conversion from dollar amounts to a number of fee units does not increase fees and is based on the value of a fee unit being \$1 as prescribed in section 48B(4)(b) of the AIA. Fee increases resulting from the annual application of the GIR will be managed through the indexation of the fee unit value prescribed in the *Acts Interpretation (Fee Unit) Regulation 2022*.

Queensland Treasury's *Principles for Fees and Charges* provides that the default method of calculating the value of a fee is by multiplying the value of a fee unit by the number of fee units and rounding the result to the nearest cent. However, an alternative rounding method may be approved and, under section 48C(3) of the AIA, provided for in legislation. Queensland Fire and Emergency Services has received approval from Queensland Treasury to use alternative rounding rules to ensure the fee can be rounded down to the nearest coinable amount (that is, \$0.05). The Amendment Regulation will provide for the method of rounding the BFSR fees' dollar value to the nearest 5 cents.

Consistency with policy objectives of authorising law

The Amendment Regulation is consistent with the objectives of the authorising Acts as both Acts provide for fees to be prescribed by regulation.

Inconsistency with policy objectives of other legislation

The Amendment Regulation is not inconsistent with the policy objectives of other legislation. Note that the dollar of value of fees described will continue to be required to be published by agencies on accessible websites as relevant.

Benefits and costs of implementation

The Amendment Regulation implements the fee unit model which streamlines the process of indexing regulatory fees. The fee unit model provides for the indexation of the fee unit value through the *Acts Interpretation (Fee Unit) Regulation 2022* instead of requiring annual amendments to apply the GIR to all in-scope fees (including the BFSR fees).

Conversion of fees to fee units will achieve efficiencies and cost savings to the agency, as the BFSR will no longer require annual amendment for this purpose. There are no additional costs associated with implementing the Amendment Regulation.

Consistency with fundamental legislative principles

The Amendment Regulation is consistent with the fundamental legislative principles as defined in section 4 of the *Legislative Standards Act 1992*.

Consultation

No external consultation was undertaken as the Amendment Regulation proposes fee unit conversion in line with the AIA and Queensland Treasury's *Principles for Fees and Charges*.

In accordance with *The Queensland Government Guide to Better Regulation*, the Office of the Best Practice Regulation was not consulted in relation to the regulatory proposal. The agency applied a self-assessable exclusion from undertaking further regulatory impact analysis (*Category (a) – Regulatory proposals that make consequential amendments*).

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