



WESTERN AUSTRALIAN PLANNING COMMISSION

PROPERTY POLICY

Use of WAPC land
for environmental offsets

Contents

1. Purpose	3
2. Background	3
3. Status and application	6
4. Principles and measures	6
5. Implementation and review	9

Acknowledgement of country

The Western Australian Planning Commission acknowledges the traditional owners and custodians of land and waterways across Western Australia. The Department is committed to reconciliation to improve outcomes for Aboriginal and Torres Strait Islander peoples and to work together to provide a culturally-safe and inclusive environment.

Disclaimer

This document has been produced by the Department of Planning, Lands and Heritage on behalf of the Western Australian Planning Commission. Any representation, statement, opinion or advice expressed or implied in this publication is made in good faith and on the basis that the Government, its employees and agents are not liable for any damage or loss whatsoever which may occur as a result of action taken or not taken, as the case may be, in respect of any representation, statement, opinion or advice referred to herein. Professional advice should be obtained before applying the information contained in this document to particular circumstances.

© State of Western Australia

Published by the
Western Australian Planning Commission
Gordon Stephenson House
140 William Street
Perth WA 6000

Locked Bag 2506
Perth WA 6001

Published March 2023

website: www.wa.gov.au/dplh
email: info@dplh.wa.gov.au

tel: 08 6551 8002
fax: 08 6551 9001
National Relay Service: 13 36 77

The Department of Planning, Lands and Heritage owns all photography in this document unless otherwise stated.

This document is available in alternative formats on application to the Department of Planning, Lands and Heritage Communications Branch.

1. Purpose

To guide decisions when a request is received by the Department of Planning, Lands and Heritage (DPLH) for the use of Western Australian Planning Commission (WAPC) land for environmental offsets.

2. Background

2.1 Role of WAPC as landholder

The WAPC is the statutory authority with state-wide responsibilities for urban, rural and regional land use planning and development. The WAPC's functions and powers to undertake and regulate land use planning and development are established under the *Planning and Development Act 2005* (PD Act).

Part 11 of the PD Act enables the WAPC to acquire land reserved under a region planning scheme, an improvement scheme or the Swan Valley Planning Scheme (SVPS). The Metropolitan Region Improvement Fund (MRIF) provides funding for land acquisition, generated through a levy on all properties with a land tax liability in the metropolitan region. Other funding is allocated by the State Government for the acquisition of public land for public purposes outside the metropolitan region.

Under section 14 of the PD Act, the functions of the WAPC include:

- j) to **develop, maintain and manage land held** by it that is reserved under a region planning scheme, an improvement scheme or the Swan Valley Planning Scheme and to carry out such works, including the provision of facilities on the land, as may be incidental to development, maintenance or management or to be conducive to the use of the land for any purpose **for which it is reserved**.

As of 30 June 2022, the WAPC holds, or is in the process of acquiring, almost 22,000 hectares of land across more than 2,600 lots within the Perth, Peel and Bunbury regions. DPLH coordinates and implements land management activities on behalf of the WAPC. One of the most significant sites held and managed by the WAPC is Whiteman Park (approximately 3,500 hectares) in Perth's northeast. Outside of Whiteman Park, the focus has been on interim management prior to future transfer to an appropriate end manager.

Many of the properties held by the WAPC have been acquired for the purpose of protecting important environmental values, including regionally significant bushland such as Bush Forever areas, and habitat for threatened species and threatened ecological communities (TECs). Increasingly, the WAPC is receiving requests from State government agencies as well as private developers regarding the use of WAPC held land for environmental offsets.

2.2 Environmental offsets

Environmental offsets are measures taken to secure and/or manage environmental values off-site, to counterbalance the significant residual impacts on environmental values after avoidance and mitigation measures are undertaken as part of a development. Environmental offset measures may be implemented to address biodiversity impacts (conservation offsets) or greenhouse gas emissions (carbon offsets), and they may be required by regulators (compliance offsets) or provided in good will (voluntary offsets). Environmental offsets may also provide important social and economic co-benefits, such as opportunities for employment of local indigenous rangers.

Statutory requirements for environmental offsets in Western Australia are established under the *Environmental Protection Act 1986* (EP Act) (Part IV Environmental impact assessment and Part V Clearing of native vegetation)¹, the *Biodiversity Conservation Act 2016* (BC Act) (Part 3 Threatened species and TECs)² and the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC) (Part 9 Decisions on approval and conditions)³.

Decisions under legislation may require proponents to implement environmental protection, abatement or restoration measures

¹ Environmental Offsets | Western Australian Government (www.wa.gov.au)

² Licences and Authorities - Parks and Wildlife Service (dpaw.wa.gov.au)

³ EPBC Act Environmental Offsets Policy - DCCEEW

off-site at the proponent's expense, to directly or indirectly offset a development's impacts on the environment. Environmental offsets need to be additional to the business-as-usual scenario – a principle referred to as 'additionality'. A proponent may implement environmental offset requirements themselves – or provide funding to a third party to undertake offset measures – or provide contributions to a fund for the purpose of undertaking offset measures. The offset site must also be secured to provide for the long-term protection of environmental values, such as through a conservation reserve or covenant.

2.2.1 Conservation offsets

Conservation offsets may involve:

- Direct (or land-based) offsets, which involve reducing threats, improving existing habitat or creating new habitat to compensate for environmental impacts.
- Indirect offsets, such as the provision of funding for research or education programs that improve management of environmental impacts.

Priorities for conservation offsets include threatened species habitat, TECs, significant wetlands and protected areas. Offset measures are required to achieve conservation gains that are equivalent to the environmental values being impacted by development ('like-for-like'). However, it may be difficult to identify suitable and affordable offset sites, particularly for TECs or threatened species that occur in limited areas.

2.2.2 Carbon offsets

Carbon offsets may involve:

- Reduction in greenhouse gas emissions, such as investment in renewable energy or energy efficiency technologies.
- Increase in capture and storage (sequestration) of atmospheric carbon, such as through land restoration or revegetation.

Certain carbon offsets can generate carbon credits, which are transferrable instruments certified by governments or independent bodies to represent emission reductions. Carbon trading schemes allow individuals and companies to invest in environmental projects worldwide to offset their greenhouse gas emissions. There may be some potential for WAPC land to be used for carbon sequestration initiatives in the future.

2.3 State conservation initiatives

Environmental offsets could assist in improving the protection and management of important conservation areas for the Western Australian community. State Government endorsed plans, strategies and policies identify regionally significant natural areas that would benefit from the implementation of offset measures. These include Bush Forever areas, Regional Parks, and Swan Bioplan - Peel Regionally Significant Natural Areas (Peel RSNAs).

2.3.1 Bush Forever

Bush Forever⁴ is a State Government endorsed strategy to protect a comprehensive representation of biodiversity across the Swan Coastal Plain portion of the Perth metropolitan region. Between 2000 and 2021, the WAPC has spent over \$171 million on acquiring land within Bush Forever areas. More than 46,000 hectares of Bush Forever areas are now set aside for conservation, including under the Parks and Recreation (P&R) reservation in the Metropolitan Region Scheme⁵ (MRS). A key ongoing focus for the Bush Forever program is maintaining and improving the condition and values of regionally significant bushland through on-ground management. Some Bush Forever areas contain degraded or cleared portions of land which provide opportunities for future rehabilitation and revegetation.

The WAPC continues to play a key role in the implementation of the Bush Forever program. Although the WAPC does not have a primary role as a conservation land manager, its role in land acquisitions results in it being the landholder of a large extent of Bush Forever areas with significant environmental values. The WAPC currently holds 13,000 hectares of Bush Forever areas reserved for P&R under the MRS, representing about 60% of the total area of WAPC held land. Of this area, the Department of Biodiversity Conservation and Attractions (DBCA) manages about 5,000 hectares within Regional Parks, pursuant to agreements

⁴ Bush Forever Policy (www.wa.gov.au)

⁵ Metropolitan Region Scheme (www.wa.gov.au)

made under section 8a of the *Conservation and Land Management Act 1984* (CALM Act). The WAPC is yet to finalise agreements for the transfer of other Bush Forever areas to appropriate end managers, such as the DBCA or local government, as Crown reserves. While it is the landholder of Bush Forever areas, the WAPC endeavours to manage its environmental assets in line with State Government conservation objectives.

Any proposal impacting a Bush Forever area is assessed against the provisions of *State Planning Policy 2.8 – Bushland Policy for the Perth Metropolitan Region*⁶ (SPP 2.8). This includes the expectation that conservation offsets will be provided to compensate for any impacts to Bush Forever areas in reserves or on government lands. The removal of regionally significant vegetation from a Bush Forever area should be offset through the protection of equivalent area of impacted values (e.g. vegetation complexes), as well as measures to improve management of the conservation area.

⁶ *State Planning Policy 2.8 - Bushland Policy for the Perth Metropolitan Region* (www.wa.gov.au)

2.3.2 Regional Parks

The Regional Parks initiative was introduced through *Conservation Reserves for Western Australia as recommended by the EPA: The Darling System*⁷ (System 6) and approved by the State Government in 1984. In 1990, the former Department of Planning and Urban Development released *METROPLAN: A Planning Strategy for the Perth Metropolitan Region*, which provided for the creation of ten Regional Parks across the metropolitan region. The Regional Parks initiative has since been extended to the Bunbury region. The WAPC has been responsible for the overall planning and establishment of Regional Parks, including the preparation of establishment plans (e.g. Leschenault Regional Park⁸) and acquisition of land reserved under the region planning schemes. The DBCA has been responsible for coordinating the management of Regional Parks, including the preparation of management plans across land tenure and ownership (e.g. Kalgulup Regional Park⁹).

Environmental offsets could assist in improving the condition of natural areas within Regional Parks. Regional Parks contain degraded or cleared portions of land which provide opportunities for future rehabilitation and revegetation. There is also potential for environmental offsets to secure

⁷ System 6, Part 1 – Red Book (dbca.wa.gov.au)

⁸ Leschenault Regional Park Establishment Plan (www.wa.gov.au)

⁹ Kalgulup Regional Park (dbca.wa.gov.au)

additions to Regional Parks, consistent with State Government endorsed establishment and management plans.

2.3.3 Swan Bioplan - Peel Regionally Significant Natural Areas

The former Department of Environment and Conservation and Office of the EPA undertook an update of System 6 for the area south of the Perth metropolitan region, resulting in published reports for the Whicher Sector (2008), Busselton Sector (2009) and Peel Sector (2010). The Peel RSNAs information was developed through the EnviroPlanning 'Integrating Natural Resource Management (NRM) into Land Use Planning' program¹⁰, pursuant to a Memorandum of Understanding with the WAPC.

The EPA, in its advice under section 16 of the EP Act, has endorsed the use of the Peel RSNAs information to guide strategic land use and conservation planning within the Peel Region Scheme portion of the Swan Coastal Plain¹¹. Environmental offsets could assist in improving the protection and management of these important conservation areas, including on WAPC land.

¹⁰ EnviroPlanning Directions Paper on the Integration of NRM into Land Use Planning (WAPC)

¹¹ Swan Bioplan - Peel Regionally Significant Natural Areas | EPA Western Australia

3. Status and application

This policy has been prepared on behalf of the WAPC as a landholder and is not a policy instrument under the PD Act. The policy is to guide the development and consideration of proposals to use WAPC land for environmental offsets. The policy is not binding upon decisions by the WAPC but will be taken into consideration by the WAPC when making decisions on offset proposals. It will be used by the DPLH when advising proponents on the use of WAPC land and when preparing reports and recommendations to the WAPC in relation to environmental offsets.

4. Principles and measures

Decisions on the use of WAPC land for environmental offsets should take into consideration the following policy principles and measures.

a. Purpose

The use of WAPC land for environmental offsets should be consistent with the intended purpose for which the land was acquired and any intended future purpose.

The WAPC's properties have been zoned and reserved for various purposes under the region planning schemes, and incrementally acquired over a long period of time for a wide range of purposes. A large proportion of WAPC land is reserved for P&R under the MRS and Regional Open Space (ROS) under the Peel Region Scheme¹² (PRS) and Greater Bunbury Region Scheme¹³ (GBRS). More than 2,000 hectares have been acquired with the specific goal of implementing the State Government's Bush Forever program. The WAPC has also acquired land specifically to provide conservation offsets for State Government priority projects. Other acquisitions have been for future infrastructure provision (e.g. regional roads) but may contain land that is surplus to that need.

¹² Peel Region Scheme (www.wa.gov.au)

¹³ Greater Bunbury Region Scheme (www.wa.gov.au)

Policy measures:

- i. Any environmental offset proposal involving WAPC land should be consistent with the designated purpose and intended future use for the land.
- ii. Where WAPC land subject to an offset proposal has no clear intended future land use, an assessment of possible future land uses should be undertaken, and consideration given to the opportunity cost of using the land for environmental offsets.

b. Priority

The use of WAPC land for environmental offsets should be for State Government priority projects ahead of other proposals.

Given the limited availability of suitable and affordable offset sites within the Perth, Peel and Bunbury regions, there is likely to be increased interest in, and competition for, the use of WAPC land for environmental offsets. However, WAPC held land is a finite resource of the State Government. Some of the WAPC's properties contain environmental values that are naturally rare or limited in their distribution and may be particularly sought after for future offsets. These include threatened flora, State listed TECs, and habitat for critically endangered western ringtail possums.

Policy measures:

- i. The use of WAPC land for environmental offsets should generally be limited to priority State Government projects.
- ii. WAPC land containing environmental values with relatively limited distribution or availability should only be made available to priority State Government projects, where it has been demonstrated there is a lack of alternative offset sites available.
- iii. The use of WAPC land for environmental offsets associated with lower priority projects may be considered in areas not containing environmental values with limited distribution, and where the offsets will achieve substantial conservation outcomes and co-benefits for the community.

c. Proponent

The use of WAPC land for environmental offsets should be for State Government agencies ahead of other proponents.

The WAPC is a State Government agency utilising taxpayer funds to acquire and maintain land for community and infrastructure purposes. Environmental offset requirements may also be imposed on the WAPC in the future – for example, as conditions on environmental approvals under the EP Act. The WAPC has received multiple requests from other State Government

agencies, as well as private developers, regarding the potential use of WAPC owned land for environmental offsets. The WAPC will be required to balance competing needs and interests in making decisions about the future use of its land for environmental offsets.

Policy measures:

- i. The use of WAPC land for environmental offsets should generally be limited to State Government agencies responsible for the implementation of significant infrastructure or community development projects.
- ii. The use of WAPC land for environmental offsets by non-State Government proponents may be considered in areas not containing environmental values with limited distribution, and where the offsets will achieve substantial conservation outcomes and co-benefits for the community.

d. Conservation

The use of WAPC land for environmental offsets should be consistent with State Government conservation priorities.

The WAPC holds land containing significant environmental values recognised in legislation, policies, strategies and plans endorsed by the State Government. These include Bush Forever areas, Regional Parks, Peel RSNAs, threatened species habitat, TECs, and significant wetlands.

Environmental offsets could contribute towards the implementation of State conservation initiatives, including improved management of regionally significant natural areas and future additions to protected areas. The long-term security of conservation areas can also be improved through future transfer of WAPC freehold land to appropriate management bodies (e.g. DBCA or local government) as Crown reserves.

Policy measures:

- i. The use of WAPC land for environmental offsets should assist the implementation of State Government endorsed conservation strategies and plans, including Bush Forever, Regional Parks and Peel RSNAs.
- ii. Preference should be given to environmental offsets on WAPC land that facilitate long-term management arrangements, including improved protection status and transfer to appropriate end managers.
- iii. Proposals involving the use of WAPC land for environmental offsets should be considered in conjunction with State Government policies including SPP 2.8, where applicable.

e. Additionality

The use of WAPC land for environmental offsets should deliver conservation measures that are additional to the status quo.

The WAPC is required to manage its land in a manner that is consistent with the purpose for which the land was acquired, its zoning/ reservation under the region scheme, and all relevant legislation and government policies applicable to the land and its environmental values. Notwithstanding that the WAPC may be acting as an interim land manager, there is a general community expectation that environmental values on State Government land will be properly maintained. This is especially the case for protected areas such as Bush Forever and Regional Parks. State and local government guidance on the management of bushland¹⁴, coastal areas¹⁵, wetlands¹⁶, weeds¹⁷, dieback¹⁸ and rehabilitation¹⁹ should be considered when developing appropriate conservation offsets. The offset measures are to complement management actions that are, or planned to be, undertaken on WAPC land.

¹⁴ Guidelines for Bushland Management | WALGA

¹⁵ Coastal Planning and Management Manual (www.wa.gov.au)

¹⁶ A Guide to Managing and Restoring Wetlands in WA (dpaw.wa.gov.au)

¹⁷ Bushland Weeds: A Practical Guide (dpaw.wa.gov.au)

¹⁸ Managing Phytophthora Dieback in Bushland (dwg.org.au)

¹⁹ Rehabilitation of Terrestrial Ecosystems (GS 6) | EPA Western Australia

Policy measures:

- i. The use of WAPC land for environmental offsets should deliver conservation outcomes demonstrably over-and-above those which would otherwise be delivered by the WAPC.
- ii. Environmental offset measures involving natural area management, restoration or rehabilitation on WAPC land should be implemented in accordance with published State/local government guidance.
- iii. Environmental offsets involving habitat creation on WAPC land may be considered where the offsets will achieve substantial conservation outcomes and co-benefits for the community.

f. Information

The use of WAPC land for environmental offsets should be based on high quality information.

Existing geospatial information is useful in guiding decisions on the use and management of WAPC land. More detailed information on environmental values and conservation requirements can be obtained through on-ground assessment of potential offset areas. This should involve verifying the condition and extent of vegetation types and habitats, and the presence of threatened species and TECs, through surveys undertaken in accordance with EPA²⁰, DBCA²¹ and EPBC²² guidance. The mapping of vegetation condition,

weeds and other disturbances will be useful for developing appropriate responses to natural area management and potential restoration or rehabilitation on WAPC land.

Policy measures:

- i. Decisions on the use of WAPC land for environmental offsets should be based on high quality information (qualitative and quantitative) about environmental values, conservation requirements, and anticipated offset outcomes.
- ii. Any environmental offset strategy involving WAPC land should be developed in liaison with DPLH, preferably prior to conditional approvals being issued by a regulatory authority.
- iii. The use of WAPC land for environmental offsets should involve early and ongoing consultation with relevant environmental agencies together with DPLH, including officers who administer the Bush Forever program, where relevant.
- iv. A proposal for the use of WAPC land for environmental offsets should be accompanied by an assessment of the

²⁰ Factor Guidelines and Technical Guidance | EPA Western Australia

²¹ Methods for survey and identification of Western Australian threatened ecological communities (dpaw.wa.gov.au)

²² Referral Guideline for Black Cockatoos - DCCEEW; Tuart Woodlands TEC - DCCEEW; Banksia Woodlands TEC - DCCEEW

offset area's environmental values, a draft management plan for the offset area, a detailed consideration of the proposal against the principles and measures within this policy, and any other information requested by DPLH.

g. Implementation

The use of WAPC land for environmental offsets should take into account total implementation costs for the WAPC and DPLH.

Implementation options for environmental offsets involving WAPC land include implementation by DPLH on behalf of the WAPC (where the WAPC is the proponent), by DPLH on behalf of an external party (where the external party is the proponent), or directly by an external party (the proponent or the agreed end manager). Under section 15 of the PD Act, the WAPC may do all things necessary or convenient to be done for or in connection with the performance of its functions, including:

(2)(b) enter into an agreement with any person under which that person may acquire a lease of, a licence in respect of, or any other estate or interest in, any land mentioned in section 14(j).

Irrespective of the manner of implementation, it will be important that decisions about environmental offsets involving WAPC land consider total costs and potential risks borne by the WAPC and DPLH.

Policy measures:

- i. The use of WAPC land for environmental offsets should have minimal risk for the WAPC as landholder and manager, and minimal administrative burden for DPLH.
- ii. A management agreement or memorandum of understanding will be required to support the use of WAPC land for environmental offsets by an external party.
- iii. Where conservation measures associated with environmental offsets are to be implemented by DPLH on behalf of the proponent, all costs (including administration and overheads) should be met by the proponent.
- iv. The use of WAPC land for environmental offsets should involve a financial contribution towards the recovery of costs associated with acquisition of the offset area. This will be considered on a case-by-case basis and with recognition given to any broader community benefits associated with the proposal.

5. Implementation and review

The Executive Director, Property Services is responsible for this policy and its use in guiding decisions on the use of WAPC land in accordance with Schedule 9 of the Delegation to Officers of Certain Powers and Functions of the WAPC. Advice from various teams within DPLH can assist in the policy implementation, and it is recommended that the Bush Forever team provides advice on all proposals with the potential to impact Bush Forever areas. Advice may also be sought from environmental agencies such as DBCA and the Department of Water and Environmental Regulation (DWER), as well as the relevant local government(s), to assist in the consideration of offset proposals.

The implementation of this policy will be monitored by the Executive Director, Property Services and a review undertaken following the first year of implementation.