

Review of koala programs and initiatives – request for submissions

19 October 2016

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1. Executive summary

Thank you for the opportunity to provide a submission on the Queensland Government's review of koala programs and initiatives. The Property Council supports the Government's commitment to protect the vulnerable koala in South East Queensland (SEQ).

As identified by the Government, the current framework of protection is not having its desired impact, with koala populations continuing to decline.

The Property Council has previously lodged many submissions with local, state and federal governments on the need to streamline existing development assessment and koala protection initiatives by aligning government policy settings and statutory requirements. This submission provides a brief overview of why this need for alignment continues to be increasingly important.

The protections provided through the South East Queensland Regional Plan (SEQRP), the South East Queensland Koala Conservation State Planning Regulatory Provisions (SPRP), and the State Planning Policy (SPP), along with local government planning schemes, provide one of the strongest and most comprehensive suites of rules ever applied to koala species in Australia.

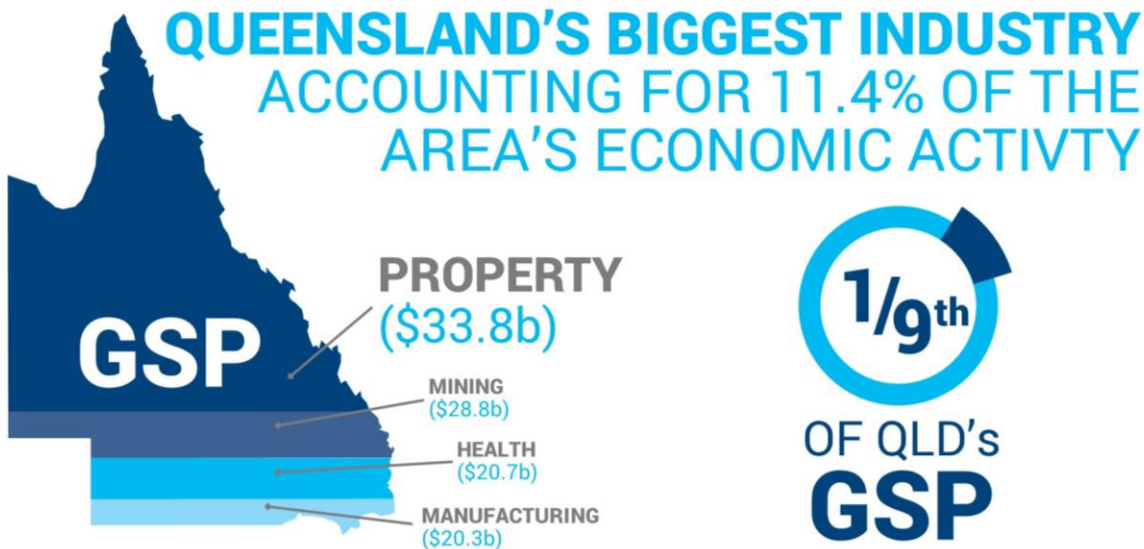
While the Property Council supports the intent of these statutory documents and their policy framework, their implementation and the associated offset requirements must be aligned to facilitate better outcomes for the koala species across South East Queensland. The current piecemeal arrangement is often confusing and time consuming for proponents to navigate, and has failed to adequately provide for the protection of koalas.

In our view, the Federal Government's administration of the referral guidelines for the vulnerable koala under the *Environment Protection and Biodiversity Conservation Act* 1999 has increased green tape and added time and cost impacts for development, while failing to tangibly provide improved conservation outcomes.

In the context of the current review, it is important to not only consider the programs and initiatives employed by the Queensland Government and local governments, but also to examine the overlap with Federal Government requirements.

While it is understood that koala programs and initiatives are the focus of the review, other factors that are likely to be impacted by any change to the current planning framework - such as jobs, housing affordability, and competing land uses – should also be taken into consideration. With the impending release of the draft SEQRP, it is fundamental that the review of koala programs and initiatives does not contradict or override the outcomes of this strategic statutory document.

2. Property industry's contribution to the Queensland economy



CREATING JOBS - PROPERTY IS QLD's SECOND LARGEST EMPLOYER

240,000 JOBS

PROPERTY INDUSTRY



147,000 JOBS
MANUFACTURING



70,00 JOBS
MINING



The property industry employs
more people than mining and
manufacturing combined

BUILDING PROSPERITY BY PAYING \$22.3 MILLION IN WAGES & SALARIES

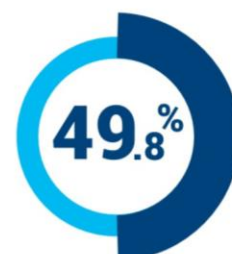


1 IN 6 PEOPLE

IN QUEENSLAND DRAW THEIR WAGE DIRECTLY
AND INDIRECTLY FROM PROPERTY

\$9.9 BILLION IN TAXES

PROPERTY IS THE LARGEST SINGLE INDUSTRY CONTRIBUTOR
PAYING 49.8% OF QUEENSLAND TAXES, LOCAL GOVERNMENT
RATES, FEES AND CHARGES



3. How do the existing koala conservation measures operate for developers? From a developer's perspective, what is working, what isn't and where could improvements be made?

All three levels of government are involved at different stages of the planning and development assessment process, with each administering different requirements relating to koala conservation.

There is no clear pathway for development proponents to follow, and development conditions often include conflicting, competing, unfeasible or redundant requirements.

With increasing pressure for urban land, the involvement and different requirements of the three levels of government is likely to lead to further conflicts.

The table below provides an overview of the current framework and issues it presents:

Federal	Queensland	Local Government
Instruments		
<i>Environment Protection and Biodiversity Conservation Act 1999</i> (EPBCA) referral guidelines for the vulnerable koala	SEQRP SPRP SPP <i>Nature Conservation Act 1992</i> (NC Act) <i>Environmental Offsets Act 2014</i> (EO Act)	Local government planning schemes and associated environmental offsets policies and local laws about vegetation clearing
Area of effect		
Mapped indicative area showing the range of the koala	SPRP applies over SEQ – it provides definitive mapping that establishes when sites/projects are captured	Mapping overlays that include Matters of State Environmental Significance (MSES) and Matters of Local Environmental Significance (MLES) along with MSES Koala offset areas
Indicative mapping is recommended to support site by site assessment	SPP applies over all of Qld – it picks up Koala habitat in a broader way, reliant on other habitat and biodiversity mapping. Under the SPP, you need to determine if a site/project is captured	Mapping overlays identify areas within a planning scheme that reflect distinct themes, for example environmental areas.
Assessment Process (Simplified)		
Self-determined referral on whether approval is required (using the decision tree) It works on the basis that koala habitat exists until the self-assessment	SPRP <ul style="list-style-type: none"> Review mapping If captured identify mapping category Address SPRP requirements to determine if the 	The provisions in the planning schemes reflect what is required under the SPRP It is important to note that koalas are only one

<p>process is finalised. Self-assessment in summary steps are:</p> <ul style="list-style-type: none"> • Determine if the site is koala habitat • Desktop and field survey and/or baseline monitoring • Is the habitat critical to the survival? • Does the proposal adversely affect habitat? • Could the action substantially interfere with koala recovery? • Determine if the action has, will have or is likely to have a significant impact on the koala <p>If the action does have a significant impact, the application must be referred to the Department of Environment.</p>	<p>site/project is exempt, requires assessment or is prohibited</p> <ul style="list-style-type: none"> • Development types are categorised based on mapped location <p>SPP Interim Development Assessment controls (until such time as new Planning Schemes include biodiversity/koala provisions) are:</p> <ol style="list-style-type: none"> (1) Development applications identify any potential significant adverse environmental impacts on MSES, and (2) Applications/proposals manage the significant adverse environmental impacts on MSES by, in order of priority: <ol style="list-style-type: none"> (a) Avoiding significant adverse environmental impacts, and (b) Mitigating significant adverse environmental impacts where these cannot be avoided, and (c) Where applicable, offsetting any residual adverse impacts. 	<p>type of environmental issue requiring assessment</p>
Key issues		
<ul style="list-style-type: none"> • Reassessment of projects that have been approved or zoned for development • Aims to avoid and address habitat loss by making proponents design out impacts wherever possible, in order to satisfy the Guidelines and reach a “referral not required” self-determination. • The assessment steps build up layers 	<ul style="list-style-type: none"> • SPRP has retrospective effect on committed development • Koalas are a MSES as they are a protected “vulnerable” species under the NC Act • Urban land is exempt but rural and emerging communities are triggered, despite overarching strategic documents identifying these areas for development • 	<ul style="list-style-type: none"> • Not all local government planning schemes have been updated to include biodiversity/koala provisions. • Land identified within the urban footprint in the SEQRP in many cases is not reflected as urban land in local government planning schemes - this means that urban area exemptions do not apply • For the most part,

<p>of importance / complexity, to the consideration of (a) impacts on the habitat, and (b) impacts on koala recovery.</p> <ul style="list-style-type: none"> • Consideration of (a) and (b) are linked but can independently trigger a referral • Covers both urban and non-urban land • The provisions require extensive work to determine if land is captured 		<p>offsets are required to be delivered in each local government area (other than where within the Koala Coast or Pine Rivers area), rather than providing a regional or corridor-based approach</p>
Similarities		
<p>Lower limit exemptions:</p> <ul style="list-style-type: none"> • Clearing of up to and including 2ha 	<p>Lower limit exemptions, including</p> <ul style="list-style-type: none"> • Domestic activities • Clearing < 500m2 	<p>Adopts State Government provisions through the SPRP</p>
<p>Due to the need to self-assess, would cover off similar issues to SPP MSES matters</p>	<p>Due to MSES matters would cover off similar issues to EPBC Act self-assessment</p>	
<p>Coastal recovery objectives very similar to Koala Plan and SPRP</p>		
Differences		
<p>Broader potential area affected, long term and cumulative considerations at a national level</p>	<p>SPRP limited to SEQ, some cumulative consideration by way of the controls built into the policy.</p> <p>SPP broader control, similar to EPBC Act extent of areas (ie, based on habitat values), and would consider cumulative effects at State and regional level</p>	<p>Local government planning schemes are focused on local government boundaries and may not reflect the land use pattern identified in the SEQRP</p>
<p>Encourage up front impact avoidance and mitigation in order to address effects on koalas (and therefore avoid referral). Does not indicate how this can be achieved</p>	<p>SPRP has prescriptive actions and tasks built into assessment criteria- ie it is a code.</p> <p>SPRP has some latitude on how to respond to issues</p>	
<p>Cannot rely on offsets or translocation unless it is a controlled action</p>	<p>Can use offsets at set ratios</p>	
<p>No prohibitions</p>	<p>SPRP includes prohibitions of</p>	

	urban uses in Priority KADA where zoned non-urban	
	SPP does not clearly articulate its desired outcomes or performance target/criteria	

Cost of implementation

While the costs for each development will be different, on a per lot basis for a residential project, the financial burden of the current framework on the end user, i.e. home buyer, is likely to be between \$4,500 and \$17,000. This variation is a reflection of whether the proponent utilises the State Government's offsets calculator, or is able to secure a privately negotiated land-based outcome.

These overall costs are not only attributable to the purchase or delivery of the required environmental offsets, but also include sizeable costs arrived at through consultants' fees - including ecological reports, legal expertise and town planning advice.

The consultants' fees associated with meeting current requirements for a 900 lot sub-division, are in the order of \$500,000.

Many of our members have reported lengthy delays in receiving development approval as they seek to navigate the requirements of the three levels of government. Given the scale of these greenfield residential projects, delays are often in the order of 12 months, and the additional interest alone is estimated to add \$2 million to the cost of delivering such projects.

Other factors the current framework furthers, such as inefficiencies, the implications of missing market cycles, cash flow implications and banking covenant obligations, are harder to quantify, but crucial in providing certainty and reducing costs for developers.

Additional information and summary

Analysis carried out by RPS in 2014 (based on the mapping prepared by the Department of Environment for the EPBC Act triggers), identifies that urban areas in Queensland account for only 0.09% of the total area that provides potential koala habitat. This leaves 99.91% of potential habitat areas as non-urban land.

Within urban areas, the existing controls imposed by the Queensland Government and local government establish a finer grain of protection to koalas in comparison to the mapping and triggers under the EPBC Act.

While there is no one single solution to improve protection of the koala, the most logical and appropriate approach is for all levels of government to work together to undertake a strategic assessment of environmental values in South East Queensland. This would then allow for the establishment of strategic offset areas, and a single offset account.

4. Are there any other measures that you consider could be effective for koala conservation in the development context?

The Queensland Environmental Offsets Policy identifies the requirements for how the impacts of development are to be offset. In most situations, the Policy requires that offset plantings must be undertaken within the boundaries of the local government in which the development takes place. There are two exceptions to this situation- being where the impact occurs within the Koala Coast, or within the Pine Rivers area. This piecemeal response to offsets ignores the benefits of connectivity and has limited positive impact on furthering sustainable species or habitat populations.

The EPBC Act takes a more holistic approach to offsets, as they may be provided within the bioregion in which an impact occurs.

It is the Property Council's view that any protection or management activities should be looked at from a regional perspective, in order to create greater habitat connectivity. This would allow for environmental offsets to be provided in the area of most benefit- regardless of local government boundaries.

A single offsets fund, rather than payments to separate governments, would allow for funds to be pooled, and offsets to be provided in the area of most benefit.

An example of the benefits of looking beyond local government boundaries can be seen in the waterways in South East Queensland. Recently, Brisbane City Council provided funding to rectify an issue within the Lockyer Valley Regional Council area, recognizing that an action further upstream would improve water quality for the wider catchment.

Strategic Assessment of Environmental Values

The current SEQRP framework fails to provide the certainty needed by stakeholders when purchasing development sites, and has led to an underestimation of the amount of developable land within the current urban footprint for South East Queensland.

Other Government policies - such as vegetation management, coastal management, climate change and nature conservation - continue to undermine the intent of the SEQRP. The ever-changing policy landscape means there is no certainty in areas designated for urban development.

Undertaking a strategic assessment of environmental values - that includes koalas - for the SEQ region, would identify with certainty those areas that should be protected from urban uses, and those areas where urban uses are agreed to be the highest and best use of the land.

The Victorian State Government and the Commonwealth Government worked together to undertake a strategic assessment of environmental values in Melbourne's growth corridors, to provide greater planning certainty, improve biodiversity outcomes for matters of environmental significance and streamline the approvals process.

The outcome is a comprehensive strategy for biodiversity conservation, aligned with the region's long term plans for accommodating significant population and employment

growth. The ‘timestamping’ of the mapping provides certainty until 2060, when the Commonwealth’s approval decision expires.

5. What potential management options would deliver the best outcome for koala conservation in the development context?

As identified above, it is the Property Council's view that a regional, cross-government solution is required to address conservation outcomes for the koala. This could best be achieved through the form of a strategic assessment, which would remove many of the barriers to success that exist under the current framework.

In the intervening period that it takes for an assessment to occur, there needs to be one level of government taking responsibility for coordinating and managing both the development assessment process and allocation of offsets at a regional level.

The Queensland Government would be the most appropriate level of government to take on this responsibility. The State Assessment and Referral Agency is the logical assessment entity, with close links to the environment department, who are best placed to coordinate offset areas and funding arrangements.

In effect, this would provide a one-stop-shop for the industry, improved coordination from a government perspective, and provide better support and outcomes for communities of koalas.

6. Do you have any comments on the Queensland State Government (and local government?) planning and development (including offsets) framework, as it relates to koala protection measures?

The Property Council worked closely with the Government's planning and environment departments to achieve an environmental offsets framework for Queensland that was by no means fair, but was at least workable for all parties.

However, as repeatedly identified by the Property Council, the option to pay into the State Government's offset account rather than providing land-based offsets, does not work for urban development. This is due to the comparably high cost of urban land and its use as a multiplier within the offsets calculator.

This then means that the benefits potentially gained through pooling offset payments will not eventuate, as it is too expensive for urban developers to utilise the State's offsets account.

If these costs are not addressed, developers will continue to source their own land-based offsets to meet their offsetting requirements, furthering the piecemeal approach to koala protection.

Although the SPRP is a State Government policy, local governments are responsible for administering offset requirements (including financial settlements) for impacts on koala habitat. They either receive a payment for unavoidable impacts, or they assess where and how an offset will be delivered.

Aside from the two noted exceptions, unlike other MSES, impacts on koalas must be offset (or paid for) in the same local government area in which they occur.

The Federal Government's approach to offsets differs to that of the Queensland Government. The Federal Government takes a more holistic geographic view of koala habitat, through allowing impacts to be offset in bioregions (rather than local government areas).

There are limitations to the benefits of the Commonwealth approach, however, with only 10 per cent of any offset requirement permitted as a monetary contribution. This limits the opportunity for funding to be pooled and directed towards the purchase of strategic corridors, or investment in much-needed research.

7. Conclusion

The Property Council would like to again thank the Queensland Government for the opportunity to provide a submission on the review of koala programs and initiatives.

As noted, this submission provides an overview of some of the concerns with the current framework of protection for koalas, and is by no means an exhaustive overview of our members' concerns.

We would appreciate an opportunity to meet with the Expert Panel on 14 November to further discuss how the current framework operates, and provide examples of our members' experiences both here and interstate.

If you have any further questions about the Property Council or the detail included in this submission, please contact Nathan Percy on 07 3225 3000, or npercy@propertycouncil.com.au.

Yours sincerely



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8. Contacts

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