

21 May 2014

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Hon Andrew Powell MP  
Minister for Environment and Heritage Protection  
GPO Box 2454  
Brisbane, Qld 4001

Dear Minister



### Offsets Policy Documents

Thank you for providing an opportunity to comment on the *Queensland Environmental Offsets Framework Guideline* (framework guideline), *Draft Guide to determining terrestrial habitat quality* (habitat guideline) and *Queensland Environmental Offsets Policy Significant Residual Impact Guideline* (impact guideline).

While the Property Council appreciates being involved in consultation on the Environmental Offsets Framework (Framework), **the timeframes provided to review these three critical guidelines is considered unreasonable.**

As you would be aware, application of the Framework will impose **significant costs** on our members, and as such we would appreciate further time to understand the full impact these lengthy guidance materials will have on current and future projects.

As the timeframes for consultation on these documents are non-statutory, we expect that any further commentary provided after today will still be taken into consideration.

Due to the restricted timeframes, our comments are focused on the framework guideline, rather than the habitat and impact guidelines, as it has the most potential to impact on the new Framework.

Generally, we have found this document hard to follow, and believe it would also be difficult for the general public or proponents to understand without expert assistance.

The framework guideline would benefit from the removal of superfluous information, and simplification of some of the detail. For example, avoidance and mitigation is standard practice in all environmental impact assessment processes, and does not need to be addressed in such detail in a document specifically addressing offsets.

It is also noted that the framework guideline does not specifically address exemptions to offsets. A common example not mentioned, would be exemptions to approved development commitments (such as Material Change of Use or Reconfiguration of a Lot approvals) that may still require subsequent approvals, such as Operational Works.

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Our brief review has highlighted the further specific concerns:

- While it is detailed in several locations that offsets will not be duplicated across the three levels of government, there is nothing addressing whether exemptions under State policies would also apply to local government offset requirements. For example, if an area is specifically exempted from offsetting a Matter of State Environmental Significance (MSES), such as *of concern* in an urban area, can local governments require offsets for these areas? This is of particular concern for urban areas which have a number of exemptions under the State policy, however may still require offsetting Matters of Local Environmental Significance (MLES), effectively negating the exemption.

- To clarify the above concern, we recommend changing the wording under the heading 'Local Government Offsets' on page one, to:

*Under local government planning schemes, local governments may also require offsets for certain prescribed environmental matters and activities. These requirements however, must not be inconsistent with the requirements of the proposed Environmental Offsets Act, and supporting policy, including areas or activities specifically exempted by the Act.*

- Page two states that 'An offset will not be required where... the impact on a prescribed environmental matter is not significant.' For clarity, we recommend this be changed to , 'An offset will not be required where... **there is not a significant residual impact on a prescribed environmental matter.**'
- Page five provides a table listing prescribed environmental matters. The table includes 'connectivity areas' as MSES, however these areas have not been sufficiently defined, and are not present in any current MSES mapping tools. While connectivity areas are part of the current vegetation management offsets framework, they need to be defined within the context of MSES.
- Page 13 describes the process required to undertake a 'rapid assessment'. It is not clear why these restrictions would need to be placed on a land-based offset site. The restrictions are arbitrary and will unnecessarily limit the use of site-based offsets.
- Page 15 explains Direct Benefit Management Plans (DBMP) and the process for their approval. This section requires more information on how they will contribute towards an offset.

If the projected outlay is just taken off the financial payment, then there would be little incentive to implement one of these plans. At a minimum, the proponent should be provided credits for the work required to identify and scope programs under the DBMP, with wider industry benefits from research or other programs also taken into account.

- The definition of Each Distinct Matter Areas (EDMAs) on page 19 has not been included in any previous information provided by the Department on the Framework. The Property Council considers EDMAs to be a stretch, considering financial offsets are theoretical in basis, and paying more money will not necessarily result in more habitats being identified.

It is also unclear who makes the final decision on whether it is 'very unlikely' that offsets can be co-located.

EDMAs bring subjectivity to the financial settlement calculations and take away from their biggest benefit, that is, certainty of cost for the proponent.

The Property Council recommends the removal of EDMAs.

- Page 21 covers how to pay for financial settlement offsets. There is no mention of upfront and five yearly payments, as outlined in the calculator and previous documents supplied by the Department. The Property Council requests clarification as to whether financial payments are now required to be paid fully upfront.
- Page 25 covers what happens if the assessing officer does not agree with a proposed offset delivery, however it does not discuss appeal pathways for proponents if they do not agree with the assessing officer on the validity of the proposed offset.

While time did not allow for a detailed review of the habitat guideline and impact guideline, their development is seen as a positive step in providing better definition around the offsetting process for proponents, as well as providing a clear definition of what constitutes a residual impact and habitat assessment requirements.

Thank you once again for the opportunity to review these guidelines. Once we have had sufficient time to review the guidance materials and the extent of their impacts, we will send through further comments.

If you have any questions regarding the Property Council or this submission, please do not hesitate to contact me on [kmacdermott@propertyoz.com.au](mailto:kmacdermott@propertyoz.com.au) or 07 3225 3000.

Yours sincerely



Kathy Mac Dermott  
Executive Director