

Policy

Environmental Offsets on City Land



Policy Type

Council

Policy Purpose

To establish a framework for prioritising and guiding partnerships that the City of Cockburn (the City) will enter to provide land to external parties for environmental offsets. This Policy ensures that offsets deliver transparent, locally beneficial outcomes aligned with the City's approach to natural area management and community values.

Policy Statement

This Policy applies to any requests to use reserves, land owned by, or property under direct control of the City for the purpose of providing environmental offsets.

It applies to requests from third parties and for any environmental offsets that the City is required to deliver itself.

The Policy does not apply to land under the care and control of the State Government or privately owned property.

Definitions

'Environmental offsets' are legally mandated under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and/or the *State Environmental Protection (Clearing of Native Vegetation) Regulations 2005* (Clearing Regulations) when development proposals have unavoidable impacts on Matters of National Environmental Significance or protected vegetation. These offsets compensate for residual impacts by restoring or improving similar biodiversity values elsewhere and are funded and delivered by the approval holder. Compliance and enforcement of the delivery of environmental offsets is administered by the State or Commonwealth Department that issued the relevant approval.

"Lease or Licence" means an agreement to deliver the offset in accordance with an offset management plan approved by the regulatory authority.

'Preliminary Licence' means an agreement to provide a proponent access to an offset site to conduct due diligence and seek approvals prior to delivering the offset.

‘Proponent’ means the entity seeking to deliver an environmental offset on City-managed land.

‘Regulator’ means either the Commonwealth Department of Climate Change, Energy, the Environment and Water or the Western Australian Department of Water and Environmental Regulation, depending on which agency is formally responsible for approving the environmental offset in question.

(1) Site Suitability

1. Offset sites will be selected in collaboration between the City and the proponent. Consideration will be given to the offset approval requirements, the environmental values of the proposed sites and previous environmental assessments undertaken by the City.
2. Prior to an offset site being considered for a Preliminary Licence, public advertising on its potential use as an offset site should occur.
3. To avoid potential conflicts and ensure effective management, the City will limit offset arrangements to one approved offset per site at any given time.
4. Proponents seeking to deliver offsets on City-managed land are responsible for undertaking preliminary ecological surveys for any proposed site to confirm suitability prior to formal agreement. Permission from the City for the proponent and their environmental practitioners is required to enter the site.
5. The contamination status of the offset site must be verified prior to entering an agreement. Where required, a Contaminated Site Management Plan or equivalent assessment may be used to demonstrate that rehabilitation activities can proceed safely. The City may also elect to exclude minor contaminated areas from the offset boundary in consultation with the proponent and/or the regulator.
6. Tenure (including third party interests in the offset site), ownership and management powers must be verified prior to entering an agreement, particularly for Crown Reserves under Management Orders.

(2) Prioritisation of Offsets

1. The City will prioritise offset proposals that best align with its strategic objectives and deliver maximum benefit to the community and the environment.
2. Offsets required to meet the City’s own environmental obligations for City-managed projects will take precedence over external proposals.
3. For external proposals, preference will be given to offsets that meet one or more of the following criteria:
 - Offsets for vegetation clearing located within the Cockburn Local Government Area.

- Offsets associated with developments that provide tangible social benefits to the community. The City may consider proposals providing a benefit to the City and its community located outside the City of Cockburn.
 - Offsets linked to projects identified as strategic priorities by State or Commonwealth governments, particularly where these projects contribute to regional development or national interest.
 - Offsets that include community engagement opportunities or education programs.
 - Offsets that involve collaboration with Traditional Owners, including cultural heritage protection and opportunities for land management, employment, or training.
 - Offset proponents who demonstrate proven capacity for long-term delivery of commitments and maintain a clean compliance record under relevant environmental and local planning legislation.
 - Offsets for companies with a long-term base or operational presence within the City of Cockburn, the South West Metropolitan Area or the State of Western Australia.
4. The City may prioritise applications or refuse applications at its sole discretion.
 5. Proponents must provide evidence that the company/entity will be in existence for the duration of the offset project. This includes evidence of a permanent office in Western Australia and any other evidence relating to the longevity and financial sustainability of the business.

(3) Advertising and receipt of applications

1. Sites that may offer suitable offset opportunities may be advertised through Expressions of Interest (EOI) on the City's website.
2. The City may accept applications on an ad hoc basis.
3. Applications should be supported by the information requested on the City's website.

(4) Cost

1. For external offsets, all activities must be fully funded by proponents.
2. For a Preliminary Licence, an annual fee will be agreed between the City and the proponent based on current market conditions.
3. For a Lease or Licence, an annual per-hectare fee will be agreed between the City and the proponent based on current market conditions.
4. Proponents are responsible for all costs associated with planning, implementation, monitoring, and reporting of offset commitments. Such expenses include:
 - Valuations.
 - All land management and maintenance costs.
 - Legal fees.

- Consultant fees.
 - Land management contractor fees.
 - Audit and monitoring expenses.
 - Compliance.
 - Administration and overheads.
 - Land transaction fees.
 - Contingencies.
5. The City's contribution for external offsets will be limited to officer time for liaison with proponents, providing supporting information, scheduled site inspections and reviewing plans and reports.
 6. Proponents must reimburse the City for all expenses it incurs while facilitating an environmental offset. Such expenses include:
 - Wages and overheads.
 - Legal advice.
 - Consultant fees.
 - Quantity surveyors.
 - Audit and monitoring expenses.

(5) Tenure and Legal Framework

1. There are two stages for a proposal, Preliminary Licence and Licence.
2. A Preliminary Licence or similar agreement must be established with proponents to confirm intent, conduct due diligence, define initial roles and responsibilities, and progress approvals from regulatory authorities for a period of up to two years.
3. If regulatory approvals are obtained, the City may enter into a Licence for a period no longer than the duration of the offset. The licence will set out the obligations of the City and the proponent.
4. Where the relevant regulator grants an extension to the offset approval, the City may extend the Licence for a period no longer than the approved extension.
5. For Crown Reserves, the Management Order under the *Land Administration Act 1997* must be in favour of the City and must include powers to lease or licence land to facilitate offset activities. Minister for Lands approval will be required for individual proposals and any offset extensions. Land tenure requirements will be resolved during the Preliminary Licence period.
6. For land owned by the City that is not a Crown Reserve, the City may enter into a lease agreement with the proponent, where appropriate. The duration of this agreement is to be no longer than the offset approval.

(6) Community Advertising

1. Public notice and advertising will occur in accordance with Section 3.58 of the *Local Government Act 1995* where required for proposed Leases or Licences.

2. The City may choose to undertake additional advertising for significant offset proposals to ensure transparency and community awareness.
3. Community feedback will be considered before finalising agreements.

(7) Information Sharing

1. The City will make information which is relevant to the delivery of the offset available to the proponent.
2. The proponent must provide the City with all project-related documents associated with the offset site, including any baseline studies, management plans, spatial data, monitoring results, and compliance reports prepared for, or submitted to, the relevant regulatory authorities throughout the duration of the offset.

(8) Offset Management

1. All offsets must be managed under an Offset Management Plan (OMP), or equivalent plan approved by the City, prior to being submitted to the regulator for formal approval.
2. The OMP must:
 - Demonstrate that proposed works deliver environmental outcomes above and beyond what the City could reasonably achieve through its own resources and programs;
 - Include quarterly offset monitoring with each monitoring event supported by a factual monitoring report; and
 - Include annual interpretive reporting assessing monitoring results against success criteria and provisions for adaptive management to ensure long-term success.

(9) Termination

1. The City reserves the right to terminate an offset agreement in the following circumstances:
 - The proponent is not meeting its obligations under the Preliminary Licence, Lease, Licence and/or Offset Management Plan in accordance with the relevant breach and dispute resolution provisions of the agreement; or
 - The offset agreement breaches statutory or regulatory requirements.
2. In the case of Crown Reserves, if a change in the Management Order of a Crown Reserve results in the site no longer being in the City's care, control and/or management, the Offset Agreement will be terminated by agreement between the City and the proponent. The City will endeavour to assist the proponent to transfer the Offset Agreement to the new management body or the State Government as appropriate by agreement between the City and the proponent.

3. Termination by agreement is subject to the proponent meeting any requirements of the Offset Management Plan and the regulatory authority.
4. Where an offset becomes unachievable due to circumstances beyond the control of either party, the City may require the proponent to seek a variation of relevant approval conditions under the EPBC Act.
5. If the proponent fails to deliver offset obligations, the City may notify the regulator.

Policy Information

Strategic Link:	Natural Area Management Strategy
Category:	Environment & Sustainability
Lead Business Unit:	Sustainability
Public Consultation: (Yes or No)	No
Adoption Date: (Governance Purpose Only)	14 July 2026
Next Review Due: (Governance Purpose Only)	July 2031
ECM Doc Set ID: (Governance Purpose Only)	