

Annual report 2018 - 2019

a report on the operations of the native vegetation
removal regulations



December 2019

Photo credit

Kinglake, DELWP (Penny Croucamp)

Yellow Robin, DELWP (Penny Croucamp)

Acknowledgment

We acknowledge and respect Victorian Traditional Owners as the original custodians of Victoria's land and waters, their unique ability to care for Country and deep spiritual connection to it. We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

We are committed to genuinely partner, and meaningfully engage, with Victoria's Traditional Owners and Aboriginal communities to support the protection of Country, the maintenance of spiritual and cultural practices and their broader aspirations in the 21st century and beyond.



© The State of Victoria Department of Environment, Land, Water and Planning 2019



This work is licensed under a Creative Commons Attribution 4.0 International licence. You are free to re-use the work under that licence, on the condition that you credit the State of Victoria as author. The licence does not apply to any images, photographs or branding, including the Victorian Coat of Arms, the Victorian Government logo and the

Department of Environment, Land, Water and Planning (DELWP) logo. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/4.0/>

ISSN 2209-9824 - Online (pdf / word)

Disclaimer

This publication may be of assistance to you but the State of Victoria and its employees do not guarantee that the publication is without flaw of any kind or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence which may arise from you relying on any information in this publication.

Accessibility

If you would like to receive this publication in an alternative format, please telephone the DELWP Customer Service Centre on 136186, email customer.service@delwp.vic.gov.au, or via the National Relay Service on 133 677 www.relayservice.com.au. This document is also available on the internet at www.delwp.vic.gov.au.

Contents

Introduction	2
The native vegetation removal regulations.....	2
Offsets for the removal of native vegetation	3
Biodiversity value	3
Data	4
Supporting the implementation of the regulations	5
New documents published	5
Development of new tools	5
Support, training and capacity building	6
Support for the native vegetation credit market	6
Stakeholder engagement.....	7
Transitional arrangements.....	7
Approved removal of native vegetation	8
Introduction	8
Data collection, collation and analysis.....	8
Analysis of reported permits granted under the Guidelines.....	10
Removal under an exemption	11
Native vegetation removed under exemptions.....	11
Removal under exemption with approval from the Secretary to DELWP.....	11
Unauthorised native vegetation removal	16
Compliance and enforcement strategy	16
DELWP response.....	16
Illegal removal and compliance actions.....	16
Native vegetation offset sites	18
Roles and responsibilities	18
New sites added this financial year	18
All sites in the register	18
Offset site monitoring and reporting	21
Compliance action.....	22
Achieving no net loss.....	23
Biodiversity gains from offset sites.....	23
Credit trading and allocation	25
No net loss	27
Future improvements	29

Introduction

This is the second annual report on the operations of the native vegetation removal regulations. It presents an overview of native vegetation removal and protection during the 2018-2019 financial year.

The native vegetation removal regulations

The removal of Native Vegetation in Victoria is regulated by the planning scheme (a requirement arising from the *Planning and Environment Act 1987*,

Clause 12.01-1S, Clause 12.01-2S, Clause 52.16, Clause 52.17 and the incorporated document, the *Guidelines for the removal, destruction or lopping of native vegetation* (DELWP 2017) (Guidelines) included in all local planning schemes in Victoria are collectively referred to as the native vegetation removal regulations (the regulations).

Clause 12.01-1S sets out the state policy objectives for the protection of biodiversity and Clause 12.01-2S sets out the state policy objective for native vegetation management. Clauses 52.16 and 52.17 establish the need for a planning permit to remove, destroy or lop native vegetation, and the requirement to secure an offset if approval is granted. These clauses also include several exemptions that provide for native vegetation removal without a planning permit in specified circumstances. *Remove, destroy or lop is referred to as 'remove' in this report.*

The state policy objective for native vegetation management is to ensure there is no net loss to biodiversity as a result of the removal, destruction or lopping of native vegetation. This is achieved through the application of the three-step approach of avoid, minimise and offset as set out in Clause 12.01-2S of all planning schemes in Victoria.

The Guidelines set out how native vegetation removal is assessed and describes how offsets must be established. The Guidelines apply when an application for the removal of native vegetation is being considered by the decision maker, and when relying on some exemptions from requiring a planning permit. The Guidelines also apply in other limited circumstances such as an application under the *Mineral Resources (Sustainable Development) Act 1990* or the *Pipelines Act 2005*.

There are three assessment pathways based on potential risk to or impact on biodiversity under the regulations:

- Basic – limited impacts on biodiversity.
- Intermediate – could impact on large trees, endangered ecological vegetation types (EVCs), or sensitive wetlands and coastal areas.
- Detailed – could impact on large trees, endangered EVCs, or sensitive wetlands and coastal areas, and could significantly impact on habitat for rare or threatened species.

All applicants are required to apply the three-step approach:

- avoid removal, destruction or lopping native vegetation
- minimise impacts when removal cannot be avoided
- offset to compensate the biodiversity impact.

Approved native vegetation removal must be offset in accordance with the Guidelines. The conditions of approval will specify the offset requirements and that the offset be secured before native vegetation is removed. This delivers a no net loss outcome for Victoria's biodiversity.

Clause 66.02-2 sets out referral requirements for native vegetation. The Secretary to the Department of Environment, Land, Water and Planning (DELWP) (as constituted under Part 2 of the *Conservation, Forests and Lands Act 1987*) is a recommending referral authority for applications to remove native vegetation:

- in the Detailed Assessment Pathway
- if a Property Vegetation Plan applies
- on Crown land which is occupied or managed by the responsible authority.

Offsets for the removal of native vegetation

The Guidelines set out what can be an offset, the management requirements at an offset site and how an offset site is secured.

What is an offset?

An offset is designed to compensate for the biodiversity impact from the removal of native vegetation. The offset delivers a measurable conservation outcome from several management actions designed to increase the biodiversity value of the land. The goal of the offset is to achieve no net loss to biodiversity after removal has been avoided and impacts minimised.

An offset can be secured by purchasing a native vegetation credit from someone who has established an offset site (third party offset) or by establishing a new offset site on your own land (first party offset).

Establishing an offset site

Landowners can commit to permanently protecting and managing their land as an offset site. The offset site is actively managed for ten years to reduce threats and improve the condition of native vegetation. Thereafter, landowners have ongoing management commitments to ensure the improved condition of native vegetation is maintained. The improved security and condition of the native vegetation provides a gain for biodiversity.

An offset site can protect any or a combination of the following provided they meet the minimum eligibility requirements:

- a patch of native vegetation
- one or more scattered trees
- an area of revegetation.

An offset site must be permanently protected with one of the following on-title security agreements:

- a section 69 agreement under the *Conservation Forest and Lands Act 1987* with DELWP
- an offset covenant under section 3 of the *Victorian Conservation Trust Act 1972* with Trust for Nature (the Trust)
- a section 173 agreement under the *Planning and Environment Act 1987* with local council.

Offset type

First party offset

A first party offset is secured by protecting and managing your own land. First party offset sites can be protected using any of the three on-title security agreements and should be recorded on the DELWP administered Native Vegetation Offset Register (NVOR).

Third party offset

A third party offset is delivered when native vegetation credits from an offset site established by someone else are allocated to a specific approval. Offset sites used for third parties can only be secured with a section 69 agreement or an offset covenant. They generate native vegetation credits that are traded and allocated through the DELWP administered Native Vegetation Credit Register (NVCR).

Biodiversity value

The biodiversity value of native vegetation is calculated to ensure that losses and gains are comparable and can be traded to achieve no net loss. The way biodiversity value is calculated at removal and offset sites has changed over time with changes to the regulations.

Under *Victoria's native vegetation management – a framework for action* (Framework) biodiversity value was measured in habitat hectares.

Under the *Permitted clearing of native vegetation – Biodiversity assessment guidelines* (2013 Biodiversity assessment guidelines) biodiversity value was calculated by combining habitat hectares with landscape scale mapped information and biodiversity value was measured in:

- specific biodiversity equivalence units (SBEU)
- general biodiversity equivalence units (GBEU).

Under the current Guidelines biodiversity value is calculated from site-based information and landscape scale maps, but site based information plays a greater role and can also be used to supplement mapped information in some cases. Biodiversity value is now measured in:

- species habitat units (SHU)
- general habitat units (GHU).

Data

The data included in this report has come from one of the systems, tools or registers described below.

NVIM and EnSym tools

Under the Guidelines, all applications to remove native vegetation must include a *Native vegetation removal report* with a unique identifier.

Applicants use the Native Vegetation Information Management System (NVIM) *Native vegetation removal tool* to view biodiversity information and map vegetation they propose to remove. The NVIM tool (Figure 1) analyses relevant maps and produces a *Native vegetation removal report* that contains all required biodiversity information to support an application in the Basic or Intermediate Assessment Pathway. NVIM stores the biodiversity information associated with each report generated.

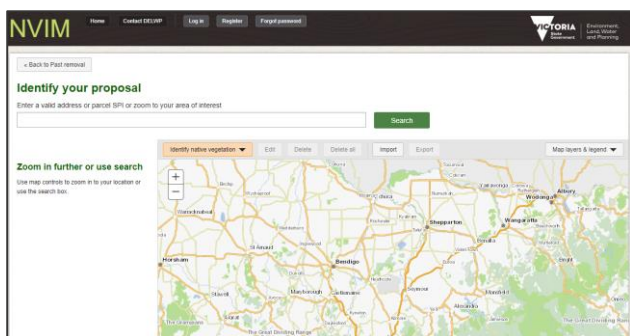


Figure 1. The Native Vegetation Information Management System (NVIM) native vegetation removal tool

The Environmental Systems Modelling Platform (EnSym) native vegetation regulations tool is used for all applications in the Detailed Assessment Pathway. Applications in this assessment pathway are supported by a site assessment completed by an accredited native vegetation assessor.

The EnSym tool analyses site assessed information and relevant maps and produces a *Native vegetation removal report* that together with the site assessment report contains all required biodiversity information to support an application in the Detailed Assessment Pathway. The biodiversity information associated with each report is stored for reporting purposes.

NVIM and EnSym also have tools that generate *Native vegetation offset reports* and store the associated data.

Tracking systems and data log tool

Responsible authorities record permit applications in the Planning Permit Activity Reporting System (PPARS). All planning permits referred to DELWP are also recorded in the DELWP Statutory Planning Case Management System (SPCMS).

These systems are designed to track application progress and timeframes but do not record details of the native vegetation proposed to be removed.

DELWP developed and provided a *Native vegetation removal – data log* (data log) to all responsible authorities. The data log provides a simple way to record approved permit numbers and the associated *Native vegetation removal report* unique identifier. The permit number and report identifier are used to link all data sources together.

The data log can also be used to record established first party offset sites, cases of unauthorised removal of native vegetation and any exempt native vegetation removal that the responsible authority is aware of.

The Native Vegetation Offset Register

The NVOR includes the NVCR. The NVCR tracks the creation, trade and allocation of native vegetation credits. It also provides allocated credit extracts when permit (or other approval) holders purchase and allocate native vegetation credits to their approval.

Landowners are encouraged to record first party offset sites in the NVOR. The NVOR can allocate offsets to approvals and provide an allocated extract as evidence that an offset has been secured. This information is stored in the NVOR.

Supporting the implementation of the regulations

This section describes activities completed during the 2018-2019 financial year that supported the implementation of the regulations.

New documents published

DELWP published the following documents on its native vegetation website:

- *Procedure to rely on the railways exemption in planning schemes* that sets out the requirements that rail agencies must follow when native vegetation is removed for maintenance and some construction activities. Rail agencies must have written agreement from the Secretary to DELWP and comply with this procedure when relying on the *Railways* exemption.
- *Procedure to rely on the road safety exemption in planning schemes* that sets out the requirements that public authorities and municipal councils must follow when native vegetation is removed for maintenance and some construction activities. Public authorities and municipal councils must have written agreement from the Secretary to DELWP and comply with this procedure when relying on the *Road safety* exemption.
- *Procedure for the removal, destruction or lopping of native vegetation on Crown land – for use by DELWP and PV* that sets out the requirements that DELWP and Parks Victoria must follow when they remove native vegetation under the *Crown land* exemption.
- *Monitoring, evaluation and reporting plan – removal, destruction or lopping of native vegetation* that sets out a monitoring, evaluation and reporting plan to determine if the objective of no net loss to biodiversity as a result of the removal of native vegetation is achieved.
- *Management standards for native vegetation offset sites* that sets out the management standards that apply to all offset sites in Victoria. Landholders must comply with these standards when managing native vegetation at an offset site.

Development of new tools

DELWP published two new tools with supporting information on its native vegetation website.

NVIM native vegetation offset tool

An online native vegetation offset tool was developed in the Native Vegetation Information Management System (NVIM) to make it easier for landowners to establish a first party general offset site to use to offset their own native vegetation removal.

The *NVIM native vegetation offset tool* generates a report that can be used as part of a proposal to establish a first party general offset site. There are limitations to when this tool can be used and it is supported by a *section 173 (Planning and Environment Act 1987) agreement template* and the *First party general offset management plan and annual report template*.

Search the Native Vegetation Credit Register tool

The online *Search the Native Vegetation Credit Register tool* enables anyone to search the NVCR for their offset requirements.

Users select what type of offset they need (general or species habitat units; or general or specific biodiversity equivalence units) then enter their offset requirements. The search tool searches existing and proposed credit sites registered in the NVCR and generates a downloadable report listing all credit sites that match the search criteria together with the relevant broker(s) contact details.

The report can be used to support an offset statement when applying for approval to remove native vegetation and when contacting a broker to finalise a trade to secure the offset.

Support, training and capacity building

Native vegetation removal regulations

Two email addresses support the implementation of the native vegetation removal regulations:

- nativevegetation.support@delwp.vic.gov.au
- nativevegetation.farming@delpw.vic.gov.au

DELWP responded to 783 emails about the regulations and delivered 25 training or information sessions across the state attended by just under 700 people, including:

- two PLANET professional development program sessions run through the Planning Institute of Australia Victoria
- 13 training sessions for responsible authorities
- 10 general update sessions for key stakeholders and community members.

An online training course on the Native vegetation removal regulations was also published on the DELWP e-learning website.

Vegetation Quality Assessment (VQA)

The Guidelines specify that native vegetation assessors who prepare reports for applicants applying to remove native vegetation must be accredited. Accreditation is gained by demonstrating competence in completing a VQA (or habitat hectare assessment).

During the competency checks participants complete a theory and field-based assessment to demonstrate their ability to complete a habitat hectare assessment to the required standard.

DELWP maintains a support email address habitat.hectares@delwp.vic.gov.au, ran eight competency checks, and confirmed the competence of 81 native vegetation assessors during the 2018-2019 financial year.

Native vegetation offset sites and credit trading

Three separate email addresses provide support for offset site establishment, management queries and native vegetation credit trading:

- nativevegetation.offsetregister@delpw.vic.gov.au
- nativevegetation.offsetmanagement@delpw.vic.gov.au
- nativevegetation.offsetpayments@delwp.vic.gov.au

DELWP responded to 550 emails about setting up an offset site, offset site management requirements, and credit enquiries during the 2018-2019 financial year. It also held a service provider day for brokers and site assessors attended by representatives from 11 businesses. The day provided an opportunity to network, ask questions, discuss any issues and share information about the updated NVCR.

Support for the native vegetation credit market

DELWP has signed agreements with service providers to support the establishment of new offset sites (NVCR site assessors) and the trade of native vegetation credits (NVCR brokers).

NVCR Site assessors provide advice to landholders interested in establishing an offset site. They complete a gain scoring assessment and prepare the required security agreement and management plan. Site assessors work with the NVCR to establish the offset site.

NVCR Brokers help match offsets, facilitate negotiations and finalise trades between landowners (credit owner) and permit holders. They fill in the required trade and allocation forms and work with the NVCR to finalise a trade or allocation of native vegetation credits.

Trust for Nature provides its own support to landholders and visits each offset site prior to the establishment of the on-title security agreement. The site visit provides an opportunity to:

- ensure the landowners understand the proposed management obligations
- answer any questions relating to the offset program
- ensure that the proposed offset site meets the criteria for protection under the *Victorian Conservation Trust Act 1972*.

Trust for Nature also uses brokers to help landowners trade native vegetation credits.

The native vegetation offset section of the DELWP website has been updated and further improvements are planned to support landholders and permit holders. All native vegetation trades and their value are updated monthly and published on the [DELWP website](#).

Stakeholder engagement

Communication remains important to ensure effective and consistent implementation of the regulations. This is achieved by email and telephone enquiries, training and capacity building and through stakeholder groups and newsletters.

Native vegetation advisory group

The native vegetation advisory group met four times during the 2018-2019 financial year. The purpose of the advisory group is to gather feedback on the functioning of the regulations to inform continuous improvement. It provides an opportunity for ongoing engagement and includes representatives from:

- Councils – Corangamite Shire, Macedon Ranges Shire, Yarra Ranges Shire
- Municipal Association of Victoria
- Victorian Farmers Federation
- Environmental Farmers Network
- Ecological Consultants Association
- Environmental Justice Australia
- Victorian National Parks Association
- Urban Development Institute of Australia
- Trust for Nature
- Minerals Council of Victoria.

General feedback on the updated regulations has been that the regulations are working well and have been well received. Discussion in the advisory group has focussed on:

- the need for increased reporting of native vegetation removal (including under exemption and illegally) across Victoria

- clarifying and reporting on whether the no net loss objective is being achieved
- concerns around illegal removal and limited compliance and enforcement action
- the overall loss of grasslands and the difficulty in protecting grasslands as an offset site due to eligibility criteria about condition and weeds.

Native vegetation newsletter

The native vegetation newsletter (Figure 2) addresses frequently asked questions about implementing the updated regulations. The second newsletter was sent out in November 2018 to over 2000 stakeholders.



Figure 2. The November 2018 native vegetation newsletter

Transitional arrangements

Clause 52.16 and Clause 52.17 of all planning schemes in Victoria include transitional provisions that enable applications to be assessed under the 2013 Biodiversity assessment guidelines or Framework in certain circumstances. During the 2018-2019 financial year the secretary to DELWP (or his delegate) provided 10 written statements that enabled access to the transitional provisions.

Approved removal of native vegetation

This section provides information about planning permit applications to remove native vegetation under Clause 52.16 and Clause 52.17 that were approved during the 2018-2019 financial year. The December 2017 update to the regulations included transitional provisions that allowed some permit applications to be considered under the 2013 Biodiversity assessment guidelines. This section of the report includes information about permits granted under both the 2013 and 2017 regulations.

Introduction

Planning permit applications are made under one of 82 planning schemes in Victoria administered by 79 councils and the Minister for Planning. Each planning scheme applies to a Local Government Area (LGA) and is administered by a responsible authority. The Minister is the responsible authority for the Alpine Resorts, French Island and Sandstone Island, and Port of Melbourne planning schemes. Councils are the responsible authorities for the other 79 planning schemes. Responsible authorities (RAs) make decisions on applications and ensure compliance with planning schemes including the regulations.

Data collection, collation and analysis

The data log was advertised in news articles in *Planning Matters*, *Thinking Local: Local Government News* and the *MAV Planning and Environment Bulletin*. DELWP also contacted all RAs by phone and email to encourage them to record approved permits in the data log.

DELWP received data logs for 47 LGAs, including five where no permits were granted to remove native vegetation (Boroondara, French and Sandstone Island, Glen Eira, Monash and Stonnington).

Data for 37 LGAs was also extracted from SPCMS and added to the RA data. This resulted in data being available for 66 LGAs and no data being available for 16 LGAs (refer Figures 3 and 4).

Data collation and verification

Native vegetation information (from the *Native vegetation removal report*), decision outcome (from PPARS) and evidence of allocated credit extracts (from the NVCR) were joined to the permit records using the RA approval reference recorded in the data log.

Responsible authority data

Nine per cent of the records had no useable information, 12 per cent of the records included

extent information but could not be linked to a *Native vegetation removal* report (these applications were likely progressed under the 2013 Biodiversity assessment guidelines). 79 per cent of the records could be linked to a *Native vegetation removal report*. However, 50 per cent of all records could not be matched to a record in PPARS.

Referral authority data

97 SPCMS records were matched to a PPARS record or an allocated credit extract and represent an approved removal. These records are included in this report.

Results

After removing records of exempt removal, illegal removal and permits that were refused or withdrawn (based on PPARS decision outcome) there were 410 records with full biodiversity information and 48 records with extent only data, across 61 LGAs (refer Figure 3 and Figure 4), noting that no permits were granted to remove native vegetation in 5 LGAs (although this number may be higher).

Important note: The data presented below is not all approved permits, some RAs were unable to provide information for this year. Information in this section under-estimates the extent of native vegetation that was permitted to be removed in the 2018-19 financial year.

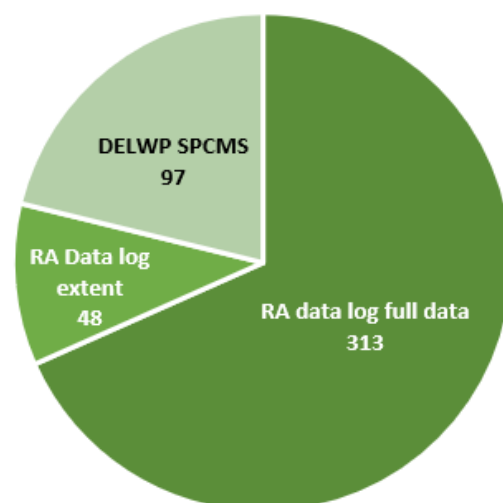


Figure 3. Native vegetation removal records by source

Table 1 and Table 2 provide a summary of the native vegetation approved to be removed under the 2013 and 2017 regulations. Locations of the approved permits is shown in Figure 4.

Table 1. Summary of records of permits granted to remove native vegetation under Clause 52.16 and 52.17

Regulations	No. permits	Total extent (ha)	Habitat hectares	Large trees	GBEU/GHU*
2013 Extent only	48	60.200	unknown	n/a	unknown
2013 Biodiversity Assessment Guidelines	42	48.113	12.31	n/a	7.823 GBEU
2017 Guidelines	368	116.668	43.61	747	44.921 GHU
Total	458	224.980			

* In addition to the GBEUs 2 permits required SBEUs and in addition to the GHUs 4 permits required SHUs as detailed in **Table 2**

Table 2. Details of species offset requirements for the permits granted to remove native vegetation

Regulations	Common name	Scientific name	SBEU/SHU
2013 Biodiversity Assessment Guidelines	Tiny Arrowgrass	<i>Triglochin minutissima</i>	0.027
	Prickly Arrowgrass	<i>Triglochin mucronate</i>	0.006
	Bellarine Yellow-gum	<i>Eucalyptus leucoxydon</i> subsp. <i>bellarinensis</i>	1.667
2017 Guidelines	Little Pink Spider-orchid	<i>Caladenia rosella</i>	0.917
	Enfield Grevillea	<i>Grevillea bedggoodiana</i>	3.986
	Powerful Owl	<i>Ninox strenua</i>	4.416
	Greater Glider	<i>Petauroides volans</i>	4.505
	Lilac Bitter-cress	<i>Cardamine lilacina</i> s.s	0.044
	Woolly Billy-buttons	<i>Craspedia maxgrayi</i> s.s.	0.069

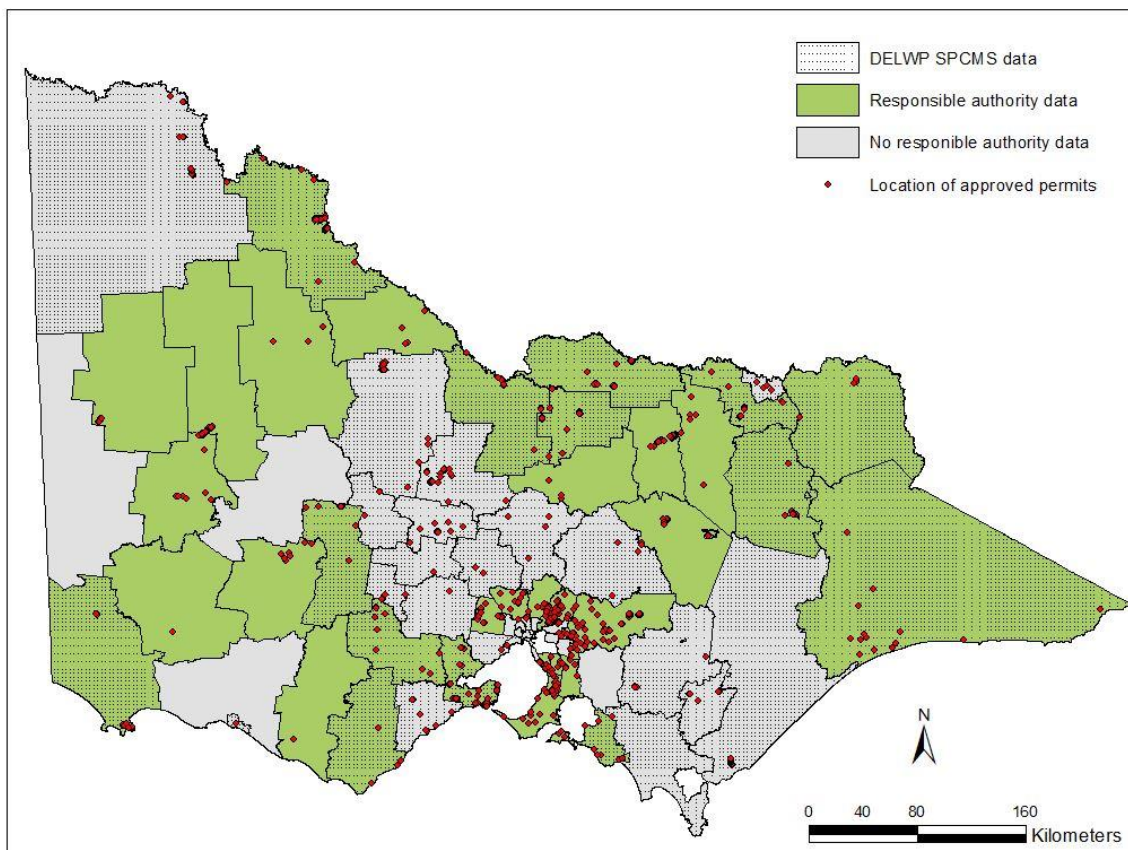


Figure 4. Map showing local government areas, data source and locations of approved permits included in this report

Analysis of reported permits granted under the Guidelines

368 permits were granted under the Guidelines. These approved the removal of 116.668 hectares of native vegetation, including 747 large trees.

CMA breakdown

The breakdown of this removal per Catchment Management Authority area is shown in Table 3.

Table 3. Breakdown of reported approved permits per CMA

Catchment Management Authority area	Total extent (ha)	Large tree count
Port Phillip & Westernport	45.962	349
North Central	26.026	92
Goulburn Broken	14.695	142
Corangamite	13.350	61
Glenelg Hopkins	3.575	8
North East	3.470	45
East Gippsland	3.334	11
West Gippsland	2.684	8
Mallee	2.548	20
Wimmera	1.024	11
Grand total	116.668	747

LGA breakdown

The spread of permits across metropolitan and rural areas is shown in Table 4. This shows that most permits to remove native vegetation were approved in rural areas. Many metropolitan areas have undergone strategic assessments and have been approved under the Melbourne Strategic Assessment program or other structure plans that remove the requirement for a Clause 52.16 or Clause 52.17 permit.

Table 4. Breakdown of removal across metropolitan and rural areas

LGA's	% of permits	% extent	% large trees
Metropolitan	45%	38%	45%
Rural	55%	62%	55%

Nine RAs (Nillumbik Shire, Yarra Ranges Shire, Greater Geelong City, Frankston City, East Gippsland Shire, Mornington Peninsula Shire, Bass Coast Shire, Greater Bendigo City and Hume City) granted 188 of the permits that approved the

removal of 54.811 hectares of native vegetation and 345 large trees.

The remaining 48 RAs granted 180 permits that approved the removal of 61.856 hectares of native vegetation and 402 large trees.

Extent of removal

88 per cent of the permits granted were for the removal of less than 0.5 hectares (Figure 5).



Figure 5. This chart shows the percentage of approved permits to remove native vegetation by extent

Assessment pathway

Most applications for permits were in the Basic (34%) or Intermediate (51%) Assessment Pathways (Figure 6). Applications in these assessment pathways do not require specialist assessment and can be prepared by landowners without engaging an accredited native vegetation assessor.

Applications in the Detailed Assessment Pathway require an accredited native vegetation assessor to assist the landholder. Additional biodiversity decision guidelines that provide for the assessment of impacts on rare or threatened species apply to these applications.

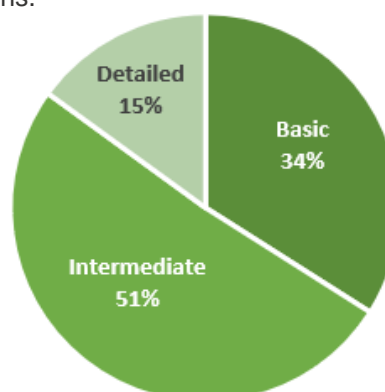


Figure 6. This chart shows the percentage of approved permits to remove native vegetation by assessment pathways

Removal under an exemption

Clauses 52.16 and 52.17 contain tables of exemptions from the requirement to obtain a planning permit to remove, destroy or lop native vegetation. These exemptions:

- allow for the maintenance of areas where native vegetation has previously been removed
- ensure activities can occur for public safety
- clarify certain rights to use land that involves the removal of native vegetation
- allow access to an approval process outside the Victorian planning system that implements the objectives of Victoria's policy for the removal of native vegetation
- avoid duplicative processes where the removal of native vegetation is approved under a separate Act or approval process
- ensure activities for land management and biodiversity improvements can occur
- allow removal of native vegetation where the costs of obtaining a planning permit would outweigh the cost to the environment of the native vegetation being removed.

Native vegetation removed under exemptions

There is generally no requirement to gain approval for, or to report native vegetation removal under an exemption. Information about native vegetation removed under an exemption is difficult to obtain but the following are reported as exemptions that are most often relied upon:

- Defendable space
- Planted vegetation
- Regrowth
- Site area
- Fences.

Removal under exemption with approval from the Secretary to DELWP

Access to the *Conservation work*, *Crown land*, *Road safety*, *Railways* and *Utility* exemptions is granted by the Secretary to DELWP. Relying on the *Crown land*, *Road safety*, *Railways* or *Utility* exemption requires compliance with the relevant procedure.

Table 5 outlines details of native vegetation removed under one of these exemptions that were endorsed by DELWP during the 2018-2019 financial year.

Removal under the *Road safety* exemption

The purpose of the *Road safety* exemption is to enable road authorities to maintain the safe and efficient function of an existing road without obtaining a planning permit to remove, destroy or lop native vegetation. The procedure requires that native vegetation removal to establish new infrastructure or expand existing infrastructure be endorsed by DELWP and offset in accordance with the Guidelines but allowing for all offset requirements to be combined and secured by the 30 September each year.

Removal under the *Railways* exemption

The purpose of the *Railways* exemption is to enable rail managers to maintain the safe and efficient function of an existing railway or railway access road without obtaining a planning permit to remove, destroy or lop native vegetation. The procedure requires that native vegetation removal to establish new infrastructure or expand existing infrastructure be endorsed by DELWP and offset in accordance with the Guidelines but allowing for all offset requirements to be combined and secured by the 30 September each year.

Removal under the *Utilities* exemption

The purpose of the *Utilities* exemption is to enable the maintenance and construction of new utilities without obtaining a planning permit to remove, destroy or lop native vegetation. Procedures for energy and water are being developed. On request the Secretary to DELWP granted project specific conditional access to the *Utilities* exemption that required the securing of offsets by the 30 September 2019.

Table 5. Records of exempt native vegetation removal endorsed by the DELWP during the 2018-2019 financial year

Description	Count	Extent (ha)	Large trees	GHU/GBEU	Offsets secured
Road safety exemption removal					
Ararat Rural City	1	0.093	2	0.038	1
Campaspe Shire Council	2	0.133	1	0.034	2
East Gippsland Shire	1	0.469	4	0.234	
Greater Bendigo City	3	1.503	5	0.756	3
Hindmarsh Shire	2	0.280	2	0.091	2
Indigo Shire	2	0.296	1	0.207	
Macedon Ranges Shire	1	0.056	0	0.023	1
Mitchell Shire	1	0.066	1	0.053	1
Moira Shire	1	0.141	2	0.066	1
Northern Grampians Shire	2	0.313	1	0.218	2
Public Transport Victoria	1	0.022	0	0.018	
VicRoads ^a	20	7.113	15	2.679	19
VicRoads (2013 Biodiversity assessment guidelines)	2	1.475	n/a	0.320	2
Swan Hill Rural City	2	0.133	5	0.090	2
Wellington Shire	2	0.261	2	0.054	2
Subtotal	42	11.361	15	5.166	35
Railways exemption removal					
V/Line	1	0.006	0	0.002	
Utility exemption removal					
Wannon Water	1	0.763	0	0.003	1
Crown land exemption					
Wangaratta Rural City	1	0.133	1	0.024	
Grand total	45	12.263	41	5.195	36

a. VicRoads includes new entities such as Regional Roads Victoria

DELWP is following up with councils and authorities who are still to provide evidence of secured offsets. Not securing offsets is a breach of the procedure and may result in access to the exemption being withdrawn.

Removal under the *Conservation work exemption*

The *Conservation work exemption* is for work that provides an overall improvement for biodiversity. Access to the exemption is with the written agreement from the Secretary to DELWP. The Secretary will only provide written agreement when the loss to biodiversity from the removal of native vegetation is outweighed by the expected benefits the work will deliver for biodiversity.

The Secretary provided written agreement for five conservation work plans to rely on this exemption during the 2018-2019 financial year.

Conservation work exemption case study – reduction of Hedge Wattle to restore condition of Plains Grassy Woodland

This recreational reserve contains Plains Grassy Woodland, which is an endangered vegetation type in the Dundas Tableland Bioregion. Past land use and reserve management led to a loss of large canopy trees and a degraded understorey. Hedge Wattle (*Acacia paradoxa*) colonised extensive areas of the reserve reducing biodiversity values.

Hedge Wattle (Figure 7) is a naturally occurring understorey shrub in Victoria. Hedge Wattle can quickly colonise large areas when lefty unmanaged and out-competes smaller shrubs, herbs and grasses that typically occur in the Plains Grassy Woodland vegetation type.

Hedge Wattle thickets prevent new canopy trees from growing and provide increased amounts of organic litter and fuel load. This contributes to altered ecosystem function and changes to species composition (Figure 8). With the help of a Latrobe University ecologist, the reserve management committee developed a plan to manage Hedge Wattle and applied to access the *Conservation work exemption*.

DELWP approved the application as it showed that biodiversity benefits will exceed the potential biodiversity impact from the works. Expected benefits include an overall improvement in vegetation condition and an increase in understorey plant diversity.



Figure 7. Hedge Wattle (Photo credit: Penny Croucamp)



Figure 8. Hedge Wattle thicket showing lack of native ground flora and increased organic litter and shading (Photo credit: Andrew Govanstone)

Removal and counterbalance under the *Crown land exemption*

The *Crown land* exemption provides for native vegetation removal to the minimum extent necessary to manage Crown land by or on behalf of the Secretary to DELWP or Parks Victoria. Removal must be in accordance with the *Procedure for the removal, destruction or lopping of native vegetation on Crown land* (Crown land procedure). The Crown land procedure classifies native vegetation removal as either a maintenance activity or as new removal of native vegetation.

Works associated with bushfire management including planned burn areas, hazardous tree removal, fire control lines and infrastructure associated with a planned burn or bushfire response are maintenance works and not included in this report. Fuel breaks that are not associated with bushfire management and planned burns are recorded under new removal of native vegetation.

The Crown land procedure requires that:

- native vegetation removal must be to the minimum extent necessary
- new removal of native vegetation be recorded and reported in habitat hectares annually
- counterbalancing activities be recorded and reported in habitat hectares annually.

The Crown land procedure also provides for a five yearly detailed assessment to determine if DELWP and PV operations on Crown land achieve as a minimum, no net loss to biodiversity

The habitat hectare loss and gain from managing Crown land is measured using modelled condition scores and modified gain scores.

This is the first time DELWP and PV have reported on native vegetation losses and gains under the *Crown land* exemption.

New removal of native vegetation

The total extent of new removal reported by DELWP and Parks Victoria was 2,023 hectares, equivalent to a loss of 1,475 habitat hectares (extent × mapped condition). The main activities reported are shown in Table 6 and Figure 9 shows the location of all activities.

Table 6. New removal on Crown land by DELWP and Parks Victoria

Activity	Extent (ha)	Habitat hectares
Mowing to less than 10cm	212	144
Recreational area	123	93
Fuel breaks	506	389
Trails, Tracks, Roads	846	620

Counterbalancing activities

The total extent of counterbalancing activities reported by DELWP and Parks Victoria was 2,624,328 hectares, equivalent to a gain of 13,274 habitat hectares (extent × modified gain score). Table 7 shows the main activities reported and Figure 10 shows the locations of all activities.

Table 7. Counterbalancing activities on Crown land by DELWP and Parks Victoria

Activity	Extent (ha)	Habitat hectares
Over-abundant native animal control	216,049	1,080
Pest animal control	1,763,003	8,815
Weed control	582,735	2,914
Ecological burning	31,192	312
Revegetation	934	0.93

Limitations and improvements

Multiple management activities may have occurred in the same location and the total extent reported has not fully accounted for this. Further data analysis will be undertaken to address this and to ensure that projects funded specifically to deliver net gain under Biodiversity 2037 (rather than no net loss from Crown land management) are excluded from counterbalancing in future reports.

This will ensure a more accurate analysis on whether the no net loss objective is being achieved on Crown land in future reports.

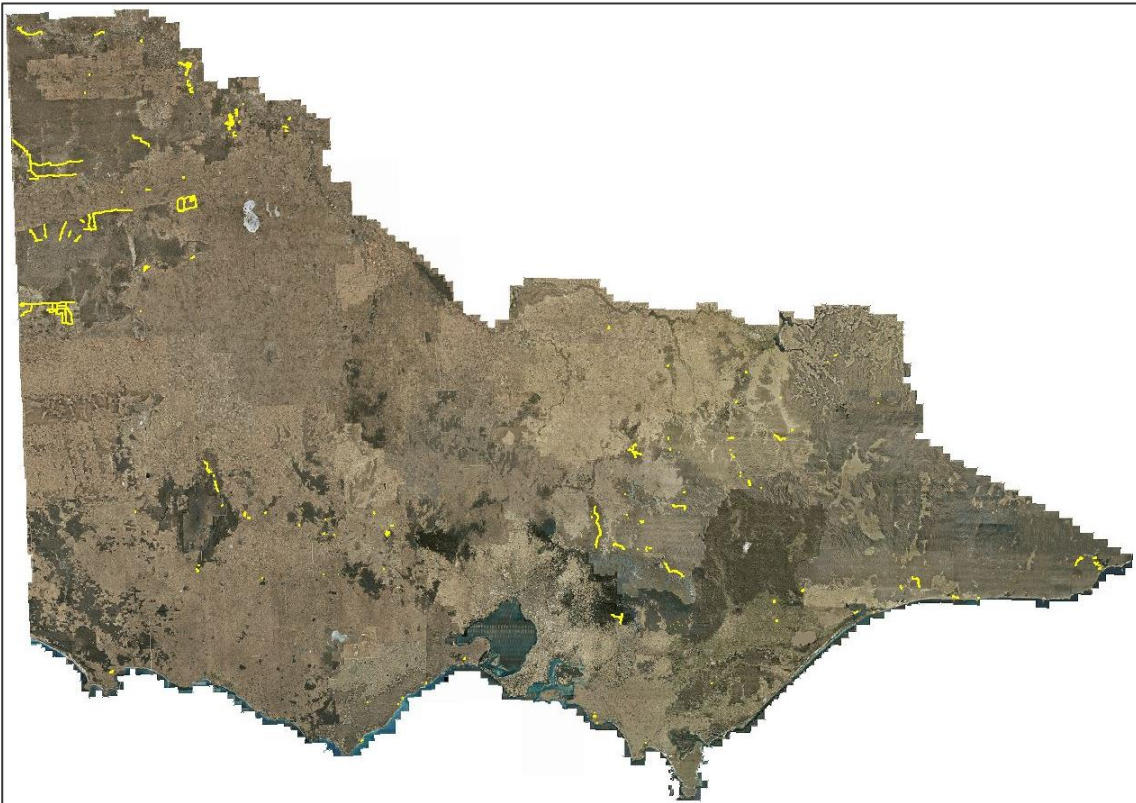


Figure 9. Map of new removal on Crown land by DELWP and Parks Victoria

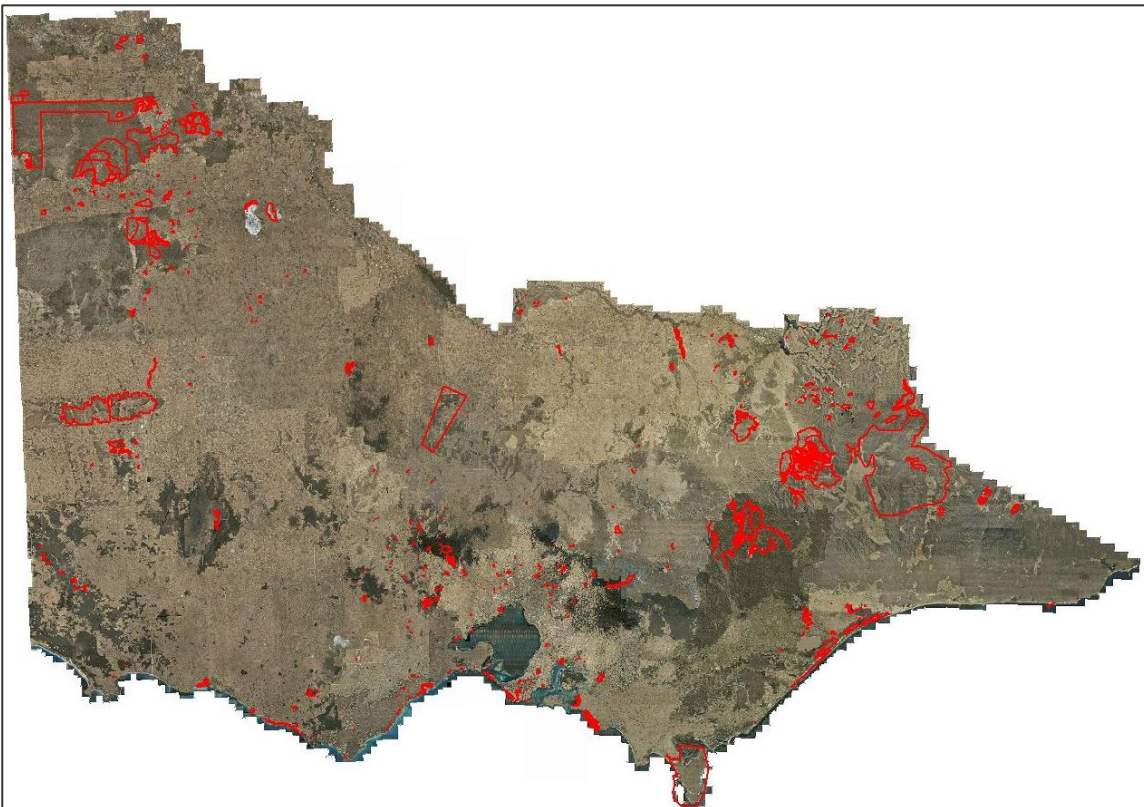


Figure 10. Map of counterbalancing activities on Crown land by DELWP and Parks Victoria

Unauthorised native vegetation removal

Compliance and enforcement strategy

A compliance and enforcement strategy published in December 2017 helps local councils develop risk-based compliance plans. Risk-based compliance plans focus on things that cause the greatest risk or harm to the environment. They ensure the level of intervention is proportional to the harm and focuses on effective and efficient actions that make the best use of existing resources.

The strategy explains that compliance and enforcement activities include three steps:

- encourage compliance by capacity building and suitable communications
- monitor compliance based on potential risk or harm to the environment
- respond to non-compliance based on risk-or harm to the environment.

Unauthorised removal of native vegetation remains an area of concern for many stakeholders.

DELWP response

The DELWP Senior Executive Team established a whole of department working group to develop an action plan to address illegal removal. The action plan will investigate options across four areas:

- education and awareness of landowners to ensure they are aware of the requirements of the regulations
- capability and capacity of local councils as the responsible authority for compliance under the *Planning and Environment Act 1987*
- state-wide scanning to help identify cases of illegal removal
- legislative considerations including the effectiveness of enforcement orders and planning infringement notices.

Illegal removal and compliance actions

There is no statewide system for councils and DELWP to report or record cases of illegal native vegetation removal and any associated enforcement actions.

With limited recording of unauthorised removal, it is not possible to provide statistics or to verify the full extent and impact of unauthorised removal on biodiversity. DELWP will work with RAs to establish a method for recording and reporting known illegal removal cases.

Examples of enforcement actions

Several councils undertook enforcement action during the 2018-2019 financial year to address cases of illegal native vegetation removal. Some examples of illegal works and resulting enforcement action are listed below:

- excessive removal of native vegetation along a property boundary – landowner fined
- excessive removal of native vegetation along a property boundary and removal of large trees and regenerated (post fire) vegetation – landowner required to revegetate the property
- destruction of 31 native trees by smothering with sludge and silt removed from dam (Figure 11) – landowner required to re-establish the destroyed native vegetation
- removal of 27 native trees (Figure 12 and 13) following refusal of a planning permit for subdivision due to the impact on vegetation and landscape character (based on zoning, overlays and policy controls) – landowner required to revegetate the property (Figure 14)
- poisoning of 12 native trees – landowner fined and revegetation order issued
- excessive lopping of 2 native trees – contractor and landowner fined and required to replant
- removal of 3 hectares of native vegetation – landowner fined and ordered to pay court costs and revegetate the area
- removal of 8 trees – landowner and contractor both fined and ordered to pay court costs and revegetate the area.



Figure 11. Native vegetation impacted by sludge and silt (Photo credit: LGA)



Figure 12. Trees and stumps removed (Photo credit: LGA)



Figure 13. Chopped trees for firewood (Photo credit: LGA)



Figure 14. Replanting begun (Photo credit: LGA)

Enforcement outcomes

Enforcement action generally included one or a combination of the following:

- Planning Infringement Notices were issued with fines and replanting requirements.
- Charges under the *Planning and Environment Act* at the Magistrates court. These usually resulted in guilty charges with fines and costs ranging from \$1,000 to \$49,000 being awarded.
- VCAT Enforcement Orders generally required remediation in the form of revegetation of the site with appropriate species, including a requirement to monitor and manage the revegetation area for specified timeframe. These enforcement orders often had additional costs of between \$1,000 and \$7,000.

Third-party offsets secured

In addition to the enforcement action described above, some LGAs required that offsets be secured to compensate the impact from the illegal removal of native vegetation by purchasing native vegetation credits from existing offset sites.

During the 2018-2019 financial year, the NVCR allocated native vegetation credits to six cases of illegal removal of native vegetation. These cases were from six different LGAs and secured 0.575 general habitat units and 1 large tree.

Since 2013 when mapped information could be used to determine offset requirements following illegal removal of native vegetation, 23 allocations totalling 1.704 GHUs and 85 new recruits have been made to compensate for known illegal removal.

Native vegetation offset sites

Offset sites are established once a security agreement has been signed by the landowner and a statutory body and the agreement has been recorded on the land title. Each site has its own agreement and over time landholders may choose to register a few sites on their property.

Offset sites established to trade native vegetation credits must be protected by a section 69 agreement under the *Conservation Forests and Lands Act 1987* or an offset covenant under section 3 of the *Victorian Conservation Trust Act 1972* and be registered on the NVCR.

Offset sites used by a landowner to offset their own native vegetation removal should be recorded in the NVOR and can be established with a section 173 agreement under the *Planning and Environment Act 1987* administered by local council or one of the above-mentioned agreements.

Roles and responsibilities

Landowners and the statutory body are responsible for ensuring management actions are undertaken in accordance with offset site management plans:

- Landowners must implement required management actions and report annually to the relevant statutory body.
- The statutory body must ensure management actions are undertaken in accordance with offset site management plans by reviewing annual reports and conducting on-ground monitoring of offset sites to check compliance with management plans.

The NVCR tracks the establishment, trade and allocation of native vegetation credits. All third-party offsets are registered in the NVCR and are reported in this section of this report. First party offset sites established with a section 173 agreement are not required to be recorded and DELWP does not have full records of these sites. Those that have been recorded are included in this report. Figure 15 shows the breakdown of all offset sites in the NVOR as at 30 June 2019.

New sites added this financial year

During the 2018-2019 financial year, 20 new offset sites were registered in the NVCR. This added just over 1,180 hectares, including 3,153 large trees to the area of land protected at offset sites. The new sites were secured as follows:

- 14 new sites on private property protected with a section 69 agreement
- 3 new sites on private property protected with an offset covenant
- 2 transfers of private land to the Crown for conservation purposes
- 1 Crown land offset site.

All sites in the register

On 30 June 2019, the NVOR included 335 offset sites on 278 different properties owned by 172 different landowners. The sites are in 54 local government areas and across all ten Catchment Management Authority (CMA) areas and their locations are shown in Figure 16. Table 8 shows what these sites protect, and Table 9 and Figure 17 show the breakdown per CMA.

What the sites protect:

- 15,336 hectares of land
- 79,867 large trees
- 132,009 new recruits.

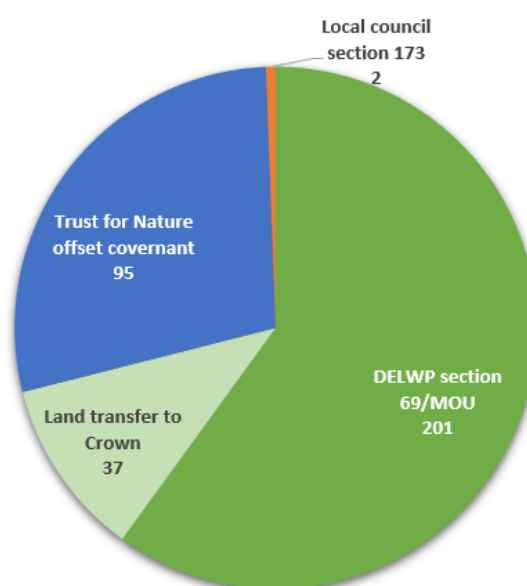


Figure 15. Number of offset sites by security mechanism



Figure 16. Map of all offset sites registered in the NVCR as at 30 June 2019, with Catchment Management Authority boundaries

Table 8. Land protected at these offset sites

Vegetation type	Extent (ha)	Large trees	New recruits
Patch	14,952	79,374	0
Revegetation*	330	90	132,009
Scattered Tree	55	403	0
Grand Total	15,336	79,867	132,009

* Note: under the Framework revegetation offset sites were established around large scattered trees

Table 9. Breakdown of offset sites per CMA

CMA area	Extent (ha)	Large trees	New recruits
Corangamite	2,893	24,678	1,204
East Gippsland	804	1,238	0
Glenelg Hopkins	1,365	6,620	17,581
Goulburn Broken	1,555	6,168	30,058
Mallee	191	2,135	0
North Central	3,202	8,658	56,261
North East	527	1,330	0
Port Philip & Westernport	2,310	13,581	16,969
West Gippsland	2,082	14,776	9,936
Wimmera	406	683	0
Grand Total	15,336	79,867	132,009

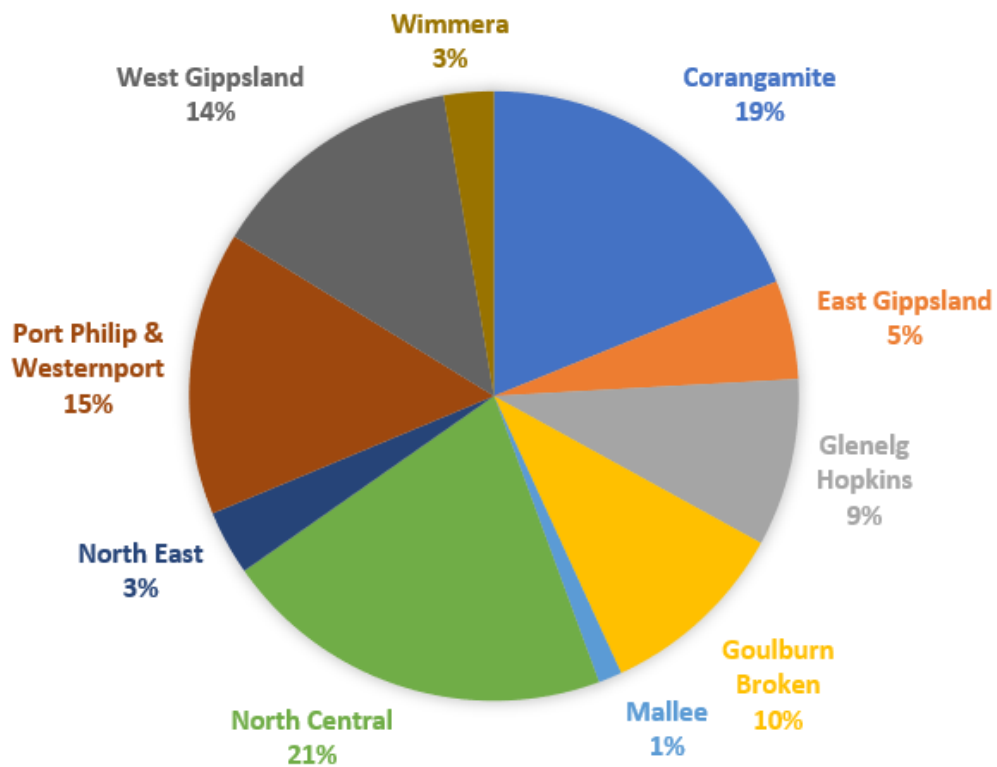


Figure 17. Percentage breakdown of extent of offset sites per CMA area

Offset site monitoring and reporting

The statutory body

DELWP is responsible for the administration, reporting, monitoring and compliance of offset sites established under section 69 of the *Conservation Forest and Lands Act 1987*. At the end of the 2018-19 financial year DELWP was responsible for 201 offset sites located on 164 properties across Victoria.

37 land transfer offset sites are not monitored by DELWP. They were transferred to the Crown for incorporation into the Crown land conservation reserve system to be managed by Parks Victoria in line with established service agreements. The gain available from these sites is limited to security gain from this increased protection.

Trust for Nature is responsible for the administration, reporting, monitoring and compliance of all offset sites established under the *Victorian Conservation Trust Act 1972*. Trust for Nature currently monitor compliance at 95 offset sites located on 81 private properties across Victoria.

DELWP and Trust for Nature use two processes to check compliance with agreements:

- reviewing annual reports submitted by landowners
- monitoring visits.

Reporting by landholders

Reporting by landholders helps confirm that management actions are implemented. Landowners must provide annual reports on the management commitments and actions they have undertaken each year. DELWP and Trust for Nature review these reports and, on successful completion of actions, landowners receive their annual payment. The amount they will receive is determined by the sale or trade of their native vegetation credits to third parties and the payment schedule included in their security agreement.

Landowners may be required to submit further evidence of completed actions when issues are identified. Issues may be identified during on-ground monitoring or in annual reports.

On-ground compliance monitoring

Site monitoring visits provide an opportunity to check for compliance with management commitments and actions and to discuss any issues or concerns the landowner may have.

During monitoring, an assessment of the general condition of native vegetation is completed and any threats or issues are noted. Compliance issues or new threats are discussed with the landowner. A monitoring report that details any required follow up actions with timing for completion is sent to the landowner after the visit.

DELWP applies a risk-based approach to prioritise monitoring of offset sites under a section 69 agreement. In general, an offset site will be monitored three times within the 10 year active management period but is varied based on compliance and risk.

Trust for Nature has a standard approach to monitoring offset sites once they have been established. Every offset site is visited at least four times over the 10 year active management period. The frequency of visits can be increased when a compliance issue is identified or if a landowner needs some additional guidance. The visits occur at the end of year one, four, seven and nine. Thereafter sites are monitored in line with the Trust's standard conservation covenant stewardship program, approximately once every five years.

DELWP compliance results

167 Annual reports were reviewed, and 35 monitoring visits were completed during the 2018-2019 financial year. Some of the annual reports covered multiple sites on single properties. The results were as follows:

- 78 per cent were compliant
- 22 per cent have some compliance issue.

The most common reasons for non-compliance were:

- lack of annual report submission: 36 %
- lack of or insufficient weed control: 19%
- lack of fencing to standard: 14%
- lack of achieving planting standard: 12%.

Some of the offset sites were non-compliant with more than one matter (for example, one site did not have adequate fencing and weed control and had not reported and is counted three times in the percentages above).

Trust for Nature compliance results

Trust for Nature conducted 20 monitoring visits across 73 private properties with offset sites during the 2018-2019 financial year. Ten of these were year-four visits, nine were year-seven visits and one was a year-nine visit. The visits confirmed that the offset sites were meeting their obligations under the offset management plan and covenant.

Compliance action

DELWP and Trust for Nature withhold annual payments to landowners if reports are not received or if sites are found to be non-compliant. Payments resume once corrective actions are implemented and compliance is confirmed.

Any landowner with serious compliance issues may, in addition to having their annual payment withheld, have their native vegetation credits frozen so that they are unable to trade or allocate native vegetation credits.

DELWP is withholding payment to 24 landholders who have not reported within required timeframes, whose reports are inadequate, or who have not completed the management works to the specified standards. DELWP continues to work with landholders to achieve compliance.

Trust for Nature withheld one payment due to a third-party breach of the offset covenant. This breach was caused by damage during fire suppression activities and Trust for Nature is currently working with the landowner to address this.

Trust for Nature is also withholding payments to 10 landholders who have not reported within specified timeframes and are engaging with the individual landowners to overcome any barriers to reporting and management.

Offset site compliance in southwest Victoria

Issues were identified during a monitoring visit and in the year four annual report including:

- the presence of active rabbit burrows
- rubbish dumped within the site
- illegal log removal.

The landowner was issued with a compliance notice requiring them to address these issues within a specified timeframe. The landowner completed actions and provided a report showing that:

- signs to discourage firewood collection were erected
- the equivalent volume of logs that had been removed were replaced
- all rubbish was removed from the site
- rabbit warrens were fumigated, and hand collapsed as shown in photograph below.



Achieving no net loss

In future years this section will attempt to evaluate if the no net loss objective of the regulations is being achieved. This year it provides an overview of some benefits of offset sites and summarises native vegetation credit trading and allocation.

Biodiversity benefits from offset sites

On 30 June 2019, 21 offset sites had reached or passed their 10-year active management period.

Nine of these were land transfers to the Crown, adding 850 hectares with 7,182 large trees to the Crown land conservation reserve system.

12 were private properties that are now being managed to maintain the improved condition. The private properties are summarised in Table 10.

Table 10. Summary of private land offset sites that have passed their 10 year active management period

CMA	Extent (ha)	Large trees	Recruits
Corangamite	7	0	0
Glenelg Hopkins	17	115	0
Mallee	68	291	0
North Central	106	157	31,713
Port Philip & Westernport	152	138	0
West Gippsland	88	1,676	0
Grand total	436	2,377	31,713

These landowners were generally compliant with agreements and DELWP monitored each one three to four times during the last 11 years. One landholder has been assessed as non-compliant as annual reports were not always provided and weeds were not controlled as required. This landowner is required to complete a further 4 years of active management and progress will continue to be monitored by DELWP.

DELWP is also investigating options to report on the benefits and outcomes of native vegetation offset sites.

Case studies

Improvements in the quality of native vegetation at offset sites can be incremental and difficult to portray. Natural regeneration and outcomes from revegetation are more evident and progress can be seen in the two case studies described below.

Plains Grassy Woodland regeneration

This case study shows an area of endangered Plains Grassy Woodland that had a long history of cattle grazing and soil disturbance. This site was secured in March 2009. After 10 years of active management, the understorey has recovered following natural regeneration and some supplementary planting. Aerial photography in Figures 18 and 19 shows the regeneration of the understorey layer between 2012 and 2018. Figure 20 shows new recruits.



Figure 18. Aerial image of the offset site in 2012 – note no understorey vegetation



Figure 19. Aerial image of the offset site in 2018 – note the emergence of the understorey vegetation between trees

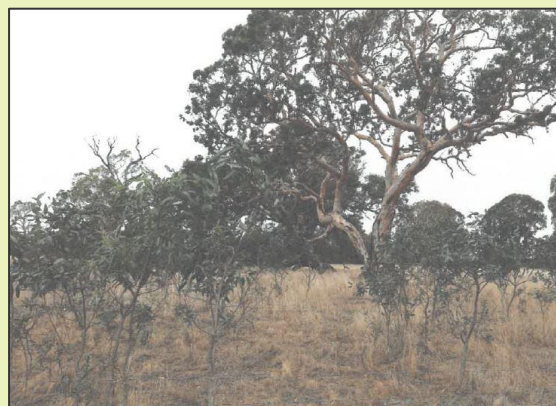


Figure 20. Year 9 monitoring photo showing natural regeneration (Photo credit: DELWP)

Revegetation sites

This second case study is of offset sites established in the North Central Catchment Management Authority area during 2008 and 2009. Revegetation of areas of Grassy Woodland, Box Ironbark Forest and Alluvial Terrace Herb-rich Forest was proposed. Figure 21 is from 2016 and shows revegetation progress. The Figures 22, 23 and 24 show the planting at year 2, 4 and 10.



Figure 21. Offset sites established in the North Central Catchment Management Authority area during 2008 and 2009 (image date 2016)



Figure 22. Status of revegetation in year 2 (Photo credit: DELWP)



Figure 23. Status of revegetation in year 4 (Photo credit: DELWP)



Figure 24. Status of revegetation in year 10 (Photo credit: DELWP)

Credit trading and allocation

Offset sites registered in the NVCR can trade their gain as native vegetation credits to third parties.

The NVCR completed about 700 trades of native vegetation credits with a combined value of about \$20 million during the 2018-2019 financial year. The previous years' trades were about 650 totalling around \$11 million.

Allocated Credit Extracts for this financial year

Native vegetation allocations must match permit conditions and may be for habitat hectares, biodiversity equivalence units or habitat units. For ease of reading, the general habitat unit (GHU) equivalent value of all allocations is used in this section.

The NVCR completed 759 allocations to 687 different approvals to remove native vegetation during the 2018-2019 financial year. Five per cent were under the Framework, 38 per cent were under the 2013 Biodiversity assessment guidelines, and 57 per cent were under the 2017 Guidelines. A breakdown of all the allocations is shown in Table 11. The breakdown of species units associated with the GHU equivalent units is shown in Table 12.

Most allocations were for planning permits (91.5 per cent) or planning scheme amendments (7.5 per cent). Five allocations were for mining approvals under the *Mineral Resources (Sustainable Development) Act 1990* and one was for an approval under the *Pipelines Act 2005*.

Table 11. Breakdown of native vegetation credit allocations completed during the 2018-2019 financial year. All allocations are shown in general habitat unit (GHU) equivalent values

	Number	GHU equivalent	Large Trees	Recruits
Framework				
• Planning permit	28	11.793	205	938
• Planning Scheme Amendment	6	0.197	61	1038
Total Framework allocations (4.5%)	34	11.990	266	1976
General 2013				
• Planning permit	232	44.735		
• Planning permit and NVPP	1	0.054		
• Planning Scheme Amendment	36	21.924		
• Mining	2	0.219		
Species 2013 (sum of all species in GHU equivalent units)				Not applicable
• Planning permit	14	27.937*		
• Planning permit & EPBC	1	2.653*		
• Planning Scheme Amendment	6	6.171*		
Total 2013 Biodiversity Assessment Guidelines (38.5%)	292	103.694		
General 2017				
• Mining	2	1.437	17	
• Pipelines Act 2005	1	0.779	24	
• Planning permit	418	33.122	519	
• Planning Permit and Mining	1	1.427	5	
• Planning Scheme Amendment	9	3.391	131	Not applicable
Species 2017 (sum of all species in GHU equivalent units)				
• Planning permit	2	4.311*	0	
Total Guidelines (57%)	433	44.467	696	
Grand total	759	160.150	962	1976

Table 12. Species units allocated during the 2018-2019 financial year

Species 2013	SBEU
Corangamite Water Skink	1.846
Dandenong Wattle	0.258
Dark Wire-grass	0.507
Derrinallum Billy-buttons	0.508
Large-headed Fireweed	2.954
Matted Flax-lily	2.420
Neat Spear-grass	0.263
Purple Blown-grass	0.038
Red-chested Button-quail	5.682
Rosemary Grevillea	6.980
Rye Beetle-grass	12.194
Salt-lake Tussock-grass	1.606
Wire-head Sedge	0.282
Woodland Box	0.026
Species 2017	SHU
Greater Glider	4.505
Powerful Owl	4.416
Woolly Billy-buttons	0.024



Figure 25. Rosemary Grevillea (Photo credit: Richard Boon)

No net loss

The objective of no net loss in biodiversity value from the permitted removal of native vegetation is achieved by securing an offset for approved removal of native vegetation that could not be avoided.

Approvals and offsets reconciliation

Native vegetation credits are allocated to specific approvals that have a requirement to secure a native vegetation offset.

Of the 410 permits granted in the 2018-19 financial year, 180 have an Allocated Credit Extract. The remaining 230 are yet to secure their offset or may have secured a first party offset that DELWP was not informed about.

It is commonplace for offsets to be secured up to two years after approval is granted. Offsets must be secured prior to the removal of vegetation.

The total allocations for approved permits in the 2018-19 financial year was 87.118 GHU equivalent. About a quarter of these allocations were for this year's permits – the remainder were for permits issued in previous years.

What does no net loss look like on ground?

The examples below show three cases of native vegetation removal that were approved and offset during the 2018-2019 financial year.

The areas outlined in green represent the extent of the offset secured and was calculated using the proportion of habitat units secured from the relevant habitat zone(s) of the offset site.

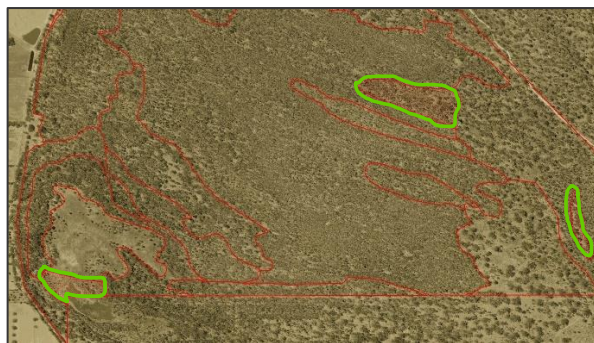
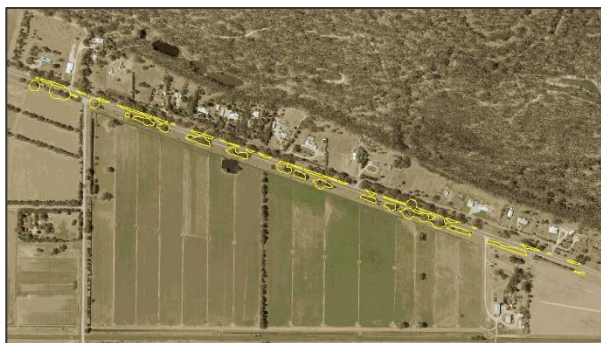
Case one

Removal site: 2.100 hectares with 22 large trees in Moira Shire

Offset requirements:

- 0.921 GHU with 22 large trees

Offset purchased: the offset requirements were purchased from an offset site in Greater Shepparton City, delivered by an area of about 5.128 hectares represented by the green areas shown below.



Case two

Removal site: 7.385 hectares with 35 large trees in Yarra Ranges Shire

Offset requirements:

- 0.399 GHU
- 4.416 SHU for Powerful Owl
- 4.505 SHU for Greater Glider

with 35 large trees

Offset purchased: the offset requirements were purchased from an offset site in Nillumbik Shire, delivered by an area of about 12.286 hectares represented by the green area shown below.



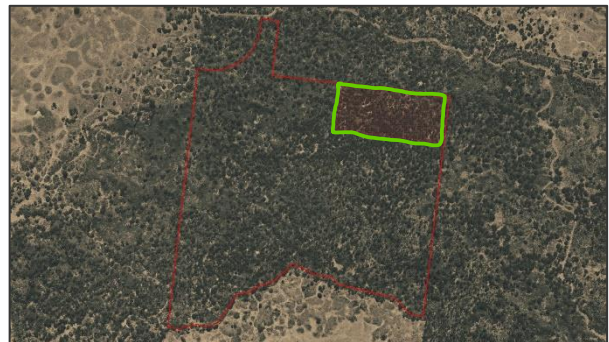
Case three

Removal site: 2.610 hectares with 0 large trees in Greater Geelong City (red bounded area indicated areas of past removal for this project)

Offset requirements:

- 1.193 GHU

Offset purchased: the offset requirements were purchased from an offset site in Corangamite Shire, delivered by an area of about 4.770 hectares represented by the green area shown below.



Future improvements

DELWP will continue to work with all responsible authorities to ensure more cases of native vegetation removal are reported:

- All permits to remove native vegetation must be recorded in the Data log or an alternate reporting system that council may use to keep records of permits and unique *Native vegetation removal report* unique identifiers.
- Scheme amendments that apply the Guidelines and provide for the removal of native vegetation must be reported.
- Responsible authorities and DELWP are encouraged to report known cases of illegal removal in the Data log – illegal removal.

DELWP will work with RAs to investigate options to gain an understanding of the likely extent of removal of native vegetation under an exemption.

DELWP will also investigate if an additional field can be added to PPARS to record the *Native vegetation removal report* unique identifier, however it seems that not all cases are recorded here.

The following improvements are proposed to enable evaluation of achieving the no net loss objective in future reports:

- Evaluation of gains achieved at offset sites that have passed their 10-year active management stage.
- Review of Crown land counterbalancing activities to ensure actions for net gain are excluded and that the extent of land managed for biodiversity improvement is accurate.

