

POLICY STATEMENT

TITLE: Environment Levy Policy

Category:	Corporate Plan Reference 2.2.3 – Prepare and implement an environment levy policy and program that focuses on identified strategic needs.
Endorsed by Council on:	19 August 2009
Responsible Department:	Regional Strategy and Planning.
Reference No.:	23

POLICY PURPOSE

The purpose of this policy is to outline environmental and administrative principles that provide direction for allocation of Environment Levy (EL) revenue towards endorsed projects and programs in an effective, open and accountable way.

Specific policy objectives are drawn from the Corporate Plan vision for the region:

to be Australia's most sustainable region - vibrant, green, diverse.

Key objectives of this Policy are:

- To protect environmentally significant land through acquisition, as part of a wider strategy for landscape and habitat protection and rehabilitation.
- To respond to the region's key environmental challenges and produce on-ground actions.
- To provide direction for allocation of EL revenue towards endorsed projects and programs in an effective, open and accountable way.
- To maximize partnerships with a range of stakeholders, community based and government, to improve conservation and sustainability outcomes.

POLICY SCOPE

As at 21 April 2009 the rate for the EL was set at \$60 per rateable property per annum. Council will review the amount of the EL each year as part of adopting its annual revenue statement. This policy applies to all programs, activities or incentives that are directly or indirectly funded or supported, wholly or partly, by the EL.

The scope of this Policy is to provide direction for funding initiatives that compliment the core business captured by the organisation's environmental programs and strategies. The primary purpose of this Policy is to direct investment at environmental projects that respond to the region's emerging and most critical environmental challenges.

DEFINITIONS

“**Biodiversity**” refers to the variety of all life forms - all the different plants, animals and micro-organisms, and the ecosystems of which they are a part.

“**Biodiversity values**” refers to those products and services generated from natural ecosystems that benefit and support sustainable human populations. Biodiversity values also include intrinsic values or values that exist regardless of their perceived benefits to human populations.

“**Caring for Country Program**” refers to the Australian Government's new natural resource management initiative. Caring for our Country is an integrated package with one clear goal, a business approach to investment, clearly articulated outcomes and priorities and improved accountability.

“**Catchment**” refers to the area determined by topographic features within which rainfall will contribute to runoff at a particular point under consideration.

“**Comprehensive, adequate and representative reserve system**” refers to the establishment of a network of environmentally significant areas that sufficiently protects the full range of ecosystems across the region and their associated biodiversity values and ensures their continued viability.

“**Ecological Sustainable Development (ESD)**” refers to the principle of ensuring a continued quality of life now and for future generations. A widely used definition drawn up by the World Commission on Environment and Development in 1987 states ‘development that meets the needs of the present without compromising the ability of future generations to meet their own needs.’ In practice ESD refers to social progress, environmental protection, sustainable resource utilisation, and stable economic growth and is realised through the incorporation of social, economic and environmental considerations into decision-making processes.

“**Emerging environmental issues and trends**” refers to the global, national, regional and local environmental issues and trends that present threats to local community, housing, lifestyle and economics, human health, waterways, natural areas and biodiversity. Examples include climate change and the fire ant outbreak.

“**Environment**” refers to the term used to describe the natural (not man-made) environment of the region and includes the natural ecological systems of air, water, soil and associated species of flora and fauna.

“**Environment Levy**” or “**EL**” refers to a Levy raised by the Sunshine Coast Regional Council (in accordance with section 971 of the Queensland *Local Government Act 1993*), on all rateable properties within its jurisdiction, in order to assist with environmental protection and management.

“**Environmentally significant lands**” are those lands that are prioritised due to their considerable environmental values, including their contribution to wildlife and/or riparian corridors and linkages. At the discretion of the Manager, Environment Branch other areas outlined in state or federal government environmental plans and strategies may be considered environmentally significant.

“**Environmental protection**” refers to the long-term preservation of core areas, mosaic areas and links of native vegetation and riverine systems that are crucial for maintaining

catchment processes, ecological functioning, critical habitat thresholds and water quality of the region's waterways.

“**Environmental restoration**” refers to measures to enhance the natural recovery and improve the ecological condition/function of degraded ecosystems including riparian vegetation.

“**Riparian**” refers to the area adjoining a waterway, particularly the vegetation that is dependant on the waterway system and that provides buffers to adjoining land uses and wildlife corridors.

“**National Reserve System**” refers to the collective efforts of the states, territories, the Australian Government, local government, indigenous and private landholders and non-government organizations to establish and manage a national system of protected areas. The National Reserve System is the primary mechanism for securing long term protection of Australia’s biodiversity.

“**Quadruple-Bottom-Line (QBL)**” refers to decision-making based on consideration of social, economic and environmental impacts in accordance with the principles of ESD, supported by a fourth consideration of organisational governance.

“**Waterways**” refers to the terms waterway, water-body, watercourse and wetlands.

POLICY STATEMENT

The expenditure of EL revenue will be allocated to the following three primary output categories:

1. Acquisition of Environmentally Significant Land

The acquisition of environmentally significant lands shall be part of a wider strategy for landscape protection and rehabilitation. Pursuing and purchasing priorities will be achieved by one or more of the following approaches:

- Council contacting owners of high priority parcels of land directly through an agent acting on its behalf with offers to purchase;
- Land that’s already for sale on the open market;
- Seeking expressions of interest from owners interested in selling their land; and
- Maintaining the existing voluntary nomination process.

Determining which properties will be purchased shall be achieved by compiling a Regional Acquisition List which will be guided by Council’s Biodiversity Strategy and considering other acquisition proposals in their own right in the context of the priorities on the list. Priority will be given to purchasing parcels of land that:

Size and Shape

Are viable in the long term because of either their large size or proximity to other areas managed for nature conservation, or their position in the landscape.

Connectivity and Consolidation

Target priority corridors to link core habitat areas or consolidate and build on existing areas managed for nature conservation.

Biodiversity Attributes

Are identified as a high priority for acquisition through current biodiversity planning or have biodiversity attributes that warrant high level protection.

Broader Landscape Protection

Contribute to protecting broader landscape and / or catchments values.

Threat Level

Are identified as being under threat of development or inappropriate land use.

Value for Money

Represent value for money.

Links with other Strategies / Initiatives

Are identified as being strategically important as part of another Strategy or Initiative e.g. Regional Biodiversity Strategy, Regional Open Space Strategy, Noosa Biosphere Reserve, Maroochy River Recovery.

National Reserve System Funding Criteria

Meet National Reserve System funding criteria as outlined in the Commonwealth Government's Caring for Country Program including criteria around a comprehensive, adequate and representative reserve system.

Offsetting and rehabilitation potential

That form critical gaps in key regional corridors or buffers to existing environmentally significant areas. This may include areas of regrowth and areas in need of rehabilitation to firstly ensure important natural assets are secured as soon as possible and to secondly maximise opportunities for carbon sequestration plantings.

Unplanned Opportunities

It is also recognised that other properties may present opportunities to place desirable areas of habitat into public ownership where there are multiple community benefits.

Priority properties, and those nominated through either the voluntary or expressions of interest processes, will undergo detailed assessments before being recommended for purchase by an internal working group (Environment Levy Steering Committee).

2. Major Initiatives and Catalyst Projects

- Major pilot projects, investigations and enabling projects that would not ordinarily be funded by general revenue.
- A suite of large scale, innovative projects or programs that respond to major environmental issues and trends, and address Council's vision to be Australia's most sustainable region. To achieve long term results it is recommended the projects be at least 3 to 5 years duration.
- An internal working group will:
 - Develop assessment criteria;
 - Call for project proposals from within Council;
 - Assess and prioritise projects for Council approval;
 - Monitor, review and evaluate performance and outcomes.

3. Grants, Incentives and Partnerships

- The provision of landholder grants to achieve best practice environmental management. Priority will be given to projects that:
 - Strengthen vegetation and riparian corridors and linkages.
 - Prevent erosion and sediment runoff into waterways.
 - Promote waterways and catchment health.
 - Contribute to landscape scale protection, monitoring and rehabilitation of biodiversity.
 - Building community capacity, engagement and participation.
 - Address major ecological threatening processes e.g. pests

- Projects that establish partnerships and links with external agencies and residents which improve the protection, restoration and/or management of the regions environment, particularly that focus on prioritised lands adjoining or lying within the immediate vicinity of existing conservation areas, Land for Wildlife program properties, conservation/vegetation protection covenants and Conservation Agreement program properties.
- Projects that facilitate investment of state government, regional bodies for Natural Resource Management, research organisations, community groups and industry in priority environmental projects in the region.
- The establishment of Council businesses and/or business partnerships, which include but are not limited to farm forestry, native plant products, nature-based recreation and eco-tourism activities.
- Environmental research projects that are directly relevant to improving the protection, restoration or management of the regions environment and are guided by existing strategic environmental plans.
- Assessment, allocation and review of grants, incentives and partnership programs will be undertaken in a similar manner as outlined in Section 2 Major Initiatives and Catalyst Projects.

ENVIRONMENT LEVY PROGRAM

The EL Program consists of a broad range of initiatives and projects that will deliver effective and innovative responses to the regions environmental challenges and emerging environmental issues, and will lead to improvements in the condition of waterway catchments, the regions biodiversity values, natural areas and coastal zone, and contribute to improved amenity and sustainability.

The Manager, Environment Policy will be responsible for:

1. Developing a five year program in accordance with this Policy, and in consultation with relevant Council Departments, and submitting for Council approval. The EL Program will be developed using quadruple bottom line assessment criteria and direction provided by this Policy. Funds will be allocated via this process to each of three output categories.
2. Implementing this Policy.
3. Conducting an annual review of the EL Program and Policy implementation and providing Council with an annual progress report.
4. Communicating EL Program achievements and outcomes to the community and key stakeholders.

FUNDING PRINCIPLES

Management of EL funds and raising of any funds shall be subject to the following principles.

1. Acquisition of Environmentally Significant Land

- From 1 July 2009 funds can be expended on acquisition of environmentally significant lands. These funds can be use for:
 - The purchase costs of acquiring parcels of land including any associated consultancy, legal fees, transfer fees and background assessments.
 - Engaging third parties to act on Council's behalf in the negotiation and acquisition of priority properties.
 - The immediate establishment costs associated with acquired parcels of land including but not limited to management planning, fencing, weed management and fire management. Establishment costs will be allocated as a percentage (10%) of the annual capital acquisition allocation.
- Where a sound business case is approved by Council, funds may be borrowed to assist with purchasing environmentally significant land Investment decisions, particularly

decisions around borrowing, will need to be made on the basis of sound market and financial analysis, undertaken in partnership with Financial Services and relevant industry specialists. These decisions will consider the risks associated with not purchasing today and capacity to service loans from the EL.

- Council will seek to maximise opportunities for purchasing lands utilising programs such as the Caring for our Country National Reserve System initiative.
- The EL revenue may not be used to acquire land for parks where the primary purpose is recreation.
- Any acquisition and disposal of land will be carried out in accordance with the *Local Government Act 2009*.
- EL property development initiatives able to be undertaken include but are not limited to:
 - The excision and sale of portions of conservation areas that are deemed unsuitable for the purpose of the EL and the considered future use will not adversely impact upon the identified values of the balance area.
 - On-selling an acquired site to a purchaser who undertakes a statutory covenant (or other statutory mechanism) that is registered on the land title (in accordance with the *Land Title Act 1994*) and expressly protects and manages the conservation values of the property.
 - The agistment, hiring, leasing, renting or selling any part, portion or product derived from a conservation area including any built structures and any agricultural or natural resources generated within, on or under the property provided that these activities do not conflict with the ecological and waterway protection and management of the property and is consistent with other principles contained in this Policy. Any lease agreement cannot be for a term greater than 5 years.
- Recurrent land management funding requirements will be assessed and referred to the annual budget process as appropriate.

2. Use of Revenue

- All revenue including any revenue raised through approved EL business activities is to be held separately from Council's general revenue and shall not at any time be available for expenditure as general revenue.
- The amount of revenue allocated each of the three primary output categories as part of the five year program will be determined based on an assessment of annual priorities and emerging needs and will be endorsed by Council as part of adopting its annual budget.
- At the end of each financial year unspent funds allocated to each of the three primary output categories will be available for expenditure in the following financial year within the same output category.
- The EL can be used for leveraging grants and partnership opportunities from the state and federal governments and other agencies, provided there is no impediment to achieving the agreed outcomes of Levy funding.
- The principles of Ecological Sustainable Development (ESD) including social, economic and environment should be considered in all applications of this policy.
- Financial management of EL revenue must be in accordance with relevant legislation and Council policies.

3. Raising Additional Revenue

- Where approved by the Manager, Environment Policy or Council as appropriate, revenue may be raised through the following business activities of the EL:
 - Other investment funds set up for direct benefit and management of EL monies including borrowings and possibly carry-over funds (where approved by Council);
 - Charging public and private individuals and organizations for goods and services rendered through programs and activities conducted under the EL.

- Offering opportunities for rate payers and other interested entities to donate additional funds into an EL trust for future investment in protection of the region's environmental values.

4. **Transition Arrangements**

- In accordance with Council Resolution SM09/023 on 21 April 2009 current salary and recurrent program expenditure (\$3.77 Million annually) was intended to be transitioned out of the levy within 5 years.
- Incremental expenditure amounts of \$757,442 were proposed to be migrated to general revenue on an annual basis over a 5 year period, or earlier if financially possible, commencing 1 July 2009.
- Post an annual review of all Council levies the above transition arrangements will be extended out to 10 years. Incremental expenditure amounts of \$336,641 will be migrated to general revenue on an annual basis over a 10 year period or earlier if financially possible commencing 1 July 2010.

RELATED POLICIES AND LEGISLATION

- *Local Government Act 2009.*
- Any other relevant State and Federal environmental, planning or cultural heritage legislation.
- South East Queensland Regional Plan 2009-2031; and any future amendments.
- Council's Corporate Plan 2009 - 2014 and any future amendments.
- Existing Environmental Strategies and Pest Management Plans.
- The Sunshine Coast Biodiversity Strategy 2010 – 2020.
- All relevant Council Local Laws and Policies.
- Any other Council Policy or report that provides guidance to the EL Policy and Programs.

Version control:

Version	Reason/ Trigger	Change (Y/N)	Endorsed/ Reviewed by	Date
3.0	Revised legislation and new Council logo.	Y	Lynn Albert	30 June 2011