

# BushBroker<sup>®</sup>

## Frequently asked questions – Permit holders Information sheet No. 21

### What is the Net gain approach?

Improving the quality and amount of native vegetation in Victoria is fundamental to fulfilling our expectations of a healthy and productive environment.

A 'whole of landscape' approach has been adopted to protect and restore native vegetation to ensure better biodiversity outcomes and achieve greater certainty and economic efficiency.

The Net gain approach to protection and clearing decisions at the on-ground level involves:

1. To **avoid** adverse impacts, particularly through vegetation clearance.
2. If impacts cannot be avoided, to **minimise** impacts through appropriate considerations in planning processes and expert input into project design or management.
3. Identify appropriate **offset** options.

Only after steps 1 and 2 have been taken should offsets be considered (step 3). BushBroker provides a system to assist in generating and sourcing Native Vegetation Credits for offsets.

### What is a native vegetation offset?

A native vegetation offset is any works, or other actions to make reparation for the loss of native vegetation arising from the removal or destruction of native vegetation. The gains achieved must be permanent and on-going, and linked to a specific clearing site.

In most cases, the clearing of native vegetation that requires planning approval must be offset by a gain elsewhere. Offsets are permanently protected and linked to a particular clearing site.

Offsets can often be generated on the permit holder's own property (this is called a first party offset). But there are situations where this is not possible. For example, where there is no suitable site on the property or the permit holder is not able to manage the native vegetation in the long-term.

### What is a Native Vegetation Credit?

A Native Vegetation Credit is a gain in the extent and/or quality of native vegetation relevant to a specific native vegetation asset that is subject to a secure and ongoing agreement and is registered on the Native Vegetation Credit Register.

### What is the Native Vegetation Credit Register?

The Native Vegetation Credit Register is a statewide Register maintained by the State of Victoria. It provides an authoritative record of Native Vegetation Credits, ensuring that all credits meet the rules and standards required to enable them to be used as an offset.

The Native Vegetation Credit Register records the identification, number, type, extinguishment, cancellation and change of name against Native Vegetation Credits. These details are issued as a Native Vegetation Credit Extract.

This must be shown, along with a signed Offset Plan (issued at time of Landowner Agreement) to the responsible authority (i.e. local Council) when applying for the 'Letter of Compliance'. A 'Letter of Compliance' indicates that the offset requirements have been met.

### What is BushBroker and the BushBroker Database?

BushBroker facilitates the location of sites that could generate Native Vegetation Credits. These could potentially be used as an offset, on different properties to where the native vegetation is being cleared (this is called a third party offset). Details of these sites are maintained on the BushBroker Database which is available to search.

For permit holders, this provides a simple and secure process for locating third party offsets (subject to approval from the responsible authority). The system can also reduce transaction costs associated with finding offsets.

From a landowner's perspective, the BushBroker process represents an opportunity to improve

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biodiversity on their property, as well as to potentially generate a new income stream from their native vegetation.

BushBroker can also offer benefits to local government through reduced administrative costs.

### **How do I find a native vegetation offset?**

The BushBroker Database contains sites that landowners have submitted as possible third party offset areas. If you require a third party offset, you need to register a BushBroker Offset Search Request (Offset Search Request) with BushBroker.

### **How do I register a Offset Search Request?**

You can obtain a Offset Search Request Form through the Department of Sustainability and Environment (DSE) Customer Service Centre on 136 186 or visit [www.dse.vic.gov.au/nativevegetation](http://www.dse.vic.gov.au/nativevegetation).

Once you have submitted the form to BushBroker, you will receive a letter confirming your registration and explaining the next steps in the process.

### **What happens after I submit a Offset Search Request?**

Once you receive this letter, please check these details against your planning permit requirements and contact BushBroker if any corrections need to be made.

### **What happens after I receive an acknowledgement letter?**

DSE will search the BushBroker Database for the required assets, in accordance with the like-for-like criteria of the Victoria's *Native Vegetation Management – A Framework for Action* and any other applicable rules.

The search results will be placed in a table, outlining the details of each potential site, and sent to you in a BushBroker Search Response Form.

### **How do I proceed once I receive a BushBroker Search Response Form?**

Once you receive a search response, you will need to notify BushBroker of your preference and intention to proceed, by signing and returning the completed form. The next step of the process depends on the status of the possible sites.

All sites need to have been assessed before any negotiations can commence. An agreement between you and a landowner can only be finalised once the proposed offset site is registered on the Native Vegetation Credit Register (i.e. when a

BushBroker Landowner Agreement [Landowner Agreement] is signed).

If a site has not yet been assessed an assessment will be arranged by a BushBroker Project officer at the first available opportunity (please note this may take some weeks). Once a site has been assessed and the landowner is happy with their draft BushBroker Management Plan, you can then begin negotiations directly with the landowner.

For more information refer to the BushBroker Information Sheet No. 20 – *BushBroker process – Permit holders*.

### **What if a suitable match is not found for the offset I require?**

In the case that the BushBroker Database does not contain a suitable site to match the offset requirements, BushBroker will, at your request, conduct an extended search for the offsets you require and notify you should a suitable match be located.

### **How are prices established?**

Prices will be set through the market.

Because of the 'like-for-like' requirements for offsets, credits are segmented in terms of vegetation types, habitat types and bioregions. The demand for particular credit types will depend mainly upon the level and location of approved clearing that requires offsetting.

The provisions in Victoria's *Native Vegetation Management – A Framework for Action* for 'trading up' significantly expand the supply options for credits in the High or Very High categories of Conservation Significance.

Negotiations over price are between the permit holder and landowner. BushBroker is not involved in these negotiations. For more information refer to the BushBroker Information Sheet No. 17 - *Developing a price*.

### **What happens once a price is agreed?**

Once a price has been agreed, a Credit Agreement Advice form is submitted to BushBroker by the landowner. This form provides written confirmation of the agreed price, including GST.

Once BushBroker receives this form, the steps in the process are as follows (the order in which these occur can vary):

- Preparation of the BushBroker Credit Agreement (Credit Agreement)
- Preparation of relevant offset site tables in the BushBroker Offset Plan Template

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- Preparation of the final Landowner Agreement
- Credit Agreement is sent to permit holder for signature
- Permit holder confirms acceptability of draft Offset Plan with responsible authority (council) and referral authority (DSE)
- Credit Agreement and Landowner Agreements are sent to the landowner for signature by the landowners and Mortgagee (if applicable)
- Credit Agreement and Landowner Agreements signed by DSE
- Invoice is generated and sent to the permit holder
- Permit holder pays into a trust account managed by the Secretary of DSE on behalf of the State of Victoria.

### What is a BushBroker Credit Agreement?

A BushBroker Credit Agreement (Credit Agreement) is an agreement between the landowner and the permit holder which formalises the obligations of each party and the details of the number, type and total price of the Native Vegetation Credits that are to be recorded against the name of the permit holder in the Native Vegetation Credit Register.

The Secretary of DSE, on behalf of the State of Victoria will receive and hold in trust the price for subsequent progress payments to the landowner, as required by the Landowner Agreement.

### What happens once payment is received by DSE on behalf of the State of Victoria?

- The permit holder is sent a signed copy of the BushBroker Credit Agreement and Native Vegetation Credit Extract from the Native Vegetation Credit Register.
- The permit holder presents the offset plan and credit extract as proof of offset to the responsible authority/referral authority.
- The Landowner is sent a copy of the signed Landowner Agreement, Credit Agreement and Native Vegetation Credit Extract of remaining credits in their name.
- The Landowner Agreement is then registered on title.

**BushBroker is not responsible for issuing compliance with planning permits.**

### Who approves the use of credits as offsets?

It is recommended that you discuss the offset plan with the local council or regional DSE before the BushBroker Credit Agreement is finalised (to ensure it meets their requirements). The relevant Responsible Authority (i.e. the local council where the clearing is taking place) or the Referral Authority (your regional DSE) relies on the credits recorded on the Native Vegetation Credit Register when considering their approval of the offset.

### Further information

For further information on BushBroker, please contact the DSE Customer Service Centre on **136 186** or visit the DSE website at: [www.dse.vic.gov.au/nativevegetation](http://www.dse.vic.gov.au/nativevegetation). All BushBroker Information Sheets are accessible on the website.

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For more information contact the DSE Customer Service Centre 136 186

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