

The City of Joondalup thanks the Department of Water and Environmental Regulation (the Department) for the opportunity to comment on the *Discussion Paper on cost recovery for the Department of Water and Environmental Regulation Supporting the delivery of improved environmental and water regulation.*

The City of Joondalup acknowledges the need for the Department to implement mechanisms to recover costs and improve efficiencies associated with the process for assessing applications for clearing on native vegetation permits and groundwater licencing. The following comments relating to the specific questions posed within the Discussion Paper are provided for the Department's consideration.

### **Native Vegetation Clearing**

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**1. Would a strategic approach to clearing, through a strategic purpose permit, benefit you?**

The City of Joondalup applies for minimal clearing permits with only a small number of applications being submitted over the past two years. Therefore, it is unlikely that a strategic purpose permit would benefit the City.

**2. Is the 'purpose component' reasonable to apply considering the added complexity of assessing this type of clearing permit?**

The City supports the application of a 'purpose component' for clearing permits. It is recognised that the complexity of assessing these types of applications requires an additional fee. However, it is also recognised that increased fees associated with applying for clearing permits may result in a reduction of native vegetation clearing as there is greater incentive to amend the design of infrastructure works to avoid vegetation clearing.

**3. Is the proposed fee structure fair and does it adequately reflect differences in the financial capacity of clearing permit applicants?**

Whilst it is recognised that additional fees are required to address the current gaps in the costs associated with assessing applications, it is questionable whether 'for profit' activities (horticulture, agriculture) should be charged the same fee as local government. Local government applies for clearing permits for works which are generally related to the installation of infrastructure for the benefit of the local community. Differentiating between 'public purpose' and 'business purpose' may be a more equitable way of charging the purpose related fee.

Furthermore, the nominal fee of \$5000 for the purpose of 'other development' does not reflect the scale of clearing that is being undertaken for land development, particularly for urban residential purposes. Under the proposed fee structure a developer can clear > 1000 hectares of native vegetation and only pay a fee of \$15,000. The number of lots that are sold within a development and the financial gain made by the developer, for a development of this size, should be recognised when establishing the fee for clearing under this type of purpose. The nominal fee

proposed provides no incentive for development to be designed in a manner to reduce native vegetation clearing.

**4. What is the likely impact on your business or industry of the proposed clearing fee structure?**

The City of Joondalup applies for minimal clearing permits with only a small number of applications being submitted over the past two years, therefore the financial impact on the City would not be substantial.

## **Water Licencing**

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**5. Do you consider it reasonable for taxpayers to pay 100 per cent of the cost of assessing water licence and permit applications and if so, why?**

The City of Joondalup supports a user pays approach being adopted to cover costs associated with water licence applications. However, consideration of the intended use of the water should be taken into account as applications for water licences for the purpose of public use or benefit should not be treated the same as applications that are related to use by profitable industries.

It is understood that applying a cost to the application of water licencing is intended to assist the Department in recovering costs associated with assessment, however an additional benefit related to the introduction of fees is the increased value that would be associated with water resources.

**6. If water licence and permit assessment fees were introduced, what do you consider to be an appropriate fee for a water licence or permit application?**

Fees should be structured with consideration of the intended use of the water with applications for water intended for public use being charged at a lower fee rate than water that is intended for use by 'for profit' industries.

**7. Would you consider a risk-based model for determining water licence and permit application fees to be appropriate? If not, what basis could the Department use to structure fees?**

Consideration of water availability in relation to the amount of groundwater that is allocated and the volume of water to be extracted is an appropriate method for structuring fees as it reflects the finite nature of water resources. In establishing the level of risk, and the associated fees, within water resource areas environmental uses of groundwater should also be considered as many water dependent ecosystems exist within areas where groundwater resources are being allocated.

**8. What would be the likely impact on your business or industry if water licence and permit fees were introduced?**

The impact on the City of Joondalup through the introduction of water licence and permit fees would be minimal, however additional annual budget would be required to cover the costs associated with the fees and charges.

- 9. If water licence and permit assessment fees were introduced, how could the collection of fees be timed to better support your business or industry? For example, would you benefit from paying fees up front, at the end of a licence assessment or annualised over the term of the licence?**

As the City of Joondalup operates on a financial year budget it would be beneficial if fees were charged annually in line with annual budgets.