Australian Government
Department of Climate Change, Energy, the Environment and Water

Compliance Audit Report

Commercial Development of Lots 12 and 13 Lodge Drive, East Rockingham, WA (EPBC 2021/9069)

The Trustee for Hamersley Sub Trust

Report prepared by
Environmental Audit Section

19 June 2026

Contents

Document Control

Version	Description	Approval	Date
0.1	Draft Audit Report	Tom Long - Director	9 June 2026
0.2	Draft released to Auditee	Nick Dalziell – Senior Development Manager	9 June 2026
1	Final Audit Report	Tom Long – Director	19 June 2026

Audit Details

Report Title	Compliance Audit of Commercial Development of Lots 12 and 13 Lodge Drive, East Rockingham, WA (EPBC 2021/9069)
Auditee Name	The Trustee for Hamersley Sub Trust
Main Auditee Contact Details	Nick Dalziell Realside Ovest Level 11, 108 ST Georges Terrace, Perth WA 6000 Perth WA 6000 0466 506 802 nick.dalziell@ovest.net.au
Audit Lead	Helen Hodgkins – Assistant Director audit@dcceew.gov.au
Audit Team	Simone Davey – Senior Auditor Kim Morgan – Assistant Director Kerri Dickens – Senior Auditor
Audit Date	April 2025-June 2026
On-site Audit Details	Date of on-site audit: 10 July 2025 Lots 12 & 13 Lodge Drive, East Rockingham, WA Name and positions of parties in attendance: <u>DCCEEW</u> Simone Davey - Lead Auditor Kim Morgan – Assistant Director <u>Realside Ovest</u> Nick Dalziell – Development Manager Brian Smith – Asset Manager

Background

On 14 April 2023 a delegate for the Minister administering the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) approved the Commercial Development of Lots 12 and 13 Lodge Drive, East Rockingham, WA, (EPBC 2021/9069). The approval contains 37 conditions and includes requirements to avoid, mitigate, and offset impacts to listed threatened species and communities from the construction and operation of a commercial site.

The action commenced on 1 September 2023. Construction of the commercial site is now complete and actions to manage the offset are ongoing. The approval has effect until 30 April 2063.

On 8 April 2025 the Department of Climate Change, Energy, the Environment and Water (department) commenced a compliance audit to determine if The Trustee for Hamersley Sub Trust (auditee) was complying with the conditions of the EPBC 2021/9069 approval. The auditee was represented by Realside Ovest. The compliance audit was enabled under conditions 20 and 21 of the approval and was undertaken by experienced auditors from the department.

Audit Methodology

This section of the report details the methodology for the compliance audit of the Commercial Development of Lots 12 and 13 Lodge Drive, East Rockingham, WA, (EPBC 2021/9069) against the conditions of the approval and its associated plans. Information to assess compliance was gathered from internal holdings, open-source searches, information requests, and an on-site audit.

Audit Objective

The objective of the audit was to effectively assess the auditees compliance with the conditions of the approval and associated management plans.

Audit Criteria

The audit checklist and criteria were developed to address obligations required under the relevant approval instrument and measures required by associated management plans. Conditions that had multiple elements were broken down into separate criteria to assess compliance.

Audit Scope

The scope of this audit was to assess compliance with disturbance (land clearing), offset and commencement notification conditions.

The following conditions were within scope of this audit: 1, 3, 4, 5, 6, 18, 19, 20 and 21.

Audit Process

The compliance audit commenced in April 2024.

On 16 June 2025 a letter of intent to audit was sent to the auditee to ensure they were suitably informed to participate in the audit. The letter outlined the scope of the audit.

A desktop audit of information available to the department was undertaken to establish a baseline understanding of compliance.

An on-site audit was conducted on 10 July 2025 and included an opening meeting, interviews with Realside Ovest personnel, document review, inspection of activity and offset sites, and a closing meeting.

The analysis of all collected data and preparation of audit findings were completed in June 2026.

Audit Terminology

The following terms were used to record findings during this audit.

Compliant	Sufficient and appropriate information presented to demonstrate the compliance of a particular requirement.
Non-compliant	Evidence has been collected to demonstrate that a condition or requirement has not been met and/or the approval holder has not provided sufficient documentation or evidence to substantiate compliance with a condition or requirement.
Not applicable	An element of the criteria was not activated or was not required within the scope of the audit.
Observation	An observation may be made about issues relevant to the protection of a matter of national environmental significance when the issue is not strictly related to compliance or non-compliance with a condition.

Audit Findings

This section details the findings of the compliance audit. Of the 9 conditions assessed under the approval, the audit determined the following:

- Compliance with 3 of the 9 conditions of approval examined (1, 4, 5)
- Non-compliance with 5 conditions (3, 6, 18, 20, 21) of the approval examined.
- 1 condition (condition 19) within the scope of the audit were not applicable at the time of the compliance audit.

Summary of audit findings

A summary of the audit findings for each condition examined are contained in the table below. For a full list of conditions, please refer to the EPBC Act approval provided at **Attachment A.**

Condition	Audit Finding	Summary
1	Compliant	The auditee has not cleared outside the development envelope and has not cleared more than the approved amounts.
3	Non-Compliant	The Offset Strategy has not been implemented.
4	Compliant	The Revegetation Management Plan (RMP) was submitted to the department on 31 August 2023 prior to commencement.
5	Compliant	A letter was provided to the department from the auditee informing that DBCA confirmed the outcomes and goals in the RMP are achievable.
6	Non-Compliant	The approval holder commenced the action prior to the Minister approving the RMP.
18	Non-Compliant	The auditee failed to notify the department of commencement of the action within 5 business days of the action commencing.
19	Not Applicable	The action commenced within 5 years of the approval date.
20	Non-Compliant	Records were not maintained in a manner to determine compliance.
21	Non-Compliant	Requested Documents were not received by the department within the specified timeframe

Detailed audit findings for non-compliant and not determined conditions are discussed below.

Non-compliant findings

The auditee was found to be **non-compliant** with 5 of the 9 conditions examined. The below tables provide details of the findings for each non-compliant condition.

Condition 3

To compensate for the residual significant impacts of **clearing** on the **Tuart Ecological Community** and foraging habitat for the **Carnaby's Black Cockatoo** the approval holder must implement the **Offset Strategy** for the life of the approval.

Offset Strategy means the offset information detailed in Section 5 of the *EPBC 2021/9069 Preliminary Documentation*, version 5, prepared by PGV Environmental for The Trustee for Hamersley Sub Trust, 17 January 2023.

Finding

The auditors found that whilst the offset site had been secured and some rehabilitation and revegetation works had commenced, these works had progressed without the Minister's approval of the Revegetation Management Plan (RMP) that makes up part of the Offset Strategy. At the completion of the audit there were items to be addressed in the draft RMP. Implementing a non-approved RMP may miss rehabilitation opportunities and not address key threatening processes such as pest and weed control on Matters of National Environmental Significance (MNES). Therefore condition 3 has been determined to be non-compliant.

Condition 6

The approval holder must not **commence the action** until the **Minister** has approved the Revegetation Management Plan in writing. The approval holder must commence implementing the approved Revegetation Management Plan within 2 years of the **commencement of the action** and thereafter must continue to implement the RMP until the expiry of this approval.

Finding

At completion of the audit the RMP has not yet been approved by the Minister. A site inspection by auditors and a letter from the auditee found that the action commenced on 1 September 2023 thus the action commenced prior to RMP approval and therefore Condition 6 has been determined to be non-compliant.

Condition 18

The approval holder must notify the **department** electronically of the date of **commencement of the Action**, within 5 **business days** of **commencement of the Action**.

Finding

The auditee notified the department by letter on 7 July 2025 self-reporting that they had breached the condition by failing to notify the department of commencement within 5 business days. It was reported that the action commenced on 1 September 2023. Therefore Condition 18 has been determined to be non-compliant.

Condition 20

The approval holder must maintain accurate and complete **compliance records**.

Finding

The auditee was unable to demonstrate that they have maintained accurate and complete compliance records. This was highlighted by their failure to publish annual compliance reports in accordance with the conditions of this approval. In addition, on 31 March 2026 the auditee wrote to the department self-reporting non-compliance for not submitting and publishing annual compliance reports. For these reasons, Condition 20 has been determined to be non-compliant.

Condition 21

If the **department** makes a request in writing, the approval holder must provide electronic copies of **compliance records** to the **department** within the timeframe specified in the request.

Note: **Compliance records** may be subject to audit by the **department**, or by an independent auditor in accordance with section 458 of the **EPBC Act**, and/or be used to verify compliance with the conditions. Summaries of the results of an audit may be published on the **department's** website or through the general media.

Finding

Documents were requested by the department in writing on 10 July 2025 following the onsite audit. No response was received by the department from the auditee. On 11 March 2026, the auditor followed up with the auditee requesting the documents in writing by 16 March 2026. Documents were not received by the department electronically until 31 March 2026, therefore Condition 21 has been determined to be non-compliant.

Observations

The auditors made the following observations during the audit:

- The auditee has self-reported non-compliances for failing to submit annual compliance reports, notification of commencement and commencing the activity without the RMP being approved by the Minister.

Auditee comments

The auditee provided comment on this report to the department in correspondence dated 18 June 2026. The following comments were provided and have been reflected in this report.

"We (The Trustee for Hamersley Sub Trust) have reviewed the draft Compliance Audit Report and confirm that to the best of our knowledge, the report presents an accurate and fair reflection of the evidence gathered during the audit process.

We acknowledge that the findings are supported by the circumstances identified during the audit and don't have any corrections or amendments to propose in relation to the report's description of events, evidence or findings.

We appreciate being given the opportunity to review the draft report prior to finalisation.

The only item that requires updating within the report is the address that is shown with my contact information, as we have moved offices. Can you please update the address to:

Level 11, 108 Saint Georges Terrace,
Perth WA 6000

Finally, we appreciate the department undertaking this audit as it was a valuable opportunity to identify areas where our compliance systems and processes require improvement. The findings have assisted us in better understanding our obligations under the approval and in identifying specific actions needed to strengthen our compliance performance going forward."

RECOMMENDATION

Once the RMP is approved by the Minister, you must ensure that existing revegetation works undertaken at the offset site align with final RMP and rectify accordingly.

Ensure that all Annual Compliance Reports are published on your website as per the conditions of approval.

The auditee must comply with the conditions of the approval for the life of the approval.

ATTACHMENTS

Attachment	
Attachment A	Approval decision notification (EPBC 2021/9069)

FINAL REPORT DISTRIBUTION

- The Trustee for Hamersley Sub Trust
- Department of Climate Change, Energy, the Environment and Water.