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Dear Sir/ Madam

DRAFT TERMS OF REFERENCE, LOWER HUNTER STRATEGIC ASSESSMENT

The Hunter Branch of the National Parks Association of NSW (NPA) wishes to comment on the draft Terms of Reference for the Strategic Assessment of a Program for the Protection of Matters of National Environmental Significance in the Lower Hunter Region ('draft Terms').

Formed in 1957, NPA is a non-profit community organisation that promotes nature conservation and sound natural resource management. We have a particular interest in the protection of the State's biodiversity and its supporting ecological processes, both within and outside of the formal conservation reserve system.

NPA has long been concerned with the cumulative threat to the Hunter Region's biodiversity and other natural values posed by urban development, infrastructure networks, coal mining and coal transport. These activities continue to be planned, approved and undertaken on a piecemeal basis with little regard to their wider overall impact. This has resulted in considerable fragmentation of intact habitat, as well as degradation of important ecological processes. Consequently, we welcome initiatives that seek to establish a more holistic approach to activities that impact on natural values. Important priorities for NPA are:

- an urban settlement pattern that coexists with and supports the integrity of natural areas and processes
- protection of intact natural habitat within formal reserves where possible
- improved connectivity of natural areas through strategic acquisition programs
- complementary conservation measures such as conservation agreements, rehabilitation and other land management programs to ensure long-term landscape resilience
- effective management of landscape-scale processes that ecological functions depend upon.

Belated public notification of draft Terms

It is difficult to understand the 11 month delay in publicly notifying the draft Terms given (1) the requirement for expeditious notification under clause 6.1 of the s. 146 Agreement, (2) the failure during that 11 month period to carry out any refinements to the preliminary documentation appended to the Agreement, and (3) that preliminary studies were commenced some time ago. Indeed, a number of our members recently received an invitation to attend a seminar on the research findings of these projects. The general principle that 'The community is to be provided with opportunities to participate in strategic planning as soon as possible before decisions are made' (as included in the proposed Community Participation Charter under the *Planning Bill 2013 Exposure Draft*) does not appear to have been observed in this instance.

Which plan or program is being assessed?

We are particularly critical of the opaqueness arising from the complex and confusing hierarchy of products referred to by the draft Terms and associated documents, including:

- 'Regional Sustainability Plan'
- 'program for the protection of matters of national environmental significance'
- revised Lower Hunter Conservation Plan
- revised Lower Hunter Regional Strategy (also referred to as the 'Lower Hunter Regional Growth Plan' in the *Frequently Asked Questions*).

This lack of clarity is alarming, as it is by no means clear, even to a well informed reader, as to which plan or program is to be assessed, or indeed what the purpose of that assessment is. For example the *Frequently Asked Questions* states that 'The outcomes of the strategic assessment will help inform the [Lower Hunter regional] growth plan', implying that the strategic assessment is a preliminary background study to the preparation of that plan. Our understanding of the purpose of strategic assessment is that it comprises an assessment of the impacts and cumulative risks likely to arise from the implementation of a proposed plan or program (or different plan or program options). It is clearly much more than a background study, and occurs at an advanced stage in the plan preparation process. Fundamentally, it provides a test of the extent to which a proposed plan (or different plan options) meets specified objectives of that plan.

We would suggest that much greater clarity and certainty would be achieved by requiring that the policy, plan or program to be assessed under section 146(1) of the EPBC Act should be a regional-level planning instrument under the NSW planning legislation. In terms of the proposed planning system under the *Planning Bill 2013 Exposure Draft*, this would be a 'regional growth plan'. Our reasons are summarised as follows.

- A 'regional sustainability plan' has no certain status, identity or format. It is merely a convenient umbrella term referred to in a single paragraph (page 71) within the *Sustainable Australia Sustainable Communities* national population strategy to bridge different plan terminologies in different State and Territory jurisdictions.
- A 'program for the protection of matters of national environmental significance' also lacks formal status or certainty. It is in reality an administrative fiction that does not have any separately recognised implementation mechanism. The most obvious and effective implementation mechanism would be the NSW planning system, which affects land use and infrastructure decisions in a very tangible way, and which also ensures public scrutiny and enforcement. Consequently, such a 'program' should be embedded within a regional-level planning instrument under the NSW planning legislation.
- The Lower Hunter Regional Conservation Plan (2007) is not formally linked to the planning system or the regional NRM regime, was prepared subsequent to the Lower Hunter regional Strategy 2006 rather than informing it, does not have any implementation mechanisms, and has had little if any influence on actual planning, land use or project decisions. To overcome these deficiencies, its successor should be explicitly linked to the planning system. Our recent submission to the discussion paper Lower Hunter over the next 20 Years (see attached) advocated the need for a regional natural resources sectoral strategy to be prepared as an integral part of the regional plan process, and not as a subsidiary by-product. The key principles and mechanisms of this sectoral strategy should be incorporated within the statutory regional plan. This will ensure that these principles and mechanisms are incorporated in local plans, and that development proposals are determined accordingly.

In summary, strategic assessment of a statutory regional plan under the NSW planning legislation would avoid the very real risk that a non-statutory plan or program would not be implemented. However, even a statutory regional plan is subject to uncertainties, as the primary mechanism

governing the determination of development proposals is local plans, not regional plans. Moreover, further uncertainties arise from the various proposed avenues under the *Planning Bill 2013 Exposure Draft* for the amendment of local plans by administrative and ministerial fiat, and for the approval of major projects contrary to local plan provisions. These uncertainties need to be carefully addressed by the strategic assessment.

Subject scope of the program/ strategic assessment

The proposed subject matter of the Lower Hunter 'program'/ strategic assessment is limited to 'matters of national environmental significance' (MNES), that is, the specific matters protected under Part 3 of the EPBC Act. This is in marked contrast to its Upper Hunter counterpart, which is not limited to MNES, but is instead required to encompass 'biodiversity values in the strategic assessment area, priorities for conservation and mechanisms to achieve desired conservation outcomes' (clause 2.2 of the section 146 Agreement). In addition to MNES, this would include matters protected under the (NSW) *Threatened Species Conservation Act 1995* (TSC Act), as well as general biodiversity values not subject to specific legislative protection.

We are highly critical of the failure of the draft Terms to encompass broader biodiversity values. Whilst the proposed scope will serve a statutory purpose under the EPBC Act, it falls well short of that needed to promote the objects of that legislation, the TSC Act or the biodiversity-related objects of the *Environmental Planning and Assessment Act 1979* (or its successor). Our understanding was that, like its Upper Hunter counterpart, the Lower Hunter strategic assessment was intended to promote the objects of both Commonwealth and State legislation, thereby avoiding the duplicated effort that results from an artificial circumscription of investigations along legal jurisdictional lines. This is a major defect that requires rectification.

To ensure a consistent approach with the Upper Hunter strategic assessment, the subject scope of the 'program' should be broadened to encompass:

- the protection of biodiversity values, including MNES under the EPBC Act, matters under the TSC Act, and other general biodiversity values such as ecological integrity and regional connectivity,
- the protection of all other values of MNES, such as the geodiversity, heritage, indigenous cultural, scenic and recreational values of world heritage properties, national heritage places and Ramsar-listed wetlands.

Rather than simply referring to the need for targeted surveys and background studies in the Regional Sustainability Plan requirements, the draft Terms should be more specific in addressing the nature and content of the data required to inform the process. This approach would also make the draft Terms for the Lower Hunter Strategic Assessment more consistent with those for the Upper Hunter Strategic Assessment.

Activity scope of the program/ strategic assessment

The draft Terms do not clearly indicate the scope of development or other activities that are to be the subject of investigation. However, the following quotations from the *Frequently Asked Questions* suggests that it is intended that the 'program' and its strategic assessment will relate solely to the impacts of future urban development:

The Lower Hunter Strategic Assessment will investigate ways to protect, enhance and manage the nationally significant environmental features across the Lower Hunter region, while also enabling urban development.

This information will be used to develop a program to avoid, mitigate or offset the cumulative impacts of urban development on nationally significant environmental features identified in the Lower Hunter.

The result will be a joint agreement between the Commonwealth and NSW Governments about how to conserve significant environmental features in the Lower Hunter, as urban development takes place.

Whilst urban development represents an important potential threat to the Region's biodiversity values, and to other values of MNES, it is by no means the only such threat. Other potential threats of a highly significant nature that should be explicitly addressed by the draft Terms include the following.

- Infrastructure networks—these continue to be the major cause of ongoing fragmentation and degradation of the Lower Hunter's natural areas. The draft Terms should specifically reference long-term transport and infrastructure proposals, such as:
 - the East Coast High Speed Rail corridor (AECOM Aust Pty Ltd, 2013)
 - the Hunter LinkRail proposal, which would connect the proposed Newcastle High Speed Rail station to the Lower Hunter rail network (via Glendale, Cameron Park, Kurri-Kurri and Maitland), whilst also providing a rail freight bypass for the Lower Hunter
 - proposed highway links (such as the Pacific Motorway and the Jesmond-Rankin Park link)
 - proposed natural gas pipelines (such as Pilliga-Kooragang Island)
 - proposed electricity transmission lines.
- Coal transport—the transport and handling of coal sourced from the Lower Hunter, Upper Hunter, Central Coast, Gloucester Basin, Gunnedah Basin and Central West has immense impacts on the Lower Hunter estuary, including:
 - listed threatened species and communities (EPBC Act and TSC Act)
 - declared Ramsar wetlands (EPBC Act)
 - listed migratory species (EPBC Act)
 - the ecological integrity of estuarine processes
 - a variety of other values, including indigenous cultural values.

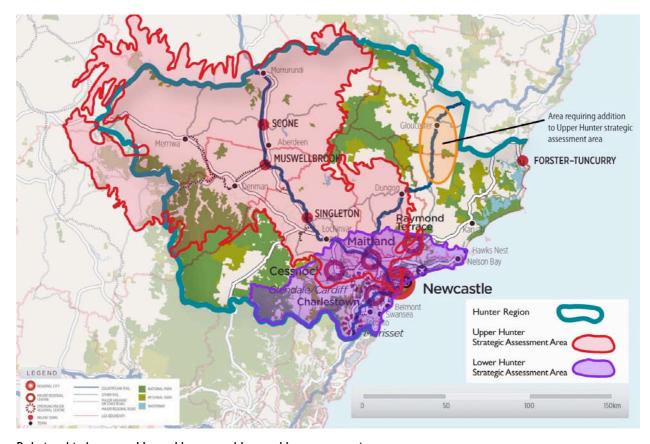
These issues are not referred to by the draft Terms, yet it is unimaginable that a 'program for the protection of matters of national environmental significance' within the Lower Hunter could fail to reference them. The relevance of this issue is heightened by the recent amendment to the EPBC Act declaring that significant impacts on a water resource by 'large coal mining development' are a MNES.

- Past and present mining activities—whilst coal mining within the Lower Hunter is in decline, it is nevertheless a not insignificant activity. Furthermore, the legacy of past mining activities continues to have significant biodiversity conservation implications, with current ongoing debates in the Lake Macquarie and Sugarloaf Range areas being a good example. The draft Terms needs to address integration with the mine rehabilitation planning processes administered by the Department of Primary Industries.
- Coal seam gas activities—all of the Lower Hunter subregion is prospective for coal seam gas. Exploration and extraction activities have significant potential for fragmentation of intact areas of habitat, and for the degradation of groundwater-dependent ecosystems, arising from groundwater extraction and management. We note that a significant impact on a water resource by 'coal seam gas development' is now declared to be a MNES.

Geographical scope of the program/ strategic assessment

The rationale for the proposed geographical scope of the Strategic Assessment (Newcastle, Lake Macquarie, Maitland, Cessnock and Port Stephens local government areas) is not explained by the draft Terms. We draw attention to the following.

- Major urban development is currently proposed outside of the assessment area, such as at Huntlee, near Branxton. Completion of the Hunter Expressway can be expected to result in considerable future pressure for urban development beyond this general location.
- A number of major infrastructure proposals, such as the East Coast High Speed Rail corridor and the Pilliga-Kooragang natural gas pipeline, are likely to have significant biodiversity impacts across the wider Hunter Region.
- There is considerable overlap between the Upper Hunter and Lower Hunter strategic assessment areas (see map below), recognising that mining activities are not restricted to the Upper Hunter, and that coal transport has very significant impacts on parts of the Lower Hunter.
- Virtually the entire Hunter Region is prospective for coal seam gas.
- Our earlier submission on the Upper Hunter strategic assessment (see attached) advocated that its strategic assessment area should be extended to include all parts of the Hunter Region (or the Hunter Local Land Service region, which includes the Ulan-Bylong district in the Central West) where coal or gas activities are current or prospective, or which are impacted by coal transport infrastructure.
- The wider Hunter Region will be the geographical scale at which regional NRM planning is undertaken under the new Local Land Services regime.



Relationship between Upper Hunter and Lower Hunter strategic assessment areas

The above points reinforce the case presented in our earlier submission on the discussion paper *Lower Hunter over the next 20 Years* (see attached) that the rationale for separate regional plans and assessments for the Upper Hunter and Lower Hunter subregions is highly questionable, if not invalid. We continue to advocate that regional planning and its strategic assessment should pertain to the entire Hunter Region.

Failing this, separate strategic assessments for the Upper Hunter and Lower Hunter subregions need to be undertaken on an equivalent and complementary basis. As this is currently not the case (as identified earlier in this submission), the draft Terms need to be amended accordingly. It would also be necessary for the draft Terms to clearly explain the relationship with the Upper Hunter Strategic Assessment.

Content of the program

The draft Terms should outline the required content of the program in much greater detail. Matters that should be specified as required content would include the following.

- Objectives—these should be clearly stated, such as to 'maintain or improve biodiversity values'
- *Planning principles*—these should be expressed in a form capable of informing decisions on individual projects.
- *Time frame*—the program should adopt a planning horizon that is appropriate to the scale of ecological processes and lag times. Our suggestion is that 100 years should be the minimum such period. The program itself should operate over a 30-50 year period.
- Offsetting principles—the program should clearly enunciate the offsetting principles that are to underpin assessment methodologies and decision-making.
- Conservation reserves—the program should identify high biodiversity value areas that should be
 included within the national reserve system under public ownership, together with
 mechanisms to bring about reservation.
- *Off-reserve conservation*—the program should identify conservation agreements, rehabilitation and other land management programs that complement reserve proposals.
- *Mapping*—the program should include mapping of existing offsets, proposed offsets, and areas that are not eligible for offsetting (because offsetting would result in a reduction in biodiversity values).
- *Biodiversity offsets database*—the program should provide for a high-integrity offsets database that is capable of public scrutiny.
- Plan mechanisms and implementation program—the program should contain operable
 mechanisms and legally enforceable, not just factual summaries, statements as to desired
 outcomes, or a list of potential mechanisms.
- Auditing and independent review of surveys and offsetting—this is required to ensure public confidence in the program.
- ESD and endorsement criteria—in order to adequately address the principles of ecologically sustainable development, the program should necessarily be underpinned by, and refer to, the principles and framework in the national biodiversity conservation strategy. The Strategic Assessment should articulate how these objectives and targets are met by the program.

Conclusions

The are a number of aspects of the draft Terms that, to be frank, are completely unsatisfactory. As currently framed, the draft Terms addresses only a subset of regional biodiversity values, and does not support COAG principles to promote better environmental outcomes through reduced duplication across jurisdictional boundaries (see COAG Communique, 19 August 2011). The inconsistency in the approach being taken for the strategic assessments for the Upper Hunter and Lower Hunter subregions is not appropriate, but can be readily corrected. We strongly urge that better integration, if not a complete merger, of these separate processes would deliver more useful and meaningful outcomes.

Yours faithfully

Ian Donovan

President, Hunter Branch

I. Donovan

National Parks Association of NSW

Attachments:

- Submission by National Parks Association of NSW Hunter Branch: Lower Hunter over the next 20 Years: Discussion Paper (30 May 2013)
- 2. Submission by National Parks Association of NSW Hunter Branch:
 Draft Terms of Reference, Strategic Assessment of Biodiversity Plan
 for Coal Mining, Upper Hunter (5 Jul 2013)



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Dear Sir/ Madam

LOWER HUNTER OVER THE NEXT 20 YEARS: DISCUSSION PAPER

The Hunter Branch of the National Parks Association of NSW (NPA) wishes to comment on the discussion paper *The Lower Hunter over the next 20 Years*.

NPA is a non-profit community organisation that promotes nature conservation and sound natural resource management. We have a particular interest in the protection of the State's biodiversity and its supporting ecological processes, both within and outside of the formal conservation reserve system. NPA's origins in the Hunter Region go back to 1956, and we have participated in the preparation of all major plans for the Region since that time, including:

- Northumberland County District Planning Scheme (1960)
- *Hunter 2000* (1972) (prepared by the National Trust of Australia (NSW) at the invitation of the State Planning Authority of NSW)
- Hunter Regional Environmental Plan No. 1 (1982)
- Hunter Regional Environmental Plan 1989
- Lower Hunter Regional Strategy (2006).

Geographical scope of the plan

Whilst the Lower Hunter has long been a distinct urban settlement and urban travel unit, it is plainly a subregion of the greater Hunter Region, whether viewed from a natural, economic, community or infrastructure perspective. Furthermore, with growing urban travel interactions with the Upper Hunter (which can be expected to dramatically increase following completion of the Hunter expressway), the rationale for a separate focus on the Lower Hunter is highly questionable. We believe that the kind of broad regional planning envisaged by the Discussion Paper should pertain to the entire Hunter Region, as indeed it did prior to 2006. We also note that regional-level natural resource management and infrastructure planning, as well as action planning under the State Plan, are all currently undertaken for the entire Hunter Region.

Consideration of regional-scale biodiversity and natural resource issues, which is an essential component of regional planning, needs to be undertaken at a geographical scale relevant to the operation of natural processes, such as bioregions and river catchments. As a regional planning unit, the Lower Hunter does not meet this criteria, but the entire Hunter Region would. The regional planning process should be aligned with that for regional-scale natural resource management, which is shortly to be transferred to the new Local Land Service (LLS) agencies. Notably, and to emphasise our point, the Hunter LLS region covers the entire Hunter Region, and corresponds exactly with the extent of the pre-2006 Hunter regional plans.

As the proposed new planning system (set out in the recent White Paper and Planning Bill) makes provision for separate plans at the regional and subregional levels, we would suggest that it would be more consistent with the architecture of the new system that a regional-level plan be prepared for the entire Hunter Region, and that (if necessary) sub-regional plans be prepared for parts of the Hunter Region. Certainly, this represents the proposed approach for the Sydney Region, whereby the Department has announced that the current draft Metro Strategy will become a 'regional growth plan'. Each of the subregions identified by the Metro Strategy have a population similar to that of the Lower Hunter.



Map showing the geographical extent of the Hunter Region. From: Hunter Regional Action Plan (NSW Department of Premier and Cabinet, 2012).

The Hunter LLS region (natural resource management), the Hunter RDA region (regional economic development), and the pre-2006 Hunter planning region all coincide, suggesting that this would provide a more appropriate and integrated scale at which to conduct regional planning.

Previous plans

Planning for the Region will not be starting from a clean slate. As already noted above, many plans have been prepared over a 50 year history, yet there has been no attempt to review their achievements and deficiencies, or to briefly contrast their objectives or underlying philosophy. Whilst the 2006 *Lower Hunter Regional Strategy* is mentioned by the Discussion Paper, there is little in the way of substantiated analysis of its success or otherwise.

Certainly, there is no mention of the considerable criticism that the 2006 Strategy has received, which has been by far the most controversial of all the regional strategies produced in NSW over the past decade. Much of the public controversy surrounded the designation of new urban areas in certain sensitive locations remote from public transport, employment or social infrastructure, and associated with an overly close alignment between the Minister and particular development interests. The most notorious example, relating to land on the Wallarah Peninsula, directly contradicted policies for coastal land protection and an 'inter city environmental zone' that had been in place since the *Hunter Regional Environmental Plan No. 1* (1982). Whilst this is now an unfortunate historical episode, albeit with lasting consequences, we believe that future planning should learn from past mistakes.

The above issue highlights a deficiency of the 2006 *Lower Hunter Regional Strategy* that should not be repeated. This relates to the way in which its study of conservation values and constraints—which one might expect would provide a foundation layer to guide decisions on settlement pattern—was not prepared until after the Strategy was adopted. The lack of a proper consideration of biodiversity and natural resource issues at the formative stages has been an important contributor to the failure of the Strategy to meet its housing targets for greenfield sites. The statement on page 14 of the Discussion Paper (under the heading 'Housing supply blockages') that housing sites 'have been affected by the biodiversity offsetting processes and environmental legislation' misses the more obvious point that many of these sites were inappropriately located in the first place. Furthermore, the statement on page 30 of the Discussion Paper, that the *Lower Hunter Regional Conservation Plan* 'will be revised following completion of the new Lower Hunter Regional Strategy', evidences a continuing failure to grasp the back-to-front sequence of the 2006 process.

Plan preparation & participation process

Owing to the emphasis given to 'evidence-based plans' and 'community participation' in the recent planning White Paper, we hope to see implemented a planning process that measures up to expectations, not to mention the actual legislative provisions of the new *Planning Bill*. Certainly, we expect to see far more factual analysis, less spin and greater responsiveness to community input than was the case with the 2006 *Lower Hunter Regional Strategy*.

The Discussion Paper (at page 10) indicates a limited range of proposed research projects (focused on economic issues), and suggests that these will not be subject to community scrutiny or reaction until the statutory exhibition of the completed draft plan. This process is in need of a complete re-think, as it is not consistent with the principles enunciated by the White Paper:

... the opportunity for the community to participate at the start of the planning process, and on an ongoing basis, will be prioritised and integral to setting the vision and ground rules for local areas. (White Paper, p.6, emphasis added).

...these plans will be the subject of significant community participation. The community will provide a key source of evidence and input into these plans and the key aspects of Regional Growth Plans will involve collaboration with the community regarding the development of alternatives and the identification of preferred solutions to growth and change. (White Paper, p.73).

Whilst the new planning system proposals have made much reference to overseas models, it is suggested that the Department would do well to emulate the comprehensive research, documentation and community consultation that it undertook over 30 years ago (as the former NSW Planning and Environment Commission), and which culminated in the 1982 *Hunter Regional Environmental Plan No. 1.* This process included genuine consultation on a wide range of informative discussion and working papers, and probably still represents the most detailed and effective regional planning exercise ever undertaken in NSW. A notable example of the many public documents produced was the 1978 *Hunter Regional Plan Discussion Paper No. 3: Planning Proposals.*

Overall purpose, objectives & outlook of the plan

The Discussion Paper shows an unbalanced pre-occupation with facilitating economic and population growth as if they were ends rather than means. There is a particular emphasis on urban land releases at the urban fringe, and a regression to late 20th Century policies promoting urban sprawl. We believe that this approach is completely out of touch with the key economic and environmental challenges facing the Region over coming decades. It should be replaced by a central framework that is directed to achieving significant and measureable advances towards ecologically sustainable development. This should be the primary consideration for decisions affecting settlement pattern, transport, natural resources and infrastructure.

The concept of ecologically sustainable development requires the integration of environmental, social and economic objectives having regard to key principles, such as intergenerational equity, full valuation of environmental assets and conservation of biodiversity and supporting ecological systems. The proposed plan should clearly enunciate these principles, and explain how they are to be applied. It should articulate a clear vision for the Hunter to become a sustainable region.

The Discussion Paper's focus on housing growth and land releases has diverted attention from the broader strategic context, and many critical issues remain unflagged. In marked contrast, the *ACT Planning Strategy* (ACT Government, 2012) seeks to confront the challenges of population growth, climate change, energy and resource security with a direct focus on adaptation to urban structure, transport networks, open space systems and infrastructure. It has a particular emphasis on urban intensification, economic diversification, and reducing energy and resource footprints and dependency. The ACT is a region of comparable area, population and natural diversity to that of the Hunter Region, and whilst the particular circumstances of both regions are obviously different, the broader strategic context is much the same. The proposed plan for the Hunter Region should be better attuned to the great issues of our times.

Natural areas & regional settlement pattern

Displacement and fragmentation of natural areas by urban expansion, infrastructure corridors and resource extraction is, without question, the single most important factor impacting upon the biodiversity and natural systems of the Hunter Region. In terms of the Region's progress towards ecologically sustainable development, it is an issue of utmost priority, and needs to occupy a central position in the proposed regional planning process.

The regional planning process should address this issue by integrating natural resource management and biodiversity conservation with decisions affecting the regional settlement pattern. This requires explicit recognition of the role of nature areas as 'green infrastructure' that supports the ecological underpinning and resilience of urban areas. Equally, it requires a rejection of the notion that natural areas are merely residual bits that can be adequately managed after key decisions on settlement pattern and infrastructure corridors are 'locked in'.

Apart from formal conservation reserves, important natural areas include high conservation value lands, habitat corridors, foreshores, coastlines, floodplains, estuaries, waterways, scenic lands, recreational open space, and areas subject to natural hazards. They provide immense long-term values that need to be factored into decisions on settlement pattern at the earliest opportunity.

- Despite having an urban population of over half a million people, the Hunter Region has a very extensive network of natural areas that are unique, contain high levels of biodiversity, and are of great intrinsic ecological value. Promoting an urban settlement pattern that coexists with and supports the integrity of natural areas and processes should be a key aim. This requires the application of ecological principles to the design and connectivity of habitat corridors and reserves, so as to promote the long-term survival of intact ecological communities. Consideration of 'threatened species' represents only a subset of this task.
- Natural areas make a substantial contribution to the image, identity, quality of life and 'liveability' of the Hunter Region. They are a significant factor in attracting economic activity, investment and tourism. This has long been appreciated in most of the great city-regions of the world, where the 'green structure' ('green belt', 'green fingers', 'green heart', etc) acts as a principal element that shapes the broader urban structure.
- The Hunter Region's natural areas also support the continued operation of important natural ecological and geomorphic processes. These provide 'ecosystem services' such as water supply, commercial fishery habitat, and protection from natural hazards. The latter issue is of particular importance. Incursion of urban development into incompatible locations is likely to create significant risks to human life and property (notably from flood, coastal hazards and bush fire). Mitigating those risks is invariably extremely expensive to local communities in terms of both dollar cost and adverse environmental impacts. The likely consequences of climate change is to magnify those risks and costs significantly.

Consequently, we reject the proposed relegation of biodiversity conservation planning to a separate and subsidiary process following finalisation of the urban settlement pattern. These two processes should be aligned upfront through a parallel and iterative process that is fully integrated with regional natural resource management under the Hunter Catchment Action Plan, and the proposed Hunter Region Strategic Assessment. There should be consideration of the likely long-term biodiversity impacts and cumulative risks of different planning options, with opportunities for the community to make informed choices.

The current overlap between the Catchment Action Plan (prepared by the Local Land Service) and the Regional Conservation Plan (prepared by the Office of Environment and Heritage) should be replaced by a collaborative inter-agency sectoral strategy for natural resources. However, the key principles of the natural resources strategy, especially those that directly affect settlement pattern and land use, should be expressly articulated by the proposed regional plan. This will ensure that these principles 'trickle down' to and are reflected in local plans and the determination of development proposals.

Upfront integration of land use with biodiversity conservation and natural resource management represents the best-practice approach to regional planning in other parts of Australia and overseas. For example, the *South East Queensland Regional Plan 2009–2031* (Qld Dept Infrastructure & Planning, 2009) provides a clear link between planning, biodiversity conservation and natural resource management.



Detailed attention to green structure has long been an integral feature of successful regional plans. The example shown above is from the 1920s plan for the Ruhr coalfield region of northern Germany, usually credited as the world's first plan for an entire urban region. Preserving the separate character of the various towns and cities, control of air pollution and flooding, conserving natural woodland and promoting the region's recreational potential and quality of life were all important objectives. A 21st century outlook would add objectives relating to ecological integrity and connectivity, and climate change adaptation. Plan prepared by the Siedlungsverband Ruhrkohlenbezirk (Ruhr Coalfield Settlement Association), 1926. Source: Mastering the City - 100 years of urban planning in Europe; http://www.nai.nl/regie_e/old/ruhr2_e.html.

Connectivity of natural areas

The long-term viability of natural areas depends on their connectivity within the wider landscape. This provides protection against disturbance and genetic loss, supports migratory species, and enables species and communities to translocate in response to climate change. The Lower Hunter Green Corridor, which is one of the most important achievements of the 2006 *Lower Hunter Regional Strategy*, represents a very important regional-scale biodiversity connection, and we strongly support the retention and strengthening of the corridor. However, there remain a number of outstanding or unresolved matters in the vicinity of Minmi and the Sugarloaf Range.

Other regional-scale corridors will also need to be considered, especially ones that promote connectivity across the heavily cleared 'floor' of the Hunter Valley. The continental-scale 'Great Eastern Ranges' project, which has broad acceptance amongst both land management agencies and community groups, is another aspect of biodiversity connectivity that should be an important consideration (refer to http://www.greateasternranges.org.au).

Biodiversity offsetting

The Discussion Paper makes several references to biodiversity offsetting, and suggests that offsetting processes 'need to be improved to ensure the efficient and timely assessment and release of proposed new urban areas' (page 12). This statement is based on a complete misunderstanding of the role and purpose of biodiversity offsetting.

Biodiversity offsets are measures taken to compensate for residual impacts of development after steps have been taken to avoid, minimise or restore on-site impacts. National and State principles for offsetting (DEWR, 2007; NSW OEH, 2011) make it clear that offsetting is a legitimate mechanism in situations where development proposals with eminent societal benefits have unavoidable biodiversity impacts. It is intended as an option of last resort, and not as a substitute for a flawed planning process that directs development to inappropriate locations.

As discussed in the previous section, biodiversity conservation planning needs to be undertaken in parallel with decisions affecting the regional settlement pattern. This will minimise the need for any biodiversity offsetting.

Not so green fields

The Discussion Paper describes the very major shift since 2006 away from greenfield development in the Lower Hunter, resulting in almost 75 per cent of all new housing now occurring within existing urban areas (compared to a previous average of about 25 per cent). Nevertheless, in a move completely counter to this shift, as well as the direction of urban policy almost everywhere else in the world, the Discussion Paper signals an intention to revive and expand urban sprawl.

Both nationally and internationally, the rationale for more compact urban development has been based on the rising social, economic and environment costs of endless urban accretion. These include loss of biodiversity and habitat, loss of food production close to urban populations, vehicle dependence, oil vulnerability, mortgage vulnerability, over-extension of networked infrastructure systems, inequitable access to social infrastructure and others (OECD, 2012).

We believe that the proposed expansion of greenfield housing is misguided, and will only exacerbate more of the so-called 'supply blockages' referred to on page 14 of the Discussion Paper, particularly as regards biodiversity conservation and natural hazards. We are particularly concerned that this policy flip, in conjunction with the imminent completion of the Hunter Expressway, will induce widespread expectations amongst the project home construction industry for extensive rezonings in far-flung locations, irrespective of biodiversity values, flooding, poor accessibility or other constraints.

Whilst there will undoubtedly be a valid case for further greenfield expansion in some locations, this should not represent the primary strategy for generating housing supply. Potential greenfield sites should be rigorously assessed and ranked using multi-criteria analysis or similar technique, and the results released for public scrutiny. Measures should be taken to avoid a repeat of the circumstances that occurred under the 2006 *Lower Hunter Regional Strategy*, whereby sites at Catherine Hill Bay and Sweetwater/Huntlee were earmarked for urban rezoning despite being ranked at the bottom of the suitability list (a fact that emerged only after the extraction of documents under Freedom of Information legislation).

Urban intensification

In our view, it would be far more consistent with biodiversity conservation objectives (as well as many other social and economic objectives) to promote a continuation and expansion in the supply of new housing within existing urban areas.

Good access to employment, education, cultural and recreational facilities is the critical magnet that attracts people to locate within existing urban areas, and is the key to urban intensification policies. This highlights a critical deficiency of planning to date in the Hunter Region: there has been chronic under-investment in its urban public transport network for half a century. The poor state of the system, which operates mainly as a 'social safety net', is clearly evident when comparison is made with other Australian urban regions, or with comparable regions in other OECD countries. Furthermore, planning policies, including the 'renewal corridors' identified in the 2006 Regional Strategy, are not linked to any investment program for urban public transport.

Planning for urban intensification in other Australian cities, such as Canberra, Gold Coast and Melbourne, is increasingly focused on key public transport corridors that provide excellent accessibility. (See for example Adams 2010, ACT Government 2012). This involves both a land use component (encouraging high-quality terrace housing and low-rise apartments within the corridor) and a transport component (providing a long-term investment program for light rail or other high-capacity rapid transport along the corridor). Such an approach needs to be extended

to the Hunter Region, which although the seventh largest of Australia's 18 nationally-ranked urban regions, has never received a level of public transport investment appropriate to its size.

There are a number of corridors within the Region that would be eminently suitable for this approach, such as Newcastle City Centre-Mater Hospital-University, with possible extension to Glendale. The ill-considered decision to truncate rail services to Newcastle, and to relocate (at great expense) the rail terminus to an inferior site 2km away, will seriously hinder the kind of intensification strategies outlined above.



Canberra's Northbourne Avenue corridor is one of many proposed for urban intensification. Source: ACT Government (2012) ACT Planning Strategy.

East Coast High Speed Rail

The Discussion Paper contains no reference to the East Coast High Speed Rail proposal (AECOM Aust Pty Ltd 2013). The preferred alignment has very significant long term land use and transport implications for the Hunter region, and needs to be factored into both the proposed regional plan and the Hunter Region Strategic Assessment under the Commonwealth EPBC Act.

Construction of the proposal will require a feeder rail link to connect the proposed high speed rail station near West Wallsend with the Lower Hunter passenger transport network (refer to submission by the Hunter Environment Lobby). Known as the 'Hunter LinkRail', this proposal would also provide a rail freight bypass of the Newcastle urban area. It is therefore important that the proposed regional plan should secure long-term protection of corridors for both the high speed rail line and connecting rail links at the same time.

The proposal is likely to have significant and irreversible biodiversity impacts between Newcastle and the Central Coast. Consequently, route realignment and greater use of tunnelling should be considered. Fragmentation of habitat corridors and reduction in habitat connectivity is highly significant, especially in the vicinity of the Sugarloaf Range and Awaba. This is a major issue that should be considered as part of the proposed review and strengthening of the Lower Hunter Green Corridor.

The proposal will also have very significant noise impacts over a much wider corridor. These impacts should be factored into the planning for future urban development as soon as possible.

Coal & coal seam gas activities

The proposed regional plan needs to address ongoing conflicts between coal/ coal seam gas activities and natural areas and natural resource systems. The Government's 'Strategic Regional Land Use Policy' (including the associated regulations and State environmental planning policy) fails to adequately deal with this issue or to meet community expectations. Consequently, there is a significant groundswell of community opposition and disquiet within the Hunter Region surrounding this issue.

The Strategic Regional Land Use Policy seeks only to address conflicts with a narrow range of matters, such as certain types of agriculture, and inadequately deals with impacts on groundwater systems. It does not address cumulative impacts on regional biodiversity conservation values, river systems, drinking water catchments, potential health impacts on communities or other matters. These issues should be addressed upfront by the proposed regional plan, rather than being left to the project assessment stage. In particular, there should be explicit guidance as to the locations and circumstances where coal and coal seam gas activities will not be permitted, exclusion zones to prevent adverse impacts on natural assets within the impact zone, and a clear regional vision for the post-mining landscape (social, economic and ecological).

Given the magnitude of environmental impacts surrounding coal and coal seam gas activities, the continued questioning of the economic benefits to regional communities (see for example Campbell & Grudnoff, 2013), and the general uncertainties surrounding the global future of the fossil fuel industry, we would suggest that the long-term role of these industries in the Hunter Region is a question that should be closely examined by the proposed Regional Plan.

Over-reliance on the coal economy presents significant risks for the Hunter Region. The other side of the coin to the investment boom in coal-related infrastructure is under-investment in the social infrastructure, urban transport systems and high quality environment needed to underpin a resilient and globally competitive service economy in the Region over the long term. Several authors have examined transition strategies towards a renewable energy economy in the Hunter Region (see for example Bill *et al.* 2008), and this is an issue that warrants detailed consideration.

Energy, carbon & resource footprints

The proposed plan should include detailed strategies for reducing the Region's energy, carbon and resource footprints. These strategies should include all relevant sectors, including residential, business, industrial, agriculture and mining. There should be detailed targets for waste reduction, energy efficiency and water efficiency. Current BASIX requirements (applicable to the housing sector) need to be progressively augmented in order to meet national and global targets.

A particular issue for the residential sector will be the retrofitting and regeneration of 'greyfield' suburbs dating from the mid 20th Century (see Newton, 2010). These are the suburbs that typically occupy zones of high accessibility, employment and facilities, but which have a housing stock that is environmentally obsolescent. Strategies dealing with this issue need to be closely integrated with urban intensification strategies for particular transport corridors.

Conclusions

We are disappointed by the generally unprogressive stance reflected in the Discussion Paper, and the failure of the proposed plan preparation and participation processes to live up to the principles described by the planning White Paper. As this is just the start of the process, we see no reason why these deficiencies cannot be rectified, and we look forward to making further positive contributions towards the new plan.

Yours faithfully

Ian Donovan

President, Hunter Branch

I. Donovan

National Parks Association of NSW

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Dear Sir/ Madam

DRAFT TERMS OF REFERENCE, STRATEGIC ASSESSMENT OF BIODIVERSITY PLAN FOR COAL MINING, UPPER HUNTER

The Hunter Branch of the National Parks Association of NSW (NPA) wishes to comment on the draft Terms of Reference for the proposed Strategic Assessment of a Biodiversity Plan for Coal Mining in the Upper Hunter Valley ('draft Terms').

Formed in 1957, NPA is a non-profit community organisation that promotes nature conservation and sound natural resource management. We have a particular interest in the protection of the State's biodiversity and its supporting ecological processes, both within and outside of the formal conservation reserve system.

NPA has concerns with the cumulative threat to biodiversity values posed by coal and gas activities in the Upper Hunter region. The wide floor of the Hunter Valley has been subject to extensive clearing since the 1820s. There are only a few small unconnected pockets of remnant natural habitat, mostly without legal protection, and the reserves that do exist are inadequate to protect a representative diversity of communities and species. Consequently, any further loss of habitat or habitat connectivity is significant. Important priorities for NPA are:

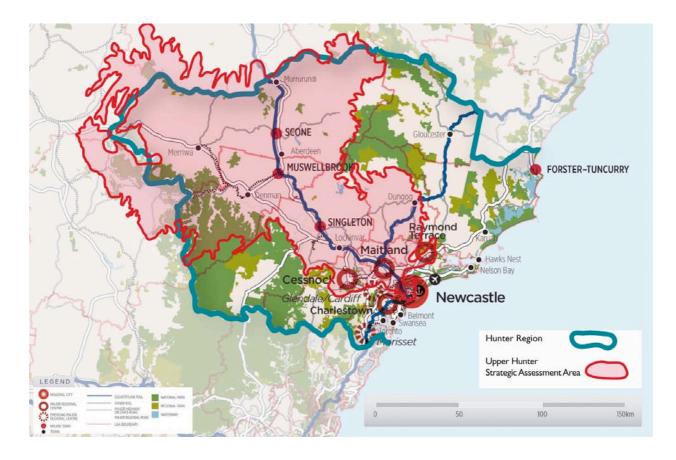
- securing legal protection for remnant habitat where possible,
- improving its connectivity through strategic and targeted land management programs, and
- effective management of landscape-scale processes that ecological functions depend upon.

The creation of new reserves is essential, but needs to be complemented by other measures such as conservation agreements, rehabilitation and other land management programs to ensure landscape resilience in the long term.

Geographical scope of the Strategic Assessment

Preparation of the proposed Biodiversity Plan and its Strategic Assessment is being carried out pursuant to Action 8.1 of the *Upper Hunter Strategic Regional Land Use Policy* (UHSRLUP), yet the Strategic Assessment Area set out in the draft Terms does not correspond to the area to which the UHSRLUP applies. Notably, the Gloucester local government area is excluded, yet this area contains significant coal and coal seam gas deposits likely to be subject to future exploration, mining or extraction activities. In addition, the Strategic Assessment Area includes significant parts of the Lower Hunter, which are outside the UHSRLUP area. However, this latter area is clearly impacted by coal mining activities through transport and port infrastructure, and we agree with its inclusion in the draft Terms.

The rationale for the proposed boundaries is unstated and unclear. There is little correlation with surface features, biogeographical factors or administrative/ planning boundaries. It is suggested that the Strategic Assessment Area should be extended to include all parts of the Hunter Region (or the Hunter Local Land Service region, which includes the Ulan-Bylong district) where coal or gas activities are current or prospective, or which are impacted by coal transport infrastructure. The relationship between the currently proposed Strategic Assessment Area and the wider Hunter Region is shown in the following map.



Geographical scope of the Biodiversity Assessment Area/ Biodiversity Plan

The indicative 'biodiversity assessment area for new coal mining activities' presented in Attachment A to the draft Terms is inconsistent with that presented in Attachment A to the section 146 Agreement between the Commonwealth and NSW Governments. Consequently, clarification of the proposed assessment area is required. The area shown in the draft Terms is narrower than that shown in the Agreement, and excludes important areas such as the Yarrawa/Ferndale prospect. However, the biodiversity assessment area under the Agreement is itself inadequate as it does not adequately encompass the extent of areas foreseeably subject to coal mining impacts. It is plainly evident that the assessment area should be extended to include the Scone, Gloucester Basin and Ulan-Bylong Valley areas.

Status of the Biodiversity Plan

Section 1 of the Draft Terms ('Purpose and Description') should specify that the Biodiversity Plan is to include relevant provisions that are contained within a regional-level planning instrument under legislation in force within New South Wales. In terms of the proposed planning system outlined in the *Planning Bill 2013 Exposure Draft*, this would be a 'regional growth plan'.

The rationale for this requirement is to ensure that the Biodiversity Plan is robust, enforceable, has a direct bearing on the determination of project proposals, and is integrated with other aspects of regional-scale planning and natural resource management. This will avoid a repeat of

the experience with the *Lower Hunter Regional Conservation Plan* (Dept of Environment and Conservation, 2007), which is not formally linked to the planning system, does not have implementation mechanisms, and has had little if any influence on actual planning, land use or project decisions.

Whilst a detailed strategy document without specific legal status is likely to be an appropriate, format for the Biodiversity Plan, nevertheless its key principles and mechanisms should be expressly articulated by provisions contained within a regional-level planning instrument. This will ensure that these principles are reflected in project determinations.

Scope of the Biodiversity Plan

The proposed scope of the Biodiversity Plan under Item 1(c) of the Draft Terms does not accord with that specified in the section 146 Agreement. Under the definition of 'Biodiversity Plan' in clause 2.2 of the Agreement,

The Biodiversity Plan identifies biodiversity values in the strategic assessment area, priorities for conservation and mechanisms to achieve desired conservation outcomes.

In contrast, the Draft Terms narrows the scope to:

Specific outcomes and commitments to protect matters of national environmental significance listed under the EPBC Act, as well as any additional threatened ecological communities and species protected under the NSW *Threatened Species Conservation Act 1995*.

This discrepancy in both scope and extent should be corrected. The Biodiversity Plan needs to consider all relevant biodiversity values, and not simply MNES matters (under the EPBC Act) and 'threatened species and communities' (under the TSC Act). The scope of the Biodiversity Plan should address all impacts that are likely from activities within the plan area. The draft Terms should clarify that the scope of coverage includes impacts that are within the strategic assessment area, but outside of the biodiversity plan assessment area, such as from road and port infrastructure in and around the Lower Hunter estuary. The broader ecological integrity and connectivity of the Strategic Assessment Area should also be addressed.

It is to be emphasised that the Biodiversity Plan is a 'Plan' and not a 'Report'. It should contain operable mechanisms, not just factual summaries, statements as to desired outcomes, or a list of potential mechanisms.

Content of the Biodiversity Plan

Section 1 of the Draft Terms ('Purpose and Description') should outline the required content of the Biodiversity Plan in much greater detail. Matters that should be specified as required content would include the following.

- Objectives.
- Planning principles—these should be expressed in a form capable of informing decisions on individual projects.
- Offsetting principles—that underpin assessment methodologies and decision-making.
- A vision for the post-mining landscape (to replace the 1999 Synoptic Plan: Integrated Landscapes for Coal Mine Rehabilitation in the Hunter Valley of NSW).
- Conservation reserves—provisions identifying high biodiversity value areas that should be included within the national reserve system, together with mechanisms to bring about reservation. This is a very high priority within the Strategic Assessment Area (for example, protection of the endangered Warkworth Sands Woodland ecological community within a Nature Reserve under the NSW *National Parks and Wildlife Act 1974*).

- Off-reserve conservation—measures such as conservation agreements, rehabilitation and other land management programs.
- World Heritage Areas—provisions clarifying the need to consider all world heritage values, not just biodiversity values. There are two World Heritage Areas within the Upper Hunter.
- Mapping.
- Biodiversity offsets database—a high-integrity system capable of public scrutiny is essential.
- Plan mechanisms and implementation program.
- Auditing and independent review of biodiversity surveys and biodiversity offsetting.

Impacts of coal transport

The Strategic Assessment Area includes the Port of Newcastle. The draft Terms should make specific reference to the need to consider the cumulative impacts of projects on biodiversity values within the port or trackside environment. Relevant matters include:

- listed threatened species and communities (EPBC Act and TSC Act)
- declared Ramsar wetlands (EPBC Act)
- listed migratory species (EPBC Act)
- other biodiversity values (such as the ecological integrity of estuarine processes)
- other values (including indigenous cultural values).

ESD and endorsement criteria

In order to adequately address the principles of ecologically sustainable development in the Strategic Assessment, the Biodiversity Plan should necessarily be underpinned by, and refer to, the principles and framework in the national biodiversity conservation strategy. The Strategic Assessment should articulate how these objectives and targets are met by the Biodiversity Plan.

Community consultation

The draft Terms should outline the required public consultation processes for the preparation of the Biodiversity Plan and its review and implementation.

Coal seam gas activities

A weakness of the proposed Biodiversity Plan and Strategic Assessment is its failure to include coal seam gas activities (including exploration and extraction) within its scope. Such activities can be expected to have considerable implications for biodiversity values within the Strategic Assessment Area over coming decades, particularly as regards:

- fragmentation of intact areas of habitat, and
- degradation of groundwater-dependent ecosystems, arising from groundwater extraction and management (irrespective of the recent 'water trigger' amendments to the EPBC Act).

These impacts are likely to cumulatively interact with those of coal mining. As coal seam gas activities and impacts were a specific consideration in the UHSRLUP, we believe that they should also have been included in the scope of the biodiversity plan and strategic assessment.

Whilst it is appreciated that the section 146 Agreement relates specifically to coal mining, and therefore precludes the possibility of widening the scope of the Strategic Assessment, nevertheless, it is clear that any regional-scale plan for biodiversity conservation within the

Hunter Region will necessarily also need to address coal seam gas activities. We believe that a more holistic approach is warranted, and request that you initiate steps to correct this omission.

Yours faithfully

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