

**Submission
No 13**

REVIEW OF THE NSW RECONSTRUCTION AUTHORITY ACT 2022

Organisation: Newcastle City Council

Date Received: 14 May 2024

14 May 2024

Joint Select Committee on the NSW Reconstruction Authority
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Committee Manager

INVITATION TO MAKE A SUBMISSION TO THE JOINT SELECT COMMITTEE ON THE NSW RECONSTRUCTION AUTHORITY

I refer to an invitation (via email dated 4 April 2024) to make a submission to the Joint Select Committee on the NSW Reconstruction Authority, particularly with respect to a review of the *NSW Reconstruction Authority Act 2022* (the Act) and whether:

- a) The policy objectives of the Act remain valid, and
- b) The terms of the Act remain appropriate for securing the objectives.

While the policy objectives of the Act are relatively simple and are considered to be valid, there is doubt as to whether the terms of the Act are appropriate for securing the objectives.

A significant aspect of the functions of the NSW Reconstruction Authority (the Authority) involves powers to direct relevant entities, including local councils, to take actions to implement the Act. These potential actions, which include obtaining approvals for and carrying out development, are likely to fall outside the scope of current local government functions and, perhaps, outside of local government's capacity to fund them.

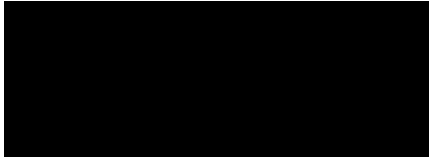
While the provisions of the Act could readily be identified as another cost shifting mechanism of the State, actions that could arise from the Act may potentially be of such magnitude as to cripple the operations of a local government entity. Beyond the possibility of a local government entity having to compromise their core functions under the *Local Government Act 1993*, there will be a point at which the cost of compliance will be untenable. At that point, or before, it is anticipated that the objectives of the Act will not be secured.

There is a fundamental conflict in the concept of a local government entity being directed to prepare a disaster adaptation plan, containing specific projects, strategies or actions that the entity will undertake to prevent or minimise the impact of disasters. With the underlying potential to then be directed to implement aspects of the plan, outside of the formal integrated planning and reporting processes required of local government. The notion that a local government entity could be directed to apply for State significant infrastructure approval under the *Environmental Planning and Assessment Act 1979*, as a function of that entity under the Act, is similarly conflicted if implementing the relevant infrastructure is beyond the capacity of the local government entity.

While the manner in which the Act's functions will be put into effect by the Authority is yet to be established, there is clear potential for failure if the focus is to burden local government entities with the primary responsibility for securing the Act's objectives for their respective local government areas.

Should you require any further information, please contact Michelle Bisson, Executive Director Planning and Environment on [REDACTED] or [REDACTED]

Yours faithfully

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Jeremy Bath
CHIEF EXECUTIVE OFFICER