

**Submission
No 118**

**INQUIRY INTO PLANNING SYSTEM AND THE IMPACTS
OF CLIMATE CHANGE ON THE ENVIRONMENT AND
COMMUNITIES**

Organisation: Shellharbour City Council

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To: The Director, Portfolio Committee No. 7 - Planning and Environment

From: Executive Manager, Strategic Planning and Environment, Shellharbour City Council

Date: 3 November 2023

Submission on the planning system and the impacts of climate change on the environment and communities

Summary

This submission is regarding the NSW Legislative Council's Portfolio Committee No. 7 - Planning and Environment's inquiry into the planning system and the impacts of climate change on the environment and communities.

In 2022, Council committed in our *Climate and Sustainability Policy*, to support the Shellharbour community to reach net zero emissions by 2050 by supporting the transition to renewable energy for the region. We also committed to partnering with the community, businesses and state and federal government agencies to take positive action on climate change mitigation, building resilience and promoting environmentally sustainable living.

We also note that as a coastal community our residents are impacted by sea level rise, and flooding, and that these impacts are likely to be more damaging in the future as a result of climate change.

Shellharbour City Council are pleased to support the inquiry with the below submission, and welcome further discussion from the Committee on this topic.

This submission has been prepared by Council staff and does not necessarily reflect the views of the elected body.

Summary of recommendations:

1. Additional localised and geographically mapped climate risk data is required, which uses consistent climate scenarios and time horizons. This will allow for the aggregation and comparison of climate data between regions;
2. Additional resources are required to complete localised and geographically mapped modelling and a centralised data base of this modelling should be developed by the State government;
3. All new and existing development be assessed against the climate risks and localised plans. This should be funded to prepare for and implement adaption measures for climate risks identified;
4. Additional resources and capability in development assessment teams required for the impacts of climate change, in particular the cumulative impacts of biodiversity loss and urban heat island effect;
5. Reforms should seek to balance the regulatory burden and effective regulation to ensure that the cost of delivering local housing is not excessive;

6. Reforms should account for the demands of the local community in transition and responding to climate change (e.g. increased demand for health care, disaster resilience centres and local grid resilience);
7. Reviews should include enquiry into barriers inherent in the current planning system.

Recommendations

With regard to the Terms of Reference sections listed below, Council has the following recommendations:

Terms of reference

- (a) developments proposed or approved:
 - (i) in flood and fire prone areas or areas that have become more exposed to natural disasters as a result of climate change,
 - (ii) in areas that are vulnerable to rising sea levels, coastal erosion or drought conditions as a result of climate change, and
 - (iii) in areas that are threatened ecological communities or habitat for threatened species

Recommendation

In order to effectively plan for climate resilience and climate impacts for developments, councils and approving agencies need access to granular, geographical data which enables the appropriate assessment of climate related risks at a property/development level. This also requires the appropriate skills within local councils to assess these impacts and adaptation approaches proposed in the application.

Detailed climate risk assessments should be completed at the local level with risks modelled for multiple Representative Concentration Pathway (RCPs) scenarios. However, the planning legislation changes should be based on the worst-case scenarios (RCP 8.5 and RCP 6) to ensure sufficient adaptation measures are in place. These scenarios are increasingly likely given the slow pace of climate mitigation globally.

Consistent data capturing methodologies for localised climate risk mapping should be utilised for planning purposes to allow aggregation at the regional or state level for higher level planning decisions and to compare and assess climate risks between regions. For example, use of consistent mapping time horizons (2030, 2050, 2090), and consistent RCP scenarios (RCP 4.5, RCP 6 and RCP 8.5).

The NSW planning framework should give regard to local impact modelling as detailed above. At a minimum, the modelling should be reflected in the Environmental Planning and Assessment Act (EP&A Act), State Environmental Planning Policies (SEPPs), City and Regional Plans, and the standard instrument Local Environmental Plans (LEPs). Consideration should also be given to the development of a model Development Control Plan (DCP) provision, to ensure that climate impact modelling is considered in all parts of the State and local planning framework.

To support improved approvals for proposed developments at Local Government additional resources are required to complete localised climate risk modelling, and a centralised database at State government level should be established to store all localised climate models.

Council recommends that all new and existing developments be assessed against this modelling to identify areas of significant climate related risks which should be prepared for adaptation in the form of a local adaptation plan. Funding and resources should be provided to local councils to complete planning, and for the implementation adaptation measures identified in these plans.

Terms of reference

(b) the adequacy of planning powers and planning bodies, particularly for local councils, to review, amend or revoke development approvals, and consider the costs, that are identified as placing people or the environment at risk as a consequence of:

- (i) the cumulative impacts of development,
- (ii) climate change and natural disasters,
- (iii) biodiversity loss, and
- (iii) rapidly changing social, economic and environmental circumstances

Recommendation

Resources and capability within local councils will need to be further developed to effectively review development proposals, and for the additional time needed to review and approve more detailed proposals which include the complex impacts of climate risks.

In particular the assessment of cumulative impacts such as biodiversity and urban heat island effects, which are not necessarily detectable or significant at a single property level, but overtime have large impacts on a region's climate resilience.

The structure of the current development approvals process should be considered for the appropriate mechanism to assess cumulative impacts. The current approach to development assessment does not consider the impact outside of the proposed development, which creates siloed assessments that lead to an ineffective assessment of contribution to cumulative climate impacts in a region.

Additionally, consideration of how these elements of the Terms of Reference can be incorporated into strategic planning documents should be undertaken. Assessment of climate risk, mitigation and adaptation, as well as the cumulative impacts of development should be considered in City and Regional Plans, as well as being a requirement in Local Strategic Planning Statements (LSPS). There should also be scope to consider how this could be incorporated into planning proposal process, to ensure that the cumulative impacts of development are considered as part of the strategic planning framework.

Furthermore, the impacts of climate change on the local level are not fully known, and will become increasingly unpredictable with larger degrees of global warming. The current planning system does not have the flexibility needed to quickly respond to changing climate impacts as these become more pronounced.

Terms of reference

(c) short-, medium- and long-term planning reforms that may be necessary to ensure that communities are able to mitigate and adapt to conditions caused by changing environmental and climatic conditions, as well as the community's expectation and need for homes, schools, hospitals and infrastructure

Recommendation

The nature of reforms required may add additional complexity to the planning system, which will likely have the effect of increasing housing costs and the cost of development. The balance between effective reform and regulatory burden should be considered.

The planning system should account for the transition demands of the community as a result of climate change. These include:

- Climate change impacts including impacts to human health from increasing risk of infectious disease and heat impacts will put an increasing demand on health care infrastructure (IPCC, AR6, 2023)

- Disaster resilient infrastructure to ensure functioning evacuation routes
- Heat resistant infrastructure including roads and public transport
- Community respite from heat impacts including sufficiently shaded public open spaces, community centres, and schools
- Local grid resilience including localised energy generation and power storage
- Support for low-income residents who will be more greatly impacted by climate change including infrastructure to support in periods of extended heat, or in power outages

Terms of reference

- (d) alternative regulatory options to increase residential dwelling capacity where anticipated growth areas are no longer deemed suitable, or where existing capacity has been diminished due to the effects of climate change

Recommendation

Some local planning directions directly limit the ability to increase residential capacity, particularly where land is deemed hazardous. The planning proposal process, including the section 9.1 Directions does not allow for an increase in density in many town centres around our LGA due to these centres being flood prone. This limits the growth of dwelling capacity within the LGA, and potentially impacts our community's ability to mitigate and adapt to conditions caused by changing environmental and climatic conditions, as outlined in more detail above.

The review into the current system should consider any additional barriers to action contained within existing legislation that have not already been identified within this term of reference.

Council welcomes the opportunity to discuss this submission further.

Yours sincerely,

Executive Manager, Strategic Planning and Environment