Submission to the NSW Department of Planning, Housing and Infrastructure

Climate Change and Natural Hazards State Environmental Planning Policy

Explanation of Intended Effect

Committee for Sydney | March 2026

1. Introduction

The Committee for Sydney welcomes the opportunity to provide a submission on the Explanation of Intended Effect (EIE) for the proposed Climate Change and Natural Hazards State Environmental Planning Policy (CC&NH SEPP). We commend the NSW Government for this significant step toward embedding climate resilience into land use planning, recognising that the planning system is one of the most powerful tools available to protect communities and reduce the long-term economic costs of a changing climate.

Sydney is one of the world's most climate-exposed major cities. Without proactive planning reform, the growing frequency and intensity of extreme heat, flooding, and other hazards will impose escalating costs on households, governments, businesses, and insurers — costs that will be borne disproportionately by the most vulnerable members of our community. The Committee has published extensive research on these risks which together set out the economic case for urgent, ambitious action and the nature-based solutions that should underpin it, including: **Nature's Resilience Dividend:** How nature can strengthen Sydney's flood and coastal hazard resilience (2025); **Burning Money**: The Rising Costs of Heatwaves to Western Sydney (2024); **Nature Positive Sydney**: Valuing Sydney's Living Infrastructure (2023); and **Defending Sydney:** Adaptive planning for today's flooding and tomorrow's climate risks (2023).

Our submission addresses the following key themes:

- Strong support for the urban heat policy and provisions, with recommendations to strengthen enforceability, widen application, and ground the framework in existing economic and ecological evidence
- Recognition of living infrastructure as climate infrastructure — nature-positive solutions integrated into urban heat (Section 2), flooding (Section 4), and bushfire (Section 5) provisions, drawing on the Committee's Nature Positive Sydney report
- Support for a more robust and consistent tolerable risk framework, with clearer governance and accountability
- The need to align flood risk planning with insurance realities and adopt a catchment-wide approach that crosses LGA boundaries
- The importance of supporting post-disaster resilience, including enabling planned retreat where appropriate
- An opportunity to leverage digital tools and data transparency to support consistent risk assessment across the planning system.

2. Urban heat

The Committee for Sydney strongly supports the introduction of the NSW Urban Heat Policy for Land Use Planning and the proposed urban heat provisions in the CC&NH SEPP. Urban heat is the single greatest climate health risk facing Sydney's communities — and it is the risk that the planning system has historically been slowest to address.

The Committee's own research, published in **Burning Money: The Rising Costs of Heatwaves to Western Sydney** (Committee for Sydney and Scyne Advisory, 2024), provides detailed economic modelling of the costs of inaction. That research should be read as a companion document to this submission, and its findings are directly relevant to the case for strong urban heat provisions in the CC&NH SEPP.

2.1 The economic and health case for action

The Burning Money report found that, without intervention, the total annual cost to Western Sydney from heatwaves will increase more than 400% — from approximately $1.4 billion today to over $6.8 billion by the 2070s, under a moderate RCP 4.5 emissions scenario. This figure comprises three components:

- **Health costs** — currently $637 million annually, projected to reach $5.3 billion by 2079, an 800% increase, driven by heat-related illness, emergency presentations, and increased mortality
- **Household cooling costs** — currently $255 million annually, projected to reach $950 million by 2079, a 370% increase, with Western Sydney households already spending up to 100% more on cooling energy than eastern Sydney counterparts
- **Productivity losses** — currently $423 million annually, projected to reach approximately $2 billion by 2079, a 470% increase, concentrated in construction, manufacturing, logistics and agriculture.

These costs will not fall evenly. Nearly a quarter (23%) of Western Sydney's population exposed to heatwave impacts are classified as vulnerable communities — those aged 0–14 or 70+, or earning below the national median income. The income-vulnerable cohort exposed to heatwave impacts is projected to increase from 6 million people-days annually to over 43 million people-days by 2079.

> **Key finding from Burning Money (2024):** At an aggregate level, the per capita additional annual cost of heatwaves to Western Sydney residents will grow from $562 today to over $716 by the 2070s — comprising health costs, cooling costs, and lost productivity. Health costs alone will increase from $305 per capita in the 2020s to $716 per capita in the 2070s.

Western Sydney is particularly exposed because it is typically 6-10°C hotter than the rest of the city during heatwave events. On 4 January 2020, Penrith was recognised as the hottest place on earth, with microloggers recording temperatures of 52°C in Berkshire Park and 51.5°C in Agnes Banks. Parramatta experienced 47 days over 35°C in 2019, and Penrith 44 days. Under current trajectories, the average number of days over 35°C in Western Sydney will double, from 10 per year in 2010–2019 to 20 by 2070–2079.

The Burning Money report also identified a critical productivity risk: as temperatures reach 32°C, outdoor worker productivity drops by approximately 25%; at 38°C, the loss reaches 70%. More than half of all element-exposed labourers, machinery operators, drivers and trades workers in Greater Sydney work in Western Sydney — precisely the workers who will build the homes, infrastructure, and services that the housing targets demand.

These are not abstract future costs. Every major development approved in Western Sydney today without adequate heat mitigation locks in decades of health costs, energy costs, and productivity

losses. The Burning Money report was unambiguous: "**Decisions made today about how and where to build new homes, businesses and infrastructure need to recognise and attempt to alleviate and address those growing costs tomorrow.**"

2.2 What we support

- The **proportionate, outcomes-based approach** to urban heat provisions, which allows flexibility while ensuring development considers heat impacts commensurate with scale and risk
- **Application to state significant development** as an immediate priority — large-scale projects must embed heat mitigation from the outset
- **Application at the strategic planning and rezoning stage** through the proposed Ministerial Direction, so urban heat is considered before land use decisions are locked in
- **The emphasis on green infrastructure, water-sensitive urban design, street layout, building orientation, and retention of existing native vegetation** as the primary tools for heat mitigation — tools that can reduce surface temperatures by up to 30°C ('Campbelltown breathing wall') and roof temperatures by 20°C (Daramu House), and reduce stormwater runoff by 99%
- **The recognition that outdoor thermal comfort and communal heat refuges** should be integrated with evacuation and hazard infrastructure.

2.3 Recommendations to strengthen the urban heat provisions

Enforceability and measurable standards

The current framing requires planning authorities to 'consider' urban heat. Without clear, enforceable requirements or measurable outcomes, there is a risk this becomes a tick-box exercise. The Burning Money report recommended that heatwave risk be integrated into Disaster Adaptation Plans and that a lead agency be appointed with whole-of-government remit to coordinate heatwave adaptation — but it equally identified that planning and design of new development must embed heatwave risk as a key driver.

> Recommendation: Introduce measurable performance standards for urban heat in the CC&NH SEPP for major development, including subdivisions and state significant development — for example, minimum canopy cover targets, maximum surface temperature thresholds, or minimum permeable surface requirements — to give consent authorities clear and consistent grounds for assessment.

Staged rollout beyond state significant development

We support starting with state significant development but recommend a clear pathway and committed timeline for extending provisions to significant subdivisions and major residential developments, particularly in greenfield Western Sydney contexts. The Burning Money report found that 55% of element-exposed workers in Greater Sydney work in Western Sydney — this is where new housing growth will be concentrated, and where heat impacts on working life are most acute.

> Recommendation: Establish a staged rollout plan for urban heat provisions with a clear commitment to extend requirements to significant subdivisions and major residential development within two years of the CC&NH SEPP commencing. Western Sydney greenfield release areas should be specifically identified as a priority application zone.

Nature-positive solutions as the primary heat mitigation tool

The status quo does not recognise the value of nature-based solutions in how we approach natural hazard risk reduction. We have global evidence that nature-based solutions work—now we need to localise this evidence and change mindsets and behaviour (and back that up with structural and systems change, and appropriate governance). Multiple agencies play a role; however, no one agency takes responsibility for the development and deployment of nature-based solutions, particularly leading the charge and driving decisions about risk allocation. Nature-based solutions don't currently

have an enabling policy or planning framework to integrate these options into disaster risk reduction, or an owner or champion to prosecute their value across the hazard risk cycle.

The Committee's **Nature's Resilience Dividend and Nature Positive Sydney** reports provide a comprehensive evidence-base for why living infrastructure is not merely an amenity but fundamental climate infrastructure with quantifiable economic, health and hazard-reduction benefits:

- **Campbelltown Station breathing wall:** A 40m^2 installation with over 1,200 plants showed a surface temperature reduction of up to **30°C** in the immediate area (Western Sydney University thermal imaging)
- **Daramu House, Barangaroo:** Green roof reduced surface temperature by **20°C**, improved solar panel efficiency by **3.6%**, and reduced stormwater runoff by **99%** versus its conventional sister building
- **Melbourne canopy modelling:** Doubling tree canopy was estimated to produce a **28% reduction in heat-related deaths** — a directly relevant benchmark for Western Sydney
- **Street trees:** Canopy shade can **reduce household air conditioning bills by up to $400 per year** — a material cost-of-living benefit for the 55% of Western Sydney residents who sometimes don't turn on air conditioning due to cost
- **Health benefits:** A 30% or more tree canopy cover within 1.6km of a residence is associated with **31% lower odds of psychological distress** and **33% lower odds of poor general health** (University of Wollongong).

Nature Positive Sydney also documented that green cover is profoundly unequal across Greater Sydney. In urban fringe areas — precisely where new housing growth is being directed — open space can be up to 2km away. The report proposed a **Green Factor Tool** linked to development approvals, similar to London's Urban Greening Factor and the City of Sydney's emerging Green Factor Score.

Nature Positive Sydney finding: Nature provides an estimated $44 trillion in global economic value annually. In Sydney, increasing tree canopy by just 10% could increase individual property values by up to $50,000. These benefits are currently invisible to development assessment and infrastructure business cases — a gap the CC&NH SEPP can help close.

> Recommendation: The CC&NH SEPP's urban heat provisions explicitly reference living infrastructure (also known as nature based measures)— including tree canopy, green roofs, green walls, permeable surfaces and waterways — as the preferred primary tools for heat mitigation, aligned with the NSW Government's 40% urban tree canopy target for Greater Sydney by 2036.
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> Recommendation: The department incorporate a Green Factor Tool into the CC&NH SEPP's urban heat provisions for significant development, requiring applicants to account for and maximise the regeneration of living infrastructure on-site, linked to local and regional canopy and temperature targets.
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> Recommendation: Urban heat provisions apply with heightened requirements in heat-vulnerable, under-greened areas — including Western Sydney greenfield growth corridors — to address the equity gap documented in Nature Positive Sydney.
>
> Recommendation: Develop a nature-based solutions policy and practice guideline that shows how nature-based solutions can be integrated into policy, programs and projects to reduce natural hazard risk. This framework should consider the full lifecycle of nature-based solutions, including implementation risks, policy levers and cost-benefit analysis to support informed decision-making.

Guidance and resources for councils

Consistent application across different climate zones and development types requires fit-for-purpose guidance. The Committee for Sydney was part of the taskforce, whichdeveloped a Heat Smart City Plan for Greater Sydney that sets out how to meet and mitigate growing heat risk. The CC&NH SEPP guidance development process should connect with and build on that work.

> **Recommendation:** The department lead the development of practical place-based urban heat guidance materials for different development types and climate zones, leveraging existing resources including the application of the industry endorsed Cool Suburbs Tool.[1]

Addressing the conflict between urban heat and bushfire risk

As bushfire prone land increasingly overlaps with urban environments, there is a direct tension between heat mitigation measures (more trees, dense vegetation) and bushfire risk reduction. The CC&NH SEPP and supporting guidance must explicitly address how to balance these competing requirements.

> **Recommendation:** The CC&NH SEPP or supporting guidance include specific direction on how to balance urban heat mitigation and bushfire risk in overlapping hazard zones, with worked examples for different urban contexts.

Cumulative heat impacts at precinct scale

Urban overheating is a cumulative effect of multiple land use decisions across an area. Individual site assessment cannot capture the cumulative heat impact of a new precinct.

> **Recommendation:** Urban heat provisions require precinct-scale heat impact assessment for major developments and rezonings, to capture cumulative effects and avoid piecemeal mitigation outcomes.

Insurance and financial risk

The Burning Money report recommended exploring heatwave insurance options for households and businesses as a near-term priority. Developments designed to high heat resilience standards should face lower insurance costs over their lifetime.

> **Recommendation:** The department engage with the Insurance Council of Australia to explore whether urban heat performance standards can be reflected in insurance risk assessment for new developments, creating a market signal for high-quality heat-resilient design.

3. Climate Change Scenarios Framework

The Committee for Sydney welcomes the publication of the Climate Change Scenarios Framework as a companion document to the CC&NH SEPP. The approach and methodology are sound, and the structure of Section 2.5, including setting minimum requirements for climate change scenarios in planning decisions by development type, is the right way to operationalise scenario-based thinking in the planning system.

3.1 The SSP emissions scenarios in Section 2.5 are set too low

Our primary concern with the Climate Change Scenarios Framework relates to the Shared Socioeconomic Pathway (SSP) emissions scenarios specified in Section 2.5 for different development types. The Committee's view, informed by advice from climate modelling and building performance experts, is that the scenarios currently proposed are dangerously underestimated relative to the most likely future climate trajectory — and that designing built environment to those scenarios would expose people and investments to unacceptable risk.

The core technical problem is this: observed global emissions since 2005 have tracked almost exactly with RCP 8.5 projections, which maps to SSP5-8.5 scenarios. Despite international climate

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[1] https://coolsuburbs.au/

commitments, there has not yet been a sufficient global shift in emissions trajectory to justify planning the built environment around lower SSP scenarios. Designing buildings, infrastructure and urban precincts to SSP1 or SSP2 assumptions in a world that is tracking SSP5 is not a precautionary approach, it is an optimistic one, and the consequences of that optimism fall on the people who will live and work in those buildings for the next 50 to 100 years.

The cost argument reinforces this. The incremental cost of designing to a higher SSP scenario at the time of construction is substantially lower than the cost of retrofitting built environment that proves inadequate for actual climate conditions — and far lower than the cumulative health, productivity and welfare costs borne by people living with climate stresses transmitted through an under-designed built environment. The Burning Money research demonstrates this dynamic in the specific context of heat: the economic costs of inadequate heat design in Western Sydney alone are projected to exceed $6.8 billion per year by the 2070s. An equivalent analysis applied to inadequate climate scenario selection across all development types and all hazards would produce a much larger number.

Based on expert advice on Section 2.5, the SSP emissions scenarios specified for planning decisions should be updated as follows — identified local development: SSP3-7.0 (replacing the current lower scenario); major development (RSD, SSD, SSI): SSP5-8.5 (replacing the current lower scenario). These reflect the actual observed emissions trajectory and provide an appropriate basis for designing built environment that will remain fit for purpose across its design life.

We note that planning for a higher SSP scenario does not mean assuming that mitigation efforts will fail — it means ensuring that the built environment is resilient to the range of futures that remain plausible given current trajectories. This is standard engineering practice in other risk domains: structures are not designed for average conditions, but for the credible worst case within a planning horizon. The same logic should apply to climate scenario selection in the planning system.

> **Recommendation:** The department update Section 2.5 of the Climate Change Scenarios Framework to specify SSP3-7.0 as the minimum emissions scenario for identified local development, and SSP5-8.5 for major development (RSD, SSD, SSI), consistent with observed global emissions trajectories and the precautionary principle.
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> **Recommendation:** The department publish a clear technical rationale for SSP scenario selection in the framework, and commit to a regular review cycle — at least every five years — so that minimum scenarios remain aligned with the best available climate science and observed emissions data.

4. Tolerable risk framework

The Committee for Sydney supports the principle of a risk-based approach to natural hazard planning. Planning should not seek to eliminate all risk — that would make much of Sydney undevelopable — but it must ensure that risk is clearly understood, consistently assessed, and appropriately allocated between developers, governments, households and insurers.

However, we are concerned that the current framing of the tolerable risk framework is insufficiently clear about governance, accountability, and how risk thresholds are set.

4.1 Governance: who sets the thresholds and for whom?

The proposed tolerable risk guideline states that determining tolerable risk is a matter for 'planning authorities.' This formulation has significant implications that the EIE does not adequately address.

NSW has over 130 councils, each of which would be left to determine its own tolerable risk thresholds for flood, bushfire, coastal and other hazards. Without a state-level floor, the result will be a patchwork of inconsistent thresholds — and a predictable race to the lowest standard wherever development pressure is highest.

The problem is compounded at catchment and corridor scale. Natural hazards — above all flooding, but also bushfire and coastal risk — do not respect LGA boundaries. For developers and landowners, inconsistent thresholds across adjoining councils create a different but equally serious problem: unpredictability. A proponent acquiring a site today may not discover that their council applies a materially more stringent tolerable risk interpretation than the neighbouring council until well into the assessment process — at which point design, feasibility, and financing decisions have already been made on different assumptions. Standardised, publicly accessible thresholds applied consistently across a catchment would allow risk to be understood and priced at the site acquisition stage, reducing costly surprises late in the planning process. Clear upfront rules benefit developers, councils and communities alike.

There is also a deeper governance question the EIE leaves unanswered: who is responsible for setting tolerable risk thresholds for development that crosses or affects multiple LGAs? State significant development, regional precincts, and major infrastructure corridors all fall into this category. The EIE implies councils will determine thresholds, but the SEPP can override council decisions — and the Sydney Plan explicitly committed the state to establishing tolerable risk thresholds. The current guideline language is inconsistent with that commitment, and the gap between what the Sydney Plan promised and what the EIE delivers needs to be explained and closed.

Separately, the framework needs to address the relationship between tolerable risk determinations and strategic hazard planning. A tolerable risk threshold set for a single DA cannot substitute for a strategy-led assessment of whether an entire precinct or growth area is appropriate given projected hazard trajectories. The planning system needs both: site-level tolerable risk assessment, and catchment- or corridor-level strategic hazard planning that precedes and frames it. The EIE's treatment of tolerable risk focuses almost entirely on the former and is largely silent on the latter.

> **Recommendation:** The department specify, in the CC&NH SEPP itself rather than in non-binding guidance, which planning authority is responsible for establishing tolerable risk thresholds at each scale of decision-making — site, precinct, catchment, and state significant development — consistent with the commitments in the Sydney Plan. State-level minimum thresholds must be established for high-risk hazard types to provide a binding floor that cannot be undercut by individual councils.
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> **Recommendation:** The CC&NH SEPP include an explicit provision preventing consent authorities from applying a tolerable risk threshold materially lower than that adopted by neighbouring councils for the same hazard type in the same catchment or hazard zone, unless supported by independent technical justification. This is the tolerable risk equivalent of the cross-catchment flood planning obligation recommended in Section 4.1.
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> **Recommendation:** The department clarify how the tolerable risk framework interacts with strategic hazard planning at precinct and catchment scale — specifically, whether a Disaster Adaptation Plan or equivalent strategic instrument is intended to set the tolerable risk framework for a catchment, and if so, how that translates into binding obligations on consent authorities in the absence of a finalised DAP.

4.2 Alignment with insurance realities

One of the most significant gaps in the current framework is its failure to account for insurance. Planning decisions that approve development in areas considered 'tolerable risk' may nonetheless make those homes uninsurable or unaffordable to insure. Sydney is currently the second most expensive city in Australia for home insurance. Approximately 15% of Australians already cannot afford insurance (Actuaries Institute, 2025), with this figure projected to rise significantly.

A home that is approvable under a 'tolerable risk' planning framework but uninsurable in practice traps its owner in financial vulnerability — particularly in lower-income communities who are more likely to purchase in high-risk areas because of lower land values.

> **Recommendation:** The department engage formally with the insurance sector to align the tolerable risk framework with insurance risk modelling, and develop shared metrics for what constitutes an insurable level of risk. Planning circulars should flag insurance implications as a material consideration in development assessment for high-risk areas.

5. Flooding

The Committee for Sydney supports the proposals to consolidate flood planning clauses 5.21 and 5.22 into the CC&NH SEPP, and to shift toward a more dynamic, risk-based approach to flood assessment. We also strongly support the government's commitment to stop inappropriate development on dangerous floodplains.

5.1 A catchment-wide approach to flood risk governance

One of the most significant structural weaknesses in the current framework is that flood risk assessment and planning is governed at the LGA level, yet floodplains, river systems and catchments do not follow council boundaries. The Hawkesbury–Nepean Valley is the most acute example: a catchment covering more than 22,000 square kilometres and spanning at least eight local government areas, each with potentially different flood planning standards, mapping methodologies, and risk thresholds. But the same problem applies to the Georges River, the Parramatta River, Wianamatta South Creek, and every other major Sydney waterway that forms the spine of growth corridors where hundreds of thousands of new homes are planned.

This fragmentation creates direct inequity: a development on one side of an LGA boundary may face materially more rigorous flood assessment than an equivalent development metres away on the other side of the same floodplain. A household buying in one council area may be exposed to significantly higher flood risk than a neighbour in the next council area, with no ability to understand or compare those risks. And it makes coherent, cumulative flood risk management across a catchment structurally impossible — because no single authority has the mandate, or the data, to assess it.

The EIE's proposed approach relies primarily on Disaster Adaptation Plans (DAPs) as the vehicle for catchment-scale thinking, with the Hawkesbury–Nepean DAP currently under development by the NSW Reconstruction Authority cited as the model. The Committee strongly supports this work, noting that there is also no current plan or funding to prepare a DAP for metropolitan Sydney, let alone vast parts of NSW. However, DAPs are retrospective adaptation frameworks — they assess existing risk and identify adaptation responses. They are not ongoing planning governance mechanisms. A DAP cannot, by itself, require a consent authority to have regard to the flood standards of a neighbouring council when assessing a DA, or prevent a developer from exploiting the lowest available risk threshold across a shared floodplain. Only the SEPP can do that. The EIE does not currently make clear how the SEPP will interact with DAPs to create binding, catchment-wide planning obligations — and that gap needs to be closed.

We also note that the EIE is silent on which agency is responsible for ensuring consistency of flood planning standards across LGAs that share a catchment. In the absence of an explicit mandate, this will default to no one. The Department of Planning must take on an active coordination role — either directly, or by empowering the Reconstruction Authority to exercise planning coordination functions across catchment boundaries.

> **Recommendation:** The CC&NH SEPP explicitly assign responsibility for catchment-level flood planning coordination to a nominated State authority — either DPHI or the NSW

Reconstruction Authority — with a mandate to develop and maintain consistent flood planning standards and mapping methodologies across all LGAs sharing a major river catchment.

Recommendation: The CC&NH SEPP include a binding provision requiring consent authorities in shared catchments to have regard to flood assessments, risk thresholds, and floodplain management plans adopted by neighbouring councils within the same catchment, and to document the basis for any departure from those standards. This would prevent risk arbitrage across LGA boundaries and establish a practical floor for catchment-wide consistency prior to DAPs being finalised.

Recommendation: The NSW Government extend catchment-level Disaster Adaptation Plans to all major Sydney catchments — including the Georges River, Parramatta River, and Wianamatta South Creek — as a matter of priority, with interim cross-LGA flood planning standards to apply in each catchment pending DAP finalisation. The Hawkesbury–Nepean DAP should be completed and its standards given effect through the CC&NH SEPP before the instrument commences.

5.2 Flood mapping and digital infrastructure

Consistent, up-to-date and publicly accessible flood mapping is fundamental to the effective operation of the SEPP. We support the proposal to give effect to council-prepared flood prone land maps through the CC&NH SEPP, and recommend the department take an active role in supporting councils to produce, update and digitise these maps.

Recommendation: The department establish a central, publicly accessible digital portal for all flood-prone land mapping across NSW, standardising data from individual councils, with clear update obligations and state funding support for councils that lack capacity to maintain current mapping.

5.3 Living infrastructure as flood mitigation

The Nature Positive Sydney report documented that Victoria's parks network provides an estimated $46 million per year in flood protection benefits from avoided infrastructure costs. Melbourne Water research in the Port Phillip region found that living infrastructure that intercepts water and reduces flood damage is currently worth $339 million per year. At Daramu House in Barangaroo, the green roof reduced stormwater flows by 99% compared to its conventional sister building — not as a side effect, but as a designed outcome.

Planning for the Wianamatta South Creek corridor in Western Sydney considered the Probable Maximum Flood as a design principle, with the dual benefit of reducing flood risk and retaining water in the landscape to combat urban heat. This kind of systems thinking — where living infrastructure simultaneously addresses flooding, heat and liveability — should be the norm across the SEPP.

Infrastructure Australia has stated explicitly that blue and green infrastructure is not adequately valued for its contribution to reducing risk, and that natural assets can complement or offset the need for physical infrastructure investment. The CC&NH SEPP is an opportunity to mandate that this changes.

Recommendation: The CC&NH SEPP explicitly include a nature-based solutions policy and practice guideline that shows how nature-based solutions can be integrated into policy, programs and projects to reduce flood risk. This framework should consider the full lifecycle of nature-based solutions, including implementation risks, policy levers and cost-benefit analysis to support informed decision-making.

Recommendation: The CC&NH SEPP explicitly recognise living infrastructure — including intact floodplains, restored waterways, riparian planting, street trees and green roofs — as

> legitimate and valued flood risk mitigation infrastructure, and require that development and infrastructure business cases account for the flood protection value of nature-based solutions, consistent with the NSW Government's emerging VGIPS Framework.

6. Bushfire

6.1 Bushfire provisions and cultural burning

The Committee for Sydney supports the continuation of strong bushfire protections in the planning system and welcomes the consolidation of bushfire provisions into the CC&NH SEPP.

We also support the principle that bushfire risk is best addressed as early as possible in the planning process — at the rezoning and strategic planning stage.

We note that the proposed transfer of some bushfire determination functions to the Development Coordination Authority raises community safety concerns that will need to be carefully managed. Community safety outcomes must remain the primary benchmark for any changes to referral and determination processes, and the RFS should retain a meaningful role in assessing bushfire risk for sensitive and high-vulnerability uses.

We strongly support the proposal to establish a clear approval pathway for cultural burning as a form of land management and bushfire risk mitigation. Cultural burning has been practised for tens of thousands of years and is increasingly recognised as an effective hazard reduction tool. Streamlining its recognition in the planning system is both appropriate and overdue.

> **Recommendation:** Any changes to referral triggers for bushfire assessment include explicit safeguards to ensure community safety outcomes are not compromised in the interest of development speed, with transparent reporting on outcomes over time.
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> **Recommendation:** The cultural burning approval pathway be developed in genuine co-design with Local Aboriginal Land Councils and Aboriginal community knowledge-holders, with dedicated resourcing to support this process.

6.2 Living infrastructure, biodiversity and First Nations knowledge

Nature Positive Sydney emphasised that a truly nature-positive approach must go beyond tree-counting. The report argued for a shift from human-centred to Country-centred design, recognising that Aboriginal peoples have been caring for and managing the landscapes of the Sydney basin for tens of thousands of years, and that this knowledge is irreplaceable for understanding how natural systems function and how to restore them.

This has direct relevance to the CC&NH SEPP. The SEPP's proposed cultural burning approval pathway is a welcome step, but it should be understood as part of a much broader opportunity to integrate First Nations ecological knowledge into hazard planning. The Connecting with Country framework, the South Eveleigh Community Rooftop Garden — Australia's first Indigenous rooftop farm — and the Wianamatta South Creek precinct planning all demonstrate what is possible when First Nations knowledge is integrated into design and planning from the outset.

> **Recommendation:** The department commit, through the CC&NH SEPP implementation framework, to engaging First Nations knowledge-holders in the development of guidance on living infrastructure, biodiversity and hazard management — recognising that knowledge of Country is irreplaceable ecological and planning knowledge.

7. Rebuilding after natural disasters

The Committee for Sydney strongly supports the proposal to move clause 5.9 into the CC&NH SEPP and to require that rebuilding improve resilience to future hazards. Too often, current provisions simply facilitate reconstruction in the same form and in the same location, returning households to harm's way without any hazard mitigation benefit.

However, build back better is not always sufficient. There are circumstances where the appropriate response is not to rebuild at all, but to support planned retreat — particularly where climate modelling indicates that the frequency or severity of the relevant hazard is likely to increase, or where the land is likely to become uninsurable in the medium term.

> **Recommendation:** The CC&NH SEPP explicitly recognise planned retreat as a planning outcome of last resort, with criteria for when retreat should be assessed and a clear framework — including compensation mechanisms — to support affected landowners.
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> **Recommendation:** To support the CC&NH SEPP, develop a state level policy and guideline for planned and community led relocation, which identifies criteria and receiving areas for possible future relocation of residents of high-risk climate zones, and identifies financial mechanisms to transfer development out of high-risk zones
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> **Recommendation:** The department work with the NSW Reconstruction Authority and Treasury to develop a funding model for planned retreat that does not leave individual homeowners bearing the full cost of a decision that reflects systemic planning risk.

8. Data transparency and digital tools

The Committee for Sydney sees a significant opportunity for the CC&NH SEPP to catalyse development of a more sophisticated, transparent, and digitally enabled risk information ecosystem in NSW. The current landscape is fragmented: different hazard types are mapped by different agencies using different methodologies, at different scales, and with varying public accessibility.

There is an opportunity to leverage the centralisation of hazard provisions in a single SEPP to drive consolidation and standardisation of underlying risk data — including flood, bushfire, coastal, and heat risk — in a single, publicly accessible, machine-readable digital platform. This kind of tool, potentially enhanced by AI-assisted analysis, could serve developers conducting early-stage site assessment, planners assessing DAs, councils preparing strategic plans, and members of the public seeking to understand the risks associated with a property.

The Burning Money report highlighted the role of the NSW Government Climate Data Portal in supporting risk quantification. The WSROC Cool Suburbs Tool demonstrated that accessible, user-facing risk tools can shift practice at scale. There is no technical barrier to creating a whole-of-hazards version of this kind of platform — the data largely exists, it simply needs to be consolidated, standardised, and made accessible.

> **Recommendation:** The department establish a whole-of-hazards digital risk data platform, accessible to the public, consolidating flood, bushfire, coastal hazard, heat risk and tolerable risk mapping for all properties in NSW, updated in line with best available climate projections.
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> **Recommendation:** The CC&NH SEPP include a provision requiring that all hazard mapping referenced by the SEPP be available in a standardised, open digital format, to support integration with development assessment tools and third-party platforms including the insurance sector.
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> **Recommendation:** The department explore AI-assisted tools to support consistent risk assessment across the planning system, particularly for councils with limited technical resources, and to support early-stage risk flagging for the development sector.

9. Conclusion

The Committee for Sydney supports the direction and ambition of the proposed CC&NH SEPP. Consolidating climate and natural hazard provisions into a single instrument, elevating urban heat as a planning consideration for the first time, and shifting toward a risk-based approach to development assessment are all significant steps forward.

The economic evidence for urgent action is already clear. As our Burning Money research showed, the aggregate annual cost of heatwaves to Western Sydney alone will exceed $6.8 billion by the 2070s if current trends continue — and that is under a moderate emissions scenario, considering only three cost categories, and covering only one part of the city. The broader costs of climate inaction across flooding, coastal hazards, and bushfire are of comparable scale.

To fulfil its potential, the SEPP must be accompanied by enforceable provisions — not just guidelines — for high-risk development; a governance framework that ensures consistent application across LGAs; active state leadership on catchment-wide risk planning; serious engagement with the insurance sector; a commitment to nature-positive outcomes that treats living infrastructure as valued climate infrastructure rather than an optional amenity, consistent with the evidence set out in Nature Positive Sydney; and a commitment to digital transparency that puts risk information in the hands of planners, developers, and communities.

The Committee for Sydney looks forward to continuing to work with the department, councils and the broader community to develop practical guidance and tools that help deliver a more climate-resilient and liveable Sydney. We are pleased to discuss any aspect of this submission and to offer our networks and research capabilities in support of implementation.

Key References

Committee for Sydney and Scyne Advisory (2024). **Burning Money: The Rising Costs of Heatwaves to Western Sydney.** Committee for Sydney. Modelling uses IPCC RCP 4.5 climate projections and quantifies health costs, household cooling costs, and productivity losses to Western Sydney from increasing heatwaves to 2079.

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