

Planning circular

PLANNING SYSTEM

Hazards and remediation;

Circular	PS 21-031
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Related	Replaces PS 11-008

Planning and assessment guidelines for hazardous industry

The purpose of this circular is to inform councils and developers of their obligations under Chapter 3: Hazardous and offensive development of *State Environmental Planning Policy (Resilience and Hazards) 2021* to consider potential hazards when determining development applications. The circular also provides information about relevant planning and assessment guidelines.

Introduction

Chapter 3 of *State Environmental Planning Policy (Resilience and Hazards) 2021* contains a systematic approach for assessing development proposals for potentially hazardous and offensive industry or storage. The SEPP includes definitions of 'hazardous' and 'offensive', relating to risk, and sets out specific assessment requirements for such proposals.

By doing so, the SEPP overcomes the limitations of previous definitions of hazardous and offensive development (which were based on the particular type of industry), and ensures that locational, design and safety management considerations are an integral part of the assessment process.

The SEPP ensures that only proposals can proceed if they are suitably located and able to demonstrate they can be built and operated without posing a significant offsite risk.

The SEPP was previously known as *State Environmental Planning Policy No 33 – Hazardous and Offensive development*.

Guidelines

The Hazardous and Offensive Development Application Guidelines '*Applying SEPP 33*' is a guideline for consent authorities, industry, consultants and government agencies dealing with applications for development affected by the policy. It provides an approach to the identification of developments which must be assessed under the SEPP, and explains the assessment requirements of the policy. The guidelines

cover both hazardous and offensive development, including potentially hazardous industry and potentially offensive industry.

The assessment process

The Department has developed an integrated assessment process for development proposals that are potentially hazardous. The process typically requires:

- a preliminary hazard analysis to support the development application by demonstrating that risk levels do not preclude approval;
- a hazard and operability study, fire safety study, and an updated hazard analysis undertaken during the design phase of the project;
- a safety study to ensure facility safety for the construction and commissioning phases, particularly when the project interacts with existing operations;
- implementing a safety management system and emergency plan during ongoing operations; and
- regular independent hazard audits to verify the integrity of the safety systems and that the facility is being operated in line with its hazards-related conditions of consent.

This process is supported by a number of application guidelines, as noted in the following section.

For development proposals identified as 'potentially hazardous industry' the policy requires applicants to prepare a preliminary hazard analysis (PHA) to

¹ Revised 10 August 2023 to include updated references to consolidated State Environmental Planning Policies.

estimate the risk to people, property and the environment at the proposed location. This must be taken into account by the consent authority. Should such risk exceed nominated acceptability criteria, the development is classified as ‘hazardous industry’, which would not be permissible within most industrial zones in NSW.

Other relevant guidelines

In determining a development application to which Chapter 3 of the SEPP applies, sections 3.7 and 3.10 of the SEPP require a consent authority to consider (among other things) current circulars or guidelines published by the Department relating to hazardous or offensive development.

The relevant guidelines are:

- Hazardous and Offensive Development Application Guidelines: Applying SEPP 33 (January 2011)
- Hazardous and Offensive Development Application Guidelines: Guideline Summary (January 2011)
- Assessment Guideline: Multi-level Risk Assessment (May 2011)
- HIPAP No. 1 – Emergency Planning
- HIPAP No. 2 – Fire Safety Study Guidelines
- HIPAP No. 3 – Risk Assessment
- HIPAP No. 4 – Risk Criteria for Land Use Planning
- HIPAP No. 5 – Hazard Audit Guidelines
- HIPAP No. 6 – Hazard Analysis
- HIPAP No. 7 – Construction Safety Studies
- HIPAP No. 8 – HAZOP Guidelines
- HIPAP No. 9 – Safety Management
- HIPAP No. 10 – Land Use Safety Planning
- HIPAP No. 11 – Route Selection
- HIPAP No. 12 – Hazards-Related Conditions of Consent

Further information

Copies of the guidelines are available on the Department’s website under Policy and Legislation > Hazards at

<http://www.planning.nsw.gov.au>

For further information please contact Service NSW on 13 77 88.

Department of Planning and Environment circulars are available at:

<https://www.planning.nsw.gov.au/policy-and-legislation/planning-system-circulars/>

Authorised by:

Marcus Ray

Group Deputy Secretary Planning and Assessment

Department of Planning and Environment

Important note: This circular does not constitute legal advice. Users are advised to seek professional advice and refer to the relevant legislation, as necessary, before taking action in relation to any matters covered by this circular.

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