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 Planning Director  
 Office of the Independent Planning Commission NSW  
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 SYDNEY NSW 2000

24 September 2024

**Response to request for information regarding Sancrox Quarry Expansion Project (SSD-7293)**

Dear Mr Barry

I refer to your request seeking a response to a further question raised by the Independent Planning Commission (Commission) regarding the Department’s whole-of-government assessment of the impacts of the Sancrox Quarry Expansion Project (SSD-7293; the project) on Koala habitat. The Department’s response to the Commission’s question is set out below.

**Question:** In relation to the seven recommendations set out by BCS in its advice to the Department dated 17 July 2024, how has the Department, in reaching its recommendation that the Application be approved subject to conditions, resolved the matters identified by BCS in its letter?

The Department’s response to each of the points raised by BCS is presented in Table 1.

**Table 1 – Department’s response to each of the points raised in BCS advice dated 17 July 2024**

| Recommendation   | Department’s response   |
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| 1. The quarry expansion footprint be substantially reduced to further avoid impacts of the proposal on high quality koala habitat. | BCS has proposed that the Project should be substantially reduced to only impact areas of degraded vegetation with limited or no Koala food trees. In practical terms, this would equate to a negligible amount of clearing.<br><br>The Department acknowledges that the project’s ability to avoid impacts to biodiversity is restricted by the location of the resource and existing operation, rendering complete avoidance impractical. The Department considers that Hanson has adequately demonstrated avoidance of impacts to Koalas and habitat for other threatened species through a reduction in the project disturbance footprint which has: <ul style="list-style-type: none"> <li>• optimised the use of the disturbance footprint associated with the existing quarry;</li> <li>• substantially reduced the proposed quantum of native vegetation clearing;</li> </ul> |

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|  | <ul style="list-style-type: none"> <li>• avoided the removal of vegetation within threatened ecological communities; and</li> <li>• allowed for the retention of a north-south vegetated link and Koala habitat movement corridor across the site.</li> </ul> <p>In response to BCS' concerns, Hanson has modified the project disturbance footprint to reduce clearing of native vegetation by approximately 13.21 ha, when compared with the originally proposed project.</p> <p>The Department acknowledges that retention of unimpacted Koala habitat is important for the local Koala population. However, the Department considers that the proportion of habitat that would be impacted is small compared to the extent of available habitat within the locality.</p>   |
| <p>2. Section 5.1 of the BAR be revised to remove mitigation measures from the reporting of impact avoidance.</p>  | <p>The Department considers that the removal of mitigation measures from the reporting of impact avoidance in Section 5.1 of the BAR is unnecessary. Such a revision to the BAR would not alter the project's assessment outcomes and the Department's consideration of impact avoidance, as summarised above in the response to Recommendation 1 and outlined in further detail in Section 6.1.3 of the Department's Assessment Report.</p>   |
| <p>3. The BAR be revised to include koala habitat performance and completion criteria in consultation with, and to the satisfaction of, BCS for:</p> <ol style="list-style-type: none"> <li>a. the success of the revegetation, including specific and ecologically justified</li> </ol> | <p>The Department considers that a revision to the BAR to address this recommendation is unnecessary. It can be addressed by the recommended conditions of consent.</p> <p>Condition B52 of Schedule 3 requires the preparation of a Biodiversity and Rehabilitation Management Plan (BRMP), which must include '<i>...(f)(ii) detailed performance and completion criteria, including benchmarks to be achieved prior to the commencement of clearing within the areas of significant Koala activity identified in Appendix 9 or outside of the Stage 1 Limit of Extraction (as shown on Figure 1 in Appendix 2).</i>'</p> <p>The BRMP must be prepared in consultation with BCS and Council.</p> <p>The Applicant must also not commence construction or quarrying operations until the BRMP is approved by the Planning Secretary.</p> <p>Accordingly, BCS will have a further opportunity to review the benchmarks to be achieved prior to the commencement of clearing within</p> |

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| <p>benchmarks, and<br/>b. koala use of the revegetated area.</p>  | <p>the areas of significant Koala activity and outside of the Stage 1 Limit of Extraction.</p>  |
| <p>4. The Draft Conditions be amended to require evidence of both the success of the revegetation and koala use of the revegetated area, to the satisfaction of BCS, before clearing beyond the Stage 1 Limit of Extraction can commence.</p> | <p>The draft conditions require that the Applicant must not commence vegetation clearing within the areas of significant Koala activity, or clear more than 12 hectares of vegetation on the site, until the cleared areas of the site are revegetated in accordance with the performance and completion criteria established in the BRMP.</p> <p>As outlined above, the BRMP (including the koala habitat performance and completion criteria) must be prepared in consultation with BCS and to the satisfaction of the Planning Secretary, prior to the commencement of vegetation clearing.</p> <p>Including a requirement for the actions to be achieved ‘to the satisfaction of BCS’ would effectively give BCS the ability to veto any clearing beyond the Stage 1 Limit of Extraction. The Department does not recommend including conditions that require actions to be achieved to the satisfaction of other agencies (such as BCS). Such agencies would not hold responsibility for the regulation of the consent.</p> <p>Should the Commission wish to modify the conditions, the Department recommends that Condition B44 is amended to include ‘<i>to the satisfaction of the Planning Secretary</i>’.</p> |
| <p>5. The koala mitigation measures in section 5.5.4 of the BAR be revised to accurately reflect the likely area of land to be revegetated with high use koala food trees.</p>  | <p>The Department considers that a revision to the BAR to address this recommendation is unnecessary. It can be addressed by the recommended conditions of consent.</p> <p>Condition B44 of Schedule 3 requires that ‘<i>the Applicant must not commence vegetation clearing within the areas of significant Koala activity identified in Appendix 9, or clear more than 12 hectares of vegetation on the site, until the cleared areas of the site identified in Appendix 8 are revegetated in accordance with the performance and completion criteria established in the Biodiversity and Rehabilitation Management Plan</i>’.</p>  |

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|  | Accordingly, the likely area of land to be revegetated with high use Koala food trees can be documented in the BRMP.  |
| <p>6. To accord with the mitigation measures in section 5.5.4 of the BAR the proponent is to either provide a further 8.2ha of cleared land adjoining the site suitable for being revegetated as koala habitat or reduce the expansion footprint by 9.6ha.</p> | <p>The Department considers that a revision to the BAR to address this recommendation is unnecessary.</p> <p>The Department notes that Section 9.1. of the Framework for Biodiversity Assessment (FBA) establishes impact thresholds under which the assessment and offsetting of unavoidable impacts is considered. The highest impact threshold (threshold 1) relates to impacts that are considered ‘complicated or severe’. This includes impacts that would cause the extinction of the species from an IBRA<sup>1</sup> subregion, or impacts that would significantly reduce the viability of the species or a species population.</p> <p>For projects that would have threshold 1 impacts, the FBA requires the consent authority to consider whether to refuse the project, require modifications to the project to reduce the severity of the impact, or to require supplementary measures with respect to that impact. For unavoidable impacts that do not meet the threshold 1 criteria, the FBA requires offsets to be determined.</p> <p>As outlined in our Assessment Report, the Department considers that the project would not significantly reduce the viability of the local Koala population and the project’s impacts are therefore not consistent with the threshold 1 impact criteria under the FBA. The Department considers that the project’s impacts on the Koala have been appropriately assessed under the lesser threshold 2 impact criteria. As such, the FBA provides that the impacts of the project must be offset and the consent authority is not required to consider refusal or modification of the project or the implementation of supplementary measures with respect to the impact.</p> <p>Despite this, consistent with the requirements for threshold 1 impacts, Hanson has modified the project to reduce the severity of impacts by reducing the proposed disturbance area and committing to additional supplementary measures, including the revegetation of existing cleared areas, to mitigate the project’s impacts.</p> |

<sup>1</sup> Interim Biodiversity Regionalisation for Australia (IBRA) represents a landscape-based approach to classifying the land surface of Australia.

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|  | <p>The Department acknowledges that, given the concerns raised by BCS, there may be some uncertainty regarding the methodology and ultimate outcomes that will be achieved through the implementation of these supplementary mitigation measures. However, it is noted that these measures represent commitments to improve the quality and quantity of Koala habitat on the site that are in addition to the offsetting measures required under the FBA. As such even if the effectiveness of these measures has been overestimated, the Department is satisfied that they would provide for suitable additional mitigation for the project’s impacts on Koala habitat.</p>   |
| <p>7. If significant koala activity mapping is proposed to be used to determine the stage 1 limit of extraction in the consent conditions, then the significant koala activity mapping is to be revised using a methodology developed in consultation with, and to the satisfaction of, BCS.</p> | <p>The Department acknowledges that Hanson’s commitment to not undertake vegetation clearing within areas of significant koala activity until revegetation of the existing cleared areas has been completed represents a mitigation measure that is additional to the offsetting requirements for impacts to Koalas set out under the FBA.</p> <p>The Department has proposed the use of the 2023 koala habitat mapping undertaken by Biolink, which supersedes the koala activity mapping undertaken in 2020, to provide certainty and finality over the Stage 1 limit of extraction for the project. Establishing consent conditions that are certain and final is one of the key guiding principles for the Department when assessing State significant developments.</p> <p>The Department does not recommend amending the consent conditions in response to this comment. However, if IPC wishes to amend the conditions, the Department recommends that any revised conditions require the significant koala activity mapping to be undertaken prior to commencement of clearing and to the satisfaction of the Planning Secretary. The Department considers that the methodology for significant koala activity mapping can be documented in the Biodiversity and Rehabilitation Management Plan, which must be prepared in consultation with BCS, and to the satisfaction of the Planning Secretary.</p> |

**Conclusion**

Thank you for the opportunity to provide this additional information to support the Commission’s deliberations regarding the project.

If you wish to discuss the matter further, please contact me on (02) 8275 1374 or [jessie.evans@dpi.nsw.gov.au](mailto:jessie.evans@dpi.nsw.gov.au).

Yours sincerely

A handwritten signature in black ink that reads "J Evans". The signature is written in a cursive, flowing style.

Jessie Evans  
Director  
Energy and Resource Assessments