Planning and Assessment Guidelines for Hazardous Industry

The purpose of this circular is to remind councils and developers of their obligations under State Environmental Planning Policy No.33 to consider potential hazards when determining development applications. The circular also provides information about new and updated planning and assessment guidelines relevant to the policy.

Introduction

State Environmental Planning Policy No. 33: Hazardous and Offensive Development (SEPP 33) is a systematic approach for assessing development proposals for potentially hazardous and offensive industry or storage. SEPP 33 introduces performance-based definitions of ‘hazardous’ and ‘offensive’ and sets out specific assessment requirements for such proposals.

By providing for merit-based assessment SEPP 33 overcomes the limitations of previous definitions of hazardous and offensive development — in which a use was considered hazardous or offensive on the basis of the particular type of industry it represented. This approach ensures that locational, design and safety management considerations are an integral part of the assessment process.

SEPP 33 ensures that only proposals which are suitably located, and able to demonstrate they can be built and operated without posing a significant off-site risk, can proceed.

The Department has previously published several guidelines to assist developers and consent authorities to understand and fulfil their obligations under SEPP 33. These have now been substantially revised and additional guidelines have been added to the range.

Guidelines

Following initial gazettal of SEPP 33 in 1992, the Department issued Applying SEPP 33, a guideline for councils and other consent authorities, industry, consultants and other 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 SEPP 33, and explains the assessment requirements of the policy. The guideline covers both hazardous and offensive development.

For development proposals categorised as ‘potentially hazardous industry’ the policy requires applicants to prepare a preliminary hazard analysis (PHA) to 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.

Following a detailed review of the policy’s implementation this guideline has been revised to respond to issues and suggestions made by stakeholders.

The assessment process

The Department has developed an integrated assessment process for development proposals, which 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, emergency plan and an updated hazard analysis undertaken during the design phase of the project
- a construction safety study to ensure facility safety during construction and commissioning, particularly when there is interaction with existing operations
• implementation of a safety management system to give safety assurance during ongoing operation and
• regular independent hazard audits to verify the integrity of the safety systems and that the facility is being operated in accordance with its hazards-related conditions of consent.

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

Other relevant guidelines

In determining a development application to which SEPP 33 applies, Clause 13 of SEPP 33 requires a consent authority to consider (among other things) current circulars or guidelines published by the Department of Planning relating to hazardous or offensive development.

The relevant guideline titles are:

Applying SEPP 33: Hazardous and Offensive Development Application Guidelines

- Multi-level Risk Assessment
- 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

A copy of State Environmental Planning Policy (SEPP) No. 33 is available on the NSW legislation website at http://www.legislation.nsw.gov.au

Copies of the guidelines are available on the Department of Planning website at http://www.planning.nsw.gov.au under Strategic Planning → Major Hazards

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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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