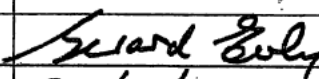


2010 PM'S AWARDS FOR EXCELLENCE IN PUBLIC SECTOR MANAGEMENT

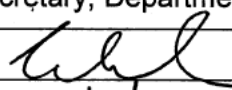
Team Members Names and Positions

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|------------------|---|
| MEMBER 1 | Carolyn Cameron, Assistant Secretary, Strategic Approvals and Legislation Branch, DEWHA |
| MEMBER 2 | s47F Director, Strategic Approvals East, DEWHA (approvals phase) |
| MEMBER 3 | s47F Director, Strategic Approvals East, DEWHA (assessment phase) |
| MEMBER 4 | s47F Assistant Director, Strategic Approvals East, DEWHA |
| MEMBER 5 | s47F Project Team, Strategic Approvals East, DEWHA |
| MEMBER 6 | s47F Project Team, Strategic Approvals East, DEWHA |
| MEMBER 7 | s47F Project Team, Strategic Approvals East, DEWHA |
| MEMBER 8 | s47F Project Team, Strategic Approvals East, DEWHA |
| MEMBER 9 | s47F Victorian Department of Sustainability and the Environment |
| MEMBER 10 | s47F Victorian Department of Sustainability and the Environment |
| MEMBER 11 | s47F Victorian Department of Sustainability and the Environment |
| MEMBER 12 | s47F Victorian Department of Planning and Community Development |

Secretary/CEO Endorsement

| | |
|------------------|---|
| NAME | Gerard Early |
| POSITION | Acting Secretary |
| SIGNATURE |  |
| DATE | 30/8/10 |

Secretary/CEO Endorsement

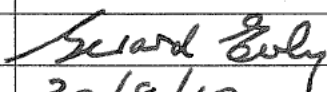
| | |
|------------------|---|
| NAME | Greg Wilson |
| POSITION | Secretary, Department of Sustainability and Environment |
| SIGNATURE |  |
| DATE | 31/8/10 |

2010 PM'S AWARDS FOR EXCELLENCE IN PUBLIC SECTOR MANAGEMENT

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| MEMBER 9 | s47F Victorian Department of Sustainability and the Environment |
| MEMBER 10 | s47F, Victorian Department of Sustainability and the Environment |
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| NAME | Gerard Early |
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**PRIME MINISTER'S AWARDS FOR
EXCELLENCE IN PUBLIC SECTOR
MANAGEMENT**

NOMINATION COVERSHEET

2010

Project/Initiative Title

Melbourne Urban Growth Strategic Environmental Impact Assessment

Organisation Contact Details

| | |
|------------------------------|---|
| ORGANISATION NAME | Department of the Environment, Water, Heritage and the Arts (DEWHA) |
| POSTAL ADDRESS | PO Box 787 CANBERRA ACT 2601 |
| WEB SITE | www.environment.gov.au |
| CONTACT OFFICER NAME | Carolyn Cameron |
| CONTACT OFFICER PHONE | s47F |
| CONTACT OFFICER FAX | 02 6274 2875 |
| CONTACT OFFICER EMAIL | s47F |

The contact officer will be responsible for responding to any queries raised by the Assessor Panel or the Awards Selection Committee about the nomination.

Organisation Characteristics

| | |
|--|--|
| MISSION | Protecting and enhancing Australia's environment, heritage and culture |
| NUMBER OF EMPLOYEES (Full time equivalents) | 3339 employees: 2731 full time, 608 part time |
| OPERATING BUDGET (\$ Million) | \$2.032 billion |
| NUMBER OF SITES 1 site 2-5 sites 6-20 sites >20 sites | >20 sites Australia-wide |

Identified Client Groups

| CLIENT GROUP | INTERNAL/EXTERNAL |
|---|---------------------------------|
| <p><i>Commonwealth Government departments:</i></p> <p>Environment, Water, Heritage and the Arts</p> <p>Prime Minister and Cabinet</p> <p>Agriculture, Fisheries and Forestry</p> <p>Climate Change and Energy Efficiency</p> <p>Families, Housing, Community Services and Indigenous Affairs</p> <p>Infrastructure, Transport, Regional Development and Local Government</p> | <p>Internal</p> <p>External</p> |
| <p><i>Victorian Government:</i></p> <p>Department of Sustainability and Environment</p> <p>Growth Areas Authority</p> <p>Department of Planning and Community Development</p> | <p>External</p> |
| <p><i>Local Governments:</i></p> <p>Various within program delivery area</p> | <p>External</p> |
| <p><i>Non-government organisations and business:</i></p> <p>Victorian National Parks Association</p> <p>Environment Victoria</p> <p>Environmental Defender's Officer</p> <p>Merri Creek Management Committee</p> <p>Darebin Management Committee</p> <p>Cardinia Environment Coalition</p> <p>Trust for Nature</p> <p>Urban Development Institute of Australia</p> <p>Royal Melbourne Institute of Technology</p> <p>Developers</p> | <p>External</p> |
| <p><i>General public:</i></p> <p>Affected landowners</p> <p>Melbourne residents</p> <p>Other interested parties</p> | <p>External</p> |

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2010 PM'S AWARDS FOR EXCELLENCE IN PUBLIC SECTOR MANAGEMENT

**PRIME MINISTER'S AWARDS FOR
EXCELLENCE IN PUBLIC SECTOR
MANAGEMENT**

**MELBOURNE URBAN GROWTH
STRATEGIC ENVIRONMENTAL IMPACT
ASSESSMENT**

2010

OUTCOME STATEMENT

On 4 February 2010, the Commonwealth Minister for the Environment, Heritage and the Arts, the Hon Peter Garrett AM MP, the Victorian Minister for the Environment, Climate Change and Innovation, the Hon Gavin Jennings MLC and the Victorian Minister for Planning, the Hon Justin Madden MLC, announced the completion and endorsement of the first national strategic assessment under the Commonwealth Government's premier environment legislation, the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). The strategic assessment was of the Victorian Government's program to accommodate Melbourne's growing population over the next 20 years.

This is a groundbreaking new approach to Australian environmental impact assessment, particularly in relation to urban development, which points the way to more collaborative, streamlined and certain methodologies in the future. The approach has been supported by COAG through both its Business Regulation and Competition Working Group and its Infrastructure Working Group as a means of streamlining Commonwealth and state processes and reducing the regulatory burden on development interests while achieving ecological sustainability.

While strategic environmental assessment is an evolving field worldwide, Australia's strategic assessment under the EPBC Act is leading edge. Unlike almost all other forms of strategic assessment, it allows for individual future developments to proceed without further assessment if they are consistent with the approved strategic assessment. This provides considerable scope for dealing with environmental issues in a more holistic and proactive way, thus achieving clear biodiversity outcomes while cutting 'red tape' and reducing uncertainty and development timelines.

The endorsed strategic assessment provides for the Victorian Government's program to guide the urban expansion of Melbourne over the next 20 years, without further approvals required from the Commonwealth, delivering over 284,000 new homes in four new growth areas in outer Melbourne, as well as a major new regional rail link and outer metropolitan ring transport corridor. The program will create a 15,000 hectare reserve for the protection of critically endangered grasslands, another 1,200 hectares of grassy woodland reserves, with other matters protected through the application of prescriptions that specify how nationally listed threatened species will be conserved in new urban developments.

This strategic assessment will bring enormous economic, social and environmental benefits to Victoria and Australia. It has increased certainty for governments, industry groups and non-government organisations. Access Economics has estimated the net present value of its economic benefit to the economy over the next 20 years at \$209.3 million.

In addition to these positive impacts for Victoria, the successful Melbourne strategic assessment has been an important precedent in demonstrating the utility of strategic assessments more generally. Having a highly successful and timely outcome for the Melbourne program has been fundamental in getting industry, the conservation movement, other jurisdictions and the general community to understand the potential benefits associated with a strategic approach. The Commonwealth Government is now engaged in strategic assessments with every state and territory government, except the Northern Territory.

PROJECT DESCRIPTION

The Melbourne Strategic Assessment streamlines environmental decision making to facilitate land release for affordable housing and achieve landscape-scale biodiversity outcomes.

APPROACH (THINKING AND PLANNING)

Criterion 1: Demonstrated commitment to and achievement of improved client satisfaction.

The Melbourne Strategic Assessment demonstrates a commitment to improved client satisfaction through removing the requirement for potentially thousands of individual landowners to obtain federal environmental approval for developing their land whilst also achieving substantial environmental benefits.

The *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) defines the role of the Australian Government in protecting the environment. It identifies and lists 'matters of national environmental significance' which the Australian Government has responsibility to protect. New developments that are likely to have a significant impact on a matter of national environmental significance must be assessed and approved by the Minister for the Environment before they can proceed. This is in addition to any state and local government requirements for approvals.

A review by the Australian National Audit Office (*Referrals, Assessments and Approvals under the EPBC Act, 2002/2003*) found that the requirements of the EPBC Act were not well understood, including by the regulated community (landholders, developers and other industry sectors). The EPBC Act is often triggered very late in state planning and approval regimes resulting in uncertainty and delays. Individual project assessments under the EPBC Act cannot consider cumulative impacts from many similar developments, and may only deliver *ad hoc* conservation outcomes that do not contribute to landscape conservation objectives. From a developers perspective, the EPBC Act may be seen as another layer of 'red tape'. A further review by the ANAO (*The Conservation and Protection of National Threatened Species and Ecological Communities, 2006/2007*) found that these views persisted.

In 2006 the Council of Australian Governments (COAG) sought to reduce the regulatory burden across all three levels of government by agreeing to measures to ensure best-practice regulation and to address regulatory 'hotspots' where cross jurisdictional overlap was impeding economic activity (COAG 2006). COAG considered that streamlining environmental assessment and approvals processes could reduce regulatory burden and increase economic efficiencies within governments. In 2007, amendments to the EPBC Act improved the department's capacity to work with the states and territories on strategic assessment approaches and approvals.

In October 2009 the Australian Government commissioned a review of the performance of the EPBC Act, including in promoting the sustainability of Australia's economic development and simplifying the regulatory burden. The report by Dr Allan Hawke (*Report of the Independent Review of the Environment Protection and Biodiversity Conservation Act 1999*, DEWHA, 2009 (The Hawke Review)) recommended a greater focus on strategic, regional and landscape approaches in administering the legislation. The review found that stakeholders derived great uncertainty from decisions made under the EPBC Act and that a streamlined, landscape-scale approach to environmental assessments and decision making could deliver better outcomes for all stakeholders, as well as better protecting the matters of national environmental significance. The review found that the department's mission of protecting the environment, while taking into consideration social and economic considerations, could be achieved through this process.

Strategic assessments seek to harmonise federal and state and territory environment assessment processes and reduce the administrative burden for governments and the regulated community. Strategic assessments also seek to deliver certainty to stakeholders including land owners, developer interests, community groups and non government organisations by delivering upfront clarity about future land use.

In submissions to the Hawke Review, industry stakeholders stated that increased use of strategic assessments could:

- increase confidence in State/Territory and Local Government land use planning, including better management of environmental constraints and maximising development potential of land
- 'bring forward' the EPBC Act assessment with associated time and cost benefits by reducing delays and uncertainty caused by 'last minute' project-by-project assessments
- reduce piecemeal assessments, and improve cumulative impact assessments
- allow for improved integration of State/Territory planning with Commonwealth assessments, and
- reduce the potential for major project delays.

In December 2008, the Australian and Victorian Governments entered into discussions to undertake a strategic assessment of the expansion of Melbourne's urban growth boundary and associated transport infrastructure. By engaging with the Victorian Government early in the planning process all the stakeholder's needs could be taken into account in urban planning and decision making processes.

| |
|---|
| Criterion 2: Demonstrated high standard of planning and governance arrangements. |
|---|

The Melbourne Strategic Assessment demonstrates a high standard of planning and governance arrangements through formalised project groups and committees and continuous communication between partners and key stakeholder groups.

An agreement to formalise the strategic assessment was signed in June 2009 by the Minister for the Environment, Heritage and the Arts, the Hon Peter Garrett AM MP, the Victorian Minister for Planning, Justin Madden MLA, and the Victorian Minister for Environment and Climate Change, Gavin Jennings MLC. The agreement sets out the terms of reference for the strategic assessment and the responsibilities of the Commonwealth and State governments in progressing the assessment and in delivering outcomes.

A key deliverable was to be the Victorian Government's preparation of a comprehensive strategic assessment of the impacts of the program for Melbourne's expansion on the matters of national environmental significance protected by the Australian Government, and a schedule of undertakings and commitments to avoid, mitigate or offset impacts.

An inter-agency project group was established between the department and the Victorian Departments of Sustainability and Environment (DSE), Planning and Community Development (DPCD) and the state Growth Areas Authority (GAA) to undertake day-to-day tasks pursuant to the strategic assessment agreement. A senior steering committee was implemented between the Australian and Victorian Governments to oversee the project and provide high-level guidance.

An Australian Government inter-departmental committee (IDC) was also established to ensure a whole of government approach given the economic size of the program and intersecting interests. The IDC was used to provide input and advice into the scope of the project. In parallel the Victorian Government process was overseen by a high level IDC which reported to the Victorian Cabinet.

Project planning used an outcome-based approach. Identified key milestones and deliverables were:

- Signed Ministerial strategic impact assessment agreement.
- Completion of project assessment reports for public exhibition.
- Finalisation of assessment reports incorporating public comment.
- Finalisation of the program for submission to the Minister for endorsement under the EPBC Act.

- Approvals from the Australian Government to allow developments to proceed.
- Ongoing monitoring and implementation of deliverables under the program.

Criterion 3: Demonstrated high standard of leadership, and change management arrangements.

The Melbourne urban growth strategic assessment under the EPBC Act is the first of its type and was designed to break new ground in inter-governmental planning and cooperation for regulatory environmental processes. Senior management within the department provided highest level support, both internally and externally, to promote the benefits of the strategic assessment approach. Staff from the department and the Victorian Department of Sustainability and the Environment (DSE) met face to face fortnightly during critical periods. The organisations sought to build trust, and an honest and genuinely equal partnership, to ensure delivery of a successful program that had not previously been tried in Australia at this scale.

The inter-agency project group planned to conduct weekly teleconferences to update progress as well as attend face-to-face meetings. Discussions were to be 'frank and fearless' with any process or policy ideas from either side to be treated with respect. It was this group's responsibility to ensure high quality outputs were delivered in a timely manner.

The senior steering committee met at frequencies dictated by the key program milestones. Any landmark policy decisions needing to be made on the development of the program were referred from the project team to the senior steering committee for resolution. DEWHA and DSE routinely briefed their executives so they were in a position to provide high level intervention if needed.

At the initial meeting of this executive steering committee the deputy secretary set high level outcomes to be achieved from implementing the program. These outcomes became the underlying targets for the assessment and were repeated by the project manager to the project team, interagency working group, IDC and environmental non government organisations (NGO's). The clearly stated and understood goals of the project were to:

- avoid, where possible, impacts on matters of nation environmental significance
- provide effective down stream processes to mitigate environmental impacts
- establish measures to protect critically endangered ecological communities, and
- deliver an integrated approach to biodiversity protection.

The department's mission is to 'protect and enhance Australia's environment, heritage and culture' (*DEWHA Annual Report 2008-2009*). The bar was set high for environmental outcomes to be achieved under the program; they were to exceed the 'business as usual' scenario. This required thinking outside of the square from traditional environmental impact assessment approaches. In particular, the department sought landscape or ecosystem benefits for the environment to ensure a certain and enduring conservation legacy.

Criterion 4: Demonstrated innovative approaches to develop and/or deliver products and services.

The program to expand Melbourne's urban growth boundary is the Victorian Government's response to anticipated growth in the city's population of another 1.8 million people in the next 30 years, to bring the total population for the city past five million. To help accommodate this growth and provide affordable housing, the Victorian Government is planning that 600,000 new dwellings will be constructed in metropolitan Melbourne over the next 20 years, with 316,000 dwellings in the established areas and 284,000 dwellings in Melbourne's new growth areas.

The strategic assessment approach is innovative and sets new policy directions under the EPBC Act. COAG and the broader developer community sought massive red tape reduction

in order to increase clarity and consistency of decisions while saving costs and time. Through the typical project by project assessment there was no scope to do so, and no existing policy tools or institutional processes were available to deliver these benefits.

The Hawke Review (2009) found that strategic assessments avoid pitfalls of project-by-project approvals, deliver up-front planning certainty, cut red tape, and avoid the need for duplicative Commonwealth/State approvals. The Hawke Review recommended that:

‘The Australian Government expands the role of strategic assessments and bioregional plans so that they are used more often, and strengthen the process for creating these plans and undertaking these assessments, so they are more substantial and robust’ (Recommendation 6.2).

This project was to consider where the matters of national environmental significance exist in the landscape and how impacts of development activities could be avoided, mitigated or offset. A combination of new and revised existing policy would need to come together to formulate a program describing rules of environmental decision making which delivered robust environmental outcomes and certainty in land use planning. In an historic first, officers from the Commonwealth were actively involved with Victorian officials in shaping the program, rather than the department’s usual reactive role in response to a fully formulated proposal.

In preparing the assessment reports, the Victorian Government commissioned four environmental consultants to report on geographic areas and environmental themes in the Melbourne region. In addition, geospatial researchers from the Royal Melbourne Institute of Technology were contracted to provide best practice advice on conservation reserve design.

Staff had to establish efficient government processes, such as assessment templates and ministerial briefing styles that could be replicated in other strategic assessments. Staff had freedom to conduct research and explore innovative ideas to deliver these outcomes. The department used independent experts to advise on best practice to ensure that the project and program were thorough, comprehensive and efficient.

DEPLOYMENT (IMPLEMENTING AND DOING)

Criterion 1: Demonstrated commitment to and achievement of improved client satisfaction.

Although strategic assessment approval provisions were included into the EPBC Act in 2007, no project had ever been completed to the endorsement and approval phases. When senior executives decided to conduct a strategic assessment of Melbourne's urban growth they not only wanted to test the process, but provide more certain and comprehensive outcomes to increase client satisfaction with environmental assessments.

A formal agreement between the Commonwealth and Victorian Governments to undertake a strategic assessment established the statutory steps to deliver the project. Early engagement in the planning process and the close working collaborative relationship between the governments throughout the assessment ensured both party's needs were met.

A key process requirement was the Victorian Government's preparation of a comprehensive strategic assessment of the impacts of the urban growth program on matters of national environmental significance, and a schedule of commitments to avoid, mitigate or offset impacts. The deliverable reports (*Delivering Melbourne's Newest Sustainable Communities – Strategic Impact Assessment Report* and draft *Program Report*) were released for public comment in July 2009. Both the department and the Victorian Department of Sustainability and Environment undertook public consultations during this period to ensure key stakeholders had the opportunity for input.

The department's project team adopted stakeholder engagement strategies to identify the timing, level of engagement and key messages for specific stakeholders. To guide stakeholders through the new process and manage their expectations the project team had discussions with each client on the outcomes they sought from this process and how these compared to the outcomes it could realistically deliver.

Leading up to, and during the strategic assessment, regular face-to-face stakeholder engagement was undertaken. Environmental NGOs met with members of the project team at least every month and had open channels of communication with project staff on a day-to-day basis. The views of land developers were channelled through the Victorian Government while the Australian Government agencies gave formal input through the IDC.

The Victorian Government used a major stakeholder consultation process to engage with the community. This included two rounds of formal submissions (1 500 received), and information sessions where over 2 000 people participated. Client feedback and satisfaction was able to be assessed using these processes.

The department proactively engaged with Victorian conservation and community groups during the development and finalisation of the program. Overall these groups were supportive of the strategic assessment process and program, however, they appealed for mechanisms to protect additional smaller high biodiversity remnants within the growth areas. Victorian National Parks Association (VNPA) executive director Matt Ruchel said that there needed to be an "iron-clad" guarantee that the reserves would be created before habitat was cleared (*Australian Financial Review* 16 July 2010). This 'iron-clad' guarantee has been incorporated into development of the program.

Criterion 2: Demonstrated high standard of planning and governance arrangements.

Although based in different cities the inter-agency project team worked together to develop the outputs for the project including the formal strategic assessment agreement, terms of reference, the impact assessment report and program report, the established public comment process, and undertook tasks to submit the program for ministerial decisions on endorsement

and subsequent approvals. The project team had a close day-to-day relationship and conducted weekly teleconferences. The team met face-to-face at least monthly to work through large issues and provide extensive feedback on how the project was progressing.

In unprecedented collaboration, project staff from the department joined confidential Victorian Government meetings where up to nine agencies met to plan for Melbourne's urban growth. Risk assessments were conducted at different stages of the assessment because of the potentially high process, outcome and science risks and uncertainty associated with the project.

The senior steering committee met to discuss broad logistics of how the project would work including environmental outcomes and compliance relationships between governments and urban developers.

Project staff established an internal departmental working group with 20 core members from five divisions across the agency. The group held monthly meetings at the beginning of the assessment to ensure a whole of department approach to developing the program. The group was asked to provide feedback on the impact assessment report and program report produced by the Victorian Government.

The department's project team contracted experts to provide input to, and review, proposed policies and the program as they were developed. External experts and academics in urban and conservation planning, policy and process arrangements and Melbourne's biodiversity were used to ensure best practice policy and processes were considered.

The Victorian Government IDC met every two months to ensure this whole-of-government approach was thoroughly addressing all issues and the relevant Ministers were well informed on this cross-jurisdictional project. To increase understanding and gain support across government, the Victorian Cabinet was briefed several times throughout the process.

An Australian Government IDC met twice to ensure a whole of government approach in developing the project. The IDC included Prime Minister and Cabinet: Department of Families, Housing, Community Services and Indigenous Affairs; Department of Agriculture, Fisheries and Forestry; Department of Climate Change; and the Department of Infrastructure, Transport, Regional Development and Local Government. The ministers of those departments were later asked to provide comment to Minister Garrett on his proposed decision to approve actions under the program.

Victoria Government processes were fully integrated across departments and ministerial portfolios. The project was pursued as a whole of government process and the outcomes were integrated in the Victorian Transport Plan and *Delivering Melbourne's Newest Sustainable Communities*.

Criterion 3: Demonstrated high standard of leadership, and change management arrangements.

Project timing was tight with less than 12 months between the strategic assessment agreement being signed and the first strategic approvals being issued under the EPBC Act. By comparison, a typical project-by-project assessment and approval can take 12 – 24 months. This strategic assessment is probably one of the largest single projects ever considered under the statutory provisions of the EPBC Act, providing for economic development in the hundreds of billions of dollars, affordable housing, liveable communities and substantial environmental protection.

The senior steering committee and project team enthusiastically applied themselves to the project. The close working relationship between agencies spurred the realisation that this

project would be groundbreaking in the outcomes it could deliver. The flexible and positive attitude of the team members was commendable. Departmental project staff were recruited to undertake specialised roles in policy, ecology and environmental assessment. During high work periods more resources were dedicated to the project to ensure it was completed in a timely manner.

The senior steering committee met on a monthly basis at the beginning and more frequently as the project neared completion. Secretaries and Deputy Secretaries supported their respective ministers through the groundbreaking decisions they were making under this new process.

Outputs required through the strategic assessment process included a formal agreement, a draft impact assessment report and Program report, public comment period, submission of final documents to Minister Garrett for his decision and a timely endorsement of the program. The project team was responsible for delivering these outputs in a timely manner as well as applying the strategic assessment provisions of the EPBC Act for the first time. These responsibilities were pursued with the knowledge that many governments around Australia were closely watching the outcome of this project.

Preparation, adoption and implementation of the program report would involve changes and concessions to the way business is normally done by both the Australian and Victorian Governments in environmental regulation. These changes would not always be accepted or well understood by other agency staff involved in traditional processes. Additionally, the general public, industry, developers and state government departments understood the project by project assessment process, but were unsure of the benefits of the new and untested strategic assessments.

Thus, the implementation of change management processes was instrumental to the success of this project. The project team understood acceptance of this new way of working would need to begin with understanding of the processes and potential outcomes. Joint Ministerial media releases and Cabinet announcements were used to communicate how the new program would work and its benefits. Communication resources were created at the State and Australian Government level to ensure the public could easily access information on the project, such as the stage it was at and how it could affect them. The department continues a process of internal consultation and communication about the program to assist in the move to this new approach.

Criterion 4: Demonstrated innovative approaches to develop and/or deliver products and services.

Typical environmental impact assessment methodologies require detailed and expensive seasonal flora and fauna surveys. This methodology was not appropriate or affordable for a large scale strategic assessment. DSE developed and adopted new methodologies for 'rapid' assessments to produce the baseline information necessary for deciding which areas were suitable for development and which areas required protection. This 'macro' approach consisted of desktop surveys and targeted ground-truthing to identify vegetation types and habitats for threatened species and other protected matters across the Melbourne region. The broad picture of high quality biodiversity determined of where the proposed urban growth boundary could be drawn. The avoidance of high quality environmental assets in identifying initial investigation areas was the first strategic step in developing the program.

This process meant planning for urban growth within the proposed urban growth boundary could proceed except where areas of high biodiversity existed. To ensure further protection for nationally protected matters, the program requires species-specific surveys be conducted to identify important populations in native habitat on developable land at the precinct planning stage. Rules or 'prescriptions' were developed that set out what urban planners

must do if they encounter threatened and protected species. For example, if a survey finds more than 200 protected Spiny Rice-flower plants in a development area the prescription requires *in situ* protection. Under the program, clearing of populations less than 200 plants may occur, but only with offsets calculated in accordance with the prescriptions.

Further, where the prescriptions allow clearing of matters of national environmental significance, all offsets from individual developments will be directed to a consolidated and strategic conservation outcome (e.g. the 15 000 hectare reserve). This will ensure protection of the 'best of the best' for future generations. The prescription approach under the program is novel and provides upfront certainty for all clients in terms of the rules that are being applied to meet both Commonwealth and state environmental regulatory requirements.

The department's assessment advice to the Minister supported the program approach of large reserves over multiple small urban reserves (as is typically the outcome for project-by-project assessments). While there is ongoing scientific debate over whether 'larger is better', the large grassland and grassy eucalypt woodland reserves required as part of the program clearly provide better inherent protection and resilience to disturbance. The program provides the opportunity to secure the protection of the best remnant high quality grasslands and grassy eucalypt woodlands in the Victorian Volcanic Plains Bioregion before they are threatened or fragmented by inevitable urban pressures over the next fifty years, and at an affordable cost.

As a comparative example, and to assist in advising Ministers, the Royal Melbourne Institute of Technology was commissioned by DSE to model future outcomes for maintenance and protection of native grassland ecological reserves under several scenarios including no management/current status, project by project assessment resulting in establishment/management of *ad hoc* urban reserves, and establishment of large strategic reserves as proposed in the program. Both the project by project outcomes and the no management/current status scenario provided lower long term certainty for protection of grassland ecological function. The large strategic reserve scenario provided the best outcome in terms of long term protection.

The new 15 000 hectare reserves have also been designed to incorporate species and ecological communities that may become listed as matters of national environmental significance over the next 20 years, and are large enough to minimise risks to endemic species from climate change and other scenarios. The large size of the reserves also provides for reintroduction of species that are locally extinct and require a large range to survive, such as the Plains Wanderer.

RESULTS (MONITORING AND EVALUATING)

Criterion 1: Demonstrated commitment to and achievement of improved client satisfaction.

All levels of government involved in this strategic assessment support the strategic approach to environmental conservation and urban planning taken in this project. The Australian and Victorian Governments have finalised a program that delivers the COAG objective of streamlining environmental assessment and approval processes and cutting red tape. The department is now engaged in strategic assessments with every State and Territory Government in Australia (except Northern Territory) demonstrating the economic, social and environmental benefits associated with the strategic assessment process.

This project has paved the way for the recommendations from the Hawke Review to be implemented. Consistent with these recommendations, the project's outcomes include delivering up-front planning certainty, cutting red tape and avoiding the need for duplicative state/Commonwealth approvals. In addition, the program delivers economic savings to all levels of government, generates economic activity within the private sector, addresses the need for further urban development in Melbourne and protects critically endangered species and ecological communities. These economic, social and environmental benefits are in line with the department's mission to protect biodiversity while delivering triple bottom line outcomes.

Client feedback has been encouraging as indicated by the media and other sources:

"Land capable of supporting the building of up to 75,000 homes in Melbourne's west is now available after the federal government decided which areas of grassland in the region warrant protection ... Victorian Planning Minister Justin Madden welcomed the move. "This approval will speed up the process for delivering new suburbs in our existing growth areas and help provide much needed housing across Melbourne," he said. Urban Development Institute of Australia Victorian executive director Tony De Domenico said the approach adopted by government was sensible. Mr De Domenico [said] it was better that larger and more "pristine" parcels of habitat were protected rather than locking up land to preserve "little patches here and there" (Australian Financial Review, 16 July 2010)

"Developers were celebrating in Melbourne yesterday after the Victorian parliament approved the release of ...[new] development land on the city's fringe' (Australian Financial Review. 30 July 2010)

"It will assist in making houses more affordable for all Victorians" Gil King from the Housing Industry Association said. The urban Development Institute of Australia's executive director said the expansion would "put Victoria in a better position to retain its competitive advantage over other state in terms of housing affordability" and the Master Builders' Brian Welch said the decision "gives hope to home owners who want to ... have their own, affordable slice of the great Australian dream" (The Age, 30 July 2010).

Conservation groups have been supportive of the new strategic assessment approach as reflected in their submissions to the Hawke Review. Traditional 'project by project' assessments have been seen as failing to adequately consider cumulative impacts and damage to the environment ('death by a thousand cuts') or in achieving meaningful and enduring environmental protection at the landscape scale. Specifically in Melbourne, the VNPA recognized the species' prescriptions and development of biodiversity conservation strategies as providing clarity for environmental decision making. Their challenge of an 'iron clad' guarantee is addressed by the requirement for Australian Government approval of these documents.

Criterion 2: Demonstrated high standard of planning and governance arrangements.

This project has established best practice governance for strategic assessments that will be followed in other assessments. Project management and governance arrangements led to critical milestones in the project being met including the signing of the strategic assessment agreement, delivery of a draft impact assessment report and draft program report, a formal public comment period, submission of final reports to the Minister for his consideration, an endorsed program and the approval of actions taken in accordance with the program.

The endorsed program report, *Delivering Melbourne's Newest Sustainable Communities – Program Report* (December 2009) which forms the central plan for future development, embeds continuous adaptive management and monitoring arrangements to improve delivery whilst incorporating efficient government oversight.

In summary, the project provides for:

- delivery of affordable housing in a planned manner to cater for Melbourne's growth
- high capacity, efficient transport infrastructure which does not contribute to inner city congestion
- integration of urban development with transport infrastructure to ensure easier and more equitable access to employment, education and services, and
- net gains in protection of matters of national environmental significance and landscape-scale protection of biodiversity.

Governance arrangements were central to the success of the project. An equal partnership between the Commonwealth and State Governments delivered a complex and robust outcome that could not possibly be delivered by one government on their own. The multi-tiered project team included a cross-departmental project team, an inter-agency project group, Victorian and Australian government inter-departmental committees and an executive steering committee. Secretaries and deputy secretaries took on clear roles to progress the project and achieve the required outputs.

Departmental management identified the need to recruit staff internally to fill specialised roles within the project team and ensured additional staff resources were available for the project during high work periods. Managers and staff worked together to progress the assessment while improving process, policy and resource management. The use of the two IDC's, departmental working group, external experts and academics to provide specific advice worked effectively. These groups provided advice that helped the project team guide the strategic assessment process and development of the program.

In preparing the assessment reports, the Victorian Government coordinated multiple planning and environmental perspectives through an effective project team approach, delivering an integrated product. In addition, specialist consultants and geospatial researchers from the Royal Melbourne Institute of Technology were contracted to provide best practice advice on biodiversity values and conservation reserve design. This expert advice informed planning decisions, the required impact assessment report and program report.

The department and the Victorian Government worked closely to ensure that commitments and responsibilities to deliver the program are clearly identified and accountable. The report (Attachment A) describes the program and classes of actions that will be taken in delivering Melbourne's growth. The program also prescribes explicit conservation outcomes and the timetable for delivery.

The endorsed program report (*Delivering Melbourne's Newest Sustainable Communities – Program Report*, December 2009) has been deliberately written as an 'action' document so progress, achievements and deliverables can be audited with a simple 'yes or no'.

Four Commonwealth and State agencies have helped deliver this project. Now nine Victorian Government agencies will work to implement the program over the next 20 years.

Criterion 3: Demonstrated high standard of leadership, and change management arrangements.

The Australian and Victorian Governments courageously engaged with substantial economic, social and environmental risks while collaborating on this completely untested process. Senior staff guided the project from start to finish in an enthusiastic manner. The outputs of the project were delivered on time and the outcomes from implementing the program are unprecedented in Australian government environmental planning and assessments.

The department's Secretary and Deputy Secretary stepped in at appropriate times to ensure the project stayed on track and achieved ministerial sign off. Their bold confidence in the process and program developed by the project team and executive steering committee shows the trust they place in their staff. Given the sheer scale and complexity of the Melbourne urban growth strategic assessment, the delivery of an endorsed program within 12 months is exceptional.

The program will be implemented through modifications to existing Victorian planning legislation as well as additional policies and programs to specifically address requirements of the Australian Government under the EPBC Act. There are a number of key statutory steps that must be completed for the program to have effect. The Victorian Government has begun by amending relevant Victorian Local Government Planning Schemes under the Victorian *Planning and Environment Act 1987* to provide the statutory basis for implementing the program and allow developments to proceed.

Biodiversity conservation strategies, outlining mechanisms for protection of matters of national environmental significance, must be prepared for each of the four new growth areas and be approved by the Australian Government. Additional sub-regional strategies must be prepared and approved by the Australian Government for various protected threatened species, including the golden sun moth, growling grass frog and southern brown bandicoot.

Finally, all developments must be undertaken in accordance with the protected species prescriptions approved by the Australian Government Environment Minister. These set out protocols for species surveys, as well as specific rules to avoid, mitigate and offset impacts on each matter of national environmental significance. Each new suburb will be developed in accordance with a Precinct Structure Plan. These plans must be prepared in accordance with *Precinct Structure Planning Guidelines* that utilise the species' prescriptions.

Strong leadership from within the project team and executive steering committee resulted in the Victorian Government gazetting the new urban growth boundary and committing \$20 million in the 2010/2011 budget to implement the program. The final package was debated in the Victorian Parliament and was adopted by the major political parties – another indication of the broad community support for the program. Local councils, planners and developers have begun to implement the planning policies within the program. Minister Garrett endorsed the program and has recently approved classes of actions to be taken in accordance with the program including approval for urban development in 28 urban precincts and development of Stage 2 of the Regional Rail Link in Melbourne's west.

Criterion 4: Demonstrated innovative approaches to develop and/or deliver products and services.

The Melbourne strategic assessment demonstrates that true partnering by Australian Government and State agencies can deliver significant wins for all stakeholders whilst protecting the environment.

The major project output was the program titled *Delivering Melbourne's Newest Sustainable Communities* that sets out the next 20 years of Melbourne's urban expansion including land for housing, employment, transport, infrastructure and conservation lands ([Attachment A](#)). It includes fit-for-purpose rules for land development to avoid, mitigate and offset impacts on matters of national environmental significance. The program was endorsed by Minister Garrett on 2 February 2010 with subsequent approvals delivered in June and July 2010.

The program establishes the framework of legislation and policy to deliver vast economic, social and environmental activity. Implementing the program will result in 284,000 houses over the next 20 years in four new growth areas and up to 75 000 houses in 28 current suburban precincts. It includes major public infrastructure such as the Regional Rail Link (Stage 2) for which the Commonwealth Government has committed \$3.2 billion through the *Building Australia Fund*. In addition, the program covers development of the Outer Metropolitan Ring Transport corridor which will carry road and rail traffic.

Implementation of the endorsed program will achieve real and substantial environmental gains. New 15 000 hectare reserves for the protection of listed native grasslands will increase the level of grasslands in reserves from two to twenty per cent. In addition, a 1 200 hectare reserve containing endangered eucalypt woodlands will be established in Melbourne's north, increasing protection for the community from three to five per cent. The program will also result in regional plans for conservation of species around Melbourne, improved water quality flowing into Ramsar sites and protection of other natural habitats. Such landscape scale environmental gains would be impossible to achieve through the 'business as usual' approach of individual development assessments.

Internal advice to the department by Access Economics in 2010 (unpublished) estimated that project-by-project assessment of the activities under program would have required about 210 individual projects to be referred to the department for regulatory consideration under the EPBC Act. Staff costs to administer this workload were estimated as \$280,000 per annum over the 20 year life of the strategic assessment. Staff costs to the department in assessing and approving the strategic assessment were \$600,000 over 18 months. The net benefit to the department is \$ 2.6 million (net present value).

The Access Economics advice found potential benefit to the private sector of \$209.3 million (net present value) over the 20 year life of the program. This reflects the overall potential worth of developments covered by the project (certainly in the hundreds of billions of dollars) and certainty to investors in having all environmental approvals upfront. This means that planning for town centres, high density housing and infrastructure can be now completed with full confidence that impacts to nationally protected species and ecological communities have been considered upfront and will not cause last minute delays.

While the overall objectives of the program may appear somewhat lofty given its scale, the process and deliverables have been clearly broken down within the program report (*Delivering Melbourne's Newest Sustainable Communities – Program Report, 2009*) to ensure accountability and delivery of outcomes to stakeholders. Key stakeholders, including governments and the housing/service sector, can measure progress in delivering the program. The program requires transparent reporting so that interested public stakeholders can be informed. The department will continue to report to the Minister on progress with the program.

IMPROVEMENT (LEARNING AND ADAPTING)

Criterion 1: Demonstrated commitment to and achievement of improved client satisfaction.

The impressive economic, social and environmental outcomes that stem from this project have produced very positive feedback from stakeholders. State and Local Governments across Australia have closely monitored the progress of this strategic assessment and can see the results this project has produced. The strategic approach to environmental assessment under the EPBC Act is now being applied in all states and territories (except Northern Territory) with each jurisdiction keen to test the process in their area.

Aligning Commonwealth and State policy and legislation also benefits non-government stakeholders by reducing red tape and providing certainty. For environmental NGOs, consolidation of offsets into large reserves with committed funding and management plans is inherently appealing.

The department is documenting its approach to stakeholder engagement for all strategic assessments to ensure client feedback is actively incorporated into endorsement and approval decisions by the Commonwealth.

Victorian government agencies have recommended undertaking a review of the strategic assessment process to document learnings for inclusion into future similar assessments with the Commonwealth. Several options for further investigations are being actively considered by both jurisdictions.

The strategic assessment process will be improved over time as more assessments are completed. The department is experimenting with a range of assessments including smaller scale urban developments, fire management policies and irrigation plans. Engaging with different state governments has provided opportunities to improve the strategic assessment process, which will ultimately lead to greater client satisfaction.

Criterion 2: Demonstrated high standard of planning and governance arrangements.

Governance structures similar to those in this project are being replicated in other strategic assessments including the use of project teams, executive steering committees and IDC's for high profile assessments. Risk assessments, comprehensive stakeholder engagement strategies and Program logic outcomes hierarchies are included in contemporary project plans.

Informal review sessions reflect on planning and governance arrangements for this and other strategic assessments are currently under way. Around 20 staff working on strategic assessments within the department attend the sessions every fortnight. The sessions have seen an improvement in stakeholder engagement and communication, internal policy positions and government processes.

A strategic assessment project control board (the board) made up of the Assistant Secretary and section directors of the Strategic Approvals and Legislation Branch (SALB) has recently been formed. Following experience with the Melbourne strategic assessment, all strategic assessments require a project plan, prepared in accordance with the department's Project Management Framework, to be endorsed by the board and implemented in accordance with board governance arrangements. The board reviews project plans and provide guidance to project staff ensuring communication channels are open and expectations are balanced. Adding a level of review to active projects has already assisted in developing effective and consistent government processes for strategic assessments.

Criterion 3: Demonstrated high standard of leadership, and change management arrangements.

Senior staff engaged in the Melbourne urban growth strategic assessment, including the Secretary, have promoted the outcome with enthusiasm and confidence. Now that assessment is complete they have turned their focus to other jurisdictions and development needs to test the strategic assessment process. This undertaking will inevitably improve the department's understanding of who, how, what, where and when the strategic assessment approach is most beneficial.

A strategic assessment is underway of the Western Sydney growth centres, with a planned capacity for 180,000 dwellings. Assessment documents were recently released for public comment and input. The Minister is expected to be in a position to decide whether to endorse the program under the EPBC Act in late 2010. Strategic assessments are also well advanced with the Queensland Government and Cairns Regional Council for the Mt Peter Master Planned Area near Cairns (45 000 people), and with the ACT Government for the Molonglo and North Weston Structure Plan in Canberra (55 000 people). The department is engaged with South Australia to strategically assess a fire management policy and with Tasmania to assess an irrigation policy. Negotiations are also well advanced with the Western Australian Government to undertake a strategic assessment of new housing and developments on the Swan Coastal Plain.

Leadership from senior staff regarding governance and process is already reflected in efficiencies and transparency for project improvement. Project plan templates were introduced to the department in late 2009 and soon after the Assistant Secretary of SALB required project plans to be implemented for all strategic assessments. The project plans provide rigorous documentation of objectives, outcome hierarchies, risks, stakeholder engagement strategies and key messages. Consolidating these elements into one document ensures more transparent governance and reporting processes. This process facilitates direct conversations as to expectations of timeliness and quality and provides a clear review mechanism for progress and delivery.

Increasing the department's exposure to new tools and approaches to conservation planning, as evidenced in the outcomes of the Melbourne strategic assessment project, is a priority for senior staff.

Criterion 4: Demonstrated innovative approaches to develop and/or deliver products and services.

This project has achieved innovative outcomes on several levels. On the ground implementation of the program will deliver the following conservation outcomes:

- Two large grassland reserves (totalling 15 000 ha) will be established west of Werribee to protect Natural Temperate Grasslands of the Victorian Volcanic Plains, a listed critically endangered ecological community under the EPBC Act. A range of Victorian statutory mechanisms will be used to ensure biodiversity protection is delivered in a timely and effective manner.
- The Victorian Government has also committed to the protection of up to 1 200 ha of critically endangered Grassy Eucalypt Woodland of the Victorian Volcanic Plains to the north of Melbourne. Protection will occur through planning mechanisms and permanent covenants with landholders.

Monitoring and auditing of program implementation and processes to achieve stated environmental protection outcomes is easier than a project-by-project baseline because the rules for development are consistent across the metropolitan growth areas. Monitoring and a

requisite adaptive management framework provide the opportunity to improve processes over the life of the program as new scientific information is discovered.

This project has also paved the way for recommendations from the Hawke Review (2009) to be implemented. Strategic approaches to biodiversity conservation are likely to be a major focus of any new environmental legislation adopted in Australia.

As discussed in criterion 4, advice by Access Economics (unpublished, 2010) compared the cost benefit delivered through this process compared to project-by-project assessments. It shows considerable savings to governments by using this approach. Moreover, the delivery of over 15 000 ha of new reserves and removal of environmental constraints on new urban release lands for over for 284,000 new homes could never be achieved through project-by-project assessments in a 'business as usual' scenario.

Reflective practice by the project team throughout implementation of the project has assisted in improving government processes to increase efficiencies, deliver better process outcomes and has 'blazed a trail' for other strategic assessments to follow. Improvements such as increasing opportunities for formal stakeholder input, refining assessment processes and establishing a method for ministerial briefing improved the outcomes and legacy of this project.

Before this project was initiated the department was unsure of likely quantifiable results from undertaking a strategic assessment. Now, with several other strategic assessments in progress, the outcomes of this project can be measured against what other more conventional approaches could achieve. A review of all active strategic assessments was undertaken in mid-2010 with 20 staff members having input. The review considered what worked, why it worked, what could be improved, governance arrangements and communication. It is clear that the Melbourne urban growth strategic assessment has delivered real environmental outcomes and provides clarity for state government planners and the land development industry.

SUPPORTING EVIDENCE

| | EVIDENCE | REFERENCE TO CRITERION AND ADRI DIMENSION |
|---|---|--|
| A | <p><i>Delivering Melbourne's Newest Sustainable Communities: Program Report December 2009</i>, Victorian Government</p> <ul style="list-style-type: none"> ▪ This document describes the program agreed between the Australian and Victorian Governments and endorsed by the Minister for the Environment for the purposes of the EPBC Act | Outcome Statement and all through submission (Attachment A) |
| B | Media Release, 'Melbourne's urban growth program moving forward' (program endorsement), 4 February 2010 | Outcome statement; Results, criterion 4 (Attachment B) |
| C | Media Release, 'Melbourne grows with environmental tick of approval' (approval of 28 precincts) 16 July 2010 | Outcome statement; Results, criterion 4 (Attachment C) |
| | <i>Cost benefit analysis of EPBC strategic assessments</i> , unpublished report for DEWHA. Access Economics, 2010. [This report can be made available only on an <i>in confidence</i> basis.] | Outcome statement, Results criterion 4 (Not attached) |
| D | The Australian Environment Act: Report of the Independent Review of the <i>Environment Protection and Biodiversity Conservation Act 1999</i> , Department of the Environment, Water, Heritage and the Arts, 2009 (Hawke Review) | Approach, criterion 1 and throughout submission (Attachment D – on CD) |
| E | <i>The Conservation and Protection of National Threatened Species and Ecological Communities</i> , 2006/2007 Australian National Audit Office (on CD) | Approach criterion 1 (Attachment E – on CD) |
| F | <i>Referrals, Assessments and Approvals under the EPBC Act</i> , 2002/2003, Australian National Audit Office (on CD) | Approach, criterion 1 (Attachment F – on CD) |
| G | 'Reducing the Regulatory Burden' 10 February 2006 – Meeting Communiqué, Council of Australian Governments (COAG) (on CD) | Approach criterion 1 (Attachment G – on CD) |
| H | <i>Delivering Melbourne's Newest Sustainable Communities: Impact Assessment Report October 2009</i> , Victorian Government (on CD) | Approach, criterion 2 and throughout submission (Attachment H – on CD) |
| I | State of Victoria 2010 '\$215.3 million to secure our lifestyle in the face of climate change' <i>Media release</i> , Minister for Environment and Climate Change | Approach criterion 3 (Attachment I) |
| J | DEWHA Annual Report 2008-2009 Volume 1 (on CD) | Approach criterion 3 (Attachment J – on CD) |
| K | Australian Financial Review, 'Victoria releases land', 30 July 2010 | Deployment criterion 1 (Attachment K) |
| L | The Age, 'City to 'grow' 134,000 homes on farmland' 30 July 2010 | Deployment criterion 1 (Attachment L) |
| M | Australian Financial Review, 'Vic housing land released', 16 July 2010 | Deployment criterion 1 (Attachment M) |

GLOSSARY

COAG: Council of Australian Governments.

Department: Department of the Environment, Water, Heritage and the Arts.

DPCD: Victorian Department of Planning and Community Development.

DSE: Victorian Department of Environment and Sustainability.

NGO: Non-government organization.

EPBC Act: *Environment Protection and Biodiversity Conservation Act (1999).*

GAA: Victorian Growth Areas Authority.

Hawke Review: An independent review of the EPBC Act conducted by Dr. Allan Hawke and a group of experts during 2008/2009.

Impact assessment report: *Delivering Melbourne's Newest Sustainable Communities: Impact Assessment Report October 2009*, Victorian Government

IDC: Inter-departmental committee.

Minister Garrett: Minister for Environment Protection, Heritage and the Arts.

MNES: Matter of national environmental significance listed under the EPBC Act including world heritage properties, national heritage places, wetlands of international importance (listed under the Ramsar Convention), listed threatened species and ecological communities, migratory species protected under international agreements, Commonwealth marine areas, the Great Barrier Reef Marine Park and nuclear actions (including uranium mines).

Program: The program of works described within the endorsed *Delivering Melbourne's Newest Sustainable Communities: Program Report*, December 2009, Victorian Government.

RMIT: Royal Melbourne Institute of Technology.

SALB: Strategic Approvals and Legislation Branch within the department.

VNPA: Victorian National Parks Association



MEDIA RELEASE

The Hon Peter Garrett MP

Minister for Environment Protection, Heritage and the Arts

PG/84

16 July 2010

MELBOURNE GROWS WITH ENVIRONMENTAL TICK OF APPROVAL

Environment Protection Minister Peter Garrett has given the go ahead for up to 75,000 new homes within Melbourne's current growth boundary. The planned developments are spread across 28 existing precincts around Melbourne.

The approval comes as part of a strategic assessment program for Melbourne's urban expansion.

"This is a first step in meeting Melbourne's growing housing needs in a way that puts the environment at the forefront of the planning process," Mr Garrett said.

"The strategic assessment allowed us to find the best possible way of protecting our biodiversity while enabling sustainable growth.

The strategic assessment, which is a process set out under the national environment law, was completed in February this year. Individual components can now be approved with minimal red tape.

"Stepping back and taking a broadscale, forward-thinking approach means the highest quality parts of the landscape are protected from the outset.

"Under the program more than 15,000 hectares of land will be set aside as reserves for critically endangered grasslands, which will boost the current two per cent of this grassland currently in reserves to 20 per cent. Up to 1200 hectares of critically endangered eucalypt woodlands will also be protected.

"Melbourne's urban planners now have a framework that will serve them and the environment well into the future," Mr Garrett said.

"This puts an end to the piecemeal approach and the 'death by a thousand cuts' that can happen when environmental concerns are an afterthought.

Last month Mr Garrett gave approval for the regional rail link that is also part of this strategic assessment program.

"The railway will service the new growth centres to the west of Melbourne in Melton and Wyndham, and allow planning of suburbs to be based around fast and efficient public transport," he said.

"It will have big economic and social benefits for the people of Melbourne, including regional cities like Geelong and Ballarat.

"At the same time, the chosen rail route is one that will have the least impact on the environment. It avoids larger nationally protected grassland patches, and a thorough assessment has found that it is unlikely to affect nearby wetlands or migratory species.

The strategic assessment program allows for future growth plans catering for a further 284,000 new homes.

More information can be found at
www.environment.gov.au/epbc/notices/assessments/melbourne.html

**COUNCIL OF AUSTRALIAN GOVERNMENTS' MEETING
10 FEBRUARY 2006
COMMUNIQUE**

The Council of Australian Governments (COAG) held its 17th meeting today in Canberra. The Council, comprising the Prime Minister, Premiers, Chief Ministers and the President of the Australian Local Government Association, had detailed discussions on a number of issues of national importance.

This was an historic meeting with significant outcomes. All governments have seized a unique opportunity to work together to deliver a substantial new National Reform Agenda embracing human capital, competition and regulatory reform streams.

The National Reform Agenda is aimed at further raising living standards and improving services by lifting the nation's productivity and workforce participation over the next decade.

COAG agreed to concrete, practical initiatives in the areas of improved health services, skills recognition, infrastructure regulation and planning and a lessened regulatory burden on business.

COAG discussed mental health as an issue of national significance.

COAG also discussed national pandemic preparedness, counter-terrorism and biofuels.

This Communiqué sets out the agreed outcomes of COAG's deliberations. Attachments to the Communiqué provide additional detail and are available on the website at www.coag.gov.au

A NEW NATIONAL REFORM AGENDA

COAG has today agreed a National Reform Agenda to help underpin Australia's future prosperity. This new wave of collaborative reform builds on the success of a quarter of a century of national economic and social policy reform, which has fundamentally reshaped the Australian economy and increased living standards. As national demographic trends begin to bite and global competition intensifies, it is vital that all governments work together to deliver the best possible reform outcomes for Australia. Complacency is not an option.

COAG noted that with an ageing population, there will be relatively fewer Australians of working age. To avoid putting too great a burden on those already in work, more Australians need to realise their potential by entering or rejoining the workforce. At the same time, in the face of intense global competition and changes in technology any reduction in workforce participation needs to be offset by improvements in the ability of the workforce and in productivity.

The proposed agenda is ambitious and broad based. It will enhance the capability and contribution of the Australian people – the nation's human capital. It will continue competition reforms to make our markets work more efficiently and will reduce the regulatory burden on Australian business.

The COAG National Reform Agenda aims to deliver significant economic and social rewards. Heads of Treasuries have advised that it has the potential to deliver over the next decade benefits of the same size, if not even larger, than those achieved in the last decade from the implementation of national competition policy and associated reforms. The Productivity

Commission has estimated that national competition reforms have permanently increased the level of Australia's GDP by 2.5 per cent, or \$20 billion.

The three streams of the COAG National Reform Agenda - human capital, competition and regulatory reform - are discussed in turn.

HUMAN CAPITAL

A healthy, skilled and motivated population is critical to workforce participation and productivity, and hence Australia's future living standards. By focusing on the outcomes needed to enhance participation and productivity, the human capital stream of reform aims to provide Australians with the opportunities and choices they need to lead active and productive lives. A full set of recommendations in the area of human capital reform agreed by COAG are at Attachment A to this Communiqué.

Policies to improve health and education outcomes, and encourage and support work, are closely inter-related. COAG agreed to play a leadership role to facilitate policy integration and the adoption of a longer-term policy perspective across governments and portfolios.

The human capital agenda outlined here represents an ambitious partnership. To achieve the level and breadth of progress our nation needs, COAG agreed that all governments would commit to reform across health, education and training and encouraging and supporting work. In some cases there is agreement on what should be done in general terms; in other cases, a number of diverse and innovative approaches need to be tried.

The different circumstances in a country as large and varied as Australia require diverse kinds of actions rather than a 'one size fits all' approach. The best approach is to focus on long-term outcomes, measures and, where appropriate, milestones, coupled with transparent assessment and reporting, to encourage continuous improvement by all jurisdictions.

COAG has therefore agreed that the human capital stream of reform should focus on a robust framework for achieving the outcomes that will boost participation and productivity.

COAG agreed that human capital reform will be focussed first and foremost on a limited number of outcomes. Indicative outcomes that require further detailed consideration could include:

- a reduction in the proportion of the working-age population not participating in the workforce due to illness, injury or disability;
- a reduction in the prevalence of key risk factors that contribute to chronic disease;
- a reduction in the incidence of chronic disease;
- increased effectiveness of the health system in achieving health outcomes;
- an increase in the proportion of children entering school with basic skills for life and learning;
- an increase in the proportion of young people meeting basic literacy and numeracy standards, and improved overall levels of achievement;
- an increase in the proportion of young people making a smooth transition from school to work or further study;
- an increase in the proportion of adult workers who have the skills and qualifications needed to enjoy active and productive working lives; and
- encourage and support increased workforce participation among key groups.

The next step is for COAG to finalise the outcomes and associated progress measures, and, in some cases, actions and milestones, against which jurisdictions' performance will be assessed.

To hold jurisdictions accountable for achieving these outcomes, COAG agreed that the progress of jurisdictions would be independently assessed and transparently reported. The process for this is discussed below under 'Implementing the National Reform Agenda'.

Health

Good health underpins the wellbeing and quality of life of Australians. Preventing ill health and improving physical and mental health helps people to participate in work and makes them more productive when they do so.

Health Promotion and Disease Prevention

Reducing the incidence of chronic disease (such as diabetes, cancer and mental illness) means fewer people not working due to illness, injury and disability.

Risk factors such as poor diet, physical inactivity, smoking, alcohol misuse and excess weight contribute to chronic disease. COAG agreed that health promotion, prevention and early intervention strategies and investment are required to reduce the incidence of chronic disease, and improve overall health outcomes.

An Effective Health System

Health is also a large sector of the economy, accounting for around 10 per cent of GDP and growing.

A considerable proportion of health service delivery is undertaken through payments for specific purposes from the Commonwealth to the States and Territories. Financial incentives created by such arrangements need to support the best possible utilisation of health resources for the purposes of advancing health outcomes.

COAG agreed that Commonwealth-State Specific Purpose Payments (SPPs) that significantly affect the health system should be reviewed prior to their renegotiation. The reviews are intended to identify any elements of SPPs that, if changed, could contribute to better health outcomes.

Education and Training

Skills development helps realise the potential of citizens, and of the nation. Continuous and lifelong learning gives more people the tools to participate in work and underpins more successful and rewarding careers when they do so.

Early Childhood Development

COAG noted the importance of all children having a good start to life. Opportunities to improve children's life chances, especially for children born into disadvantaged families, exist well before children begin school, and even before birth.

High quality and integrated early childhood education and care services, encompassing the period from prenatal up to and including the transition to the first years of school, are critical to increasing the proportion of children entering school with the basic skills for life and learning.

COAG will give priority to improving early childhood development outcomes, as a part of a collaborative national approach.

Core Skills Attainment: Literacy and Numeracy

COAG noted the compelling evidence on the effects of core skills, particularly literacy and numeracy, on school retention, and subsequent workforce participation and productivity outcomes.

While the Program for International Student Assessment conducted in OECD countries indicates that Australia performs significantly above the OECD average, our overall performance is still below the world's best and the distribution of outcomes is wider for us than for many comparable countries.

COAG is committed to increasing the proportion of young people attaining and meeting basic literacy and numeracy standards.

Transition from School to Work or Further Study

The transition from school to work or further study represents an important step on the path to an active and productive working life. Completing school or gaining an equivalent qualification is critical to subsequent economic opportunities.

Numerous Commonwealth, State and Territory government reforms and service improvements aim to assist those who have left school early and those at risk of leaving school early. COAG has asked that work be undertaken to ensure that the policies and programs relating to transition pathways from school to work are delivered effectively.

COAG has requested the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) to report back to it by June 2006 on strategies to ensure that policies and programs relating to transition pathways from school to work are developed and delivered to achieve nationally agreed objectives, and to ensure that information is collected to track youth transitions.

Adult Learning

With a declining proportion of the population being of working age, and with the premium for skilled workers increasing, Australia needs to increase the proportion of adults who have the skills and qualifications needed to enjoy active and productive working lives.

Encouraging and Supporting Work

Growing the workforce requires a focus on those groups with the greatest potential to increase their participation. International benchmarking suggests that the greatest potential to achieve higher participation is among people on welfare, the mature aged and women. There is also clear evidence that Indigenous Australians are less likely to be participating in work than non-Indigenous Australians.

COAG noted the range of policies in place and significant recent reforms to enhance workforce participation. COAG agreed to the goal of further improving the labour market participation of key groups.

COMPETITION

The competition stream of the COAG national reform agenda is a substantial addition to, and continuation of, the highly successful National Competition Policy reforms. It will further boost competition, productivity and the efficient functioning of markets. It focuses on further reform

and initiatives in the areas of transport, energy, infrastructure regulation and planning and climate change technological innovation and adaptation.

This important work follows the successful formula of past competition policy reforms, with governments working together to identify reform opportunities, and agreeing on a process for delivering. While there will again be difficult adjustment tasks associated with reform, with goodwill and common effort, these can be overcome to deliver benefits for the nation as a whole.

National Competition Policy Review

COAG endorsed a new National Competition Policy (NCP) reform agenda aimed at providing a supportive market and regulatory framework for productive investment in energy, transport and other export-oriented infrastructure, and its efficient use, by improving pricing and investment signals and establishing competitive markets. COAG noted the Productivity Commission's conclusion that NCP has delivered substantial net benefits to the Australian economy and across the community, and all governments recommitted to the principles contained in the Competition Principles Agreement. A full set of recommendations agreed by COAG are at [Attachment B](#) to this Communiqué.

Energy

Structural reforms undertaken under NCP and other COAG initiatives since the early 1990s have significantly improved the efficiency of the energy sector. While Australians enjoy lower electricity and gas prices than much of the developed world and secure energy markets help underpin Australia's industrial base, further reform would yield significant efficiency and energy security benefits.

In recognition that past energy market reform has focussed on improving supply efficiency, COAG has agreed to improve price signals for energy consumers and investors. Actions include committing to the progressive national roll out of 'smart' electricity meters from 2007 to allow the introduction of time of day pricing and to allow users to better manage their demand for peak power only where benefits outweigh costs for residential users and in accordance with an implementation plan that has regard to costs and benefits and takes account of different market circumstances in each State and Territory.

COAG also agreed to ensure the electricity transmission system supports a national electricity market, providing energy users with the most efficient, secure and sustainable supply of electricity from all available fuels and generation sources, and include where appropriate an increased share of renewable energy. COAG committed to adopt suitable policy settings, governance and institutional arrangements and other actions to improve the framework for planning and network investment and to streamline regulation.

COAG recommitted as well to broad ranging COAG reforms currently being progressed by the Ministerial Council on Energy, and timelines for their implementation by early 2008.

COAG agreed to establish quickly a high-level, expert Energy Reform Implementation Group to report back to COAG before the end of 2006 with proposals for:

- achieving a fully national electricity transmission grid;
- measures that may be necessary to address structural issues affecting the ongoing efficiency and competitiveness of the electricity sector; and
- any measures needed to ensure transparent and effective financial markets to support energy markets.

Transport

The dispersed nature of Australia's population and markets underlines the importance of efficient transport infrastructure to improving productivity. Transport already generates approximately five per cent of GDP and Australia's freight task is expected to almost double over the next 20 years. COAG has agreed to improve the efficiency, adequacy and safety of Australia's transport infrastructure by committing to high priority national transport market reforms including to:

- ask the Productivity Commission to develop proposals for efficient pricing of road and rail freight infrastructure through consistent and competitively neutral pricing regimes, in a manner that maximises net benefits to the community, in particular rural, regional and remote Australia. The Productivity Commission will make recommendations to COAG by end 2006 on optimal methods and possible implementation timeframes. The inquiry will include analysis of how particular communities might be impacted. When COAG considers this report it will ensure that the interest of rural, regional and remote Australia are addressed;
- harmonise and reform rail and road regulation within five years, including productivity-enhancing reforms, improved road and rail safety regulation and performance-based standards for innovative vehicles that do less road damage;
- strengthen and coordinate transport planning and project appraisal processes to ensure the best use of public investment by adopting Australian Transport Council-endorsed national guidelines for evaluating new public road and rail infrastructure projects by December 2006; and
- reduce current and projected urban transport congestion, within current jurisdictional responsibilities, informed by a review into the main causes, trends, impacts and options for managing congestion focusing on national freight corridors.

Infrastructure Regulation

At its June 2005 meeting, COAG noted the recommendations of the Exports and Infrastructure Taskforce and agreed that the regulation of ports and export-related infrastructure be considered in the COAG Review of NCP.

COAG signed a Competition and Infrastructure Reform Agreement to provide for a simpler and consistent national system of economic regulation for nationally-significant infrastructure, including for ports, railways and other export-related infrastructure. The agreed reforms aim to reduce regulatory uncertainty and compliance costs for owners, users and investors in significant infrastructure and to support the efficient use of national infrastructure.

This important Agreement includes that, wherever possible, third-party access to services provided by means of significant infrastructure facilities should be on the basis of terms and conditions commercially agreed in negotiations between the access seeker and the operator of the infrastructure. Where third-party access regimes are needed, the Competition Principles Agreement will be amended to incorporate the following principles:

- all third-party access regimes will include objects clauses that promote the economically efficient use of, operation and investment in, significant infrastructure;
- all access regimes will include consistent principles for determining access prices; and
- where merits review of regulatory decisions is provided for, the review will be limited to the information submitted to the regulator.

The Agreement also includes:

- new requirements that regulators will be bound to make regulatory decisions under an access regime within six months, provided the regulator has been given sufficient information;
- to promote consistency, all State and Territory access regimes will be submitted for certification by 2010 following agreement on a streamlined certification process;
- implementation of a simpler and consistent national system of rail access regulation for agreed nationally-significant railways using the Australian Rail Track Corporation access undertaking as a model;
- that each jurisdiction review the regulation of its ports and port authority, handling and storage facility operations at significant ports to ensure that where economic regulation is warranted it conforms with agreed access, planning and competition principles; and
- commitment to principles to enhance the application of competitive neutrality to government business enterprises engaged in significant business activities in competition with the private sector.

COAG noted the Commonwealth's view that, while it welcomes the new arrangements, it considers a single regulator for export infrastructure is preferable and that it reserves the right to legislate to that effect if the new arrangements are not effective.

COAG noted concerns raised by States and Territories regarding implications of some development on Commonwealth property (not including Defence) and agreed to refer the issue to the Australian Transport Council to examine.

Infrastructure Planning

COAG noted progress in the implementation of the six infrastructure measures agreed at its June 2005 meeting. Implementation arrangements agreed by COAG include: a commitment to complete all 24 corridor strategies under AusLink by 30 June 2007 at the latest; extending the corridor strategies to include relevant capital city and associated regional ports on the AusLink National Network; undertaking a stocktake of logistics chains of national importance and encouraging industry to establish their own logistics chain coordination arrangements; and establishing a 'one-stop shop' in each jurisdiction by 30 June 2006 for significant development projects.

COAG also noted that the format and content of the five-yearly infrastructure reports to be provided by each jurisdiction had been agreed out-of-session. The reports will provide a strategic overview of existing infrastructure, a pragmatic outlook for infrastructure demand, and a forward-looking strategic assessment of future needs. The first set of reports will be provided to COAG by 31 January 2007.

Climate Change

COAG agreed to adopt a new national Climate Change Plan of Action (Attachment C) and to establish a high-level interjurisdictional Climate Change Group to oversee implementation of the Plan's recommendations.

COAG recognises the differences between the Commonwealth and the State and Territory governments, yet agreed there is an important opportunity for all levels of governments to work co-operatively on climate change policy and action. In addition to a number of specific actions the Plan sets out a framework of policy principles designed to lay the foundation for further cooperative work in the future.

Governments agree on the need to accelerate significantly our conversion to low emissions practices and technologies to reduce the risk of dangerous climate change and provide greater investment certainty in the light of greenhouse risk.

Key initiatives in the Plan include:

- a national framework for the take-up of renewable and low emission technologies;
- a national climate change adaptation framework to assist effective risk management by business and community decision-makers;
- a study to identify the gaps in technology development;
- a \$100,000 study to examine options, such as a new dedicated Centre for Climate Change Science and Knowledge, for ensuring that Australia's scientific research resources are organised to effectively support climate change decision-making at the national and regional levels;
- acceleration of work by Ministerial Councils, that are investigating options to strengthen emissions reporting approaches; and
- all relevant Ministerial Councils to consider any climate change implications of their decisions and activities.

Reports on how to address any gaps will be provided to COAG later this year. In order to involve the community and business in the implementation of the various elements of the Plan of Action the COAG Climate Change Group will hold public fora in the first half of 2006.

REDUCING THE REGULATORY BURDEN

The regulatory reform stream of the COAG National Reform Agenda focuses on reducing the regulatory burden imposed by the three levels of government. COAG agreed that effective regulation is essential to ensure markets operate efficiently and fairly, to protect consumers and the environment and to enforce corporate governance standards. However, the benefits from each regulation must not be offset by unduly high compliance and implementation costs.

COAG agreed to a range of measures to ensure best-practice regulation making and review, and to make a "downpayment" on regulatory reduction by taking action now to reduce specific regulation "hotspots". It is expected that further action to address burdensome regulation and red tape will be taken as the Commonwealth considers and responds to the report of the Taskforce on Reducing the Regulatory Burden on Business, and as State, Territory and local governments undertake their own regulation review processes.

COAG agreed that all governments will:

- establish and maintain effective arrangements to maximise the efficiency of new and amended regulation and avoid unnecessary compliance costs and restrictions on competition;
- undertake targeted public annual reviews of existing regulation to identify priority areas where regulatory reform would provide significant net benefits to business and the community;
- identify further reforms that enhance regulatory consistency across jurisdictions or reduce duplication and overlap in regulation and in the role and operation of regulatory bodies; and
- in-principle, aim to adopt a common framework for benchmarking, measuring and reporting on the regulatory burden.

COAG also agreed to address six priority cross-jurisdictional 'hot spot' areas where overlapping and inconsistent regulatory regimes are impeding economic activity:

- rail safety regulation;
- occupational health and safety;
- national trade measurement;
- chemicals and plastics;
- development assessment arrangements; and
- building regulation.

Further details are in [Attachment B](#).

IMPLEMENTING THE NATIONAL REFORM AGENDA

COAG has agreed in principle to establish new and robust intergovernmental arrangements for the governance of its National Reform Agenda. Governments at all levels will have a central and continuing role in elaborating and implementing the agenda.

There are several steps that need to be taken to advance the National Reform Agenda. COAG has agreed to the objectives, priority areas and in-principle institutional arrangements and financial arrangements for the new National Reform Agenda.

The National Reform Agenda will be supported by Intergovernmental Action Plans (IAPs). These IAPs, to be agreed by COAG, will set out, as appropriate, agreed outcomes and commitments, progress measures, actions and milestones.

COAG Reform Council

COAG has agreed in principle to establish a COAG Reform Council (CRC) to report to COAG annually on progress in implementing the National Reform Agenda. It is envisaged that the CRC will be an independent body that will replace the National Competition Council (NCC) which has played a pivotal role in the achievement of the NCP reforms since 1996.

The primary role of the CRC would be to report to COAG annually on progress towards the achievement of agreed reform milestones and progress measures across the broad National Reform Agenda. The CRC is also expected to undertake the current functions of the NCC under Part IIIA of the *Trade Practices Act 1974* in relation to third-party access to infrastructure.

A final decision on the CRC will be subject to a business plan for the CRC, the development of IAPs, and agreement on financial arrangements under the NRA.

Funding Arrangements

All governments agreed that this important reform agenda should be progressed for the benefits it will confer on Australians.

The key task for all governments is to now work together to translate the broad reform agenda agreed today into clear measurable outcomes and concrete actions.

The Commonwealth has indicated that it will provide funding to the States and Territories on a case-by-case basis once specific implementation plans have been developed if funding is needed to ensure a fair sharing of the costs and benefits of reform. Payments to the States and Territories and, where appropriate, to local government, would be linked to achieving agreed actions or progress measures and to demonstrable economic benefits, and would take into

account the relative costs and proportional financial benefits to the Commonwealth, the States and Territories and local government of specific reform proposals.

Any funding could take the form of Commonwealth and/or shared funding for specific initiatives, and/or payments from the Commonwealth linked to results. Any funding would be in addition to other Commonwealth funding.

The CRC would report transparently to COAG on the performance of all jurisdictions (including the Commonwealth). The Commonwealth would decide on payments to States and Territories, based on those reports.

BETTER HEALTH FOR ALL AUSTRALIANS

COAG today agreed to a \$1.1 billion reform package to achieve better health for all Australians. Over the next five years this investment will:

- establish a new approach to promotion, prevention and early intervention;
- provide better care for people in the community, including in rural and remote Australia;
- provide better care for older people in hospitals; and
- provide better care for younger people with disabilities in nursing homes.

Funding of \$660 million will be provided by the Commonwealth and \$480 million by the States and Territories.

Promoting Good Health, Disease Prevention and Early Intervention

COAG recognises the importance of good health, disease prevention and early intervention and has announced the *Australian Better Health Initiative*, that will start to re-focus the health system and will see the Commonwealth and States and Territories working together, and with the community, to promote good health and tackle chronic disease. This component of the package is linked to the National Reform Agenda in that over time it will assist in raising productivity and workforce participation.

From 1 July 2006, \$500 million will be provided over four years, comprising \$250 million from the Commonwealth and \$250 million from States and Territories, for:

- *promoting healthy lifestyles* through nationally-consistent messages on health, implementing nationally-consistent school canteen guidelines and school-based and local programs to facilitate and support lifestyle changes;
- *supporting early detection of lifestyles risks and chronic disease* through a new *Well Person's Health Check* which will be available nationally people around 45 years old with one or more identifiable risks that lead to chronic disease;
- *supporting lifestyle and risk modification* through referral to services that assist people wanting to make changes to their lifestyle. Assistance could include nutritional advice, advice on weight management, support to give up smoking, and counselling;
- *encouraging active self-management of chronic disease* with services ranging from group-based courses to different forms of counselling; and
- *improving integration and coordination of care* so that people with chronic conditions can receive more flexible and innovative support.

People being treated for cancer will be supported better by new arrangements for case conferencing for cancer specialists through the MBS, and by improved state health coordination services for cancer patients.

Improving Care and Support in the Community, including in Rural and Remote Areas

The new effort in promoting good health, prevention and early intervention will be complemented by action to improve care and support in the community. COAG signed a Heads of Agreement to establish a National Health Call Centre Network which will take its first calls by July 2007 and aim to achieve national coverage within four years. Any individual, anywhere in Australia, will be able to ring for advice on health matters. The Commonwealth will provide funding of \$96 million, while States and Territories will provide funding of \$80 million over four years from 2006-07. The National Health Call Centre Network will particularly assist people in rural and remote communities along with more mobile populations, and will be evaluated to assess its efficacy.

COAG agreed that the National Health Call Centre Network would not be limited to information and triage advice only but from the outset would be committed to maximising the effective use of general practitioners, on a 24 hour basis noting that telephone triage services would be provided by nurses.

COAG agreed that the delivery of mental health services will be an integral element of the National Health Call Centre Network, with funding of up to \$20 million over four years from the Commonwealth and the States and Territories, in addition to the \$176 million described above.

COAG also agreed that there would be recognition of existing and proposed State and Territory based health call centres including establishment costs, and to ensure the National Network builds on these networks.

COAG has also agreed that there be more timely and consistent assessments for frail older people by Aged Care Assessment Teams and simplified entry and assessment processes for the *Home and Community Care Program*, with funding from the Commonwealth of \$18 million over four years from 2006-07.

Better Services for Rural and Remote Communities

COAG discussed the challenges in delivering health and community care services to people in rural and remote areas and agreed that from 1 July 2006 measures will be introduced to improve access to primary care services in small rural and remote towns. Rural health and community care programs will be better managed by the Commonwealth and States and Territories each consolidating funding for specifically nominated areas, delivering the potential for more services and greater flexibility at the community level. Where the local rural hospital is the best available residential care alternative for older public patients, rural hospitals will be supported to provide more age-friendly services and facilities and new multi-purpose services may be established.

Improving Care in Hospitals and in Residential Settings

Measures will commence 1 July 2006 to improve care for older patients in public hospitals to minimise their length of stay, to avoid readmission and to improve care services when people live long term in smaller rural hospitals. The Commonwealth will provide funding of \$150 million over four years to the States and Territories to provide these improved services for older people.

COAG is particularly pleased to announce a commitment to start to reduce the number of younger people with disabilities living in residential aged care services. A new five-year program will begin in July 2006, with funding of up to \$122 million from the Commonwealth and up to \$122 million from States and Territories, and will be implemented in close consultation with younger people, their families and carers. The program will initially target people aged under 50 in residential aged care services. The program will also provide cost-effective alternative residential care services for some younger people with disabilities, improve support services for those who continue to stay in residential aged care and may assist younger people who are at risk of entering nursing homes.

Strengthening the Health System and its Infrastructure

Health Workforce

COAG recognises the challenges facing Australia regarding the health workforce and the need for national systemic reform to workforce and health education structures. COAG welcomes the Productivity Commission's report on Health Workforce released in January 2006 and supports its key directions. COAG has endorsed the National Health Workforce Strategic Framework. Given the significance of the recommendations of the Productivity Commission's Report, COAG has asked Senior Officials to undertake further work on the recommendations and related issues and report to it in mid-2006. This work will include, but not be limited to, the number and distribution of training places, the organisation of clinical education and training, and accreditation and registration.

COAG noted the significant investment by the Commonwealth and States and Territories to date to address the health workforce shortage. COAG recognised the urgency of addressing the national health workforce shortage and required Senior Officials to provide COAG in June 2006 with detailed information on the number of additional Commonwealth student places required along with related measures needed to ameliorate the situation.

COAG agreed that the current cap on full fee paying medical places for domestic students should be lifted from 10 per cent to 25 per cent. COAG noted the Commonwealth's intention to lift current loan assistance for medical students to \$80,000. The Commonwealth and States and Territories agreed that these new measures are not to displace current places or future increases in Commonwealth funded student places.

COAG also agreed to a national assessment process for overseas qualified doctors to ensure appropriate standards in qualifications and training as well as increase the efficiency of the assessment process.

Progress Towards Electronic Health Records

To underpin the efforts in refocusing the health system to promote better health and community care for all Australians, COAG agreed to accelerate work on a national electronic health records system to build the capacity for health providers, with their patient's consent, to communicate quickly and securely with other health providers across the hospital, community and primary medical settings. The Commonwealth will contribute \$65 million and the States and Territories \$65 million in the period to 30 June 2009.

A detailed Action Plan, to give effect to these decisions, is at Attachment D to this Communiqué.

MENTAL HEALTH

COAG recognised that mental health is a major problem for the Australian community. COAG acknowledged that governments have made significant recent investments in the area but also noted that additional resources will be required from all governments to address the issues. COAG has asked Senior Officials to prepare an action plan to be brought forward for its consideration as soon as possible and no later than June 2006 and include:

- a renewed focus on promotion, prevention and early detection and intervention - including reducing the impact on mental health of substance abuse, including illicit drugs (such as cannabis and amphetamine-type substances) and alcohol;
- getting the balance right between hospital care, community and primary care and the best type of accommodation for people who are unable to manage on their own;
- improving and integrating the care system to enable the right care to be accessed at the right time, including mental health services, primary care, general practice, private psychiatric services and emergency department services;
- improving participation in the community and employment, including greater use of non-government organisations and improved community-based and cross-sectoral supports for people with mental illness and their families such as supported accommodation, rehabilitation services and respite care; and
- addressing structural issues such as workforce changes including the roles of different professions;
- increasing the role of psychologists and other health professionals in primary care;
- increasing the health workforce available to address mental health issues.

COAG has also agreed that the delivery of mental health services would be an integral element of the new National Health Call Centre Network.

A NEW NATIONAL APPROACH TO APPRENTICESHIPS, TRAINING AND SKILLS RECOGNITION

COAG has reached agreement on a package of measures designed to underpin a new genuinely national approach to apprenticeships, training and skills recognition and alleviate skill shortages currently evident in some parts of the economy. While governments have today agreed to tackle some of the obstacles within the system of government, industry also has a critical role to play in creating solutions. In preparing these measures, COAG officials consulted with industry bodies and unions.

The Commitment to Quality Training

To ensure and assure the quality of outcomes from the training system, COAG has agreed to accelerate the introduction of a national outcomes-based auditing model and stronger outcomes-based quality standards for registered training organisations in consultation with key parties including employers, regulators and unions. Specific quality assurance measures have also been built into the proposals.

A More Mobile Workforce to Help Meet Skills Needs

As licensing and skills recognition issues cross ministerial portfolios in all jurisdictions, it is necessary for COAG to exercise high-level leadership. Accordingly, COAG has asked Senior Officials from the Prime Minister's, Premiers' and Chief Ministers' departments to oversee the process and report to COAG on progress as milestones are achieved.

COAG has agreed to new measures to enable people with trade qualifications to move more freely around Australia without undergoing additional testing and registration processes. COAG has agreed that governments will work with employers and unions to put in place more effective mutual recognition arrangements across States and Territories for electricians, plumbers, motor mechanics, refrigeration and air-conditioning mechanics, carpenters and joiners and bricklayers (skills shortage trades) by June 2007 and by December 2008 for all licensed occupations where people normally receive certificates and diplomas.

Industry and regulators will be involved, along with other stakeholders, to ensure that a streamlined, nationally-consistent system is achieved without increased regulation, while also meeting the commitment to quality standards, including public and worker safety.

To further assist in meeting skills shortages, COAG has agreed to new arrangements to make it easier for migrants with skills to Australian standards to work as soon as they reach Australia. It does not involve any change to the migration policy.

A new streamlined and robust off-shore skills assessment process, to Australian standards, will be put in place in the five main source countries for our skilled migrants by December 2008, initially for skills shortage trades and later for other occupations in the skilled migration program. The overseas assessments will be conducted under the auspices of Trades Recognition Australia (TRA) by accredited organisations or individuals with a proven record in delivering high-quality skills assessments. The TRA will be resourced to guarantee the quality of assessments and protect Australian standards.

This will be mirrored by a parallel on-shore assessment arrangement for those who are living in Australia and want skills achieved overseas recognized, and provisional licensing so that people with recognised overseas qualifications can work under supervision for short periods, while they complete licensing requirements.

A More Flexible and Responsive Training System

COAG has also agreed to a set of measures to make sure Australia's training and apprenticeship systems offer more flexible pathways into skills-shortage trades.

By December 2006 all governments will have put in place arrangements that allow apprentices and trainees to work as qualified tradesmen and tradeswomen as soon as they have demonstrated competency to industry standards, without having to wait out a set time period or make special application.

By December 2006 also, legislative, regulatory and educational barriers will be removed so that school-based apprenticeships are nationally available as a pathway for school students where there is industry demand. Industrial barriers will also be removed to enable school-based apprenticeship participation in skills shortage industries where there is industry demand.

To make the most of existing skills in the workforce, COAG has agreed that a better process to recognise the existing skills of all people entering training will be introduced by January 2007, so that workers do not have to repeat or undertake training for skills they have already acquired on the job. New funding to be agreed between the Commonwealth and States and Territories on a bilateral basis will be provided to help training organisations and assessment centres establish or improve recognition processes.

In many industries there is already a range of certificate-level qualifications. COAG has agreed that the Construction and Property Services Industry Skills Council will be asked to develop

additional nationally portable qualifications in the General Construction Training Package by 30 June 2006.

Targeted Response to Skill Shortages in Regions

COAG has agreed to establish a new Commonwealth regional program in collaboration with the States and Territories to commence in July 2006 to address the supply of skilled labour to industries and regions. Integrated strategies will be developed for selected regions to identify solutions to labour market needs in regions and industries of strategic importance in the Australian economy.

To support the new national approach, COAG has also agreed that Commonwealth, States and Territories will cooperate more closely in sharing labour market information so as to better understand the extent and location of skills shortages.

Next Stages of Reform

COAG has agreed that further work on reform is needed to continue to increase the contribution of the vocational education and training system to the productivity of Australia's workforce and has asked for a further report examining:

- the growing need for higher level skills;
- cultural and workplace change to lift educational participation and attainment;
- possible reforms to funding and other mechanisms to make the training system more responsive to demand;
- options to increase Australia's investment in vocational education and training;
- enhancing user choice through meaningful and timely performance information;
- more appropriate regulation of education and training providers; and
- building stronger relationships between firms and training providers.

A report to this end will be provided to COAG by the Ministerial Council on Vocational and Technical Education by December 2006.

The full action plan for this package can be found at Attachment F to this Communiqué.

OTHER ISSUES

Pandemic Prevention and Preparedness

COAG agreed to develop an Australian Influenza Pandemic Prevention and Preparedness Action Plan (the National Action Plan) by mid-2006. The plan will bring together nationally-consistent measures which aim to prevent bird flu coming into Australia. It will also identify a coordinated rapid response in the event of a pandemic developing. COAG also agreed to test the National Action Plan in a national domestic exercise later in 2006.

Counter-Terrorism

COAG received a report on the progress made on a number of counter-terrorism initiatives since its special counter-terrorism meeting on 27 September 2005. It agreed the details of the scope, form and process for the review of counter-terrorism legislation in 2010 as set out in Attachment G to this Communiqué and adopted the National Emergency Protocol (Attachment H) that it had asked be prepared at its 27 September 2005 meeting.

COAG endorsed the broad approach being undertaken in relation to developing a Code of Practice for closed-circuit television systems for the mass passenger transport sector, subject to further work by the working group and agreed that the Code be finalised by mid 2006.

Indigenous Issues

COAG noted the continuing good progress made in advancing the principles set out in the National Framework of Principles for Government Service Delivery to Indigenous Australians. Cross-jurisdictional collaboration has been advanced through bilateral agreements on service delivery. The Commonwealth has signed agreements with the Northern Territory, Queensland and South Australia, and agreements with other jurisdictions are progressing well.

Good progress is also being made in advancing the principle of shared responsibility with government and communities working in partnership to identify priorities and improve outcomes.

COAG further noted the continuation of its Indigenous trials, announced at the April 2002 meeting, which are demonstrating that a partnership approach between governments and communities can make a real difference for Indigenous Australians.

Biofuels

COAG welcomed the report of the Prime Minister's Biofuels Taskforce and noted the actions that governments were taking to encourage the development of the biofuels industry.

Cloning and Human Embryo Research Legislation Review (the Lockhart Review)

The independent review of the Prohibition of Human Cloning Act 2002 and the Research Involving Human Embryos Act 2002 conducted by Legislation Review Committee and chaired by the late Justice John Lockhart concluded in December 2005. COAG agreed that Senior Officials would report back at the next COAG meeting.

Future Meeting

COAG indicated a desire to hold its next meeting in June 2006.



Victoria releases land

Scott Elliott

Developers were celebrating in Melbourne yesterday after the Victorian parliament approved the release of 24,500 hectares of development land on the city's fringe.

The expansion of the urban growth boundary (UGB) follows months of uncertainty and paves the way for 134,000 new homes in Melbourne's key growth corridors.

Big land developers including MAB Corporation, Dennis Family Homes, Mirvac, Stockland and Villawood Properties are among the benefactors.

Mirvac development chief executive Victoria, John Carfi, said the approval paved the way for its \$2 billion Rockbank joint venture with Malaysian developer Jayaland.

"This includes 750 hectares of development land and up to 7500 homes," Mr Carfi said.

"Given the lead-up to the federal and state elections, we were obviously concerned it wouldn't get over the line, but having confirmation is fantastic."

MAB Corporation, which has

been waiting five years for the inclusion of the remaining half of its Merrifield project into the UGB, was also celebrating the decision.

MAB chief operating officer David Hall said the company could now proceed with the 1500 hectare mixed-use development to accommodate 30,000 people.

Higher density development (15 homes per hectare, up from 10) is aimed at curbing rising land prices.

Villawood Properties executive director Tony Johnson said the announcement brought it one step closer to developing 2000 new home sites on its Sunbury land parcel. "This is a good move for the growth of Melbourne which has been artificially constrained by the existing boundary and has seen land prices escalate dramatically with buyer demand," Mr Johnson said.

Stockland has 650 lots at Mernda in the city's north-east which, pending rezoning, may be developed.

In spite of opposition from the Greens, the UGB legislation (amendment VC68) sailed through

parliament after its predecessor was held up for months owing to contentious planning provisions of clause 12, which allowed for higher densities in middle-ring suburbs.

Housing Industry Association Victoria executive director Gil King welcomed the expansion, but said delays in approving the legislation had contributed to rising land prices.

Mr King called on the Growth Areas Authority to deliver 40 precinct structure plans (key frameworks required before a development can proceed) by 2012.

"So far just 14 of those 40 plans have been completed, and industry remains concerned that they may not be delivered on time," he said.

GAA chief executive Peter Seamer said Melbourne's planning framework led the nation.

"We can now commence the detailed planning for these new areas for a 20-year supply," he told *The Australian Financial Review*.

Victorian Planning Minister Justin Madden said the government was committed to keeping house prices affordable.



21 December 2010

FOI 190715
Document 5

Dr Paul Grimes
Secretary
Department of Sustainability, Environment, Water, Population and Communities
GPO Box 787
CANBERRA ACT 2601



Dear *Paul*

2010 Prime Minister's Awards for Excellence in Public Sector Management

Thank you for your agency's nomination for the 2010 Institute of Public Administration Australia (IPAA) *Prime Minister's Awards for Excellence in Public Sector Management*. The assessment and judging have been finalised and, on 25 November, at a function in the Bradman Room at Manuka Oval in Canberra, the Secretary of the Department of the Prime Minister and Cabinet, Mr Terry Moran AO, announced the following Award winners:

Gold Award

Department of Defence (Royal Australian Navy): *Young Endeavour Youth Scheme*

Two Silver Awards

NSW Department of Health: *NSW Aboriginal Maternal & Infant Health Service*

Queensland Police Services / Queensland Department of Health: *DNA—Improvement Strategy*

Commendation

Department of the Environment, Water, Heritage & the Arts (Commonwealth) /

Department of Environment and Sustainability (Victoria): *Melbourne Urban Growth Strategic Environmental Impact Assessment*

Collaboration Award

Queensland Police Services and Queensland Department of Health: for excellence in cross-agency / whole-of-government approaches to public administration

More information about the winning nominations is available on the IPAA ACT website at <http://www.act.ipaa.org.au/>.

There were 26 nominations lodged this year from Commonwealth, State and Territory agencies. The assessors and judges were impressed with the overall quality of material presented.

One of the features of the Awards process is the Feedback Report which is developed by the assessors as part of their role in preparing documentation to go to the judging panel. It involves a rigorous and comprehensive assessment of the program, project or initiative against both the Awards selection criteria and the ADRI assessment methodology featured in the Australian Business Excellence Framework that underpins the Awards. The Awards criteria and the assessment methodology involve a whole of life approach which benefits the more mature programs where measurable results are available to be presented.

The attached disk contains the Feedback Report(s) for your agency's nomination(s). In reading the Feedback Report, please bear in mind that the 'opportunities for improvement' comprise suggestions from the assessors and/or judges that may assist you to take your program, project or initiative to a higher level of performance—they are in no way a criticism of the work that your agency and its staff have put into either the program or the nomination. Even the Award winners get this detailed report.

In some cases, the assessors and judges have formed the view that the nomination would have benefited from some more time to measure additional or fuller results, and they have recommended that the agency may consider re-lodging at some future date (in at least two cases over the last five years an Award winner has involved a re-lodged nomination).

Thank you again for participating in the 2010 IPAA *Prime Minister's Awards for Excellence in Public Sector Management*. I look forward to further nominations from your agency in future years.

Yours sincerely

best wishes


(Andrew Metcalfe)

**PRIME MINISTER'S AWARDS FOR
EXCELLENCE IN PUBLIC SECTOR
MANAGEMENT**

FEEDBACK REPORT

**Department of Environment,
Water, Heritage and the Arts
and the Department of
Sustainability and the
Environment**

**Melbourne Urban Growth Strategic
Environmental Impact Assessment**

2010

CONFIDENTIAL

DEPARTMENT OF ENVIRONMENT, WATER,
HERITAGE AND THE ARTS and THE
DEPARTMENT OF SUSTAINABILITY AND THE
ENVIRONMENT
MELBOURNE URBAN GROWTH STRATEGIC ENVIRONMENTAL
IMPACT ASSESSMENT

| APPROACH | |
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| STRENGTHS | OPPORTUNITIES |
| CRITERION 1—Demonstrated commitment to and achievement of improved client satisfaction | |
| <ul style="list-style-type: none"> ▪ The complex project objectives were clearly defined and closely linked to key Government priorities for major reform. ▪ There was clear identification of different client and stakeholder groups, and sustained consultation with these groups throughout the project. ▪ Feedback was sought across all jurisdictions, and from a wide range of over-lapping areas of planning, transport and environmental regulation. ▪ The project drivers, desired outcomes, and key clients were clearly identified at both the strategic level and at a project specific level, including the goal of developing a repeatable regulatory assessment process. ▪ The project was clearly linked to the achievement of important reforms and changes identified in government policy and legislation. ▪ The project plan had both concrete milestones and an outcome focus. It delivered fundamental reforms to the satisfaction of both State and Commonwealth Ministers, and achieved the required regulatory outcomes from the assessment process. | <ul style="list-style-type: none"> ▪ The nomination would have been improved if the indicators used to track improvements in client satisfaction were more clearly identified up front. ▪ The nomination would also have benefited from more information to assist in explaining how the client satisfaction Key Performance Indicators would be used to track progress and monitor the success of the implementation of the new assessment process. |
| CRITERION 2—Demonstrated high standard of planning and governance arrangements | |
| <ul style="list-style-type: none"> ▪ The team made very strategic use of governance across agencies and jurisdictions, and there is strong evidence of planning, with objectives and timelines clearly stated. ▪ Stakeholders were extensively engaged in the process, with detailed arrangements | <ul style="list-style-type: none"> ▪ The project team could have provided more information about why they chose this planning and governance approach. ▪ Further evidence of the regular reporting to governance committees could have been supplied, as well as more detailed Project Plans. This would have supported the |

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| STRENGTHS | OPPORTUNITIES |
| <p>made at different levels of each agency's process for the provision for feedback and review.</p> <ul style="list-style-type: none"> ▪ The assessment was clearly linked to both the State and Australian Government Departments' strategic objectives, and the need for fundamental reforms to assessment processes underpinned the intent of the project and the rationale for the work. ▪ The intergovernmental agreement, the committees and the project team achieved the required outcome and planning guided the successful completion of the assessment. ▪ Compliance issues were at the core of the project, with plans in place to address the new assessment process's ability to comply with relevant Commonwealth and State legislation and the intent of the Hawke review. | <p>nomination in making stronger claims against this criterion.</p> <ul style="list-style-type: none"> ▪ While the project management approach adopted contains all of the core elements of good project management, it would be good to explain the origins of (and reasons for adopting) the initial planning and governance framework – especially given the complexity of implementing such a project across different agencies in different jurisdictions. |
| <p>CRITERION 3—Demonstrated high standard of leadership, and change management arrangements</p> | |
| <ul style="list-style-type: none"> ▪ The project was a ground breaking cross jurisdictional, intergovernmental reform, which improved efficiency and reduced costs. ▪ The project had very clear involvement (and strong visibility of) high level stakeholders across different jurisdictions and community groups, and integrating planning and development disciplines which did not traditionally interact closely. ▪ The key leadership positions provided excellent leadership at critical times (such as in driving a shared understanding of the goals for such new, cross-cutting strategic environmental and planning assessments). ▪ The assessment represented a quite different model which necessarily involved a different approach to planning and changes to the way assessments are undertaken. It is clear that the assessment required and utilised significantly changed approaches and the assessment was 'hungry' for new approaches. | <ul style="list-style-type: none"> ▪ The application does not clearly state who was responsible for leading the project teams in each agency – it would be helpful to have more details of how each of the project managers chose to lead their project team. ▪ It would have been helpful if the indicators used to track the efficiency and effectiveness of leadership and change management arrangements were better explained and compared to pre-existing baseline data. |
| <p>CRITERION 4—Demonstrated innovative approaches to develop and/or deliver products and services</p> | |
| <ul style="list-style-type: none"> ▪ DEWHA and DSE clearly adopted an approach that is innovative in addressing | <ul style="list-style-type: none"> ▪ The application would have benefited from clearer statements about the 'indicators' |

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| STRENGTHS | OPPORTUNITIES |
| <p>the development of a ground breaking methodology for environmental assessment.</p> <ul style="list-style-type: none"> ▪ The project team effectively drove the first time assessment framework, planning for it to be applied to a major development proposals while (also for the first time) combining approval, planning and environmental assessment processes across jurisdictions and disciplines. ▪ The team is to be commended for the highly innovative and targeted engagement and communication strategy developed to support this new assessment process. ▪ There are clearly a number of fundamental elements of this process that are also innovative in the detailed consideration of environmental impacts (such as the new methods used to take advantage of geospatial research), and it is encouraging to see that these are also being used by later strategic assessments for other major urban developments. | <p>and measures used as success indicators for innovation.</p> <ul style="list-style-type: none"> ▪ The project team could have explored opportunities to pilot the approach in more detail before implementing it on such a large scale project. However, even though they did not pilot the approach, successful deployment and implementation was still achieved. |

| DEPLOYMENT | |
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| STRENGTHS | OPPORTUNITIES |
| CRITERION 1—Demonstrated commitment to and achievement of improved client satisfaction | |
| <ul style="list-style-type: none"> ▪ There is strong evidence of success in rolling out the information to the community in accordance with the project plan. ▪ The project was successful in being able to focus the wide-ranging and extensive consultation using a wide variety of media to design the scheme in a very limited timeframe. ▪ The assessment was undertaken in the agreed timeframe and accepted by the relevant ministers across jurisdictions. ▪ The new strategic assessment approach is now being replicated on a range of other major urban development assessments, reflecting the successful stakeholder engagement that was a key feature of the project's new framework. ▪ Stakeholders were closely engaged | <ul style="list-style-type: none"> ▪ More information on any specific problems encountered with clients during introduction and how these were resolved would have been beneficial as examples of commitment to client satisfaction. ▪ The nomination could also have been improved by the inclusion of a quantitative analysis of stakeholder satisfaction as well as data on changes in client satisfaction results over time. In particular, it would have been useful to have had more information on how client feedback was measured after the information sessions (see page 7 of the nomination). |

| DEPLOYMENT | |
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| STRENGTHS | OPPORTUNITIES |
| <p>throughout the development and finalisation of the project.</p> | |
| <p>CRITERION 2—Demonstrated high standard of planning and governance arrangements</p> | |
| <ul style="list-style-type: none"> ▪ There is strong evidence of implementation of governance arrangements including budget monitoring, risk management, reporting to government and involvement of audit. ▪ The project team demonstrated a commitment to undertaking a rollout that was consultative and collaborative, and also sought to balance the often differing needs of policy agencies in different jurisdictions. ▪ The planning and governance arrangements clearly facilitated an excellent outcome, and the process has been designed and implemented in such a way as to make it repeatable, so that the approach has been adopted in later assessments. ▪ There was a clear logic to the overall structure and operation of the committees and working parties. ▪ The assessment was undertaken in a tight timeframe and the assessment was accepted and the first strategic approvals made. | <ul style="list-style-type: none"> ▪ Some further information about exactly how the project management methodology was applied would have been useful. ▪ It would also have been helpful to have a more detailed explanation of how external stakeholders contributed to the governance of the project. Examples of the project arrangements were used to resolve specific problems would also be useful in demonstrating the effectiveness of the deployment processes adopted by the project team. |
| <p>CRITERION 3—Demonstrated high standard of leadership, and change management arrangements</p> | |
| <ul style="list-style-type: none"> ▪ The project is founded on a valuable recognition of the differing needs of different size agencies, in different jurisdictions who have interests in different disciplines, but are involved in overlapping elements of the planning and development assessment and approval processes. ▪ Again the top line results suggest the project was deployed with strong leadership and change management arrangements. ▪ The staged development of the project was also very effective in ensuring a smooth outcome. | <ul style="list-style-type: none"> ▪ It would have been helpful to have more information about the key executives who drove the project and how specific deployment problems were resolved by those executive leaders. ▪ A clearer explanation for how this approach was innovative would have strengthened this nomination, as would the inclusion of some quantitative data allowing comparison of how the new assessment process reduced the time taken for the individual components of environmental assessments when compared with the former, traditional approach. ▪ It would also have been helpful to have had a more detailed explanation of the actual change management processes used in managing the project (see page 9 |

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| STRENGTHS | OPPORTUNITIES |
| | of the nomination). |
| CRITERION 4—Demonstrated innovative approaches to develop and/or deliver products and services | |
| <ul style="list-style-type: none"> ▪ The nomination provides strong evidence that the project was implemented in accordance with the project plan, and used an innovative communication strategy. ▪ The project had a clear focus on agreeing a set of standard definitions to assist in scoping the project, and in ensuring that the assessment process successfully integrated the differing regulatory considerations set out in each agency's enabling legislation. ▪ There are some excellent examples of innovation identified, suggesting a very healthy and receptive environment within the project teams at both DSE and DEWHA. ▪ The overall strategic assessment was independently recognised by external assessors as innovative and containing breakthrough products and services. | <ul style="list-style-type: none"> ▪ The nomination identifies a number of new approaches to environmental impact assessment that were adopted during the project. A more detailed explanation of the significance of these enhancements, and the use of new technologies such as geospatial data in the environmental assessment processes, would have been useful, particularly as evidence to demonstrate why these aspects of the project were said to be innovative. ▪ It would also have been helpful to have more external assessment of these aspects of the project, to allow a more detailed assessment of the extent of the innovation in the project. For example, it would have been very interesting to have had more information to explain the innovative nature of the structure used to establish the 15,000 hectare reserve, and to compare the relative size of this reserve with more traditional reserves (see page 10 of the nomination). |

| RESULTS | |
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| STRENGTHS | OPPORTUNITIES |
| CRITERION 1—Demonstrated commitment to and achievement of improved client satisfaction | |
| <ul style="list-style-type: none"> ▪ The project had strong results when measured against both the planned objectives and particularly the key strategic aims of both jurisdictions' agencies. ▪ Clearly stakeholders were very satisfied with the outcomes, and there was very substantial positive reaction from key community groups. ▪ At a process improvement level, the efficiency including cost and time savings sought were confirmed by independent assessments. | <ul style="list-style-type: none"> ▪ The application would have benefited with more detailed quantitative information about the levels of satisfaction from internal clients and staff, as well as industry users of environmental assessments (which could include community groups as well as property developers). ▪ It would have been interesting to have had more information about future plans for maintaining effective operation of the new environmental assessment system when it is applied in different jurisdictions for different development proposals. |

| RESULTS | |
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| STRENGTHS | OPPORTUNITIES |
| CRITERION 2—Demonstrated high standard of planning and governance arrangements | |
| <ul style="list-style-type: none"> ▪ Regular reporting arrangements were established amongst the governance bodies used, both within each agency and across jurisdictions. ▪ The project was managed in a way that allowed it to remain focused, and the planning arrangements were able to deliver results consistent with the original project plan. ▪ Project planning and an integrated governance committee structure supported the development of the strategic assessment across a complex series of overlapping regulatory processes. | <ul style="list-style-type: none"> ▪ The application would have benefited from a greater focus on the internal governance arrangements and planning requirements within the day to day project team operations. For example, it would have been useful to have had a diagram or structure explaining the multi-tiered project team (see page 12). ▪ Similarly, the application makes limited reference to internal feedback within the project team, and could have provided more information on the approach used to identify and resolve specific issues in the project team. ▪ There is scope to further improve this nomination by including more specific details of how client satisfaction was to be measured. It would also have been useful to have details of how the proponent departments intend to continue assessing and reporting on client satisfaction as the new environmental assessment system evolves to different proposals in different jurisdictions. |
| CRITERION 3—Demonstrated high standard of leadership, and change management arrangements | |
| <ul style="list-style-type: none"> ▪ The application clearly articulates the magnitude of the project and the strong leadership that was required to implement the necessary changes, both within the government organisation as well as with the external stakeholders. ▪ The results, and the clear project planning that drove them, demonstrate an ongoing commitment to communication as a means of successful change management. ▪ There was very successful senior leadership and change management across both DEWHA and DSE in driving the process and shifting to the new culture and approach of environmental assessment. | <ul style="list-style-type: none"> ▪ The application focuses largely on matters outside the project team. The application would have benefited by highlighting how a sense of unity and shared purpose was created within the project team, and how this contributed to the achievement of key deliverables, especially in times of deadline pressure and resource constraints. |
| CRITERION 4—Demonstrated innovative approaches to develop and/or deliver products and services | |
| <ul style="list-style-type: none"> ▪ The project used an innovative and targeted communication strategy which was implemented fully, across a range of different agencies at State, local and | <ul style="list-style-type: none"> ▪ As the focus of this Criterion is on innovation, being clearer about which results were achieved because of the innovative approach could strengthen this |

| RESULTS | |
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| STRENGTHS | OPPORTUNITIES |
| <p>Commonwealth levels.</p> <ul style="list-style-type: none"> ▪ The project delivered successful innovation results for the three tiers of Government in shifting all of the participating agencies to the new approach of strategic environmental assessment. ▪ The replication of the methodology to subsequent environmental assessments, and its innovative approach to delivering regulatory assessments in an integrated fashion, suggests it is a strong fit with the new approach to whole of government public administration. | <p>element of the nomination.</p> <ul style="list-style-type: none"> ▪ The application would be improved by expanding the nature of the innovations which were planned for, and how that innovative planning was fostered in the overall project implementation. ▪ The project is still to some extent a work in progress, particularly as additional cross-jurisdiction strategic assessments are conducted, with other State and local jurisdictions and under different regulatory processes. Continued successful results from these other applications of the new framework in coming years will assist in further substantiating the sustainability of the truly innovative approach adopted to developing and rolling out the new collaborative approach. |

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| CRITERION 1—Demonstrated commitment to and achievement of improved client satisfaction | |
| <ul style="list-style-type: none"> ▪ The nomination provides strong evidence of the project team's learnings in relation to communication with the community, and also shows that these learnings are being applied elsewhere in the agency. ▪ The supporting evidence suggests an appetite for ongoing improvement for future assessment exercises. ▪ Clearly there was a commitment to improvement of client satisfaction as an outcome, and it was a strong driving force for the work undertaken by each of the agencies in the project. ▪ The joint project team has publicly documented in detail the approach underpinning the assessment to stakeholders, and continues to use the framework for additional environmental assessment work. | <ul style="list-style-type: none"> ▪ The nomination would benefit from greater description of how client satisfaction was monitored and if the project timeline and deliverables were adjusted according to changes in client needs during the life of the project. ▪ It would also be helpful to explain some of the more technical terms used in this section of the nomination, such as 'reflective practice' on page 19. ▪ A more detailed quantitative assessment of client satisfaction could further strengthen this nomination by providing an understanding of where further action is required to continue to improve client satisfaction. It would also provide an insight into how the project teams intend to use client feedback to bring about further, ongoing improvements in strategic environmental impact assessment processes around Australia. |

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| STRENGTHS | OPPORTUNITIES |
| CRITERION 2—Demonstrated high standard of planning and governance arrangements | |
| <ul style="list-style-type: none"> ▪ Learnings from the management of the project are being applied elsewhere in the both the State and Commonwealth agencies, and are also being applied in major Environmental Impact Statement work in other jurisdictions. ▪ There is a focus on continuing to improve the way the planning and governance arrangements operate in future strategic assessments to deliver further integration of regulatory approval processes. | <ul style="list-style-type: none"> ▪ Implementation of the new strategic approach is now proceeding in the assessment of other development proposals. ▪ As the reformed regulatory process moves further into its lifecycle, further detailed external benchmarking and review by independent experts familiar with other regulatory approaches internationally would be of considerable benefit. This will assist in maximising the evidence available to support the success of changes implemented in this innovative project. ▪ This section of the nomination could also have benefited from more information on the detailed planning terminology, such as explanations for the 'program logic outcome hierarchies' used in the project (see page 15). |
| CRITERION 3—Demonstrated high standard of leadership, and change management arrangements | |
| <ul style="list-style-type: none"> ▪ The review processes applied in the early stages of the Melbourne strategic assessment identified improvements to planning and implementation arrangements, which were then driven in the roll-out of the later stages of the Environmental Impact Statement, with the strong support of senior staff in the department. ▪ It required particularly strong executive leadership to conduct such a major reform process in a sensitive and controversial area in a clear and open manner, with widespread consultation with a range of competing client groups. | <ul style="list-style-type: none"> ▪ The award nomination needs more detail under this heading. Much relevant information about change management is included in the overall application, but an improved structure would result in the relevant information being gathered together under this criterion. ▪ A number of key change management issues are briefly mentioned. However, the nomination would have benefited from providing more detail in these areas, and explaining in more depth the nature of the change process used to implement the reforms. |
| CRITERION 4—Demonstrated innovative approaches to develop and/or deliver products and services | |
| <ul style="list-style-type: none"> ▪ The team provided clear evidence of innovation, and undertook benchmarking with other environmental assessment processes in Australia and around the world. ▪ The review has an appetite for improvement on all aspects of the strategic assessment and review process, and clearly developed initiatives to build on existing staff skills and knowledge to | <ul style="list-style-type: none"> ▪ The nomination would benefit from more information against this criterion to clearly identify the innovations achieved by the project and to indicate if these have subsequently been applied elsewhere in regulatory reform processes. ▪ More information could also have been provided to explain the 'requisite adaptive management framework' (see page 17) and the approach adopted in the project |

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| <p>promote process improvements.</p> <ul style="list-style-type: none"> The extensive review of the first strategic assessment has suggested a range of improvements, which have then been adopted and enthusiastically used to drive further change. | <p>team's 'reflective practice' (also on page 17).</p> <ul style="list-style-type: none"> The nomination would also be improved through a clearer explanation of what was learnt about innovation during the project, and how this was used to improve future cross-jurisdictional projects. |

ADDITIONAL COMMENTS