

# A POLICY FRAMEWORK FOR COASTAL AUSTRALIA

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## **Introduction**

This proposed Coastal Policy Framework has been developed by the National Sea Change Taskforce as the basis for an advocacy campaign to be conducted during the period leading up to the 2013 Federal election. It is a work in progress and will be further developed to incorporate comment and input from member councils of the Taskforce and other relevant stakeholders.

The Taskforce promotes the adoption of a national Policy Framework for Coastal Australia that integrates the environmental, social and economic wellbeing of the Australian coastline and its communities with the timely funding and delivery of hard and soft infrastructure. The proposed framework is aimed at achieving a coordinated national approach to managing coastal issues through the commitment of all three levels of government to work collaboratively to achieve the sustainability of coastal communities and the coastal environment.

To this end it is critical that the necessary policy elements are in place to support the long-term sustainability of local councils and their communities in coastal areas. For more than a decade these councils have been unable to access adequate funds and other resources required to meet the needs of their growing communities. By addressing the current shortfalls and inadequacies in their revenue base within a broader policy framework coastal councils will be able to plan for a sustainable future with far greater certainty than is currently possible and will be resourced to meet demand for community infrastructure and services.

The revised policy framework was produced with extensive input from Taskforce member councils and delegates attending the Australian Coastal Councils Conference at Torquay in March 2011 and the same conference held in March 2012 in Hobart. It has since been distributed to Taskforce members and delegates for further input. This process is designed to provide an opportunity for extensive consultation with the aim of identifying and prioritising coastal policy issues. Following this development process the policy paper is to be finalised to form the basis of a policy agenda which will be pursued with all major parties during the period leading up to the next Federal election.

Previous policy papers have been successful in gaining policy commitments from both the Rudd Government in 2007 and the incoming Gillard Government in 2010. These commitments included the *Caring for our Coasts* policy in 2007, which led to the House of Representatives Parliamentary coastal inquiry and the appointment of the Coasts and Climate Change Council to provide advice on coastal issues to the Federal Government.

## **National Coastal Policy Framework**

Australia's coastal zone is facing a complex and difficult range of challenges. These include continuing population growth, the impact of tourism, a shortfall in infrastructure and services, an urgent need to deal with coastal erosion, the risk of sea level rise, and the rapid ageing of coastal communities. These and other challenges are confronting coastal communities in every state and are placing at risk the high biodiversity and scenic values of the coastal zone.

As the bi-partisan Australian Parliamentary coastal inquiry concluded in 2009, the time to act on these pressures is now. The National Sea Change Taskforce therefore proposes that the Australian Government play a leadership role in developing a national policy framework for coastal Australia to address the social, environmental and economic issues facing the coastal zone. In the national interest we call on the Federal Government to implement the policy framework by adopting the 10-point plan outlined in the following pages.

### ***Intergovernmental Agreement on the Coastal Zone***

Coastal councils are at the forefront of responding to key issues in the coastal zone but are ill-equipped to respond appropriately to a complex set of challenges. There is a clear need for enhanced coordination of planning and management of coastal growth at a local, regional, state and Commonwealth level as well as a greater need for cross-jurisdictional coordination between all levels of government in relation to coastal planning and management.

The Taskforce supports Recommendation 44 by the coastal inquiry conducted by the House of Representatives Standing Committee on Climate Change, Water, Environment and the Arts that the Australian Government, in cooperation with state, territory and local governments, and in consultation with coastal stakeholders, develop an Intergovernmental Agreement on the Coastal Zone to be endorsed by the Council of Australian Governments. The Taskforce proposes that a permanent COAG Standing Council on Coasts and Climate Change be established to oversight the Agreement.

Recommendation 1: Develop an Intergovernmental Agreement on the Coastal Zone, in cooperation with state, territory and local governments, as proposed in Recommendation 44 of the Parliamentary coastal inquiry report. The agreement should define the roles and responsibilities of the three tiers of government involved in coastal zone management and form the basis for a National Coastal Zone Policy which sets out the principles, objectives and actions to be undertaken to address the challenges of integrated coastal zone management and clearly defines legal, spatial planning and funding responsibility for climate change impacts in relation to coastal management and protection. It is proposed that a permanent COAG Standing Council on Coasts and Climate Change be established with responsibility for overseeing the Agreement.

## ***National Growth Management Plan***

The third Intergenerational Report, released by Treasury in February 2010, estimated the national population will increase 64% to reach 36 million by 2050. This is 8 million higher than previously estimated in the Intergenerational Report 2007 and 14 million higher than the current population (*Intergenerational Report 2010*).

The National Sea Change Taskforce has analysed the revised figures and considered a range of future population scenarios. This analysis, based on recent figures from the ABS, projects that the capital cities will grow by 9.7 million, or approximately 66%, over the next 40 years, from 14 million to 23.7 million. This means a projected 4.3 million people will need to be accommodated elsewhere. The most likely scenario is that they will seek to settle in non-metro coastal areas. This projected increase is in addition to the one million 'baby boomers' planning to retire to coastal areas between 2010 and 2026. The combined effect of this growth will be to increase population in coastal areas from 6.9 million to 12.2 million by 2050. The current resource base of LGAs in coastal areas is inadequate to meet the level of demand for economic, social and environmental infrastructure that will be generated by growth of this magnitude.

The scale of population increase by 2050 highlights the need for a national growth management plan as an integral part of a sustainable population strategy. The objective of the growth management plan would be to ensure that future growth is managed effectively and that adequate provision is made to meet projected demand for infrastructure and services. One of the objectives of such a plan would be to prevent the location of urban settlements in areas that are vulnerable to coastal inundation and bushfires. The consequences of allowing intensive development to occur in such vulnerable areas have been clearly demonstrated in recent major flooding events in Queensland. Another critical objective would be to prevent the loss of productive agricultural land in the coastal zone. This is essential if the nation is to achieve food security for an increased population, recognising that some of our most productive rural land in an era of global warming is in the coastal hinterland.

Growth management at this national scale is beyond the capacity of state and local government. It requires the Australian Government to play a national leadership role in a collaborative effort involving all three tiers of government. The Australian Government has previously adopted this sort of leadership role in relation to the development of cities and regions under the Department of Urban and Regional Development in the early 1970s and the Building Better Cities Program in the early 1990s. Given the challenges that lie ahead it is time the Commonwealth adopted this approach again.

Recommendation 2: Develop a national growth management policy to better coordinate the planning and provision of infrastructure in regional and rural areas, including rapidly expanding coastal communities. The policy would involve the three spheres of government working collaboratively to more effectively meet growth in demand for economic, social, cultural and community infrastructure and services. One of the aims of the policy would be to prevent expanding populations being housed in areas that are vulnerable to climate impacts such as coastal inundation and bushfires. Another aim would be to prevent the loss of productive agricultural land which is a major issue in many rapidly-growing coastal communities.

## ***Legal Risks Associated with Climate Change***

Coastal councils come under considerable pressure from developers and state governments to allow residential developments in what are considered to be prime coastal locations. As the responsible authority, however, councils are required to take a risk management approach to planning decisions affecting these areas in order to make sure that people and their property are not placed at risk from inundation associated with climate change impacts.

The tension between these conflicting pressures is often difficult for councils to resolve satisfactorily. Failure on the part of a council to consider climate change impacts when making coastal planning decisions could leave the council exposed to potentially costly legal actions. If they approve a development in what is considered to be a potentially vulnerable location they face the risk of legal liability at some point in the future if the property is damaged as a result of inundation or coastal erosion. On the other hand, if they refuse the development application, they are frequently faced with having to defend the decision in a costly legal action in a land and environment court or planning appeals tribunal. In effect, they can find themselves facing a situation in which they are 'damned if they do and damned if they don't'.

This dilemma is acknowledged in Section 733 of the NSW Local Government Act, which provides local councils with a measure of indemnification in relation to planning decisions that are made 'in good faith'. NSW is the only state to provide such indemnification, but there is a clear need for the introduction of similar legislation in other jurisdictions.

Recommendation 3: Promote the adoption in all jurisdictions of legislation to give similar effect to that provided by Section 733 of the NSW Local Government Act, which affords protection from legal liability for local councils where they provide advice or make a decision in good faith relating to coastal planning and the impact of climate change.

## ***Impact of Non Resident Populations***

Current demographic data for the Australian coast is based on information from the census and from the annual Estimated Resident Population data released by the Australian Bureau of Statistics (ABS). This data fails to capture the full impact of non-resident population such as tourists, part-time residents or absentee landowners.

For example, Bass Coast Shire in Victoria has a permanent population based on current ABS data of 30,000. The local council estimates, however, that this figure increases to nearly 80,000 in holiday periods and can exceed 100,000 when major events are held at Phillip Island. Similarly, the permanent population of Shoalhaven City, on the NSW south coast, is 97,000, but the local council estimates that during holiday periods the local population is closer to 300,000. Most coastal areas experience similar population increases at weekends and in holiday periods. As most coastal councils know, the number of temporary residents in coastal communities often exceeds the number of

permanent residents, but is not currently taken into account by State and Federal government agencies in estimating local demand for infrastructure or services.

There is a clear need to establish an accurate and consistent method of measuring the impact of tourists and other non-resident population groups in Australian coastal areas to enable planners and decision-makers to better match resources with demand associated with population growth.

Recommendation 4: Ensure that the formulae for calculating Financial Assistance Grants and other relevant funding allocations takes account of the impact of non-resident populations in coastal areas in order to help coastal councils meet the demand for infrastructure and services associated with tourists, non-resident workers and part-time residents. Australian population data is based on the census which is conducted mid-week, in mid winter, at five yearly intervals and which therefore does not reflect the impact of non-permanent residents, which means coastal councils and their communities are disadvantaged under current funding arrangements.

### ***Increase the Adaptive Capacity of Local Government***

The draft report of the Productivity Commission inquiry into barriers to effective climate change adaptation, released in April 2012, noted that 'local governments have an important role to play in assisting communities to understand the impacts of climate change and in establishing and implementing options to address climate risks.' The report identified several barriers facing local councils in their efforts to achieve effective adaptive capacity, as follows:

*'The roles and responsibilities of local government are not particularly clear — these include responsibilities for managing the risks of climate change, especially in the areas of land-use planning and emergency management, but also extend to many areas beyond adaptation. As a first step to clarifying these roles and responsibilities, state and territory governments should compile and publish a comprehensive and up-to-date list of laws that impose responsibilities on local governments.*

*'Local governments have capacity constraints — shortages of professional and technical expertise, and financial constraints, are preventing some councils from planning for climate change and implementing effective adaptation actions. There is also inadequate information and guidance to support local government decision making — a large volume of guidance material is currently provided to councils to assist them to make decisions about adaptation, but this does not appear to be meeting the requirements of some councils.*

*'Legal liability concerns are hindering adaptation for many local governments — for instance, some councils are reluctant to release information on the vulnerability of properties to climatic events because they are concerned that this could negatively impact on the value of some properties or lead to legal disputes. In other cases, it may be perceptions about legal liability that are hindering effective adaptation, rather than the underlying legal arrangements themselves.'* (This matter is addressed specifically in Recommendation 3.)

Recommendation 5: Increase the adaptive capacity of local government to deal with the impacts of climate change through measures such as the Local Adaptation Pathways Program, as recommended in Recommendation 7 of the Parliamentary coastal inquiry report. Non-metro coastal communities also require specific funding for infrastructure management and maintenance in coastal areas vulnerable to climate change, as recommended in Recommendation 39 of the Parliamentary coastal inquiry.

### ***Build Local Government Resilience to Natural Disasters***

Australian communities face the ever present threat of disasters such as floods, storms, bushfires and other hazards. These have major impacts on communities, infrastructure, local economies and the environment. Significant natural disasters such as the Queensland flood events and Victorian bushfires have highlighted the pivotal role played by local government in providing leadership of community efforts to deal with emergencies on an unprecedented scale. From evacuating residents in the path of rising flood waters, to the massive task of cleaning up the mud and debris and helping to accommodate those who have lost their homes, local councils have been at the forefront of efforts to help their residents through the crisis.

The draft report of the Productivity Commission inquiry into barriers to effective climate change adaptation, released in April 2012, stated: 'Recent reviews have found that inadequate definition of roles and responsibilities contributed to shortcomings in emergency management that affected the community's response to natural disasters.'

The draft report goes on to make the point that: 'Recent inquiries into natural disasters have also found that resourcing constraints can lead to poor coordination across councils. This impacts on the provision of emergency services. For example, the Queensland Floods Commission of Inquiry (2011) suggested that less well-resourced councils have struggled to respond to the 2011 floods due to a shortage of staff trained in emergency management, lack of coordination among councils staff and no contingency planning included in councils' disaster management plans.'

The draft report states: 'Emergency management is just part of a broad range of local government functions that will be affected by climate change, and climate change is only one of the many risks that councils have to manage. A thorough consideration of the risks, benefits, costs and alternative priorities for scarce local government resources is therefore required before committing additional funding and resources to emergency management at the expense of other priority areas.'

The Council of Australian Governments has also identified there is an 'urgent need for governments to re-examine Australia's arrangements for managing natural disasters and identify any further strategies aimed at building greater resilience'. COAG noted such efforts would be critical to Australia's ability to deal with the expected increase in the frequency and severity of natural disasters arising from extreme weather events.

Recommendation 6: Assist Australia's coastal councils to manage the threat posed by extreme weather events through specific emergency mitigation, preparedness, response and recovery arrangements.

### ***Funding for Expanded Lifeguarding Services***

Beach usage in Australian coastal communities continues to increase as a result of population growth and growth in visitation by tourists and other non-residents. As a result, coastal councils come under increasing pressure to expand the coverage of lifeguarding services.

While the lifeguarding service is primarily a human service, technology plays an important role in enabling lifeguards to undertake their duties effectively. As demand for services increases, therefore, in addition to the cost of increasing the number of lifesavers there will be a corresponding increase in the need for funding for additional rescue craft, communication equipment and resuscitation equipment.

It should be noted that the growth in demand for lifeguarding services is largely driven by the impact of domestic and international tourists, day trippers and other non-residents. It is therefore reasonable to expect that the cost of expanding lifeguarding services is supported by State and Federal governments.

Recommendation 7: Provide state and Federal government funding assistance to coastal councils to enable them to meet the continuing increase in demand for lifeguarding services. The increase in demand is largely driven by tourists and other non-residents in coastal areas.

### ***Resources to Meet Community Needs in Coastal Communities***

For many years coastal communities have experienced population growth at levels well above the national average. Between 1997 and 2010 the population of coastal areas outside the nation's metropolitan areas increased by two million people – from 4.9 million to 6.9 million.

But while significant numbers of people have moved to the coast over the past decade, resources have not moved with them. As a result, coastal councils are struggling to meet increasing demands for infrastructure and services in their communities without adequate funding support from state or Federal governments. The shortfall in funding for infrastructure and services in these communities continues to grow and is exacerbated by the substantial inflow of non-resident visitors such as tourists, part-time residents or absentee landowners, as indicated previously.

Research commissioned by the Taskforce has identified that populations in coastal communities are characterised by lower incomes, higher unemployment levels and a higher level of socio-economic disadvantage than the Australian population as a whole. Non metropolitan coastal areas also have a higher proportion of families receiving income support benefits and are at the forefront of Australia's ageing population and its impacts.

The Taskforce proposes that the formula for Financial Assistance Grants be amended to broaden the range of 'disabilities' to include factors such as the financial impact of

population growth and the need to respond rapidly and appropriately to increasing demand for regional infrastructure and services. The Taskforce also proposes that the formula be amended to include the impact of non-resident populations, as indicated previously.

Recommendation 8: Provide coastal councils with the resources necessary to meet the social, environmental and economic needs of coastal communities and to meet projected demand for regional facilities and services in high growth communities, noting there is a particular need to address the social and economic needs of ageing populations in coastal communities.

### ***Address Shortage of Affordable Housing in Coastal Areas***

Most non-metropolitan coastal populations are characterised by greater levels of socio-economic disadvantage than other parts of Australia. Demand for new housing and holiday accommodation reduces affordable housing opportunities. These factors are leading to social polarisation within many coastal communities for low income groups.

Existing low cost housing options in caravan parks and affordable rental accommodation are steadily declining as sites for mobile homes are developed for other purposes and low cost rental accommodation is subjected to high levels of tourism demand. The decline in availability of this type of affordable housing has a direct impact on low to medium income groups including key workers such as teachers, health workers and emergency services workers. New 'greenfield' developments can be inaccessible and inappropriate for those experiencing housing stress and perpetuate other issues surrounding coastal urbanisation and a dependency on motor vehicles for transport.

Lack of affordable housing availability is a national issue but responsibility for utilising planning systems to promote affordable housing objectives resides with the States and Territories. The National Sea Change Taskforce proposes that the Federal Government play a leadership role in developing a collaborative national approach to addressing the shortage of affordable housing in coastal communities with the participation and support of all three spheres of government. The Taskforce proposes that a national affordable housing policy be adopted to support low cost housing in coastal areas. The policy should incorporate the following principles:

- Stimulate lower cost forms of housing through the private market, subject to appropriate locational and design criteria;
- Introduce requirements for property development companies to contribute to local affordable housing programs as part of the development approval process;
- Introduce controls over the change of use of sites of existing low cost housing, such as mobile homes and caravans, and set a proportion of those low cost housing options to be retained for permanent residents.

Recommendation 9: Initiate a collaborative national approach to address the shortage of affordable housing in coastal communities. This should include controls to retain existing low cost housing and a requirement for private developers to introduce affordable housing in residential developments.

### ***Declare 2014 the Year of the Coast***

The declaration of 2014 as the Year of the Coast would raise national awareness of the significant contribution coastal Australia makes to the nation's social, cultural, economic and environmental values. The Year of the Coast would provide an opportunity for all coastal communities to play a role in presenting a year-long program of local events aimed at promoting the role community groups play in caring for the coast. It would also provide an opportunity to raise awareness and support for the measures necessary to achieve the long-term sustainability of the coastal zone. It would also provide stimulus to domestic and international tourism.

The Year of the Coast would provide a vehicle for gaining the support and collaboration of organizations that share a desire to promote and protect the coast, such as Surf Life Saving Australia and NRM bodies. It is also likely to gain the support and participation of industry sectors including tourism, hospitality, transport, media and communications and education.

The Year of The Outback 2002 provides a guide to the way in which the Year of the Coast could be organized. That year-long event included more than 3,000 individual community events which were attended by millions of people. The Year of the Outback is estimated to have generated economic activity to the value of at least \$324 million.

Recommendation 10: Declare 2014 as *The Year of the Coast*. This would raise national awareness of the significant contribution coastal Australia makes to the nation's social, cultural, economic and environmental values. It would also provide an opportunity to raise awareness and support for the measures necessary to achieve the long-term sustainability of the coastal zone.

## ***About the National Sea Change Taskforce***

The National Sea Change Taskforce was established in 2004 as a national body to represent the interests of coastal councils. It was initiated by a group of CEOs of coastal LGAs representing all Australian states and was subsequently established with an executive committee consisting of two elected representatives from each state. The objectives of the organisation are:

- To support and advance the interests of coastal councils and their constituencies;
- To provide national leadership in addressing the impact of the sea change phenomenon;
- To work collaboratively with local State and Federal Governments to develop a coordinated approach to managing population and tourism growth in coastal areas.

The Taskforce focused initially on the impact of population growth and tourism on non-metro coastal communities and the shortfall in resources for coastal LGAs to meet increasing demand for infrastructure and services.

In 2005 the Taskforce commissioned the first stage of an on-going research project which was conducted by the Planning Research Centre at The University of Sydney. The findings of this research identified the following priority issues facing sea change communities:

- Infrastructure and services
- Tourism and Economic development
- Environment
- Communities
- Governance

A subsequent research project identified best practice models of local and regional planning for coastal communities. The findings of this research have been adopted widely by State and local government planning authorities.

The most recent Taskforce research projects identify best practice measures for responding to the impact of climate change on coastal communities. This research report is being used as a prime reference source by government bodies including COAG, the Australian Government Department of Climate Change and Energy Efficiency and a number of State Governments and coastal LGAs.