

18 June 2026

IRPL REF# 6-0000-220-EEC-00-LT-0096

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Dear Katrina,

CSSI 9406 Illabo to Stockinbingal (I2S) Project Independent Environmental Audit No 1 – Audit Report Submission and Responses to Findings. Minister's Condition of Approval A31

I refer to the Ministers Conditions of Approval (**MCoA's**) issued for the Critical State Significant Infrastructure (**CSSI**) Project No 9406 Albury to Illabo 4 September 2024 (**I2S Planning Approval**), and specifically the requirement to submit Independent Audit Reports and the Proponents response to the audit findings to the Planning Secretary within 2 months of undertaking the audit in accordance with MCoA A31.

Following the first Independent Environmental Audit site inspection on 22 to the 24 April 2026, I am now pleased to be able to submit to you the first Independent Environmental Audit report for the I2S project.

Please also refer to Attachment 1 – Response to Audit Findings which outlines the proposed actions and / or current compliance status against the auditor's findings for the audit period.

If you wish to discuss any of the above further, have any comments or concerns, please either contact Belinda Jones on bjones2@artc.com.au or myself on Chris Rogers or 0400513179.

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Attachment 1. Audit Responses.

Audit Reference	MCoA Requirements	Audit Findings	Recommendation	Action/Status
I2S-02_NC-01	C20: The Biodiversity Management Sub-plan must be endorsed by a suitably qualified and experienced ecologist.	The non-compliance was self-reported by IRPL to DPHI via a non-compliance notification dated 2 April 2026, relating to flagging installation in accordance with the Biodiversity Management Plan (BMP) and the identification of reuse opportunities for woody debris. During DPHI's site inspection on 19 March 2026, flagging was not installed at all locations, and where flagging was installed, it was not consistent with the requirements as per Section 8.3 of the Biodiversity Management Plan (BMP). Additionally, during DPHI's site inspection on 18 February 2026, opportunities for reuse of woody debris had not been clearly communicated to the contractor prior to mulching activities as per Section 8.7 of the BMP.	Corrective actions implemented by IRPL and JHG include: Review and reinstatement of vegetation flagging and exclusion fencing across the project area in accordance with BMP Section 8.3, observed during the audit site inspection on 23 April 2026. Update of the Biodiversity Management Plan currently under review by IRPL, to be subsequently endorsed by the ER prior to submission to DPHI for approval. Confirmation of suitable locations for the reuse of timber and hollows within the Biodiversity Stewardship Agreement (BSA) boundary, supported by ongoing consultation with DPI Fisheries (correspondence dated 26 March 2026 and 2 April 2026) and CPHR (correspondence dated 11 March 2026). Workforce communication reinforced through toolbox talks dated 23 April 2026 covering environmental controls and timber/hollow installation methodologies. This non-compliance remains OPEN pending finalisation and DPHI approval of the updated BMP. Close-out will be verified at the next Independent Environmental Audit.	Non-compliance has been closed by DPHI. Biodiversity Management Plan updates in progress and will be submitted to the ER prior to submission to DPHI for approval.

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<i>I2S-02_NC-02</i>	C21: The Construction Traffic, Transport and Access Management Sub-plan (CTTAMP) must be consistent with any agreements with the relevant roads authority about the use and management of local roads.	The non-compliance was self-reported by IRPL to DPHI via a non-compliance notification dated 9 April 2026, relating to the use of access point not included in the Construction Traffic, Transport and Access Management Plan (CTTAMP). During project activities from January 2026, an ARTC access/egress point on the Olympic Highway (south of Billabong Creek) was utilised under a Road Occupation Licence (ROL) to support construction works. However, this access point was not included in the approved CTTAMP, as required under MCoA C21 and C26. The omission was identified following discussions with DPHI during the 25 March 2026 follow-up meeting and the 31 March 2026 Post Approvals meeting, and was subsequently confirmed in consultation with the Environmental Representative (ER) on 2 April 2026.	Corrective actions implemented by IRPL and JHG include: Cessation of the use of the Olympic Highway access/egress point pending CTTAMP update and approval. Update of the CTTAMP to Rev. 0.1 to incorporate the Olympic Highway access/egress point, submitted to Junee Shire Council (Aconex ref. IR2200-TRANSMIT-002509) and TfNSW (Aconex ref. IR2200-TRANSMIT-002507) on 13 April 2026 for review. This non-compliance remains OPEN pending Council/TfNSW review, ER endorsement and DPHI approval of CTTAMP Rev. 0.1. Close-out will be verified at the next Independent Environmental Audit.	All use of Olympic Hwy access gates has ceased prior to the recommendation. Update to the CTTAMP to the satisfaction of DPHI and TfNSW (comments received on Rev 0.1 submission) is in progress.
<i>I2S-02_NC-03</i>	C26: Construction must not commence until the CEMP and all CEMP Sub-plans have been approved by the Planning Secretary or endorsed by the ER (as applicable and as identified in the CEMP approved under Condition C1). The	The non-compliance was self-reported by IRPL to DPHI via non-compliance notification dated 25 March 2026, relating to the gate 1 access not included in the Construction Traffic, Transport and Access Management Plan (CTTAMP).	Corrective actions implemented by IRPL and JHG include: Cessation of the use of Gate 1 (Warrens Lane), as confirmed in the project daily bulletin dated 23 April 2026 and verified during the audit site inspection on 23 April 2026.	All use of Gate 1 (Warrens Lane) access gate has ceased prior to the recommendation. Update to the CTTAMP to the satisfaction of DPHI and TfNSW (comments received on Rev 0.1 submission) is in progress.

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	CEMP and CEMP Sub-plans, as approved by the Planning Secretary, including any minor amendments approved by the ER, must be implemented for the duration of construction. Where the CSSI is being staged, construction of that stage is not to commence until the relevant CEMP and sub-plans have been endorsed by the ER and approved by the Planning Secretary or ER.	During the DPHI and CPHR site inspection on 19 March 2026, the use of Gate 1 (Warrens Lane) and the associated access track was identified as an unapproved access point in the approved CTTAMP. JHG confirmed use of the gate had commenced during the set-up for the February 2026 possession and was included in a Consistency Assessment (CA) on the Inland Rail website; however, the CTTAMP was not updated prior to the use of the gate and access track.	Update of the CTTAMP to Rev. 0.1 to incorporate Gate 1 (Warrens Lane), submitted to Junee Shire Council (Aconex ref. IR2200-TRANSMIT-002509) and TfNSW (Aconex ref. IR2200-TRANSMIT-002507) on 13 April 2026 for review. This non-compliance remains OPEN pending Council/TfNSW review, ER endorsement and DPHI approval of CTTAMP Rev. 0.1. Close-out will be verified at the next Independent Environmental Audit.	
I2S-02_NC-04	E35: A Box Gum Woodland Restoration Plan must be prepared by an ecologist with appropriate qualifications and experience in Box Gum Woodland restoration determined in consultation with BCS for the management of the restoration site identified in Condition A1(e) and A1(f) to ensure: in perpetuity management of existing Box Gum Woodland increase in the extent of Box Gum Woodland and improve connectivity within and across the site identified in Condition E34.	The Box Gum Woodland Restoration Plan was not uploaded to the project website as required by Condition E35, therefore triggering a non-compliance.	It is recommended that upload occur without delay to be fully compliant with Condition E35. This was rectified promptly, with the Box Gum Woodland Restoration Plan subsequently uploaded to the website as evidenced during closing meeting. This non-compliance is now considered CLOSED	Closed

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	The Box Gum Woodland Restoration Plan must be submitted to and approved by the Planning Secretary prior to the commencement of construction. The Box Gum Woodland Restoration Plan must be implemented and made publicly accessible			
I2S-02_NC-05	E44: Connectivity Strategy The draft Connectivity Strategy listed in Condition A1 must be finalised by a suitably qualified and experienced ecologist(s) with experience in fauna connectivity, fauna crossings and experimental design. The final Connectivity Strategy must be prepared in consultation with BCS and DPI Fisheries and submitted to the Planning Secretary for approval prior to construction commencing.	The non-compliance was self-reported by IRPL to DPHI via non-compliance notification dated 7 April 2026, relating to the timely submission of Fauna Connectivity Strategy. The submission timeframe for the final Fauna Connectivity Strategy (FCS) was extended by DPHI to 9 December 2025 (ref. SSI-9406-PA-47) and subsequently to 28 February 2026 (ref. SSI-9406-PA-64). A third extension request submitted on 26 February 2026 was refused by DPHI on 2 April 2026. The final FCS was not submitted by the 28 February 2026 deadline as required by MCoA E44, and the further extension request was not accepted by DPHI.	Corrective actions implemented by IRPL and JHG include: Issuance of an amended Condition A9 Extension letter (IRPL ref. 6-0000-210-EEC-00-LT-0075) to DPHI on 7 April 2026, with justification, progress to date, and future milestones for the FCS. A revised submission timeframe of 2 September 2026 has been proposed in the amended A9 letter, supported by a program of progressive submissions of FCS components addressing the matters raised by DPHI and CPHR during the 19 March 2026 site visit and 25 March 2026 follow-up meeting. This non-compliance remains OPEN pending DPHI acceptance of the amended A9 letter and subsequent submission and approval of the final Fauna Connectivity Strategy. Close-	Continuing to finalise the Fauna Connectivity Strategy in consultation with DPHI.

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			out will be verified at the next Independent Environmental Audit.	
I2S-02_NC-06	E110: The SIMP must include specific details of the commitments, programs and timing to secure and enhance positive social outcomes, and measures to minimise negative social and cumulative impacts associated with the CSSI. Reporting on the social impact performance of the CSSI, including monitoring results, must be reported quarterly with the results made publicly accessible in accordance with Condition B18.	The SIMP Quarterly Report Q4 2025 was not uploaded to the project website as required by Condition E110, therefore triggering a non-compliance	It is recommended that upload occur without delay to be fully compliant with Condition E110. This has been rectified, with the SIMP Quarterly Reports for Q4 2025 and Q1 2026 uploaded to the website as evidenced during closing meeting. This non-compliance is now considered CLOSED.	Closed
I2S-02_NC-07	E119: The Employee Code of Conduct must be reviewed 12 months after approval and annually thereafter for the duration of construction. Updates to the Code of Conduct must be approved by the ER. The updated Code of Conduct must be made publicly available within one month of approval.	The Workforce Code of Conduct Rev. 0, dated 16 December 2024 was not reviewed within the annual timeframe as required by Condition E119	It is recommended that JHG implement a process to ensure timeframes are continually met. Following the audit, JHG provided evidence that a review has now been undertaken. Sighted Workforce Code of Conduct Rev. 0.1, dated 27 April 2026, issued to IRPL for review via Aconex ref. JH-TRANSMIT-002759, dated 4 May 2026, with the ER still to approve the Code of Conduct.	Closed

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			This non-compliance is now considered CLOSED	
<i>Opportunities for improvement</i>				
I2S-02-OFI-01	B18: A website or webpage providing information in relation to the CSSI must be established before commencement of work and be maintained for the duration of construction, and for a minimum of 24 months following the completion of construction.	The project website did not contain up to date documentation e.g., Temporary Accommodation Facility Management Plan – unsigned copy uploaded; unsigned copy of the Minor Ancillary Facility for Ironbong Road CH9380. In addition, the SIMP Quarterly Report (Q4 2025) was not uploaded within the required timeframe. This matter has been addressed as a non-compliance under Condition E110 (refer to I2S-02_NC-06).	It is recommended that the project website is to be updated and continually maintained with current information and documentation.	Noted
I2S-02-OFI-02	C26: Construction must not commence until the CEMP and all CEMP Sub-plans have been approved by the Planning Secretary or endorsed by the ER (as applicable and as identified in the CEMP approved under Condition C1). The CEMP and CEMP Sub-plans, as approved by the Planning Secretary, including any minor amendments approved by the ER, must be implemented for the duration of construction. Where the CSSI is being	Actions raised in Soteria did not always have a photo showing what was required for close out. It is recommended that a photo of the required action be included for traceability purposes. Additionally, for both IRPL and JHG, actions were assigned against personnel that were on leave or offsite.	It is recommended to assign actions in Soteria appropriately. It is also recommended to investigate options to potentially assign to a group as opposed to individuals, or to re-assign actions to other available personnel to ensure timely close out.	Noted. John Holland Project team have actioned.

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	staged, construction of that stage is not to commence until the relevant CEMP and sub-plans have been endorsed by the ER and approved by the Planning Secretary or ER.			
I2S-02-OFI-03	C36: The results of the CMP(s) must be made publicly available in the form of a Construction Monitoring Report at the frequency identified in the relevant CMP.	Noise and vibration monitoring results are being reported quarterly; this misaligns to the frequency defined within the Construction Monitoring Program (6-monthly).	It is recommended that JHG review and confirm reporting requirements.	Noted. Noise and Vibration plan to be updated
I2S-02-OFI-04	E3: Despite Conditions E1 and E2 work may be undertaken outside the hours specified in the following circumstances: By approval or agreement, including: where different construction hours are permitted or required under an EPL in force in respect of the CSSI;	The Out-Of-Hours-Work (OOHW) Permit sample showed ER approval as marked which is not a project requirement, with the permit unsigned by JHG and the Conditions of Approval section left blank.	It is recommended to ensure all OOHW permits are completed accurately and in full.	Noted, all permits that are provided through hold points will be completed and signed versions.
I2S-02-OFI-05	E25: Impacts to plant community types and species credit species must not exceed those identified in the documents listed in Tables in SCHEDULE 1 and SCHEDULE 2 of APPENDIX C and the	The register for vegetation clearing which included the % proportion tracked was showing incorrect calculations. Additionally, the Fauna Capture Register stated NOT RELEASED under the date released column.	It is recommended that the register be reviewed and updated to reflect accurate information and for traceability purposes.	Noted. The register has been updated to fix calculation totals and is being progressively updated based on monthly drone surveys and completion of vegetation clearing activities in each section.

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	corresponding number and class of ecosystem and species credits as set out in the BAM Biodiversity Credit Report which forms part of Condition A1(c).			
<i>I2S-02-OFI-06</i>	E145: Condition Surveys and Rectification Before commencement of any work, a structural engineer must undertake condition surveys of all buildings, structures, utilities and the like identified in the documents listed in Condition A1 as being at risk of damage. The results of the surveys must be documented in a Condition Survey Report for each item surveyed. Copies of Condition Survey Reports must be provided to the owners of the items surveyed, and no later than one month before the commencement of construction.	During the review of Condition Survey Register, it was identified that some cells were marked as red and some entries left blank. Although evidence was presented demonstrating surveys were submitted prior to commencement of construction, the register itself does not record the date of submission of condition surveys to landowners and agencies	It is recommended that the register be reviewed and updated to ensure all fields are completed accurately, submission statuses are clearly defined, and relevant submission dates are captured.	Noted.
<i>I2S-02-OFI-07</i>	E163: Waste generated during construction and operation is to be dealt with in accordance with the following priorities: waste generation is to be avoided and where avoidance is not reasonably practicable, waste generation is to be reduced;	The current waste tracking register does not distinguish between recycled and landfilled waste streams, limiting the ability to demonstrate waste diversion performance. While waste segregation bins were observed onsite during site inspection	It is recommended that a monthly waste report be obtained from the contractor, clearly outlining the proportion of waste recycled versus landfilled, to effectively demonstrate waste performance and support sustainability reporting requirements, including ISC outcomes.	Noted, the John Holland sustainability team is working with the waste contractor to improve waste data.

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	where avoiding or reducing waste is not possible, waste is to be re-used, recycled, or recovered in accordance with the requirements of the Protection of the Environment Operations Act 1997 and its regulations; and where re-using, recycling or recovering waste is not possible, waste is to be treated or disposed of in accordance with Condition E165.			
I2S-02-OFI-08	E165: Waste must only be exported to a site licensed by the EPA for the storage, treatment, processing, reprocessing or disposal of the subject waste, or in accordance with a Resource Recovery Exemption or Order issued under the Protection of the Environment Operations (Waste) Regulation 2014, or to any site meeting applicable legislation and regulations, or to any other place that can lawfully accept such waste.	No waste was exported or transported offsite under a Resource Recovery Order in relation to vegetation clearing activities. Instead, cleared vegetation (e.g. logs and mulch) is being reused onsite, indicating positive resource recovery practices. However, the project did not capture or maintain quantitative records relating to the volumes of logs and mulch reused onsite.	It is recommended that, for future vegetation clearing activities, processes are implemented to record the data of logs and mulch for reuse opportunities	Noted. Opportunity for future clearing activities to consider volumes of material.

Yours sincerely

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