

Barriers to Effective Climate Change Adaptation
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Dear Chairperson,

Barriers to effective climate change adaptation – draft report

Congratulations on the thoughtful draft report that the commission has prepared. The South East Councils Climate Change Alliance Inc (SECCCA) agrees with much of the comment that is made but had further reflections on a number of points in the draft. You will recall from an earlier submission that SECCCA is a collaboration of 8 councils to Melbourne's south and east. As before, these comments are from the perspective of SECCCA rather than a council and do not necessarily represent the views of any member council.

Adaptation requires, as is pointed out on page 5, responses which are very much part of daily life. It is not climate change that we are responding to but its consequences – the fires, floods and heatwaves. Climate change is projected to increase both the frequency and the magnitude of these events. The responses that we make now to these incidents are, in general, no different qualitatively to those that we have always made. It is when we need to respond more frequently and the magnitude of the response builds to be commensurate with the event that the need for qualitatively different responses emerges.

As an example within the specific context of emergency management, resource issues become important. As the frequency of incidents increases, volunteer response groups such as fire fighters or emergency services, are called on more often. An employer might not be so happy to lose staff when call-outs increase in frequency, so recruitment must be expanded, perhaps into younger demographics or with CALD communities with little history of involvement. The resource needs, whether fire appliances, rescue boats or chain-saws, of an expanded volunteer corps will increase, as will training and development needs to cater for more-broadly drawn personnel.

The principle of subsidiarity, that responses are made at the level of government closest to the events and the people affected, dictates that a major role in climate change adaptation will fall upon local governments. This entirely appropriate when it comes to community care and protection, as local governments have ongoing relationships with their communities, members of which they know very well. The feedback loops within local government, where the effects are felt immediately and responses can be fine-tuned for maximum impact, are that much shorter. However, while local government is the appropriate level for many climate change responses, there are major barriers to success through capacity and resource constraints.

Page 13 Where the roles and responsibilities of local government are not particularly clear, we urge support for the first step suggested which is to clarify these roles and responsibilities and importantly, as suggested in the second step, to respond to the capacity constraints that are recognised. It is of no use to have the responsibility sheeted home to local government if they do not have the wherewithal to meet this responsibility and there is no external support to be afforded.

Page 15 The report suggests that *Reforms that have relatively low current costs and potentially large, but highly uncertain, benefits in the distant future are not recommended as priorities.* This might be arguable if climate change impacts follow steady incremental

increases. If climate change, as Roger Jones of Victoria University points out (1), is 'detected and attributed as a series of step changes', the preparedness for more rapid and/or episodic implementation of responses will be needed. This implies a vigilant watching brief to be kept by an appropriate monitoring agency to establish triggers for rapid deployment of escalated responses for reforms, the need for which could emerge quickly.

Page 16 While land-use planning regulation assumes a 'static climate', it also assumes a static coastline and it is well known that this is not the case. Coastal recession is measurable in many places in the SECCCA region and councils have little capacity to respond. A reimagining of land use planning that accepts the dynamism of coastal processes is needed. The recent Coastal Climate Change Advisory Committee, chaired by Mr Nick Wimbush, recommended the development of a specific purpose Coastal Overlay (2). The Victorian Government has not supported this recommendation which arose from the very comprehensive review conducted by the Committee. At the very least such an overlay would serve as a trigger for considering a development application within a climate change context. This matter should be referred to the appropriate forum within the Australian Government.

Page 17 .. a number of 'people and groups with less capacity than others to adapt to climate change' have no history of participation in activities and programs that might lead to active response. Communication campaigns, based around a one-way flow of pre-determined information will be of little value to such groups. A more comprehensive social marketing campaign, to provide tailored information in interactive forums is more likely to build the capacity of such people and groups. Where local government is involved through having existing relationships in community support with such groups, there are resource and capacity needs that must be met.

Page 20 DRAFT Recommendation 7.2 *Uncertainty about the legal liability of local governments is emerging as a barrier to effective climate change adaptation. State and Territory governments should clarify the legal liability of local governments regarding climate change adaptation matters and the processes required to manage that liability.*

SECCCA is highly supportive of this recommendation.

Page 23 Information request 7.1 *The Commission notes the current arrangements in New South Wales to limit the legal liability of local governments through the Civil Liability Act 2003 (NSW) and the Local Government Act 1979 (NSW), and seeks further information on whether this approach (or alternatives) could fully address the legal liability issues facing local governments in other jurisdictions when dealing with climate change adaptation.*

This approach might not fully address legal liability issues (who could imagine all the issues that will ever need to be addressed?) but it is a good first step.

Page 45 Climate change is also subject to a special category of uncertainty — the surprise. Surprises refer to unanticipated outcomes. Step changes, which are likely to be a feature of future climate change impacts (see Roger Jones reference above) could provide that surprise. The concept of the tipping point is well understood in social and environmental circles and should be applied here – deal with what is occurring but be prepared for sudden change!

Page 55 . *market prices that reflect the value we place on goods and services.* The price we assign to goods and services is a feature of the time at which they are assigned. Yet the climate change impacts on goods and services and hence the price that they attract will occur at some time in the future. With a wide range of discount rates applied to future events, the potential for market failures is very high. This is an area ripe for research and public engagement to promote the acceptance of appropriate discount rates such that expenditure can be made now against future liabilities.

A major barrier to implementing effective climate change responses now is, of course, financial resources. Where mitigation measures generate an income (the levy on carbon pollution) which, apart from discouraging carbon pollution through the very fact that polluters pay according to the amount of pollution they generate, raising money to fund a range of mitigation measures. Adaptation has no such income stream. Adaptation is at the grass roots, it is community-based and it is distributed across and around the country. Might some funds

from the carbon pollution levy, which after all is what is driving the need for adaptation responses, be applied to the research and engagement needs to describe effective response and support for appropriate instances of implementation?

Page 58 *Where climate change leads to more frequent bushfires, these land-clearing regulations could impose significant costs in the form of damage to life and property.*

In many cases, such costs may be a by-product of pursuing policy objectives unrelated to adaptation policy. However, in other cases, policy or regulation may be creating barriers for adaptation while not effectively meeting their stated objectives.

Might there be a hierarchy of policy needs then? Numerous policy aims are legitimate and simultaneous and balance must be found. For example, creating a buffer zone around fire-prone property might cause problems for biodiversity dispersal where climate change impacts prompt fauna migrations.

Page 62 *Further, even where such (behavioural) barriers are identified, it is not immediately clear if there is much that governments can or should do to address them. Introducing regulation to address behavioural barriers assumes that regulators are capable of making decisions that are in the best interests of the community.* However, this may not always be the case. But is certainly is the case with tobacco consumption and drink-driving where comprehensive social marketing programs have made a huge beneficial change to Australia's collective behaviour. New social norms have been established with regard to driving behaviour, leading to a marked reduction in the road toll. Similarly, through comprehensive and protracted social marketing program aimed at reducing smoking, the numbers of smokers has plummeted. Incidentally, both issues have been addressed through using funds drawn from the very behaviours that they are designed to reduce. These are examples of negative feedback loops in operation. We are going to need strong leadership for a major change in community attitudes to many aspects of climate change adaptation, including issues of intergenerational equity, private property protection for the public purse and greater preparedness to assume personal responsibility for decision-making.

Page 82 Box 5.1 *markets cannot adequately reflect all values, such as the cultural or amenity value of the environment ..* and this is why there has to be a preparedness to consider values that are not readily expressed monetary terms. The challenge then is to create a framework where different values can be compared – another topic for research, either of the literature as there is work on this or for specific research commissioned for these purposes.

Page 83 *transfers can reduce incentives to adjust to changing circumstances, such as climate change* Transfers to big emitters should be limited as they reduce incentives to the make the adjustments that we need. The comments made regarding the perverse incentives that might result from drought assistance are supported. Farmers should be encouraged to change, not propped up to remain the same!

Page 91 *For example, streamlining and harmonising construction codes for building and plumbing* implies national consistency which is an ongoing role for the Australian Government, in funding the research to establish the elements of effective codes, in monitoring their effectiveness and in overseeing their review at appropriate intervals. What SECCCA believes is needed is Australian Government support for construction codes to be developed upon a research-generated evidence-base, a strong state government regulatory environment and sufficient support to local government to maintain oversight of implementation. Such a range of responsibilities should be included in the call for clarification of the roles of respective spheres of government elsewhere in the draft report.

Page 93 Information is a necessary but not sufficient condition for adaptation and appropriate management of risks. Merely presenting information is no guarantee that it will be understood let alone that it will prompt constructive and appropriate responses. Education and engagement leading to behaviour change is needed. Education implies a thoughtful and comprehensive two-way engagement with an issue, involving an educator with whom ideas can be tested, issues clarified and responses developed, and should always be preferred.

Active responses can be developed for implementation, for the intent of the program is changed behaviour to more adaptive actions.

Environmental education comprises awareness (we know that there is an issue), knowledge (we can understand the issue and generate informed and appropriate responses), skills (we know how to conduct research, assign priorities and can analyse them), values (this is not an abstract intellectual exercise, we care for the environment and look for desired outcomes) and action (we roll our sleeves up and implement our desired actions). The success of the environmental education program can be judged by the degree to which behaviour changes and action occurs.

Accurate information as the basis for awareness must first be created and Australia, with the CSIRO, NCCARF and associated climate change research agencies, is well-placed for this. Current arrangements for government information provision are appreciated as a strong base upon which to base community involvement in adaptation responses. Information then must become the basis for broadly-based education and engagement programs supported nationally but delivered locally.

NCCARF, through its research hubs, is performing much needed support for the adaptation work in which SECCCA is involved. The strength of their approach is the close links with local government as end-users of the research where the evidence base for adaptation responses is built. Research is a means to this end rather than an end in itself.

Page 103 *more fine-scale projections of climate change via a process known as 'downscaling' may be worthy of funding as they can sometimes improve the ability of governments and the wider community to plan for climate change at a local level.* Work reported upon in *People, Property and Places: Impacts of Climate Change on Human Settlements in the Western Port Region*, June, 2008 (1) referred to in the original SECCCA submission that led to the current draft report was of fundamental importance in engaging councils in local adaptation responses. The strength of the work was in its local applicability, that it set out projections for climate change impacts at the community level at which people could identify. Thus it became not an abstract and hypothetical exercise; rather it became something that would affect them and so something to which they needed to respond.

Mornington Peninsula Shire conducted a series of community engagement forums to present the data generated through the project reported upon in *People, Property and Places: Impacts of Climate Change on Human Settlements in the Western Port Region*, June, 2008 (3) and *Impacts of Climate Change on Human Settlements in the Western Port Region: Climate Change Risks and Adaptations*, October 2008 (4). The paper *Telling you all we know* (5), analyses reasons for the success of the program which attracted an aggregate of 3,000 people attending one of 12 information and engagement seminars. The success of the programs attests to the benefits for communities when information is downscaled to levels that are meaningful and so to which they can respond.

Page 115 *good practice examples of risk assessments and adaptation options could help to provide guidance and reduce costs for councils* Local government is very good at monitoring the activities of neighbouring local governments and sharing approaches. Consideration should be given to formal structures and processes that promote this sharing. This can occur through the establishment of regional organisations of councils or alliances to undertake common activities, or joint activities such as resource sharing.

The second last dot point in the Key points box has one such strategy for this. Coordination and collaboration among local governments can address some of the capacity constraints they face. As an example of one such strategy, the Victorian Government supported groups of councils to establish formal partnerships for climate change response (6). Initially, they provided seed funding for the employment of an Executive Officer to consult across participating councils and develop project responses to the regional issues that they were facing. The funding was subsequently withdrawn and a number of these partnerships, SECCCA Inc is one example, are now self-sustaining associations implementing mitigation and adaptation projects for their members.

Council members of SECCCA report on a number of benefits relevant to this comment. Alliances:

- leverage external funding which has supplemented Council's efforts and has leveraged internal support within councils
- enhance credibility of councils in climate change responses, it builds weight or justification for council projects and it is empowering for council's work on climate change responses
- provide access to specialist skills – of SECCCA staff, each other as members of the Management Committee and to consultants.
- bring members of different councils sit around a table and discuss common issues.
- help us to do a better job for our community. It provides a vehicle for this.
- cross borders, so delivering a regionally consistent education and communication message which is, therefore, the more effective.
- allow our council to do projects that it wouldn't do otherwise
- participate in the state-wide alliances program enables local government to link with other regions
- help overcome parochialism
- generate synergy through involvement, we are greater than the sum of the parts

Further, while councils themselves form formal networks such as climate change alliances, the alliances themselves form networks to capture further statewide efficiencies.

Three of Victoria's climate change alliances collaborated in the formal sharing program Council Connections to draw together council staff from across the Melbourne metropolitan area. The primary aim of the program was the development of a community of practice, based upon peer-to-peer learning, among the broad sweep of colleagues involved in adaptation. There was also a sharing of strategies and experiences among leading practitioners around specific adaptation issues such as legal risk, urban planning and public health and social issues.

While Council Connections was an initiative of the alliances, the Victorian government has supported collaboration through the grants of the Local Sustainability Accord, which had an explicit aim to share knowledge, skills and strategies across councils. By the time participating councils themselves contribute resources, such a targeted support program as the Accord returns a large multiplier on the original grant.

Page 138 '1-in-100 year' events are often used as a benchmark for planning decisions. While this is language, along with the term Annual Return Interval (ARI), used by engineers, it is counter-productive when used in the community. There can be an expectation that since the 1-in-100 event has just occurred, one can sit back in relative peace for the next 99 years. A better term for use is a 1% event, that is, there is a 1% chance of the event occurring at any time. This is language consistent with that used in everyday life to refer to many situations and is readily understood.

Page 139 Box 8.1 *Government intervention in both private property markets and the building industry is justified as private markets fail to maximise social welfare in the absence of suitable regulation. Equity considerations that guarantee some minimum standards relating to building use are a further rationale for government regulation of the building industry.* These statements are supported as the government can set a policy direction, ie towards sustainability, and support its implementation with appropriate interventions.

The issue of split incentives remains a vexed one for local government. For example, waste management in large multi-unit developments is rarely an issue of concern for the developer but it most certainly is for an occupier. However, local government has limited capacity to influence the developer where suitable regulation is non-existent. Government intervention is justified here.

A further opportunity exists for government to have direct influence on maximising social welfare, in this case with regard to energy efficiency and housing. Mandatory disclosure of energy performance at transfer of title or lease offers an opportunity to bring about change – and should be taken. That it can be applied at transfer of title and at transfer of lease and

offers one means of addressing the split incentives issue also. In the longer term it will influence property values and rental income as the market starts to exert an influence.

Page 142 *Local governments are required to consider specific environmental hazards — such as floods, bushfires, cyclones and landslides — in local planning processes* The consideration of such matters in planning processes requires detailed and technical knowledge and staff experience and/or expertise. This raises a resource problem, councils often do not have staff with the expertise required in a narrow but necessary discipline and yet might have a limited resource base with which to buy in needed expertise. Where local government is to assume responsibility for various matters, there has to be a commensurate provision of support for these responsibilities to be met.

Page 153 The 2011 COAG National Strategy for Disaster Resilience established a priority outcome that *'building standards and their implementation are regularly reviewed to ensure they are appropriate for the risk environment'*. There is a need for an ongoing role for the Australian Government in ensuring the evidence base is established through research by the nation agencies such as CSIRO and the NCCARF research hubs, developing appropriate policies and overseeing ongoing review of standards for continued appropriateness in the face of change.

Page 172 *Infrastructure decision-making frameworks do not generally require explicit consideration of climate change impacts.* While this may be an accurate representation of what is, it is not necessarily what should be. By the inclusion of a climate change criterion in the awarding of funding for major infrastructure programs, multiple policy aims can be achieved. On a local level, consider the matter of the recent first home buyers grant. Had receiving a grant be made conditional upon the house featuring passive solar design, a 5 star energy rating and/or solar hot water heating, the influence that would have been brought to bear on the design and building industry would have been significant. A new norm towards sustainable housing could have been established, obviating much of the expensive retrofit program underway now, with minimal effort. Every opportunity should be taken to bring about such whole-of-government reforms.

Now enlarge this to major infrastructure projects funded through the Regional Development Australian Fund, insert a criterion that asks proponents to consider climate change adaptation in the project being applied for and select accordingly.

Page 201 *a thorough consideration of the risks, benefits, costs and alternative priorities for scarce local government resources (for emergency management) is .. required* Provision of the support to a magnitude that is needed is unlikely to be found through the rate base available to local government. Leadership is required, on the part of the Australian Government – the appropriate level at which this should be done – to commission the work necessary to compile the national needs, the players involved, their current capacity to play their part and the preconditions that must be met before that part can be played at the needed level. Later on the same page, the matter of balance between prevention, preparedness, response and recovery is raised. Issues of prevention and preparedness can be dealt with at local government level, working in association with response agencies. Knowledge of and services to local communities that local government provides can be leveraged to improve prevention and preparedness. Of course, this carries resource implications too.

Page 213 *a land owner may benefit from a seawall even though it exacerbates environmental damage elsewhere* There is an asymmetry here. One could imagine the landowner prosecuting the argument with eloquence and vigour, but who is speaking for the environment? In the decision process, there needs to be formal recognition of the role of evidence-based environmental advocacy to assist in arriving at responses that deliver maximum benefit.

Page 247 *A third set of reforms would address barriers that are related to the capacity of governments, households, businesses and the community to adapt. They include: ensuring that local governments have resources that are commensurate with the responsibilities they are tasked with by state and territory governments clarifying the legal liability of local governments in relation to land-use planning decisions that are related to climate change adaptation*

These are important reforms that would assist greatly member councils of SECCCA meet many of their responsibilities for climate change adaptation.

In short, SECCCA could summarise its response in four parts:

- (i) That clarification of the respective roles of each sphere of government is needed and opportunities for adaptation outcomes across programs of each sphere should be sought,
- (ii) Local governments must receive resource support such they can meet the responsibilities for climate change adaptation that they are assigned
- (iii) The Australian Government must continue to lead the national research effort and set national standards for adaptation responses across relevant areas to climate change, and
- (iv) The Australian Government should lead a comprehensive education and engagement program for enduring behaviour change across the Australian community in this important work.

SECCCA is pleased to offer the above comments and would welcome the opportunity to expand upon them if that would be helpful.

Yours sincerely

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References

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- 2 *Issues and Options Paper*, Coastal Climate Change Advisory Committee, February 2010 http://www.dpcd.vic.gov.au/data/assets/pdf_file/0003/34374/CCCAC_Issues_Paper_Main_Report.pdf
- 3 *Impacts of Climate Change on Human Settlements in the Western Port Region: Climate Change Risks and Adaptations*, October 2008 http://www.seccca.org.au/projects/Final_Risks_and_Adaptation.pdf
- 4 *People, Property and Places: Impacts of Climate Change on Human Settlements in the Western Port Region*, June 2008 <http://www.wpga.org.au/ppp.asp> .
- 5 *Telling you all we know - conversations about Climate Change on Mornington Peninsula*, Greg Hunt, Executive Officer, SECCCA, October 2008
- 6 *Greenhouse alliances – responding to the challenge of climate change*, June 2012 http://www.seccca.org.au/news_article.asp?data_id=120