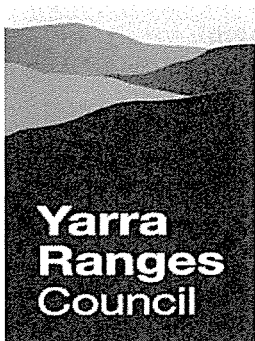


# **Yarra Ranges Council Submission to Productivity Commission Inquiry**

*“Barriers to Effective Adaptation”*



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## Contents

Introduction.....	3
Our successes in building adaptive capacity .....	4
Barriers to effective adaptation in local government.....	5
<b>Information provision.....</b>	<b>5</b>
<i>Early warning systems for extreme weather events (Page 98).....</i>	<i>6</i>
<i>Adaptation research (Page 100-101).....</i>	<i>6</i>
<i>A national repository of information (Page 106-107).....</i>	<i>6</i>
<i>Local climate change information (Page 102-104).....</i>	<i>6</i>
<i>Coordinating and sharing of natural hazard information (Page 106-108).....</i>	<i>7</i>
Concluding Remarks.....	7
<b>Assessing reforms and setting priorities .....</b>	<b>7</b>
<i>Long time frames and uncertainty (Page 65-79).....</i>	<i>7</i>
<i>Decision making (Page 65-79).....</i>	<i>8</i>
<i>Reforms that increase the wellbeing of community (Page 65-79).....</i>	<i>8</i>
Concluding Remarks.....	9
<b>Role and responsibilities .....</b>	<b>9</b>
<i>Inadequate guidance and information (Page 127-130).....</i>	<i>9</i>
<i>Skills and knowledge (Page 130-132).....</i>	<i>9</i>
<i>Local government coordination (Page 132).....</i>	<i>9</i>
<i>Legal liability (Page 134-136).....</i>	<i>10</i>
Concluding Remarks.....	10

## Introduction

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Yarra Ranges Council is pleased to make a submission to the Productivity Commission Inquiry into *Barriers to Effective Climate Change Adaptation*. Yarra Ranges Council supports much of the comment made. From our experience in planning for adaptation to climate change, we would like to share our reflections on the Commissions comments to barriers in the following sections:

- Assessing reforms and setting priorities
- Information provision
- Role and responsibilities

On Page 117, the Commission states ‘a number of Council’s have undertaken risk assessments and developed adaptation action plans as a first step to managing the risks of climate change’. Yarra Ranges Council has just completed such a task.

This submission includes a discussion on our Council’s approach to adaptation planning. We identify our successes in terms of approaches taken internally that support our adaptation efforts. We also make comment on barriers that we see hamper local government’s ability to deliver effective adaptation planning.

In this submission, we make direct reference to the Commissions draft report, but also make reference to critical issues, identified by the Municipal Association of Victoria (MAV) study into council’s climate change adaptation activities. These issues were highlighted by the MAV in their submission to this inquiry.

## Our successes in building adaptive capacity

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We will reference the research outcomes published in the Commission's draft report; and the MAV's submission to this inquiry to demonstrate our support for these outcomes to inform policy and regulatory reform.

The draft report makes reference to the concept of building adaptive capacity. The Commission defines this as "*Adaptive capacity refers to the ability of individuals, firms, governments and communities to adjust to new ways of doing things in the face of climate change (Chapter 11)*". This can be undertaken in a variety of ways.

Examples we would like to reference from the Commission's and MAV research are:

- Addressing information and behavioural barriers.
- Strengthening institutional and governance arrangements.
- Understanding of and engagement in adaptation planning and implementation amongst executive, council staff and councillors.
- Resourcing initial assessments and planning.

We have undertaken a number of examples that the Commission and MAV refer to in their research above. These include:

### *Information, Behaviour and Engagement*

- Improving staff and Councillor awareness around the impacts of climate change; and how our communities may be affected.
- Implementing an extensive internal consultation and engagement program with management and Council officers.
- Developing risk management strategies in consultation with Council's risk management department, utilising Council's policy and framework for risk assessment and management.
- Focusing on changing behaviour by engaging in conversations that show staff how addressing climate change issues is:
  - (a) already something that they do (indirectly without knowing) and should do more of; and
  - (b) that with the right support and decision making tools is something that they can easily embed into their daily work by thinking within the lens of how climate change will affect their work.

### *Resources, Institutional Capacity and Good Governance*

- Allocating a full time Senior Project Officer who is solely focused on climate change adaptation planning.
- Setting up a project management team (full time project officer and Manager Environment)
- Establishing a project steering committee with 8 management representatives from across Council.

- Developing project management processes, scheduling regular check in and updates with Council's Strategic Leadership Team and the Council.
- Setting up processes to embed climate change into our business planning cycles by incorporating our Plan into Council's corporate planning framework, so staff do not perceive this as a Plan tied to the Environment Department, but a corporate plan, that contributes to Council's strategic objective of becoming a "High Performing Organisation".

Yarra Ranges Council has made a renewed effort to improve our action on climate change, and our comments above come from the experience of preparing a climate change adaptation plan and risk assessment. For us, our definition of adaptive capacity is beginning with 'getting our own house in order' first. We focused on building the adaptive capacity within Council through engagement, appropriate resource allocation and strong leadership.

If staff and Councillors are empowered with the knowledge and understanding of how climate change will impact on Council's service areas, respective areas will be in a much better position to consider the following:

- how the impacts of climate change will affect the quality of their services now and into the future;
- and what kind of influence they can have on enhancing community resilience and adaptive capacity to climate change.

## **Barriers to effective adaptation in local government**

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In this section of the submission, we will explore barriers at other levels of government and at the community level that hamper our efforts to adapt to climate change.

If no action is taken to remove these barriers delivery of action will continue to be hindered, result in poor decision making, or inappropriate response (i.e. 'maladaptation'). This is particularly costly for Councils who are already adjusting the way they do things to adapt to climate change.

## **Information provision**

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Yarra Ranges Council supports the Commission's statement that *'there is a number of areas where there may be scope to improve the provision of information by government. These include improving capacity to forecast extreme weather events, better aligning adaptation research with the needs of users and providing local climate change information....There is also need to improve the consistency, quality and dissemination of risk information related to natural hazards in the current climate (Page 63, Chapter 6).*

Yarra Ranges Council has recently completed a risk assessment and adaptation action plan. Based on our experience, we would like to reference the following issues raised by the Commission, as issues to address in order to improve local government's capacity to fulfil its roles and responsibilities:

- *Early warning systems for extreme weather events (Page 98)*

Federal and state government agencies need to work closely with local government in the task of improving early warning systems for extreme weather events. It is also important that effort is made to tailor these systems to the communities residing in designated risk areas (e.g. fire or flood prone areas). It is important that supplementary resources are provided to Councils to enable them to lead emergency management reforms such as resilience building programs that are tailored to their community's vulnerabilities.

- *Adaptation research (Page 100-101)*

To date local government has benefited in a broad sense from the research undertaken by a range of government bodies (CSIRO, BOM, and Centres for Research i.e. Victorian Centre for Climate Change Adaptation). However, more effort could be made to consult or engage with end users to ensure research is relevant. This would help to ensure that research can be applied to local government functions in turn helping to inform decision making at local levels. For this reason, Yarra Ranges Council supports the Commission's comments on Page 100-101 to improve arrangements and coordination for research and better align research to user needs.

- *A national repository of information (Page 106-107)*

In regard to the proposal for a national repository of information, in our experience access to information was plentiful. The challenge is identifying what research is best to use and how it should be interpreted.

A repository is not necessarily the answer, and we support the Commission's comments that other tools such as using agencies like the Climate Commission to be a central disseminator of information, advice and technical expertise. From our perspective, it would be useful to have access to technical expertise and guidance. This warrants more of a focus on policy that builds partnerships (or relationships) with local government so Council officers can access technical assistance in analysis and interpretation of data.

- *Local climate change information (Page 102-104)*

When conducting our risk assessment, we worked with CSIRO on the *Climate Futures* Program to access regional projections for Eastern Melbourne. These projections were still large scale (i.e. cover the land mass of 7 municipalities across the eastern region of metropolitan Melbourne). While this information was sufficient enough for us to develop a high level risk assessment, it will not be sufficient enough to conduct assessments that are more detailed and locally specific, such as quantifying the impacts of climate change on Council's assets (as one example).

The benefit of local, finer scale data on climate change is that it informs good decision making at local levels. It is a critical ingredient into assessing the suitability of adaptation options because there is a higher likelihood that this kind of information will help Councils demonstrate a higher degree of confidence that their approaches to managing risk will deliver a net benefit to the community now and/or in the future.

For this reason, Yarra Ranges Council supports further research and development into modelling for local information such as 'Downscaling climate change projections'.

- *Coordinating and sharing of natural hazard information (Page 106-108)*

Natural hazard information and mapping of flood, fire or landslip prone areas is a key deficiency in information and constrains local government's capacity to use planning and emergency management systems as a tool to risk manage the impacts of climate change on communities, the natural environment and infrastructure. Land use planning and emergency management are often referred to as sectors with strong ability to build the adaptive capacity of the community.

Local government is often referenced as the tier of government best placed to do this; however it is difficult for local government to fulfil these expectations if they do not have the resources to meet these responsibilities. Without access to good quality data on the potential risk posed to a location from a given type of natural hazard, local governments are challenged in their capacity to mitigate risk.

There are many agencies responsible for dissemination of natural hazard information ranging from the CFA, water authorities, state government and local government. For this reason, we see value in resources being allocated towards projects that improve coordination between agencies so that consistent and up to date mapping on natural hazards can be completed for local government areas.

### **Concluding Remarks**

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**Based on our discussion above we would like to make comment on Commission's draft recommendation (6.1) for the issue of information provision. While hazard mapping is an important reform, improving early warning systems, adaptation research and local climate change information is also a desirable outcome.**

### **Assessing reforms and setting priorities**

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Yarra Ranges Council agrees with the Commission's position that:

- Long time frames involved and uncertainty about the impacts of climate change mean that it is difficult to quantify the benefits and costs of reforms.
- Uncertainty about impacts of reforms should not lead to inaction because there are decision making tools that assist governments, businesses and households deal with this uncertainty (the commission refers to '*The Precautionary Principle*' and '*The Real Options*' approach).
- Reforms should be those that are likely to increase the wellbeing of community.

### *Long time frames and uncertainty (Page 65-79)*

The 'uncertainty' in climate change projections is the key challenge for policy makers when determining action. The aim is to identify action that would support community, while avoiding options that may have other economic, social and environmental consequences not related to climate change adaptation. When Councils do not have access to local climate change information the 'uncertainty' is exacerbated further. This reinforces the need to improve climate change projections through options such as downscaling.

### *Decision making (Page 65-79)*

Decision making tools to assist local governments undertake cost benefit assessments are few and far between. The Commission comments that formal mathematical approaches, such as models like *Fankhauser et al (1999)* are not always going to be a feasible way of assessing cost and benefit.

We support this statement because many of Council's functions such as community health, aged care, and environmental services are not measurable in monetary terms.

There are pros and cons in the concepts of both approaches to decision making proposed in the draft report: *The Precautionary Principle* and *The Real Options* approach. To assist local governments to make informed decision about what approach to decision making should be taken, adaptation decision making guidelines would be a useful tool for local government – outlining how to do a cost benefit assessment and when a precautionary or real options approach may be suitable.

We understand it is not possible to develop tailored guidelines for every local government area, but cost benefit, guidelines or code of practice tools would be incredibly useful to officers responsible for implementing climate change adaptation plans.

Helping Councils make decisions warrants further investigation and research by government at all levels.

### *Reforms that increase the wellbeing of community (Page 65-79)*

The draft report indicates that cost should drive the degree of adaptation reform. The Commission suggests that:

*'Where a reform has low up front costs and potentially large benefits, albeit with long time periods between the costs being incurred and the benefits being received, there could be a case for preparatory action. The case is likely to be stronger if the reform will deliver benefits under a range of climate change scenarios.'*

*Where measures have high up front costs, the community is likely to benefit by deferring high cost options until better information becomes available'. (Draft Recommendation 4.1)*

The Commissions final recommendation "*Where measures have high up front costs, the community is likely to benefit by deferring high cost options until better information becomes available*" might be arguable if climate change impacts follow a steady incremental increase, but climate projections indicate otherwise, with significant variability in intense weather events predicted.

While cost is an important factor in terms of financing the development of adaptation in our communities, 'equity' for our future generations is also important. This consideration seems lost in the draft report recommendation, and this could result in action that is not bold enough to take a 'no regrets approach'.

In assessing all options, it is important that we consider comparisons between actions that have a high cost now, and the cost of impacts on future generations to come.

## Concluding Remarks

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Based on our discussion above we would like to make comment on Commission's draft recommendation (4.1) for the issue of assessing reforms and setting priorities. It may be prudent for the Commission to consider broadening its recommendation to reference the importance of decision making tools for local governments that are designed with the intent to make the case for action clearer in the face of uncertainty. The statements in the recommendation could also be broadened to consider the issue of intergenerational equity.

## Role and responsibilities

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Where roles and responsibilities are not clear, we urge support for the steps suggested by the Commission which is to clarify these roles and responsibilities. As we mention above, local government is referenced as the most appropriate tier of government to build adaptive capacity, but without the appropriate resources to meet these responsibilities, local government will be challenged to fulfil this role.

We were glad to read the Commissions reference that: *"Climate change is just one of the many risks that local governments need to manage. Other factors, such as demographic changes and economic growth and development also present challenges for councils"* (Page 116). Managing risks requires assessment of likelihood and consequence, and treatment of risk to mitigate or reduce impact. Clarifying roles and responsibilities particularly in areas of land use planning, building regulation, community health and emergency management is an important step towards increasing local government capacity and confidence to discharge its role in these sectors.

We support the identification of barriers blurring roles and responsibilities in adaptation policy.

- *Inadequate guidance and information (Page 127-130)*

In earlier discussions of this submission we refer to the problems of information provision and lack of technical support available to coach or teach Council officers in how to interpret information available; particularly how to synthesise and use the large volume of guidance material available to local government.

- *Skills and knowledge (Page 130-132)*

The MAV's study into council's climate change adaptation activities also found that Council officers lacked capacity, skills and knowledge in how to implement climate change adaptation plans. We are also challenged by this point. Many staff at Yarra Ranges will need access to professional expertise so that they can be coached in how to best use climate change information, particularly implementing adaptation plans.

- *Local government coordination (Page 132)*

Yarra Ranges Council is a member of the Eastern Alliance for Greenhouse Action. Partnering with neighbouring Councils provides a larger resource base enabling Councils to do much more as a group, rather than as individuals. Working as an alliance means we can achieve 'economies of scale'. We have also found that partnerships with state and federal government agencies are easier to coordinate and manage through this approach. Effective partnerships have been essential in terms of delivering programs at a regional scale, particularly in regard to addressing resource constraints such as access to finance, technical expertise and information.

- *Legal liability (Page 134-136)*

While we are still yet to implement our plan, we know from conversations in local government circles that there is a reluctance to take adaptation action forward because of a perceived risk of legal challenges. Increasing clarity around legal liability will help to address this. We support the Commission draft recommendation 7.2 in regard to '*clarifying the legal liability of local government regarding climate change adaptation matters...*'

### **Concluding Remarks**

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**Based on our discussion above we support the Commission's draft recommendations (7.1 & 7.2) to clarify roles and responsibilities of local government. It is important that legal reform addresses the issues referenced above including: inadequate guidance and information, skills and knowledge, government coordination, and legal liabilities.**

Council would be please to provide any further information on this submission or appear before an inquiry panel.

Yours Sincerely

**David Harper,**

**Manager – Environment**

**Yarra Ranges Council**