

Online email: ClimateChangeInquiry@parliament.vic.gov.au

29 August 2019

RE: Victorian Parliamentary Inquiry into Tackling Climate Change in Victorian Communities

Thank you for the opportunity to provide a submission to the Victorian Legislative Assembly Environment and Planning Committee's *Inquiry into Tackling Climate Change in Victorian Communities*.

The following submission has been prepared by the Central Victorian Greenhouse Alliance (CVGA) representing 13 local governments in central and north west Victoria.

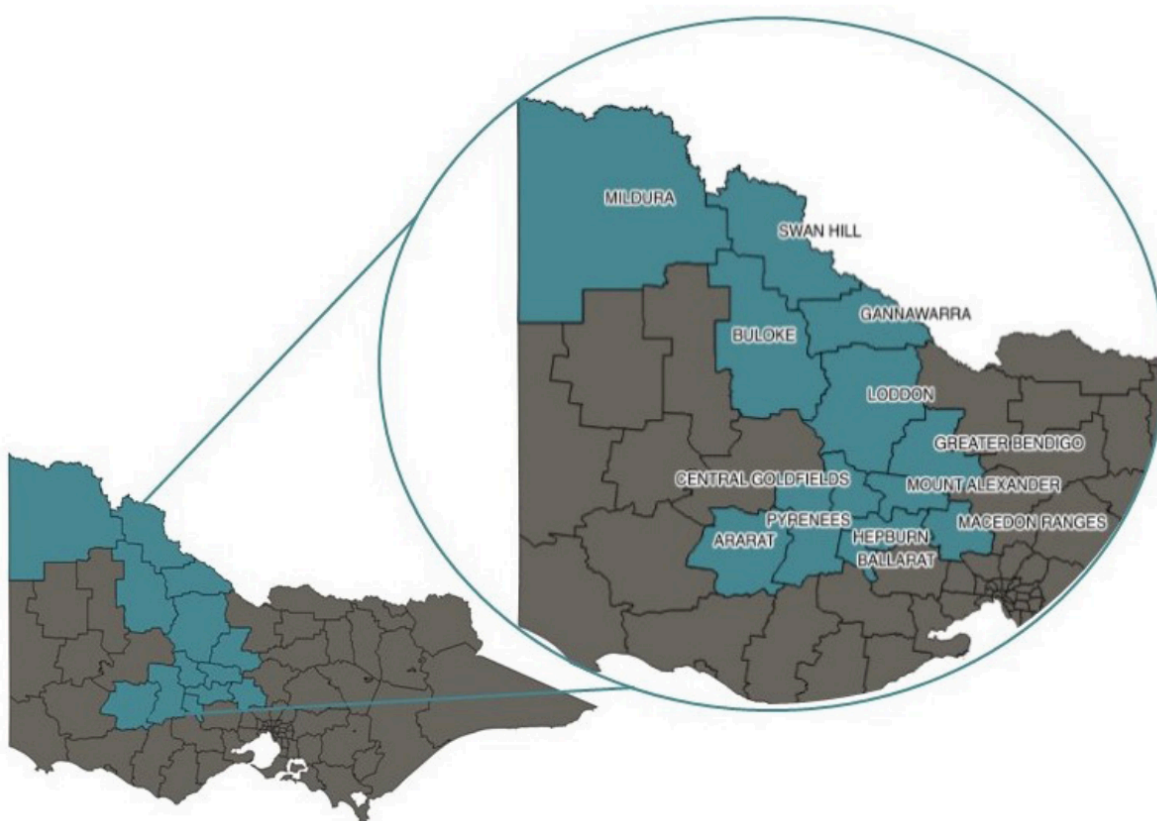
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Background

The Central Victorian Greenhouse Alliance (CVGA) is a formal network of 13 regional and rural councils spread across northern and central Victoria including the cities and shires of Ararat, Ballarat, Buloke, Central Goldfields, Greater Bendigo, Loddon, Gannawarra, Hepburn, Macedon Ranges, Mildura, Mount Alexander, Pyrenees and Swan Hill. The CVGA has existed since 2000, working with its members on climate change projects, advocacy and information sharing.

The [Central Victorian Greenhouse Alliance \(CVGA\)](#) is one of seven Victorian Greenhouse Alliances, formal partnerships of local governments driving climate change action across 70 of Victoria's 79 municipalities. Greenhouse Alliances work across our networks, communities and partners to deliver regional mitigation and adaptation programs. This includes the implementation of joint initiatives that provide economies of scale and enable projects typically beyond the reach of individual councils. Our project work is complemented by targeted advocacy, capacity building activities and regional partnerships.



Climate change impacts in CVGA region

Climate change presents a multitude of challenges including significant financial, infrastructure and reputational risks to local government, and socio-economic wellbeing of communities. Climate change is much more than an environmental issue, it poses risks for every part of council business.

Climate change is already impacting local governments and communities across our region in a myriad of ways. Local government must simultaneously reduce the greenhouse gas footprint of its own business as well as ensure its assets and operations are resilient to climate change impacts.

Local government also provide support to the community in addressing climate change. It plays a key role in leading and supporting the communities to reduce emissions and strengthen climate resilience.

Local governments are also becoming increasingly aware of the obligations they have as key decisions makers to ensure they address climate change. Many councils have responded to the climate change challenge by adopting proactive strategies to reduce emissions and to adapt to unavoidable climate change impacts through climate change risk assessments and adaptation plans. Having identified potential solutions to the range of challenges, many councils need additional help to implement local projects and innovative solutions.

The role of councils in addressing climate change is hard to overstate. The Paris Agreement acknowledged the importance of sub-national governments, including local governments, in addressing and responding to climate change.

Mitigation Actions

Actions being taken by community members and organisations to mitigate the severity of climate change, including actions to reduce greenhouse gas emissions.

Regional

The CVGA and its member councils have a proud history of delivering significant regional climate mitigation projects over the past 20 years. Over the past 8 years the CVGA has delivered over \$70 million worth of projects in the region focussed on mitigation. In the past few years the CVGA has been working on the following projects aimed at reducing greenhouse gas emissions:

- **Victorian Councils Renewable Energy Project:**

The CVGA has worked with its member councils and other alliances across the state to form the largest renewable energy buyers group in Australia (by number of organisations with 48 councils involved). The group have come together to drive investment in renewable energy- resulting in pooling ~245GWh of electricity, which is the equivalent to powering 43,000 homes with renewable energy or taking 80,000 cars off the road each year. The committed councils are now

in the tender stage to purchase renewable electricity for council operations through a long term Power Purchase Agreement (PPA). It is the largest ever emissions reduction project undertaken by local governments in Australia, aggregating approximately 40% of all Victorian Council electricity to switch to 100% renewable energy. For our CVGA region, councils will become 100% renewable for their electricity needs from next year.

- **Lighting the Regions**

The CVGA and the Wimmera Mallee Sustainability Alliance of councils from 2014 to 2016 delivered the largest street-lighting energy efficiency upgrade in Australia. It has overseen the replacement of over 22,600 residential and shared streetlights across an area covering almost 45% of regional Victoria. The old mercury vapour streetlights have been replaced with new LED lights providing energy savings of up to 77% and brighter street lighting for over 300,000 residents. The project will result in an estimated reduction of 180,000 tonnes of greenhouse gas emissions, saving local councils and their ratepayers up to \$57 million in operating and energy costs. Councils are now working on tackling upgrades for major road lighting, which requires state government collaboration as the costs are shared between councils and Vicroads.

- **Community solar projects**

The CVGA have delivered a number of community level solar and energy efficiency projects such as the Central Victorian Solar Cities project, Solar Savers and the More Australian Solar Homes (MASH) program. The [MASH](#) program has delivered over 1500 solar systems across the region, reducing CO2 emissions by over 10,000 tonnes per year and saving households over \$1M per year off their energy bill. It has also raised over \$100,000 in free solar grants to community groups and schools in the region.

- **Charging the Regions**

The CVGA is leading on a project with 43 rural/regional councils across Victoria to investigate a local government led electric vehicle charging network. This network will encourage the uptake of electric vehicles by addressing the key barrier of range anxiety and ensure that regional towns are not left behind in the transition to electric vehicles. Local governments are well placed to facilitate and support the State Government to develop a comprehensive statewide network. This project provides councils with a stronger understanding of the investment options and their role in provision of public charging infrastructure.

- **Future Energy Planning**

The CVGA is undertaking a number of initiatives to ensure that the transition to a decarbonised energy system can take place quickly, smoothly and equitably. CVGA is working with Powercor to improve information sharing between local governments and electricity networks in planning for the integration of renewable energy and land use planning issues. In addition the CVGA is leading the development of a DELWP funded Renewable Energy Roadmap for the Loddon Mallee Region. This project will develop a community vision for the region and identify the regional economic opportunities from the energy transition.

Individual councils

In addition to regional projects, our member councils are individually acting on emissions reductions. Each council is undertaking a range of activities to mitigate climate change by addressing their own corporate emissions or support/facilitate community mitigation efforts:

- **Renewable energy/energy efficiency:**

Councils across the region are installing solar on council buildings and many have their own corporate renewable energy targets (eg. Ballarat 100% renewable by 2025). In total councils across the region have installed approximately 2.5MW of solar PV on council buildings. The remainder of energy use will be purchased through the local government PPA project that will be sourced from 100% renewable energy. Councils are also trialling innovative new forms of renewable energy such as the methane biodigester at Hepburn shire council, which is trialling converting municipal organic waste into electricity, water and soil conditioner. Ballarat City Council is also investigating opportunities for hydrogen using local renewable sources to provide power, storage and heat to industry, transport and agriculture.

In addition, councils across our region have converted residential streetlights to LED technologies, leading the way in local governments across the country now undertaking retrofits. Councils have also undertaken substantial energy efficiency retrofits to existing council buildings, supported by Sustainability Victoria's Local Government Energy Savers program for small rural and regional councils.

A number of councils are supporting businesses and residents to be sustainable through offering to enter into commercial Environmental Upgrade Agreements (EUAs), and supporting residential solar and energy efficiency programs like Solar Savers Program (for low income households) and solar bulk buys (MASH). For example, Mildura City Council has successfully entered into 7 EUAs leading to businesses in the municipality installing 250kw of solar in the past year. Gannawarra Shire Council have won a Premiers Sustainability Award for innovative planning and economic development to attract large scale solar developments to the municipality.

Vehicle fleets:

A number of councils in our region are proactively converting or investigating transitioning to hybrid and electric vehicles for its own fleet. A study into regional councils fleets by the Goulburn Broken Greenhouse Alliance found that the average daily kilometres travelled by each Council fleet car were less than the range available in current EV technologies. In addition, a new study by the MAV and ClimateWorks has found that an EV is now cheaper than an internal combustion engine car for fleets when considered in terms of total cost of ownership.

Sustainable subdivisions: A number of CVGA councils are working to develop an assessment framework for subdivisions to reduce emissions resulting from small and large-scale subdivisions. Wodonga City Council is leading this work with funding from the Collaborative Councils Sustainability Fund Partnership Program.

Waste:

A number of councils are implementing Food Organics and Garden Organics (FOGO) programs to reduce methane emissions from landfill. Such programs seek to divert waste from landfill to other uses such as compost and even electricity (Hepburn). In addition, CVGA councils have

investigated the potential to expand the Hepburn waste to energy project to include municipal waste from neighbouring shires. However, tackling emissions from waste is a challenge for any one council to make a substantial impact on without regional and state support.

Adaptation Actions

Actions by community members and organisations to adapt to the current and future impacts of climate change

Regional

The CVGA region covers almost 1/3rd of Victoria's landmass and is faced with numerous climate change challenges and risks. Physical climate risks of increased severity and length of bushfire seasons, more prolonged and severe heatwaves, reduced rainfall, increased flooding risks all pose serious challenges for council service delivery and decision making. The region's councils are working hard to understand the impact of climate change on council operations and service delivery and its role in addressing these challenges.

There is broad acknowledgement in our region that communities are facing the impacts of climate change today. This is not about challenges "in the future". The region has already experienced extreme events that have had a significant impact on communities and local economies, including floods, drought and extreme heat. The strategies and plans around climate adaptation and the responses from local government stakeholders are unequivocal about these challenges and how they relate to our communities.

Climate change mitigation and adaptation are often interrelated and overlap, however for local governments responding to the challenges, there are some key differences in the framing of each that is worth acknowledging. It is well accepted that from a climate change mitigation point of view, the reduction in energy use (especially for energy efficiency and renewable energy projects) frequently presents a clear financial business case for implementation. On the other hand, adaptation projects are often harder to demonstrate clear business cases for, despite any social, environmental or indirect economic benefits.

While mitigation is necessary to reduce the rate and magnitude of climate change, adaptation is essential to minimise risks from climate change impacts.

Nonetheless CVGA councils have increasingly turned their attention to building the region's resilience to climate impacts as demonstrated through the following projects:

- **Ramp Up Resilience:**
A unique climate adaptation community engagement program led by Make A Change with partners CVGA, Loddon Shire, Campaspe Shire, Greater Bendigo City Council, Coliban Water, North Central CMA, and the Bendigo Sustainability Group. The program has worked successfully to engage and empower communities in rural shires to activate new local solutions to the challenges faced in the region from climate change.
- **Cool it**
A project spanning 8 councils across the CVGA region, the Cool It project helps councils improve community resilience to increasing heat in regional Victoria by improving green infrastructure such as street trees. After a street tree audit undertaken by the CVGA councils

in 2015 the Cool It project undertook heat vulnerability mapping to prioritise where councils could direct limited financial and water resources to improve cooling outcomes in communities.

- **Heatwave health**

The heatwave health project spanned 7 councils and undertook a collaborative review and revision of heatwave management plans looking at how councils could share their resources to do more consistent planning and get better outcomes for their communities.

Project resources include:

- a heatwave health planning template for Victorian local governments
 - 7000 heatwave health packs for councils staff providing resources to educate community members about the dangers of heatwaves.
 - an online video training tool with accompanying information (developed by the City of Greater Bendigo Heatwave Help project)
 - case studies from community members showing how they keep cool
 - practical information on adapting living spaces
- **How well are we adapting**
Greater Bendigo Council is working with councils across the state through the Western Alliance for Greenhouse Action to develop adaptation indicators for council service delivery. How Well Are We Adapting is an innovative web-based climate change adaptation monitoring, evaluation and reporting tool for Victorian local governments.
 - **Building resilience; making homes climate ready**
A [resource](#) for homeowners to take actions to make their homes more climate resilient, led by the City of Greater Bendigo in partnership with 5 councils.
 - **Shared service delivery model for Environmentally Sustainable Design (ESD)**
This project aims to articulate the feasibility of and need for Environmentally Sustainable Design expertise within the Loddon Campaspe local governments to both deliver financial sustainability and improve service delivery. The City of Greater Bendigo is leading the project partnering with 4 loddon campaspe councils, the CVGA and the Council Alliance for a Sustainable Built Environment (CASBE).

Individual councils

Identifying adaptation actions across local governments is difficult as adaptation can cover every aspect of council operations and service delivery. In addition, not every council action or program is framed as an ‘adaptation’ action despite having a focus on climate change. For example, many projects have been implemented that directly relate to a changing climate and address sustainable or “green” landscapes and “drought proofing” of park and gardens, the planting trees that can withstand higher temperatures in the coming decades, flood levies, heat mapping, shading for urban heat, storm water runoff and localised drainage programs

The following list describes some of the types of adaptation actions and issues that face councils in our region:

- **Embedding climate change in council decision making**

A number of councils are considering how climate change risks can be better incorporated into everyday council decision making. This includes ensuring climate risks are part of councils risk management frameworks.

- **Asset vulnerability**

Although a new area for councils, there is growing interest in how councils assets such as buildings, roads and bridges can become more resilient to a changing climate. A number of councils have worked in the past to develop building vulnerability assessment frameworks such as that developed by the Future Assets project led by the Eastern Alliance for Greenhouse Action and the Northern Alliance for Greenhouse Action.

- **Land use planning**

Councils are grappling with how to incorporate climate change into land use planning decisions and guidance. Councils are facing increasing legal liabilities from development approvals, public infrastructure provision and from its growing role as “insurer of last resort” when natural disasters hit.

- **Community planning**

Councils need to consider how increasing extreme weather is impacting on service delivery to the community. Some councils are proactively working with their communities to improve resilience to emergency events and prolonged climate impacts such as drought.

- **Economic development**

Climate change poses a multitude and diversity of risks to local economies that councils facilitate and depend on. Economic development units are increasingly considering how to incorporate climate change in their plans and strategies. For example, the wine industry is an important sector for Macedon Ranges Shire Council for tourism yet is very vulnerable to the impacts of climate change. Similarly climate change solutions present new opportunities for economic development in the region such as large scale renewables as well as other innovations such as shifting agricultural commodities.

Government support

Ways in which the government can best support communities in their efforts

Local government requires direct financial support to ensure it has the capacity to understand and address the wide-ranging impacts of climate change on their business and communities at a local level. In addition, tackling climate change requires coordination and collaboration between all levels of government, so stronger partnerships between local government and state government are crucial.

A sustainable funding model and partnership

Grant funding is often considered the most straightforward way to support local governments and indeed most of the regional projects and activities outlined above have received different levels of support from the Victorian State Government to make them happen. However, most councils express concern that such funding is piecemeal, ad-hoc and is not always addressing regionally or locally determined priorities.

Moving forward there are several options for supporting local government in climate action. In terms of project needs, councils would like to have long-term, flexible funding options and a regional approach to projects and funding. Councils and communities need to be agile and respond quickly and directly to climate impacts based on local knowledge. This will continue to be a challenge if funding proposals are developed to attempt to align with asymmetric funding guidelines and criteria. Within reason, decisions and priorities need to be made by the people closest to the specific need, and councils need to be empowered to implement projects that meet the needs of local communities and respond promptly to vulnerabilities.

It has been estimated¹ that a \$10 billion fund is required to support local government and communities across the country to address climate change, both in terms of improving the resilience of local communities and reducing emissions. At the state level this could equate to approximately \$1.5 billion over 10 years if purely divided by number of councils. However, it is likely this figure is very conservative given the high population within Victoria. This could operate in a similar fashion to the Regional Roads to Recovery funding whereby councils can work collaboratively to identify regional priorities and be resourced for implementation.

Recent State Government funding for climate change has included the \$4.3 million Victorian Climate Change Innovation Partnerships and the \$1 million Community Climate Change Adaptation program. Both of these funding streams were significantly oversubscribed and demonstrate both the need and desire for such funding in the region but also the willingness for communities to get on with local solutions.

Dramatically increasing funding to climate change initiatives is not only desperately needed but also can deliver significant social, environmental and economic returns.

This assistance could help to deliver:

- Infrastructure upgrades to improve resilience to extreme weather events and hotter and drier conditions (e.g. critical community building assets, drainage improvements, streetscape upgrades and greening initiatives).
- Capacity building in planning systems to ensure communities are safe
- Community and social resilience programs to ensure communities are informed, empowered and have capacity to respond to climate change.
- Local initiatives to decarbonise all sectors of the economy, whether energy, transport, agriculture etc.
- Support for local and regional governance to improve service delivery and decision-making processes. This could include internal resources to embed climate change across council service areas
- Improved service delivery capacity in the face of extreme weather events as well as longer term chronic issues associated with climate change.

Short term priorities

Some of the key short-term priorities for councils in our region include but are not limited to:

- **Funding or finance for green infrastructure:** a critical challenge across the region is ensuring our communities can stay safe, healthy and resilient despite climate impacts such as more extreme heatwaves. Councils have an important role to play in reducing this vulnerability by investing in street trees, irrigated parklands and shadeways etc. Despite councils across the region doing what they can with limited budgets and investing in urban forests and street trees additional funding will ensure that these initiatives can be expanded and coordinated across the region. A matched fund for local governments to access to support Green Infrastructure in the next 3 years would significantly improve the resilience of towns and cities going forward.

¹ 2019 ALGA National General Assembly Motion: Climate Emergency

- **Cost shared model for major road lighting:** for the past 3 years councils in the region have been advocating to the State Government to contribute to the costs of changing over major road streetlights to energy efficient LED technologies. These lights are cost shared between councils and the State Government currently. The CVGA region has just finished a business case and design workshops to implement the changeovers. However, it is critical that cost equitable model is established between local governments and the State. This offers a significant emissions reduction and cost saving opportunity for both the state and local governments. Councils are not prepared to 'bankroll' asset upgrades of the State, especially when there is a clear compelling business case for both parties to work together.
- **Support for embedding climate change in council decision making processes:** moving forward councils are going to need to embed climate change across most aspects of council decision making and are facing increasing legal responsibilities and liabilities. Many councils require capacity building and resourcing to ensure that climate change is adequately considered and integrated. This could work like the emergency management model whereby councils each have a funded resource who can concentrate on embedding climate risk across the organisation. Similarly, the Officers for the Protection of the Local Environment (OPLE) pilot program has seen 11 new authorised EPA officers assigned to 13 council areas across the state. These programs are seen to be a positive example of providing the resources to improve council service delivery.
- **Tackling the waste crisis:** the recent recycling crisis is only one element of the waste challenge facing local governments across our region. Waste is a significant source of emissions yet is a systemic issue that is beyond one or even multiple councils capacity to address. Establishing organic processing facilities at several regional locations across the state to reduce long distance transport of food and garden waste and avoid emissions associated with decomposition at landfill. This should be complimented with support to local initiatives for reducing and recycling organic waste, through providing incentives to hospitality and food outlets and community gardens for minimising and repurposing organic waste. Greater support for programs like Food Organics and Garden Organics (FOGO) should be given to councils to improve waste stream separation and avoid landfill emissions. Also resourcing more waste education officers to improve understanding of waste minimisation within communities. Councils also support the State Governments intentions to build more circular economies and incentives for stimulating waste to energy technologies providing it fits within the waste hierarchy.
- **Support for low emissions vehicles**
Although some councils are introducing low emission vehicles into their own fleets, much more could be done to stimulate fleet transition plans in local government with government support. A statewide program to build capacity of councils to transition fleets as well as financing mechanisms to access low emissions vehicles would create benefits for the whole of economy and stimulate a second hand EV car market. There are potential job training programs for reskilling the automotive industry particularly mechanics. At the moment Mildura has limited EV options due to the fact that many vehicles cannot be serviced there. Similarly, targeted programs to support trials for electric and hydrogen fuel cell heavy vehicles would help to unlock barriers to full fleet conversions. In addition councils are well placed to partner with the State Government to ensure Victoria has a comprehensive network of public charging infrastructure for electric vehicles (EVs).
- **Improved localised data of future climate scenarios**
Councils would like the state government to extend its Climate Ready Victoria work to provide climate forecast information at a more local scale (5km grids or finer), to enable more meaningful communications with the community. In addition, councils need adequate resourcing to understand how to integrate and utilise this data, as well as opportunity to inform datasets through local data inputs.
- **Support for business transition**

There is scope for business operations of all sizes to minimise the offsite environmental impacts of their operations and to transition to changed climatic conditions. Councils in the region would like to see the state government continue its support to the business sector through programs that direct energy efficiency in current operations, and provide additional programs that support businesses to transition away from fossil fuels (for example, converting from gas to renewable energy) and to transition to changing markets (for example, proving incentives or subsidies for local small scale economic development like clothes production).

- **Support low emission, resilient buildings** - Improving energy efficiency in the built environment represents a significant opportunity for emissions reductions by the wider community, and for ensuring buildings can perform well under changed climate conditions. These opportunities include:
 - Increasing the minimum energy efficiency standard for new buildings and large renovations through the planning and / or building approvals process.
 - Supporting low emissions construction materials, including through supporting the low carbon cement industry through government sponsored road and infrastructure projects.
 - Increasing the minimum energy efficiency standard for appliances.
 - Introducing energy efficiency standards for rental properties and public housing.
 - Funding sustainable design advisory services within local government.
 - Continuing to provide financial incentives and support for installation of solar panels and energy efficiency upgrades across the residential and commercial sectors.
- **Support for transitioning the agricultural sector**
 The agricultural sector plays a critical role in producing and / or sequestering greenhouse gas emissions and is a significant contributor to the CVGA region. Farming is also one of the most vulnerable sectors to the impacts of climate change. Opportunity exists to work with farming communities to promote animal and land management practices that reduce emissions from livestock, store carbon in soils, sequester carbon emissions through revegetation, while also building on-farm resilience to drier conditions and extreme weather. This could take the form of one-on-one advice as well as workshops and financial incentives. Local government, catchment management authorities or state government departments and agencies could deliver this function.

Greenhouse alliances as best practice governance models

Interstate and overseas best practice models that could be implemented in Victoria

Whilst it is important to look beyond Victoria for best practice models, it is important to first acknowledge that the greenhouse alliance model represents a global best practice model.

The greenhouse alliances have been recognised in Australia and internationally as a best practice governance model for climate change. Beyond Zero Emissions, ICLEI and Ironbark Sustainability recently released a report on the role local governments are playing across Australia on climate change. The review is very comprehensive and certainly reflects positively on the role local governments have played over the past 20 years in leading on climate change action. In particular the report highlights how Victorian local governments are well above the national average on addressing a range of climate change challenges, from setting ambitious corporate and community targets to information provision and on the ground actions. Moreover, one of the specific actions that the review suggests is for other states to replicate the Victorian Greenhouse Alliances model.

The Victorian Greenhouse Alliances have also been recognised as a best practice global model by a review for the Atmospheric Fund in Toronto, Canada. The TAF have worked for 25 years on reducing greenhouse gas emissions in the City of Toronto through grant provision, impact investing and program development. Recently their mandate has expanded to work more regionally, and so engaged a consultant to examine best practice models of regional climate change governance. The report identified: “An interesting example of a best practice decentralized network is the Victorian Greenhouse Alliances. Essentially, local governments have established nodes throughout the region to convene strategic discussions, plan and implement greenhouse gas emissions reduction projects, and advocate for local governments at the state and national level. They have successfully engaged a wide range of stakeholders, bolstered the capacity of local governments, and improved coordination between municipalities and regions.”

The function of the greenhouse alliance in Victoria is an important comparative advantage for the State that should be maximised. Therefore it is important to consider how the state can support and work with greenhouse alliances in stronger partnerships to scale up climate change mitigation and adaptation actions.

Local governments are on the frontline of tackling climate change. They have led the way consistently for 2 to 3 decades in mitigation and adaptation. Going forward it is critical that they are given much more support from state government to address the all encompassing challenges that climate change presents.

Please do not hesitate to contact me if you require further information or would like to discuss any of these issues. We look forward to your response.

If you have any questions or queries relating to this submission, please contact Rob Law, Executive Officer, on eo@cvga.org.au or 0467 692 827

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Rob Law'.

Rob Law
Executive Officer
Central Victorian Greenhouse Alliance
PO Box 215, Castlemaine, Vic 3450
P: 0467 692 827

This submission has been approved through CVGA's formal governance structure however this submission may not necessarily represent the individual view of each member council.