

8.3 Policy (New) - Climate Change

8.3 Policy (New) - Climate Change

Section	Strategic Planning
Objective	To outline a draft Climate Change Policy and seek Council's endorsement to place the draft policy on public exhibition.

Background

Council resolved at the 23 May 2019 Ordinary meeting as follows:

- 1. Include in the draft 2019/20 Operational Plan an action to review Council's adopted Climate Action Strategy 2012-2020.*
- 2. That early in the new financial year (2019/20) Council hold a workshop on the existing Climate Action Strategy, to assess where we currently stand in respect to that Strategy, and to identify options that Council may have available to implement more vigorous and direct actions to combat the threat of climate change as part of the new Climate Action Strategy.*

Council also resolved at its 28 November 2019 Ordinary meeting as follows:

- 1. That Council declares we are in a state of climate emergency that requires urgent action by all levels of government.*
- 2. That Council notes that at least 71 Local Government areas in Australia have already declared a 'Climate Emergency'.*
- 3. That Council acknowledges Ballina Shire is likely to be substantially affected by climate impacts, particularly sea level rise, bushfires, drought and floods.*
- 4. That Council calls upon the State and Federal Governments to declare a climate emergency, and to back this up with legislated programs to drive emergency action to reduce greenhouse gas emissions and meet the lower of the Paris Agreements or a maximum 1.5 degree warming.*
- 5. That Council writes to all NSW and Federal Government MP's advising them of Council's resolution and urging them to acknowledge a climate emergency and to act with urgency to address the crisis.*
- 6. That Council receives a report on potential impacts on Ballina Shire and adaptations that could be considered.*
- 7. That Council notes that a recent Bureau of Meteorology (BoM) and CSIRO report, State of the Climate states that 'Australia's climate has warmed by just over 1 degree C since 1910.*

In response to these resolutions, the Climate Action Strategy (CAS) 2012-2020 was reviewed and a Councillor briefing was held in January 2020 to discuss options for the review of the CAS.

The results of the CAS review and a proposed way forward were presented at a Councillor briefing held in December 2020.

The draft Climate Change Policy has been prepared based on the feedback from the Councillor briefings as well as the outcomes of the review of the existing CAS and examination of the approaches taken by other local government authorities.

The draft policy responds to Council's climate change resolutions by setting measurable targets and outlining an approach to the delivery of implementation plans, integration into Council's integrated planning and reporting framework and stakeholder collaboration.

This is done through a series of objectives, guiding principles and policy statements.

A copy of the draft policy is contained in Attachment 1.

It is intended that the policy will replace the 2012-2020 Climate Action Strategy (CAS) and Environmental Action Plan (EAP) as the primary reference point for Council's approach to climate change.

Key Issues

- Response to Council's resolution declaring a state of climate emergency
- Targets and policy foundations for Council to take action on its contributions to climate change

Discussion

Council has a long history of taking action on climate change.

In 2004 Council joined the Cities for Climate Protection program and commenced implementing emissions reduction and energy efficiency strategies and programs.

In 2010 Council engaged with the community to develop the 2012-2020 Climate Action Strategy (CAS). The strategy was adopted in December 2011.

In 2011 Council also prepared its first Environmental Action Plan, which incorporated a number of elements relating to the address of predicted climate change impacts.

The CAS and EAP provided direction for Council to integrate identified organisational and community climate change activities into the Community Strategic Plan.

Areas of activity have included floodplain management, coastal zone management, infrastructure management, water cycle management, emergency risk management, biodiversity and environmental management.

A number of successful emissions reduction initiatives have been implemented, time including the organic waste collection service, energy efficient lighting projects, the recycled water program, and solar PV installations.

Councillor Briefing January 2020

The briefing outlined that Council has most influence over its own operations and in areas where Council delivers community services such as water and wastewater, street lighting, community facilities, planning and development, and strategic land use planning.

Many of Council's activities assist the community to adapt to climate change through management of natural hazards and regulation of activities that effect the environment.

The briefing identified the need for the ongoing response to climate change to:

- provide strong action on climate change
- be a mix of mitigation and adaptation activities
- be responsive to changes regarding climate science and government policy
- be subject to undergo ongoing and timely review
- align with and inform other Council plans and documents.

Climate Action Strategy Review

As part of the CAS review an organisational emissions inventory for the eight financial years from 2012 to 2020 was conducted.

The financial year 2012/13 was chosen as the base year, as this was the first complete year after adoption of the Climate Action Strategy.

The emissions inventory was prepared through the engagement of a designated part-time casual staff member. The results of the inventory are presented below (and were outlined in the December 2020 Councillor briefing).

Sources of Council's Emissions

Greenhouse gas emissions are categorised into three sources:

- **Source 1:** Burning of fossil fuels - for Council it's predominantly fuel use
- **Source 2:** Use of electricity
- **Source 3:** Indirect emissions associated with running of an organisation i.e. waste, purchasing of goods, travel, manufacturing of goods.

There are currently 230 sites listed on Council's emissions inventory asset register.

Figure 1 illustrates that electricity consumption is the primary source of annual emissions at around 80%, with fuel consumption (Source 1) being the secondary source at 18%, and waste management related emissions (Source 3) at 2%, noting that data is often more difficult to obtain for Source 3 emissions.

The sectors consuming electricity are water and wastewater, buildings and facilities, and street lighting.

COUNCIL EMISSIONS BY SOURCE FY 2019-2020

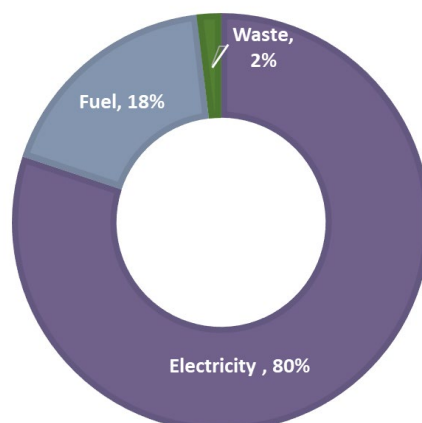


Figure 1: Annual corporate emissions by source, financial year 2019-2020

Emissions Inventory Summary 2012 - 2020

Council emissions data was sourced from internal data management systems, AusFleet, and E21 - a subscription data collection service.

Electricity consumption was measured in kWh, fuel usage in litres for unleaded, diesel, and bulk diesel, and greenhouse gas emissions was measured in tonnes of CO₂e (tCO₂e).

Council's emissions data does not comprehensively account for Source 3 emissions, therefore this inventory focused on Source 1 and Source 2 emissions, with some accounting of emissions from Source 3, which were indirect emissions from waste, fuel, and electricity.

The inventory process identified some potential data management and process inconsistencies and inaccuracies. The inaccuracies were not considered to be of a scale that significantly impact the results of the inventory.

However, as part of ongoing action in relation to climate change it is recommended that Council's energy data management systems are reviewed to enable a higher level of confidence in future.

The emissions inventory revealed a 7% growth trend each year from 2012 to 2014/15 from 9,151 to 10,463 tCO₂e (Figure 2).

Council was able to curb this trend and by 2017-18 emissions declined to a low of 9,076 tonnes, which is 1% lower than the base year.

The following financial year saw a significant increase in emissions of 15% however Council was able to again curb this growth and achieve a significant decrease of 8% in 2019/20.

Overall emissions had only increased by 5% in 2019/20 compared to the 2012/13 base year. The key emissions reduction actions that led to this decline are discussed as follows. Without these actions in place emissions could have been up to 40% higher in 2019/20.

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This achievement is very positive considering that the organisation and shire continues to grow and substantial infrastructure works have occurred in this period.

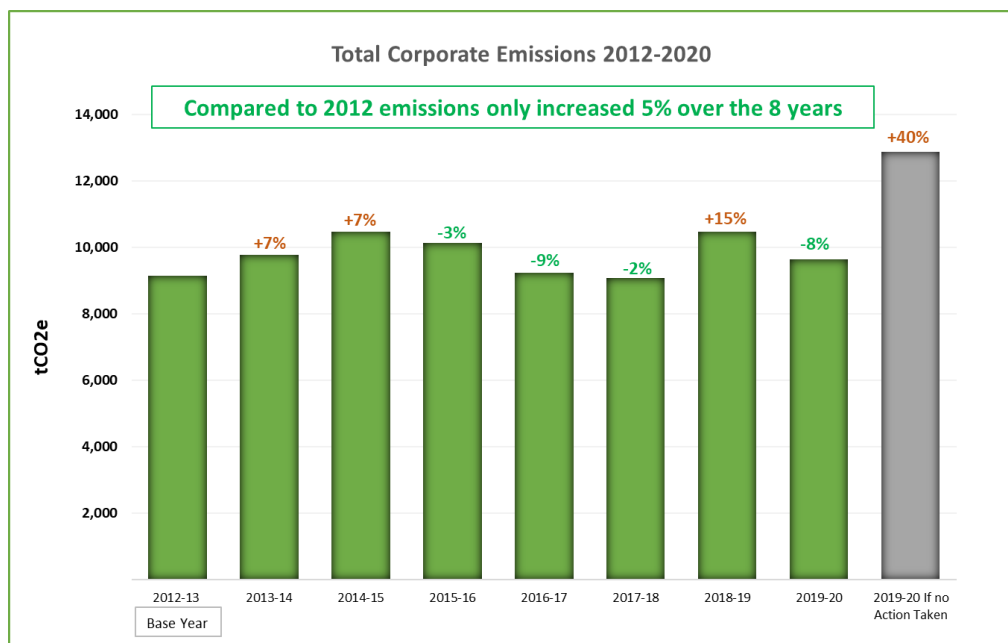


Figure 2: Total corporate emissions 2012-20 in tonnes of CO₂e (t CO₂e).

Analysis of Council's Primary Source of Emissions - Electricity 2012 – 2020

The Council's electricity usage profile over the past eight years shows the effect of organisational growth (associated with service and population growth) and electricity reduction actions (Figure 3).

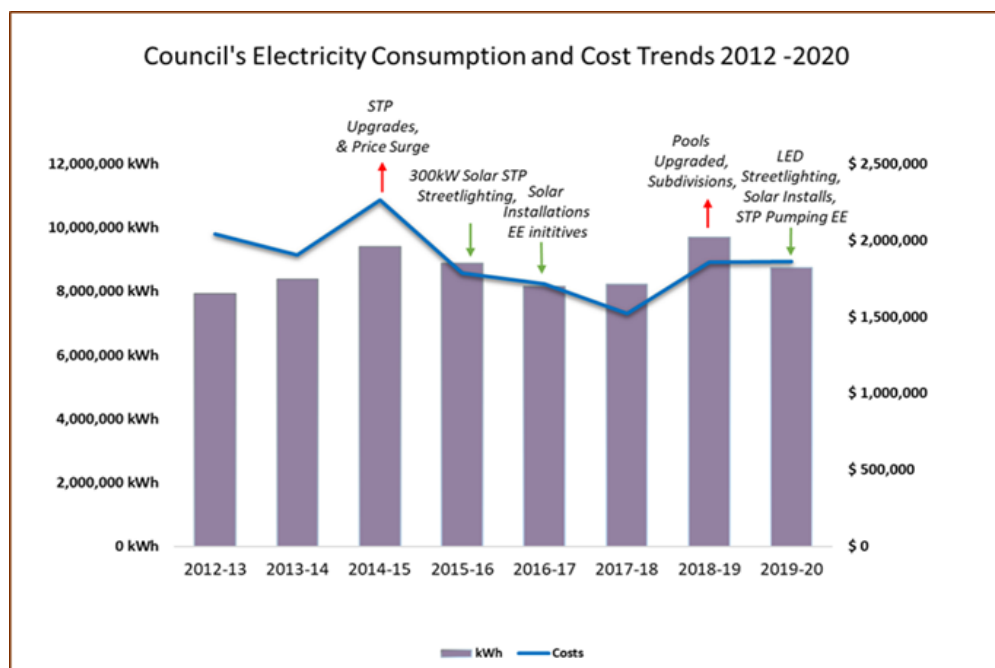


Figure 3: Council's electricity consumption (kWh) and cost trends (\$) 2012- 2020

2013/14: Council's electricity consumption increased by 6% however there was a 7% decline in costs which may have been due to tariff/contract changes.

2014/15: Consumption rose by 12% compared to the previous year. Contributing factors were infrastructure works and upgrades to wastewater treatment plants.

At this time there was also a state wide electricity price rise which, combined with Council's usage increase, resulted in a corresponding cost increase from \$1.9 million to \$2.2 million compared to the previous year.

2015/16 to 2017/18: A number of energy efficiency initiatives were taking place including: more efficient streetlight lamps, LED lighting retrofits at Council buildings, and sewerage pump upgrades.

There was an increase in solar PV systems installations at Council sites, including the 300kW solar system at the Ballina wastewater treatment plant.

These actions reduced consumption each year and resulted in significant financial savings.

Costs declined in 2015/16 from \$2.2 million to \$1.7 million, a 21% decrease, and continued to decline down to around \$1.5 million in 2017/18.

2018/19: Consumption increased 18% since the previous year resulting in a 22% cost increase from \$1.5 million to \$1.8 million.

This was mainly due to major infrastructure works such as the pool upgrades and increased wastewater services to new subdivisions.

2019/20: Major LED streetlighting project was completed as well as more solar installations and pumping energy efficiencies which reduced consumption by 10%. However, due to an electricity price rise the costs remained about the same.

As a direct result of Council's energy efficiency initiatives Council was able make significant financial savings and was protected from the full effect of electricity price increases.

Overall corporate electricity costs only increased by 10% in 2019/20 compared to the 2012/13 base year.

This clearly demonstrates that emissions reduction actions make good business sense.

Setting Council's Future Climate Change Action Pathway

Climate change action goals and mechanisms have been set internationally (i.e. the Paris Agreement, the Intergovernmental Panel on Climate Change (IPCC), and the United Nations Sustainable Development Goals), nationally, and at state and local government level.

Details on these goals and mechanisms are included in the background section of the draft Climate Change Policy found in Attachment 1.

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Emissions Goals in Australia

Nationally, the Australian Government has committed to a staged emissions reduction approach with a target of 26–28% reduction of emissions below 2005 levels by 2030, but has yet to set a 2050 target.

State Government targets are listed in Table 1 below.

Table 1: State and Territories Government Commitments

State	Renewable Energy/Electricity Targets	Carbon Targets
ACT	100% renewables by 2020 (achieved in 2019)	Zero net emissions by 2045
NSW	20% from renewable energy in line with the RET	Zero net emissions by 2050
NT	50% renewable energy by 2030	Zero net emissions by 2050
SA	50% renewable energy production by 2025 (Target achieved in 2018)	Zero net emissions by 2050
TAS	100% renewable energy by 2022	Zero net emissions target by 2050
QLD	50% renewable energy by 2030	Zero net emissions target by 2050
VIC	25% renewable energy by 2020 40% renewable energy by 2025 50% renewable energy by 2030	Zero net emissions by 2050
WA	No target	Zero net emissions by 2050

Source: <https://100percentrenewables.com.au/ambitious-climate-action-commitments-local-governments-states/>

The NSW Government has committed to a staged approach of a 35% reduction in emissions compared to 2005 levels by 2030, and net zero by 2050 which is more ambitious than the Federal Government's target.

The NSW Net Zero Plan Stage 1: 2020-2030 together with the NSW Electricity Strategy provide the pathway to transition to net zero emissions. The Stage 1 Plan and frameworks are a fast-track of action and will establish NSW as a renewable energy superpower.

Four of the five NSW coal power stations are expected to close within 15 years, and these four power stations account for three-quarters of NSW's electricity supply.

The Stage 1 plans set out how this gap will be filled by renewable energy.

This will strengthen investment certainty in renewable technologies, and give confidence for organisations and communities to commit to renewable energy goals.

The plans can be viewed at:

<https://www.environment.nsw.gov.au/topics/climate-change/net-zero-plan>.

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Local governments across Australia are leading the way in acting on climate change. There are a wide range of commitments from targets that align State and Territory Government goals, to more ambitious targets which align with the lower Paris Agreement aim of limiting warming to only 1.5°C.

A number of reports exist (prepared by various climate change specialist organisations) which review climate change actions, targets, policies and strategies of Australian councils.

A report prepared in September 2020 titled 'Ambitious Climate Action Commitments by States & Territories, Local Governments, and Communities' found that 74 councils across Australia have committed to renewable energy and/or a carbon targets.

Twenty nine of those councils are in NSW, and five of them are in the Northern Rivers - Tweed, Byron, Lismore, Kyogle, and Coffs Harbour.

The full report can be found via this link

<https://100percentrenewables.com.au/ambitious-climate-action-commitments-local-governments-states/>

Table 2 below presents the energy and emissions targets committed to by other Northern Rivers councils.

Table 2: Status of Northern Rivers councils with regards to energy and emissions reduction targets.

Council	Renewable Energy/Electricity Targets	Carbon Targets
Byron Shire Council	100% renewable energy by 2027	Net zero by 2025
Kyogle Council	25% electricity from on-site solar by 2025, 50% renewable electricity by 2025, 100% renewable electricity by 2030	
Lismore City Council	100% renewable electricity by 2023	
Richmond Valley Council		Currently developing their targets
Tweed Shire Council	50% renewable energy by 2025	

Climate Emergency Declaration

Ballina Shire Council is one of over 100 councils in Australia that have declared we are in a state of Climate Emergency. The declaration was made at Council's November 2019 Ordinary meeting (the resolution has been reproduced at the beginning of this report).

To align with Council's climate emergency declaration, it is considered reasonable and achievable that Council commits to organisational targets that are more ambitious than the Paris Agreement in order to achieve the rapid short-term emissions reduction recommended by the IPCC.

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This approach is reflected in the emissions reduction and renewable electricity targets in the policy statements contained in the draft policy (Attachment 1).

Proposed Climate Change Policy Framework

A Council policy framework is considered to be the appropriate mechanism for capturing Council's range of mitigation and adaptation responses to climate change over the short to medium term.

To be effective, the framework needs to focus on mitigation of climate change through the management of operational emissions and adaptation to climate change through risk assessment and building resilience.

A draft Climate Change Policy is presented in Attachment 1.

The objectives of this policy are to:

- Identify Council's approach to measurable and achievable organisational greenhouse gas emissions reduction and renewable electricity targets.
- Identify Council's approach to risk assessment and adaptation planning to identify and manage the organisation's risks from climate change, and to support adaptation and resilience strategies for the community.
- Identify Council's approach to working collaboratively with community, agencies, industry, businesses, and all levels of government to seek and advocate for local, regional, state, and national climate change mitigation and adaptation solutions that are informed by the current knowledge and best available science.
- Provide a framework to guide the preparation and implementation of plans to achieve the targets set out in this policy.

Council's role in climate change action is discussed within the policy.

In summary, as a key asset owner, service provider, and decision maker, Council has a responsibility to manage its own contributions to climate change, to develop adaptation and resilience strategies for its operations.

Through its regulatory role and strategic frameworks Council can also provide support to the community to increase its capacity to take action and be prepared for a changing climate.

The policy provides a renewed framework for Council to clearly respond to its role in climate change action.

Establishing Emissions Goals for Council

To align with Council's climate emergency declaration, the NSW Government targets, and recent scientific reports which suggest that past warming projections are already being exceeded, it is proposed that Council's organisational targets are more ambitious than the Paris Agreement in order to achieve the rapid short-term emissions reduction recommended by the IPCC.

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The policy proposes that Council adopt the following ambitious but achievable goals:

- Net zero emissions by 2030
- 100% renewable electricity for its operations by 2030.

Council can have the greatest immediate and meaningful influence on climate change mitigation through the management of its own emissions generated through Council operations.

Council has the most influence and ability to act on emissions from Source 1 and Source 2 - fuel and electricity consumption.

In the medium to long term Council should seek to encompass Scope 3 emissions - the upstream and downstream emissions from operations (e.g. sustainable procurement, catering, staff travel, capital works, and investments) which would require a whole of organisation approach.

The primary focus under the policy will be Council's operations. However there is scope for Council to facilitate community partnerships and engagement to build local capacity in emissions reduction and adaptation, and development of local and regional projects.

Net zero emissions means achieving a balance between emissions produced and emissions taken out of the atmosphere, for example, by sequestration activities.

Net zero emissions means every tonne of man-made greenhouse gas that is emitted must be matched by a tonne removed from the atmosphere.

When committing to an emissions goal it is important to be clear about what that commitment includes.

There needs to be a decision on what is relevant to Council, what Council can reduce or influence directly, and the ability and effort required to gather data and monitor emissions.

Pathway to Net Zero emissions and 100% Renewable Energy

Achievement of the Climate Change Policy goals would involve setting out the pathway of actions to the target year.

As an example, Figure 4 illustrates The City of Canada Bay's pathway to net zero emissions that was recently developed for their comprehensive emissions reduction plan.

The figure outlines the areas where emissions reductions are needed to be made for council operations.

An interesting point to note is that grid decarbonisation is now typically included in this type of projection due to the anticipated closure of the four NSW coal power plants.

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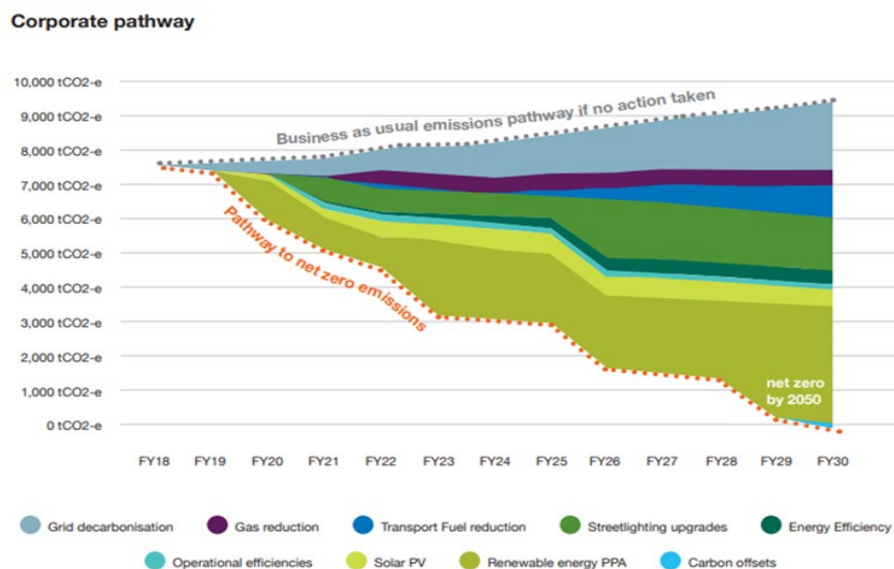


Figure 4: Pathway to net-zero by 2030 for Canada Bay Council's operations.

Source: <https://100percentrenewables.com.au/net-zero-case-study-canada-bay/>

Figure 5 provides a visual representation of what Council's pathway to 100% renewable electricity could look like. The graph is presented over a 10 year time frame, but the target could be achieved within a shorter timeframe through a Power Purchase Agreement (PPA) as discussed later in this report under the *Preparing an Emissions Reduction Plan* section.

In 2019/20 Council required 9,696 MWh of electricity in total for its operations. Approximately 8,747 MWh came from the grid and it was estimated that Council generated 949 MWh from onsite solar systems which is about 10% of its needs. If Council didn't take any further action, at a rate of 1% growth, we would require 9,662 MWh from the grid by 2030. This would negate the benefit of the renewable energy Council is currently generating.

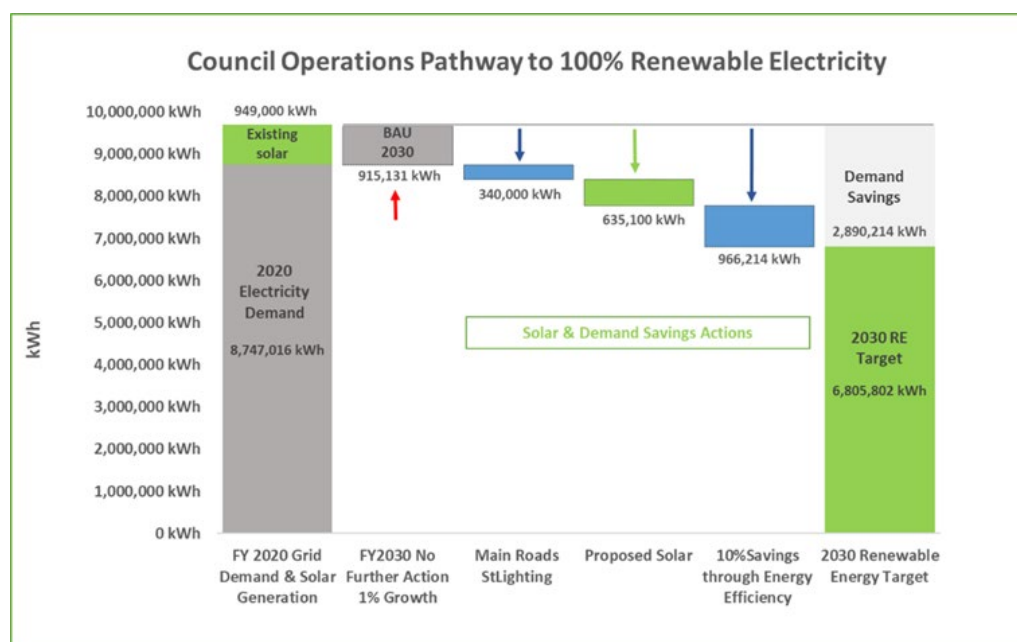


Figure 5: Possible Council Pathway to 100% Renewable Electricity.

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By committing to targets and implementing a more aggressive action plan, Council can reduce its electricity needs considerably.

Council already has more efficiencies and solar installations planned which could reduce the total electricity demand to only 6,805 MWh.

The development of a comprehensive action plan could identify even more solar and energy efficiency opportunities which would further reduce the electricity demand. The lower the demand the less electricity will need to be generated from renewable sources.

Typically councils can achieve around 20% of their electricity needs through onsite solar installations, the rest would be sourced through other methods such as a PPA and renewable offsets.

Council's electricity contracts are in three year cycles and are due for renewal in 2024, 2027, 2030.

PPAs are becoming more commonplace, and it is possible that an appropriate PPA will be available in 2024 or 2027.

If so Council will achieve its renewable energy goal early.

Preparing an Emissions Reduction Plan

In order to achieve delivery of the draft policy, and therefore net zero emissions and 100% renewable electricity, an Emissions Reduction Plan (ERP) should be prepared. The ERP would be predominantly focused on achieving the following steps:

- **Reduce energy consumption** – This is achieved through implementation of electricity and fuel efficiencies, adjusting practices and procedures to reduce energy waste.
- **Produce renewable energy** – This is achieved by installation of solar PV systems and battery storage where possible on Council's sites.
- **Purchase renewable energy/offsets** - Purchasing of renewable electricity is required for the remaining electricity that cannot be produced on-site. Purchasing includes opportunities for mid-scale solar - ideally locally produced, and/or a Power Purchase Agreement (PPA) which involves sourcing renewable energy directly from generators, typically large-scale plants, or with buying groups.

An example of a where a PPA was used is at the Sydney Opera House (working towards a carbon neutrality goal). Solar panels were obviously not an option for the iconic sails, so the Sydney Opera House entered into a seven year renewable power purchase agreement with Flow Power. This enabled the Opera House to meet its renewable electricity goals without needing to generate on-site.

Purchasing of carbon offsets for the remaining emissions that are unable to be reduced through Council actions are typically from appropriate carbon sequestration activities.

Development of a comprehensive Emissions Reduction Plan typically involves the following:

- Stakeholder consultation
- Emissions profile
- Comprehensive site audits to identify
 - Energy efficiency opportunities
 - Solar PV on-site opportunities
 - Fleet efficiencies
- Improving data management
- Business case development
- Financing options
- Trajectory to target year
- Short, medium, and long term priority action plan
- Identify budget implications
- Options for purchase of renewable energy
- Options for offsetting emissions
- Implementation plan.

The key benefit of a focused ERP is the delivery of 'shovel ready' business cases with costs, savings, and payback periods which can be used for budgeting purposes and grant funding applications when opportunities arise.

A recent example currently on public exhibition is from Narrandera Council and can be found via this link: <https://www.narrandera.nsw.gov.au/climate-action-strategy>.

Table 3 shows payback periods and internal rates of return for implementation of emissions reduction plans. Energy efficiency and renewable energy projects typically have very favorable business cases with short payback periods and ongoing delivery of financial savings (Table 3). Short term projects have an average payback period of less than five years.

Table 3: The business case for GHG emissions reduction projects.

Business case for GHG emission reduction projects

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Timing	Years payback	Energy efficiency		Renewable energy		Combined	
		Average payback	Average ROI	Average payback	Average ROI	Average payback	Average ROI
Short	5	4.47	24.5%	4.92	22.1%	4.59	22.7%
Medium	8	5.51	15.9%	6.82	17.1%	6.05	16.9%
Long	>8	9.82	7.5%	11.45	9.1%	11.17	8.9%



Source: 100% Renewables

Implementation of Emissions Reduction Plan

Once an ERP has been prepared, there are a few options for development of the implementation pathway from in-house implementation through to engagement of consultant services.

Implementation options are presented with benefits and risks in the Financial/Risks section.

In summary, Council's commonly engage specialist consultants to develop their plans as it requires specific skills in conducting site audits and developing business cases.

Grant Programs

There are numerous examples of government programs that have provided grant funding to councils, industry, business, and communities to develop plans and implement projects.

For example:

- NSW Community Energy Efficiency Program
- NSW Growing Community Energy grant
- NSW Building Better Regions Fund (current)
- Sustainable Councils and Communities program - currently supporting around 34 NSW councils to develop their strategies related to climate change.
- NSW Climate Change Fund 2017 to 2022
- Federal Climate Solutions Package
- Australian Renewable Energy Agency (ARENA)
- Clean Energy Finance Corporation (CEFC) low interest loans for clean energy projects

With the establishment of the NSW net zero emissions goal, it is anticipated that a range of grant funding opportunities will be available to Council over time.

Council's commitment to emissions reduction and renewable energy goals and pre-development of business cases in an ERP will be an advantage when applying for grant applications.

Peer Support networks

There are a number of state and national peer support networks that support local governments and organisations to achieve their climate change objectives, for example:

- Northern Rivers Sustain Energy (local - Council is an active member)
- Cities Power Partnership (national)
- Climate Emergency Australia (national)
- Sustainability Advantage network membership (state)

It is recommended that Council explore the benefits of these support network opportunities as part of the partnership objectives of the policy.

Climate Change Risk Assessment, Adaptation, and Resilience

Climate change adaptation and resilience is fundamental to managing the impacts of climate change.

Council completed a Climate Change Risk Assessment in 2009. The key risks identified were extreme heat, drought and water scarcity, sea level rise, and extreme storm and flash flood. Climate change projections show that the occurrence of these events will increase, as well as the intensity.

A changing climate has the potential to increase Council's maintenance costs for infrastructure, cause inundation of Council-owned assets due to sea level rise, lead to more frequent disruption of transport and communication services due to more frequent extreme storm events, and increase risk of coastal erosion.

Council's existing strategic plans list a range of strategies relevant to climate change mitigation and adaption. For example, ensuring plans are in place for natural disasters and environmental changes, increasing resilience of our economy, ensuring planning considers changes to the environment, wise use of resources, and risk management.

The draft policy provides the framework for Council to identify and integrate Climate Change risk assessment, adaptation, and resilience planning into all Council's strategic plans.

The first step is for Council to conduct a new risk assessment. Council's insurer Statewide Mutual offers a Climate Change Risk Assessment Program free of charge. The program format involves identifying risks, current controls in place, risk ratings, identifying actions to mitigate and downgrade high risks, or determine that no action by Council is possible.

Following this Council has the option to participate in the development of "Adaptation Planning" initiatives for those risks that require further action. This is a fee-for-service module at a cost of \$6,000.

This approach is expected to improve Council's preparedness to manage risks and plan for potential adjustments to improve long term business certainty.

Delivery Program Strategy / Operational Plan Activity

The draft Climate Change Policy has been prepared in line with the following Delivery Program and Operational Plan Actions:

- HE1.1 Our planning considers past and predicted changes to the environment
 - HE1.1c Review the Climate Action Strategy
 - HE1.1d Review the Environmental Action Plan
- HE2.2 Use our scarce resources wisely
 - HE2.2e Minimise light fleet greenhouse gas emissions
- HE2.3 Reduce resource use through innovation
 - HE2.3a Implement technologies to generate efficiencies
 - HE2.3b Reduce CO2 emissions from our Built Assets
 - HE2.3c Increase the renewable energy generated on council sites

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- HE2.3d Reduce the energy consumption from our assets

The Climate Change Policy also relates to implementation of the following delivery program strategies:

- CC1.3 Ensure adequate plans are in place for natural disasters and environmental changes
- HE3.1 Implement plans that balance the built environment with the natural environment.
- HE3.2 Minimise negative impacts on the natural environment.
- HE3.3 Match infrastructure with development to mitigate any impacts on the environment.
- EL1.3 Actively advocate community issues to other levels of government.
- EL2.1 Proactively pursue revenue opportunities, costs savings and/or efficiencies.

Community Consultation Policy

Should Council be supportive of the draft Climate Change Policy it will be publically exhibited for at least 28 days.

If any submissions are received they will be reviewed in relation to the policy and addressed in further reporting to Council.

Financial / Risk Considerations

There are financial implications in placing the Climate Change Policy on public exhibition.

Implementation of the policy will require the allocation of resources and funding. The budget implications will be dependent on the method of implementation and identification of short, medium, and long term measures to reduce emissions and generate renewable electricity. Potential methods for early stage implementation of the policy are discussed below.

Methods for Implementation

Method 1

Method 1	Cost	Year	Source of Funding
Adopt the Climate Change Policy	n/a	2020-2021	n/a
Implement actions with a business as usual approach	n/a	2020-2021 onwards	n/a
Complete the Statewide Mutual Climate Change Risk Assessment	n/a	2020-2021	n/a

Method 1 is to adopt the policy and implement actions with a business as usual approach as projects arise and through maintenance programs, without a designated staff resource or specific Emissions Reduction Plan. The Statewide Mutual Risk Assessment process would also be completed under this method.

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The benefit of this method is lower budget implications as there are no external consultancy fees.

However, without a designated staff resource and focused Emissions Reduction Plan, this method may pose the risk of not achieving the policy targets and objectives.

It will also require the allocation of existing resources to work relating to the climate change policy thereby requiring adjustment to the priorities in the broader work program (and in particular that of the strategic planning section).

The extent to which existing resources are allocated is where the cost implication arises in relation to this method.

Resourcing for submission of grant applications may be difficult and there may be limited ability to measure, monitor and report on progress.

Method 2

Method 2	Cost	Year	Source of Funding
Adopt the Climate Change Policy	n/a	2020-2021	n/a
Engage a consultant to develop the Emissions Reduction Plan	\$20,000 to \$25,000	2021-2022	Strategic Planning reserve
Complete the Statewide Mutual Climate Change Risk Assessment	n/a	2020-2021	n/a
Complete the Statewide Mutual Adaptation Planning module	\$6,000	2021-2022	Strategic Planning operating budget

Method 2 is to adopt the Climate Change Policy, engage a consultant to prepare the comprehensive ERP, conduct the Statewide Mutual Climate Change Risk Assessment and adaptation planning module, and implement the policy and plans without a dedicated staff resource.

The key benefit and outcome of this approach is a focused ERP with a clear pathway to reach the targets and objectives of the policy. Short, medium, and long term actions would be identified and 'shovel ready' business cases developed with costs, savings, and payback periods for budgeting purposes and grant funding applications.

This method provides a high level of confidence in identifying all opportunities to implement the policy, a focused Emissions Reduction Plan, and adaptation planning for identified climate change risks. However implementation success is dependent on the capacity of existing staff to allocate an estimated 2-3 days per week focus on the plans tasks within their existing work plans.

There is a \$20,000 to \$25,000 cost for consultant services to develop a comprehensive ERP and complete the Adaptation Planning module at a cost of \$6,000 in the 2021/22 financial year.

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Method 3

Method 3	Cost	Year	Source of Funding
Adopt the Climate Change Policy	n/a	2020-2021	n/a
Engage a consultant to develop the Emissions Reduction Plan	\$20,000 to \$25,000	2021-2022	Strategic Planning reserve
Complete the Statewide Mutual Climate Change Risk Assessment	n/a	2020-2021	n/a
Complete the Statewide Mutual Adaptation Planning module	\$6,000	2021-2022	Strategic Planning operating budget
Allocate funding for a dedicated part-time staff member to coordinate and implement the policy and plans (minimum 3 years)	\$50,000 per annum	From 2021-2022	No funding source presently identified

This method enables a coordinated approach across Council, capacity to implement the necessary internal systems and processes to embed climate change considerations into all Council's decision making, the capacity to apply for grant funding, to maintain and develop partnerships within the region, and to continually review, monitor, and report on the progress.

This is the recommended implementation method as it provides the highest level of confidence in effectively achieving the targets and policy objectives.

This method has the highest financial implications with a \$20,000 to \$25,000 cost for consultant services to develop a comprehensive Emissions Reduction Plan and \$6,000 to develop an adaptation plan in the 2021-22 financial year. There is also an estimated \$50,000 recurrent cost for a dedicated part-time (2-3 days/week) staff resource to coordinate implementation of the policy objectives, ERP and other climate change related programs.

As discussed earlier within the report, emissions reduction actions offer a very favorable internal rate of return and ongoing financial savings. Therefore short term investment in effective implementation of the policy will likely result in long-term financial benefits to Council.

Recommended Approach

Methods 1 and 2 can be advanced within existing resources but the achievement of the outcomes associated with the draft policy statements (including the emissions reduction and renewable energy targets) are likely to take longer compared to method 3 (which included additional staff resourcing).

Method 3 is the optimal approach in terms of outcome delivery both in terms of time and dedicated effort towards climate action. However, this needs to be considered in the context of Council's financial circumstances.

8.3 Policy (New) - Climate Change

An approach that incorporates consideration of staff resourcing for the purposes of delivering the climate change policy outcomes through the annual workforce planning process is considered to be the most practical approach.

This allows the provision of staff resources to be examined in the context of the overall budget and other priorities.

Under this approach, if a dedicated climate change policy related position cannot be funded in the 2021/22 year, then the position can be considered again in future years (noting the 2030 timeframe for the emissions reduction and renewable energy targets).

The recommendation is to pursue the implementation of the policy outcomes based on method 2 as the baseline approach, with the allocation of a dedicated position on staff to climate change related initiatives to be considered as part of the workforce planning process.

Options

Option 1 – Proceed to public exhibition of the draft climate change policy

Under this option, staff would proceed to publically exhibit the draft policy.

As indicated above, it is recommended that the approach to policy implementation be based on method 2 with further consideration of a dedicated position on staff through the workforce planning process. It is suggested that Council indicate its preferred approach to assist the community in understanding the implications of the policy.

This option is recommended for the following reasons:

- The Ballina Shire Council Climate Change Policy will provide:
 - a structured response to Council's resolution declaring a state of climate emergency.
 - targets and policy foundations to take urgent action on its contributions to climate change.
- Completing the Statewide Mutual Risk Assessment Module will enable Council to identify climate change risks, current controls in place, actions to mitigate and downgrade high risks, or determine that no action by Council is possible.
- Completing an adaptation planning process will provide a response and plan for those risks identified in the Statewide Mutual Risk Assessment that require further action.
- Engaging a consultant for development of a comprehensive Emissions Reduction Plan will result in a focused and clear emissions reduction pathway to reach the targets and objectives of the policy with short, medium, and long term actions, including costed business cases.

In the event that the workforce planning process identifies capacity for a dedicated climate change related position on staff, this would further assist in delivery of policy outcomes through:

- Improved capacity to implement internal systems and processes to embed climate change considerations into councils decision making.
- Improved capacity to apply for grant funding.

8.3 Policy (New) - Climate Change

- Maintaining and developing partnerships focused on climate change within the region.
- Ongoing review, measurement and reporting of the policy and actions progress.

Following the exhibition of the draft policy, the policy will be reported back to Council to consider the adoption of the policy.

Alternatively, Council may wish to proceed with the public exhibition of the policy based on a different approach to the delivery method.

Option 2 – Defer consideration of the Climate Change Policy

Council could defer public exhibition of the policy to seek further information. This option is not recommended as the policy has been prepared on the basis of feedback from two Councillor briefings held to date.

If Councillors would like a briefing this could be undertaken towards the end of or post the exhibition period to enable consideration of feedback received prior to reporting of the policy to Council for adoption.

Option 3 – Take no further action with respect to the Climate Change Policy

Council could resolve to cease action in relation to the preparation of the policy.

This is not recommended as this approach does not align with the recent resolutions of Council relating to climate change and does not establish a contemporary approach for Council's response to climate change related issues.

RECOMMENDATIONS

1. That Council endorses the public exhibition of the draft Climate Change Policy, as per Attachment 1 to this report.
2. That Council, in principle, endorses the delivery of the Climate Change Policy based on the approach set out in method 2 as outlined in this report, with the approach to the implementation of the policy to be confirmed following consideration of the outcomes of the public exhibition of the draft policy. This is to assist the community in understanding the implications of the draft policy.
3. That Council examines the incorporation of a part-time position to support the implementation of the Climate Change Policy and associated plans and actions through the workforce planning process.

Attachment(s)

1. Policy (Draft) - Climate Change