27 June 2024

Legislative Council Environment & Planning Committee
Inquiry into Climate Resilience
Parliament House, Spring St
EAST MELBOURNE VIC 3002

Dear Committee

Bass Coast Council Submission - Inquiry into Climate Resilience

Bass Coast Shire Council welcomes the opportunity to submit to the Inquiry on Climate Resilience.

With a population of 38,825 as of 2021, Bass Coast sees over 3.4 million visitors annually, contributing significantly to our tourism economy. By 2036, the permanent population is projected to grow to 48,140. The demographic makeup is shifting towards more elderly residents needing infrastructure for aging in place, alongside smaller households with one or two occupants per home. The local economy of Bass Coast is predominantly supported by tourism and agriculture, with additional contributions from construction, healthcare, and education sectors driven by population growth.

Recognising the urgency of climate change, Bass Coast Shire Council has declared a climate emergency and devised a Climate Change Action Plan 2020-30.
This initiative acknowledges the joint responsibility of the Council and community to reduce emissions, enhance community resilience against local climate impacts, and ultimately mitigate global warming. Alongside this, Bass Coast Shire is a leader in asset management, participating in a range of projects aimed and better understanding and planning for the impact that climate change will have on our diverse portfolio of assets.

[redacted]

Yours sincerely

[redacted]

Donna Taylor
Acting General Manager Place Making

Legislative Council Environment and Planning Committee Inquiry into Climate Resilience - Bass Coast Shire Council Submission

BASS COAST

SUBMISSION CONTACT DETAILS

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BASS COAST CONTEXT

Bass Coast is home to 38,825 people (2021) and a tourism economy made up of more than 3.4 million visitors who visit each year. This permanent population is expected to increase to 48,140 by 2036. The profile of Bass Coast is also changing with an increasing proportion of older residents requiring infrastructure to age in place and smaller households with only one or two people per home.

The Bass Coast economy is primarily driven by the tourism and agriculture industries and supported by population-driven sectors such as construction, health care and education.

Bass Coast Shire Council has declared a climate emergency and developed a Climate Change Action Plan 2020-30 recognising the role of both Council and the community in our collective response to reduce our emissions, build community resilience against the local impacts of climate change and ultimate reverse global warming.

The Plan was developed in consultation with the community through significant engagement with residents, businesses, agricultural sector, and stakeholders in response to Council's declaration of a climate emergency.

The Plan identifies a number of actions that individuals, community groups, businesses, the agricultural sector, and Council can undertake to achieve the objective of zero net emissions over the next 10 years and to ensure a climate resilient community. Central to the plan is building climate resilience into our infrastructure and town planning, asset management and emergency response.

SUBMISSION

In response to the Inquiry into Climate Resilience, Council provides the following responses for consideration of the Environment and Planning Committee.

(a) The main risks facing Victoria's built environment and infrastructure from climate change and the impact these will have on the people of Victoria;

The major climate change risks to people of the Bass Coast region are rising sea levels, coastal erosion and storm surge that damages coastal foreshore land and community infrastructure and inundates utility networks, drainage systems and private property.

The impacts to the built environment are lost access to public and private property, loss of public open space to recreate, service disruptions, uninhabitable and undevelopable private\residential land. This causes financial losses and impact to:

- Local Government through repair bills, additional infrastructure resilience measures. Utilities with damage and forced relocation of networks.
- Citizens livelihood through property loss, equity loss and eventual forced relocation.

Additionally, significant risks from changing rainfall patterns and increasing frequency of wild weather causing more storm events with flash flooding rendering stormwater networks ineffective and downed trees that impedes access and damages roads, utilities, and private property. This causes losses and impact to:

- Local Government through repair bills and increased emergency response and recovery effort.
- Utility outages, disruptions, and unplanned repair bills.
- Citizens impacted living arrangements and increased Insurance and/or repair bills.

Our community looks to us (Local Government) to keep them safe.
Local Government's current responsibility is to maintain community infrastructure and administer planning controls. The expected response to manage impacts to community infrastructure alone will stretch our resources and require financial assistance at times.

Our current response for community infrastructure is to increase resilience where possible and retreat in accordance with State coastal policy. While this policy may be appropriate for some community infrastructure, for residential land and service infrastructure such as roads and utilities, the policy falls short.

For example, a recent case study into the climate change risks impacting a section of the Bass Coast community (Inverloch) revealed a suite of response actions and activities required to support and manage the impacted community. These new roles require significantly more resources than our budgets and revenue raising capacity currently provide. Our funding and resource gap will grow as climate risks materialise and affect our community further as we understand the impacts across all our service areas, service levels will be reduced, or we risk our financial sustainability.

Legislative frameworks continue to allow for construction buildings and infrastructure that are ill prepared for the weather events predicted to occur as a part of the changing climate. In addition,

there is no guidance or legislative requirement to demonstrate how to retro fit existing buildings and infrastructure.

(b) How the Victorian Government is preparing for and mitigating the impacts of climate change on our built environment and infrastructure;

The Victorian Government is actively taking steps to prepare for and mitigate the impacts of climate change on the built environment and infrastructure. However, there are concerns about the balance between economic growth and environmental sustainability. The introduction of housing targets reflects a traditional approach to development, however, there is limited consideration for sustainable built form and infrastructure. This perception underscores the need for a more integrated and holistic approach to climate change mitigation.

From a land use planning perspective, there is no coordination from the State regarding key climate risks including inundation and coastal erosion. A State standard framework, similar to that implemented in relation to bushfire post Black Saturday is required to ensure consistency and give communities confidence that risks associated with climate change are being adequately addressed.

To address these concerns, it is essential to enhance coordination and guidance among key legislative and regulatory frameworks, including the Climate Change Act, Planning and Environment Act (PE Act), Building Code, and Marine & Coastal Act. Greater alignment between these acts will ensure that climate change considerations are embedded into all aspects of planning and development.

Furthermore, improved integration between transport and urban planning is crucial. Encouraging active and public transport options can significantly reduce greenhouse gas emissions and contribute to a more sustainable urban environment. Effective urban planning should prioritise the development of infrastructure that supports walking, cycling, and the use of public transport, reducing reliance on private vehicles.

By fostering a more coordinated and integrated approach, the Victorian Government can better balance economic growth with environmental sustainability, ensuring that the built environment and infrastructure are resilient to the impacts of climate change.

(c) The barriers facing Victoria in upgrading infrastructure to become more resilient to the impacts of climate change, including barriers in rebuilding or retrofitting infrastructure, including but not limited to, issues relating to insurance and barriers faced by Local Government;

The liveability and amenity of Victorian communities are underpinned by a vast array of public infrastructure. Much of this is out of sight, or simply so familiar to the community that it is taken for granted, until it fails to deliver the required service.

Despite their grandeur, urban trees are often considered part of the background to a neighbourhood, until that neighbourhood is sweltering through a heatwave and cool shade is suddenly in short supply.

Perhaps an even starker example is the drainage infrastructure managed by local Councils and catchment authorities. This network of underground pipes typically spans hundreds of kilometres and is valued in the hundreds of millions in any given municipality. Meanwhile, few residents give it a moment's thought – until their drains fail to cope in a storm, and they experience localised flooding.

With climate change projected to increase the frequency and intensity of both heatwaves and heavy rainfall events, this 'invisible' community infrastructure is clearly a candidate for retrofitting to build resilience.

One of the first challenges Councils face is securing the social licence for investment: not all decision makers or residents will agree that a particular investment in more resilient infrastructure is the best use of public funds.

Whilst climate modelling can indicate that certain climate impacts are virtually inevitable, it cannot tell us precisely where these impacts will materialise, or when. As a result, prioritising upgrades across a diverse asset portfolio to stay ahead of diverse and unpredictable climate impacts is a challenging exercise.

There can be a substantial delay between investment and the realisation of tangible benefits. This can present a significant risk for decision makers looking to secure or build community buy in. For example, where infrastructure performs as a network, e.g. drainage, transport, urban canopy, coastal protection; this network effect can mean that upgrades rolled out in stages, or to parts of the network, simply shift the problem to another part of the network *(i.e. downstream, along the coast)*, and/or do not result in improved performance until the entire network has been upgraded *(e.g. drainage bottlenecks)*.

Another substantial barrier lies in access to reliable data and modelling, to inform robust decision making. This information gap is evident whenever decision makers confront. Bass Coast Shire Council has recently applied the Asset Vulnerability Assessment tool developed by the South East Councils Climate Change Alliance (SECCCA) to better understand how our buildings, roads, drainage, and open space will be impacted by climate change and associated extreme weather events. This analysis has significantly improved Council's ability to plan – financially and strategically - for the anticipated changes; but many challenges remain, not least sourcing

adequate funding, improving, and maintaining robust datasets, and engaging local communities in the long but urgent process of prioritising and delivering these upgrades to essential infrastructure.

In reality, all community infrastructure managed by Council is susceptible to one or more climate impacts and is in need of urgent investment to improve resilience. In an ever-growing tight fiscal environment, local Councils are the tier of government most exposed to climate impacts, with the least available resources to build resilience. With a certain degree of climate change 'baked in,' if Victoria is to avoid what are now inevitable climate impacts becoming avoidable disasters, a stronger partnership with local, State, and Federal government is required to ensure the right infrastructure is upgraded, at the right time, to protect communities from the worst impacts.

An applicable funding model exists across Local Government in NSW where those Councils are empowered to apply for and have approved special rate variations for specific funding purposes. Access to a dedicated additional level of funding beyond existing rate cap provisions could supplement the level of resources to overcome this ongoing barrier to finding the resources necessary to better prepare and respond to the well understood impacts of climate change.

The Victorian Government could incentivise this additional level of funding by working with a small number of Local Councils where matched funding could be offered to those trialling such a special rate variation once statutory obstacles are removed. Checks and balances are incorporated into the NSW Local Government processes for this form of special rate variation with community consultations and Council approvals required ahead of final approval *(in NSW)* by their Independent Pricing and Regulatory Tribunal (IPART).

Bass Coast Council has applied its own innovative approach to attract additional funding resources via an exhaustive process to establish an independent Environment Fund. This Fund will be capable of attracting various forms of external, entrepreneurial, and philanthropic investment more specifically targeting tree cover for sequestration or carbon offsetting purposes but over time could be considered for broader climate change purposes.

(d) The adequacy of the current Victorian planning system as it relates to its adaptation to, preparation for, and mitigation of climate change impacts;

The current Victorian planning system has made some strides in addressing climate change impacts, as evidenced by high-level strategic requirements like those in the Bass Coast Planning Scheme *(e.g., Clause 13.01-1S).* However, significant gaps still remain that hinder its adequacy in terms of adaptation, preparation, and mitigation. These deficiencies are critical to address for a robust and climate-resilient planning framework.

Firstly, there is a lack of appropriate Victorian Planning Provisions (VPP) to manage climate-related issues effectively. Specific zones, overlays, and particular provisions that account for climate adaptation and resilience are necessary to translate high-level strategies into actionable measures. Furthermore, there is a noticeable absence of a practice note or guidance on connecting adaptation plans prepared under Division 2, Part 5 of the Climate Change Act 2017 to the Planning and Environment Act. Such guidance would facilitate more coherent and consistent planning responses across the State.

The current planning system prioritises growth over environmental protection, as seen in the lack of mechanisms to designate no-change housing areas in response to environmental risks. This is problematic as it overlooks the need to limit development in vulnerable areas. Additionally, the approach to managing coastal inundation seems to lack consistency, with varied outcomes in areas like Pioneer Bay, Rhyll, Silverleaves, and Inverloch. A standardised, science-based approach is necessary to ensure all coastal regions are adequately protected.

The expense and time required to prepare adaptation and structure plans are considerable, exacerbating the challenges in responding to climate change effectively. Furthermore, there are numerous stakeholders involved in the planning process, but clear pathways for collaboration are lacking. Establishing defined mechanisms for stakeholder engagement and collaboration is essential for a unified and effective approach.

Guidance on locating resilient homes and retreating from high-risk areas is insufficient, as is advice on making new built forms resilient to climate change or retrofitting existing housing stock. The absence of incentives or guidelines for these actions leaves a significant gap in the planning system's ability to ensure climate resilience.

Lastly, the protection of vegetation, critical for climate adaptation, is inadequately addressed by Clause 52.17, which currently serves as a development facilitation tool rather than a protective measure. Reforming this clause to prioritise vegetation protection is vital.

While Victorian planning system has foundational elements that recognize the importance of climate adaptation and mitigation, it requires more detailed, consistent, and actionable guidance. Clearer integration of climate adaptation plans, consistent application of scientific data, enhanced stakeholder collaboration, and targeted provisions for resilient built forms and infrastructure are crucial to strengthening the system’s adequacy in addressing climate change impacts.

(e) What more could be done to better prepare Victoria's built environment and infrastructure, and therefore the community, for future climate disaster events; and

As Australian communities experience the compounding effects of ongoing, long-term climate change, Government must change longstanding models for investment and asset maintenance to prioritise disaster mitigation.

It is often cited in the emergency management and disaster resilience sectors that roughly 97% of disaster funding is allocated to response and recovery, with only 3% going to mitigation and preparedness. Despite calls for a change in this model of years, this has remained relatively consistent. International studies indicate that for every dollar spent on disaster mitigation, six dollars in future costs are averted, yet in Australia for every ten dollars spent on disaster response and recovery, only one dollar is spent on mitigation and preparedness. In order to better prepare the built environments of Victorian communities to respond to current climate pressures and future climate-driven natural disasters, this funding ratio must fundamentally change with national and State-driven programs to make a generational investment in mitigation.

Local Governments bear increasing pressure to maintain assets, with limited capacity to carry out improvement works due to budgetary and revenue-raising constraints (such as rate capping). Further, current policy settings regarding post-disaster funding arrangements and repair works do not fully incentivise or mandate 'building back better,' meaning that infrastructure damaged during disaster events is often restored to a standard inadequate for the known future impacts of climate change. The Victorian Government must work in partnership with the Australian Government to provide policy framework and post-disaster funding models to Local Government that ensure affected infrastructure is rebuilt to high standards of climate resilience.

Ageing essential service infrastructure in some areas is not adequate for significant increases in population *(permanent and surge)* both of which are likely to increase in direct relation to climate driven factors. Particularly, the vulnerability of communications and energy infrastructure has been a critical risk factor for communities in recent storm events, including the February 2024 storms. In partnership with the Victorian government, Bass Coast Shire is investing significantly in local energy resilience to support, however, State and Federal Governments must strengthen funding and regulatory frameworks to build the resilience of energy and communications infrastructure as a matter of increasing priority.

Affordable, climate resilient housing is essential infrastructure, Government must have consideration for the confluence of limited housing availability with updated risk mapping affecting both availability of developable land and insurability of current and future housing stock. Overall reduction in housing affordability and availability compounds the effects of climate change on at-risk communities, and settings to increase housing supply must also deliver catalytic increases in affordable housing and climate resilience. Increased costs of insurance premiums will be passed on to tenants, driving up rental expenses, and already some communities across Victoria are facing the prospect of being uninsurable within the decade. The Victorian and Federal government must work closely with the insurance industry to ensure address the insurability crisis in Australia, which is being driven by climate change.

The increase in land and ocean temperatures is increasing the likelihood and severity of extreme weather events, including microclimate effects leading to increased likelihood of weather events such as microburst and supercell storm events with increasing significant local impacts for coastal communities. This is driving impacts to build environments in coastal communities, as well as to social environments due to the heavy reliance on local volunteer workforce to respond and provide relief to impacted community. Investment in the climate resilience of essential infrastructure in Victorian communities must be complimented with greater support for volunteer coordination and sustainable funding models for disaster preparedness and mitigation activities at the local level.

(f) whether further inquiries or investigation may be needed into other aspects of climate change adaptation and climate disaster preparedness in Victoria, noting that climate change will have far-reaching impacts on all aspects of Victorian life, including but not limited to biodiversity, human health, primary production, industry, emergency services and more, and that while these areas may overlap with the matters covered in this inquiry, they may also warrant further investigation in their own inquiries.

The Bass Coast economy highly dependent on ecotourism. The wildlife and habitat are extremely vulnerable to climate change. Sea temperature rise already above most predictions, likely to affect currents and feeding patterns as well as increase mortality and morbidity rates of keystone species. Penguin and Shearwater colonies are extremely sensitive to temperature increases. Investigation into these environmental impacts, and resultant economic impacts is required to better understand and prepare for the impacts of climate chance on tourism.