

# **TRANSCRIPT**

## **LEGISLATIVE ASSEMBLY ENVIRONMENT AND PLANNING COMMITTEE**

### **Inquiry into Tackling Climate Change in Victorian Communities**

Mooroopna—Wednesday, 12 February 2020

#### **MEMBERS**

Mr Darren Cheeseman—Chair

Mr David Morris—Deputy Chair

Mr Will Fowles

Ms Danielle Green

Mr Paul Hamer

Mr Tim McCurdy

Mr Tim Smith

**WITNESSES**

Ms Sharon Terry, Team Leader, Sustainability and Environment, Shepparton City Council;

Cr Marie Martin, Moira Shire Council;

Ms Allison McCallum, Environmental Project Officer, Conservation, Campaspe Shire Council;

Cr David Atkinson, Deputy Mayor, and Vice-Chair, Goulburn Broken Greenhouse Alliance,

Ms Elyse Kelly, Environmental Coordinator, and

Mr Mike McIntosh, Director, Development and Infrastructure, Mitchell Shire Council; and

Ms Carole Hammond, Coordinator, Climate Change and Environment, Strathbogie Shire Council.

**The CHAIR:** Thank you for joining us today at the public hearing of the Inquiry into Tackling Climate Change in Victorian Communities. On behalf of the Committee I acknowledge the traditional owners of the land upon which we are meeting. We pay our respects to them, their culture, their elders past, present and future and elders from other communities who might be here today. I also extend a welcome to any members of the public and the media who are present today. This is one of a number of public hearings that the Environment and Planning Committee is conducting in Melbourne and around Victoria to inform itself about the issues relevant to the Inquiry. I will just run through some important formalities before we begin.

All evidence taken today will be recorded by Hansard and is protected by parliamentary privilege. This means that you can speak freely without fear of legal action in relation to the evidence that you give. However, it is important to remember that parliamentary privilege does not apply to comments made outside the hearing, even if you are restating what you have said during the hearing. You will receive a draft transcript of the evidence in the next week or so for you to check and approve. Corrected transcripts are published on the Committee's website and may be quoted from in our final report.

Thank you for making the time to meet with the Committee today. Could each of you please state your full names and titles before beginning the presentation? And I would like to acknowledge Bouchier Street Primary School. Welcome to the Committee as well. Over to you; if you could just state your names and your titles before you begin your presentation.

**Cr ATKINSON:** I am Cr David Atkinson. I am Deputy Mayor and Vice-Chair of the Goulburn Broken Greenhouse Alliance.

**The CHAIR:** Welcome.

**Cr ATKINSON:** So if you want everyone to introduce themselves and—

**The CHAIR:** Yes, so if everyone could introduce themselves, and then it is over to you. These speakers here do not amplify, so if you could actually speak up so that those in the audience can hear. These are for recording, for Hansard purposes.

**Mr McINTOSH:** Okay. Good morning. I am Mike McIntosh. I am the Director of Development and Infrastructure at Mitchell Shire Council.

**Ms KELLY:** Good morning. I am Elyse Kelly. I am the Environment Coordinator at Mitchell Shire Council.

**Ms HAMMOND:** Good morning. I am Carole Hammond. I am the Coordinator of Climate Change and Environment at Strathbogie Shire Council.

**Ms McCALLUM:** Hello. I am Allison McCallum, Environmental Project Officer, Conservation, with Campaspe Shire Council.

**Cr MARTIN:** Good morning. I am Marie Martin, a Councillor from Moira Shire Council.

**Ms TERRY:** I am Sharon Terry, Team Leader, Sustainability and Environment, at Greater Shepparton City Council.

**The CHAIR:** Fantastic. Over to you as to who goes first.

**Cr ATKINSON:** I will. So the Goulburn Broken Greenhouse Alliance is a collaboration of 16 local governments and agencies in the Goulburn Broken and north-eastern regions of Victoria. It is a formal committee structure involving officers and councillors and is also currently auspiced by the City of Greater Shepparton. It is led by the executive officer, Bronwyn Chapman. It is unique in Australia for the degree of cooperation it achieves. We meet several times a year, and one of the greatest benefits of the alliance is the sharing of information and projects. Today is a great example of this in building an understanding of the impacts of climate change and our capacity to act. The Goulburn Broken Greenhouse Alliance has achieved a return in grants for a number of project contributions of 2.8 to 1.

For the region the Goulburn Broken Greenhouse Alliance has delivered direct projects and shared advocacy and monitored the progress. An example of this is the Watts Working Better project, which was the energy-saving streetlight changeover in 2016. This delivered greater than 30 per cent savings in energy and ongoing energy costs.

There are seven alliances in Victoria who also work together to deliver statewide projects in energy efficiency, renewable energy procurement, electric vehicle studies and advocacy. This work enables members to achieve outcomes they possibly could not achieve individually. The Goulburn Broken Greenhouse Alliance and member CMAs have developed tools to assist agriculture to understand and to adapt to climate change. This is a fundamental need for an industry sector that underpins local economies and communities. The collaboration responds to the increasing desire of local communities to act on climate change and the risks and to develop positive opportunities for the future. So to me one of the greatest benefits of the Goulburn Broken Greenhouse Alliance is the sharing of information and action around the region to other greenhouse alliances. Thank you.

**Mr McINTOSH:** Good morning, all. As I stated earlier, my name is Mike McIntosh. I am the Director of Development and Infrastructure at Mitchell Shire Council. I have got over 20 years experience in local government in both New South Wales and Victoria, spanning both inner-city metropolitan and regional communities. I wish to take this opportunity to discuss the very real impact climate change is having on the business of local government. With over 500-plus services being delivered for communities by local government it is a very complex business, and the impacts of the changing climate are many and varied.

Today I wanted to touch on four key areas experiencing significant challenges. I also wish to nominate some opportunities before us all as we face these challenges together. These areas are not unique to Mitchell shire, and they are key areas for all local governments across the state and indeed the country. The four key areas I wish to discuss are around urban development, asset management, water management and social and support services. With respect to urban development, Mitchell shire is a shire of two extremes: we have significant growth in the south and a stable rural shire to the north. We are currently home to around 50 000 people, but that is expected to grow over 300 per cent over the next 20 years. We are currently the fastest growing shire in the state. With that we have a fantastic opportunity now to plan for sustainable towns through applying environmental, sustainable design principles. We are currently working with the sustainable design assessment project led by the City of Wodonga. This will outline strategies to incorporate ESD principles such as integrated water management, transport, ecology and urban heat minimisation. However, local government's sphere of influence is limited.

To achieve true ESD, collaboration between all tiers of government is critical. We inherently understand this. However, one of the key challenges surrounds the affordable housing conundrum. Governments are strong to advocate for affordable housing; it is an appealing headline. We are told to reduce green and red tape and to make it easier to issue permits for development. What we end up with is a lower cost residential development with limited ESD elements.

This might meet the development targets of government, but it is a false economy. What we are delivering to the market is a housing product that in the long term is using more energy and ultimately costing the householder more to run. We then roll out solar and water efficiency programs to retrofit these developments. It

simply does not make sense. Governments and the development industry need to aim higher to achieve true ESD within subdivisions and new housing stock. We need to work harder at the front end of the development process, not just retrofit at the back end when the damage is done. A key opportunity is to deliver higher ESD standards to be incorporated within our planning schemes for our planners. Stronger leadership and support from State Government around these standards is critical to support local government and its communities, who are calling for these changes.

With respect to asset management the *Local Government Act* states that a function of council is to 'provide and maintain community infrastructure in the municipal district'. Council needs to be agile and adaptive to fulfil its function in the face of climate change. Climate change increases the likelihood of damage to assets via extreme weather events and threatens the continuity of service provision, and this results in a rise in maintenance requirements, operational costs and insurance premiums. Our shire is responsible for over 1500 kilometres of roads. Just for perspective, that is longer than a network extending from here to Adelaide and back. Over the past two years we have experienced in excess of \$5 million worth of damages from storm events to these assets alone. Indeed the frequency of these damaging storm events in our community is such that we are now employing staff permanently to work on storm recovery programs, including the reporting to State and Federal Governments for storm damage claims. With the increasing frequency of these events, we need to ensure that the process for claiming storm recovery support is easier and less of a burden on our regional communities. We also need guidance from State Government and the sharing of knowledge amongst local government and industry leaders to apply best practice approaches to infrastructure management that is adaptable to climate change and tailored to local government resources.

With respect to water management, we all understand the climate change predictions for a reduced average rainfall and more extreme rainfall events. Equitable and reliable access to water is a key issue for all of us. Water is a limiting factor for industry, agriculture and growth, and should not come at the expense of waterway and ecological health. Droughts and the resulting water restrictions impact the maintenance of parks, trees, sporting grounds and swimming pools and coupled with increasing water demand in areas of high growth place pressure on our expanding communities. We are taking steps to reduce our potable water usage, such as using drought-tolerant turf species and increased use of alternative water. However, there are social, financial and environmental barriers for council in achieving this. For example, our local business contractors do not have water trucks that are capable of storing both potable and grey water; we need fit-for-purpose water for our sporting reserves; and there are high salt loads in treated water that are not suitable for highly sodic soils. We are all eager to utilise recycled water; however, the barrier to entry is high and many regional councils cannot afford to meet this. Initiatives to alleviate these costs would go a long way to assisting our local communities in more sustainable use of precious water supplies.

Social support: Mitchell shire, like many regional and rural areas, is a socially and economically disadvantaged shire. Some of our communities are ranked in the bottom 10 per cent of relative social disadvantage in the country. This presents challenges in terms of financial stress for families and indicates that the inclusion of sustainability principles, such as solar panels, is often financially unviable for many in our community. Unfortunately this means that the very families that need to reduce their utility bills cannot afford the infrastructure to do so. But our communities are eager to reduce the cost of living. A successful example of community resilience building in Mitchell and Strathbogie shires was a sustainable communities program, which was funded through the Victorian local sustainability accord from 2009–11. The program delivered 34 workshops to over 1250 participants and assisted the community to make positive changes in their households and live more sustainably. These initiatives are also fantastic opportunities to bring the communities together and to build local connections. Consistently strong attendance, post-event survey data and anecdotal feedback demonstrate strong community support for these programs and suggests that these programs fill the need in the community.

In closing, our communities are very concerned about climate change and the impact on their livelihood. Local government plays a critical role in providing social support, and our communities expect this of us. Ensuring we have places of refuge in times of emergency, ensuring we support our emergency services in those times as well and ensuring we maintain our public spaces to reduce fire risk are just some of the roles we play. The local dialogue and expectation are growing louder, and all of us need to respond better.

The business of local government is changing, and the need for stronger partnerships between local and State Government has never been more apparent. As local government we are closely connected to our communities

and well placed to facilitate these changes. We need to continue to invest in building resilient communities now so that we are not caught out in the future by having to spend all our resources on disaster repair. Those of us who respect academic knowledge and expert opinion know we are facing an emergency. Now is the time for improved leadership and action. This is the best way we can support our communities to become resilient in the face of a changing climate.

**Cr MARTIN:** Marie Martin, Councillor with Moira. We will start with observations and changes that we have noted within our agricultural landscape in Moira. Firstly, the dairy farmers: there is a general reduction in the number of farms, dairy factories are cutting shifts and there is diversification into beef cattle, feedlots and cropping. The change is noted in horticulture as hothouses are becoming more common: 22 hectare sized hothouses are currently in the shire in 2020, and we are looking at 60 hectare-sized hothouses projected by 2030.

Looking at other changes, we have got the irrigation sector changes, the unbundling of water from land, becoming a tradeable commodity, including no ties to the land, and the stranded assets of having dry irrigation farms. On corporate investment: investment in agriculture is increasing. Approvals for over 1600 hectares of solar farms will total over 400 megawatts. AgBio and investment is under way in Katunga, and this project uses advanced technology to process organic material to produce electricity, high-quality renewable diesel and jet fuel, fertiliser and food-grade carbon dioxide.

Corporate achievements in reducing emissions: the environment upgrade agreement with Booth Transport has seen a contract between Booth, the Sustainable Melbourne Fund and council. It is the largest agreement of its type in Victoria. We have 393 kilowatts of solar system and a 150-kilowatt indoor Tesla battery, and they have reduced energy bills by 40 per cent. Street lighting: 1700 have been changed over, reducing emissions by 15 per cent. Solar: 178 kilowatts have been installed on council facilities since 2017 and 10 per cent of council's electricity needs are produced by solar. With the Local Government Power Purchasing Agreement, council has committed to source 100 per cent of its electricity from renewables as of 2021 and kerbside organics to 10 000 households.

The Climate Smart Agricultural Development project was led by the Moira Shire Council and developed in collaboration with the Goulburn Broken Greenhouse Alliance members. The project was launched in September 2015. There is \$200 000 in funding from the Department of Environment, Land, Water and Planning and the aim was to generate and communicate long-term data and information to help councils, land managers and the agricultural sector adapt to climate change. The project specifically analysed the long-term agricultural viability within the Goulburn Broken region of Victoria. The key focus areas included understanding our current climate and land versatility, understanding our future climate and exploring adaptation actions and new agricultural opportunities in this future climate. The outcome of this project was the development of a spatial mapping tool, which considers topography, climate data, soils and crop requirements for 17 different agricultural commodities.

Embedding climate adaptation in agriculture: the North East Catchment Management Authority have developed a similar and more advanced climatic modelling tool. It was launched in June 2019. The Embedding Climate Adaptation in Agriculture tool was funded by the Australian Government through the National Landcare Program. Additional funding and resources have been made available for three years of extension work. This extension is being very well received by farmers. This shows that just having the information available is not enough. The farmers need support for these tools to be taken up.

The next steps: financial assistance and resources required to help distribute and champion this vital information to its intended audience. This will enable the modelling and data to reach the land managers and farmers within the Goulburn Broken region, who will be affected by climate change into the future. Extension officer or officers sponsored through the Department of Agriculture or catchment management authorities is an appropriate option. We need people to take it to the people.

And just in closing, understanding the long-term impact of climate change on agricultural production and integrating this knowledge into future planning is critical to the ongoing success of agriculture in the region.

**Ms HAMMOND:** Carole Hammond, the coordinator of climate change and environment at Strathbogie Shire Council. Strathbogie Shire Council is a small rural council and one of the smallest in Victoria. We do cover a very large land mass, which is about 3300 square kilometres, and that includes the Strathbogie Ranges as well. I am going to focus on two key things today and that includes: small rural councils resourcing; rapid adaptation to climate change, and that includes things like off-grid places of last resort as suitable refuges during extreme events; changing over council fleets to hybrid and electric vehicles; and implementing charging stations to service a large landmass across our municipalities; and also changing town systems to use reclaimed water.

Strathbogie is currently drought affected and drought declared, and we are currently implementing a project called greening Euroa, which is using water from the GV Water treatment plant to cover all of our schools in Euroa and also all of our recreational and playing fields. We have entered into a partnership with Goulburn Valley Water, council and the community, of course, and we will be starting this project next financial year. It is a \$3.6 million project, but with all of these things, including off-grid places of last resort during bushfires and floods and so on, we need assistance in supporting co-funding arrangements and ongoing state and local partnerships with active, independent not-for-profits that ensure the behaviour of community and other businesses and so on, water and energy and so on, the users, the community, schools, the sporting clubs and everything remains appropriate to the investment that we put into this.

It is a changing climate. For example, with water, we need to have support from the State Government like a legitimate annually renewable certification acknowledging their avoidance of potable water or groundwater or stream water and their implementation of water efficiencies as well. The State Government lends legitimacy to our efforts and also investment, so small rural councils find it very difficult to implement these things without appropriate investment of course.

The places of last resort is another very, very important one, as we have seen with the recent bushfires. We need off-grid places of last resort, which Strathbogie is starting on the journey to do. We have blackouts regularly because we are at the end of the grid in where we are, and it is very distressing for the community to suddenly be without any power, and generators do not cut it when the service stations do not have any power to give you diesel. So we need solar, we need batteries. We are starting on that journey, but in a large area we need support and we need co-funding arrangements.

We are excellent at partnering with the alliances, and the Goulburn Broken Greenhouse Alliance and the alliances of Victoria have been a saving grace for councils like us. We could not do hardly anything unless we had that partnership, and I could say with hand on heart that millions and millions of dollars worth of adaptation has been done with that partnership and with those partnerships across Victoria.

The second extremely important but often not stated issue that I would like to talk about is resourcing compliance and enforcement staff for things like illegal environment building and waste infringements. For small rural councils and other regional councils, resourcing this is very difficult, if not impossible. You need staff, and that is something that local councils in regional and rural Victoria just do not have a lot of. Waste and environment infringements are often instigated by organised criminals and are becoming more prolific as weather and economy events reach extreme levels. This includes China exiting our waste agreements recently, for instance. The prices are going to rise for the taking of rubbish to our tips and so forth, recycling and so on, and as that happens people are going to have agreements with certain private enterprise and we are going to see a lot more—we are expecting a lot more—dumped rubbish on roadsides and deep in forests and so on, which is going to be impossible for us to add compliance and enforcement.

Non-compliant built environments—and as we heard from Mitchell—you can state that you have a 6-star or a 7-star or an 8-star home, but if you are not checking on those houses, how are you going to, hand on heart, say that those houses are 7-star or 8-star? We need to be auditing those houses and have the staff to assist the state to ensure that they are, because when they are not, those non-compliant built environments endanger life and emergency service lives during extreme events, which are becoming more common—evidenced in the recent bushfires and in the Black Saturday bushfires as well, while storms and heatwaves also affect these people.

So rather than each council investing in their own siloed resources, it is preferred that a co-funding arrangement with the state, such as DELWP, be arranged and piloted, with the EPA involved as well with waste and so on. This is so smaller councils can participate, there is knowledge sharing, there is shared auditing, training can

occur, and cross-border infringements, which happen very regularly, can seamlessly be dealt with and our councils can create much better working relationships with the state, which we all prefer.

**The CHAIR:** Thanks, Carole. Who wants to go next?

**Ms McCALLUM:** I can. I am Allison, with Campaspe Shire Council. I have decided to talk a little bit more about what we are doing as a council, because regional councils do have different challenges to the larger councils and the urban and just to give an example of some of the projects that we have done. All our projects and activities to tackle climate change are led by our council plan, which is supported by the *Environment Strategy*, and then we have other strategies which support that, including our *Waste Management Strategy*, *Regional Rural Land Use Strategy*, our *Draft Integrated Water Management Strategy* and our *Active Transport Strategy*. They are just a few that have activities in areas that improve or reduce our impact on the environment.

And council does have a role to play by leading by example for the local community on initiatives to tackle climate change. Internal projects that we worked on—we have got a few focus areas. Opportunities to reduce carbon emissions—one of the big ones was through the use of renewable energy, so we have installed a 100 kW solar panel on our library as well as another 10 kW at the saleyards. One of the new projects that is currently going on as we speak is the installation of 60 kW of solar with 30 kW of battery storage at Echuca Stadium. What makes this project different and one of the first for regional Victoria is that it is also an emergency relief centre. So this emergency relief centre will now be powered off the grid without the use of generators, by that battery storage.

We also do other programs—things like solar heating and thermal blankets at the swimming pools, and there are a lot of activities like that that all make a difference. We also look at things like our policy by updating our fleet policy to consider the greenhouse gas emissions of vehicles before we purchase them, making sure they are still fit for use, but you have still got a lot of variety and can make better choices that way. Another big one for our council has been the removing of food waste from landfill and composting with organics, so that is a big program that we have rolled out over the last 18 months.

We also look at opportunities to improve energy and water efficiency, and a big part of that is just our general maintenance and repairs program. A lot can be achieved by, rather than just replacing one light with the next light, choosing more efficient lights and looking at water pumps, our heating and cooling systems, variable speed pumps and even whitegoods—because across the resources of councils, whether you are looking at offices or childcare centres, there are a lot of whitegoods. Even programs that improve their efficiency, whether it be water and energy, can make a big difference.

We have also introduced a policy, which is clause 22.07, for water sensitive urban design stormwater management, which was via amendment C86 to the planning scheme. This local policy allows council to consider the environment relating to water through planning permits generally within the commercial, industrial and residential zones. This policy requires applicants to treat stormwater run-off by removing suspended solids, phosphorus and nitrogen. So that is one way we can get some better use with the water as well as improving what is discharged into the environment.

We have also worked across the organisation on different programs that are helping to adapt to climate change. One of our big programs at the moment is the development of the *Urban Tree Strategy*. That is not just cataloguing what we have got now but updating planting lists for street trees to include species which are better suited to the dry climate that we are experiencing and also increasing urban canopy cover, because obviously shade is a big issue and makes it much more pleasant because we do have hotter summers. Over the last few years there have been alterations to a lot of what you would call our standard programs, like the watering schedules in our parks and gardens have altered as well as the species we use. The timing of our stormwater drain maintenance program is quite different now because it needs to make sure the system is ready to go during summer because we now experience heavy downfalls where we get localised flooding. So by changing that program we have had some really good results for the community.

The development of the *Regional Rural Land Use Strategy* has also made a difference, and that has considered the changes in agriculture through the altered conditions. The *Regional Rural Land Use Strategy* was used as a basis for amendment C69, which altered the farming zone, which is the schedule for dwellings and

subdivisions, and introduced a new zone, the rural activity zone and the environmental significance overlay schedule 1, into the planning scheme. This policy, at clauses 21.05 and 22.01, recognises that the irrigated primary production and the processing of that product underpins our municipality but is also facing significant changes and that we need to also consider new investment and businesses. That is something that is going on, whether it be through the approvals of solar farms, we have also got a large organics composting facility in our shire too, which is great.

Some of the larger projects that the council has done, they are all partnership projects, so that is something I really want to stress. I feel it is a common theme for all of us in regional areas how important these partnership projects are. We have done a lot of projects with the Goulburn Broken Greenhouse Alliance, and you will hear more about that from our executive officer, Bronwyn, so I will not talk lots of details on that, but just the highlights of Watts Working Better, the streetlight upgrade. It had a payback of 2.4 years for Campaspe, so that is an awesome business result. But we also had some really good education with the community, not just about street lights but a shoot-off of that program was about running education sessions with community about how to understand their bill and how they use their energy. So there are a lot of social opportunities we get from rolling out these big programs as well, which often do not get captured.

Climate Smart Agriculture Development—we have heard from Moira. We are also participating in an electric vehicle study. The original one that we did as an alliance helped us look at our own fleet, but now that has led to us joining in the Charging the Regions, which is a great example of all the alliances working together, and that has got the majority of councils across the state involved in that program, which I have sure you have heard about.

That broader approach is essential too for big programs like the power purchase agreement for local government. Individually, or even as the Goulburn Broken Greenhouse Alliance, regional councils do not have enough resources to develop these sorts of contracts, but we also do not have the electricity usage level to reach the economy of scale that you get through a PPA. So being able to do this local government approach means that we can participate, which is not only giving us renewable energy but also giving it at a reduced cost so we can focus our funds with the community for other options.

We also have other partnerships beyond the alliance within local government, so working in our case in the Loddon Campaspe region and with the Council Alliance for a Sustainable Built Environment and the Central Victorian Greenhouse Alliance on an environmentally sustainable design project. It is about determining the need and the feasibility of them in regional areas. So if a need exists and it is feasible to then consider introducing ESD into the planning scheme for certain types of development—as you heard from Mitchell, while there are a lot of talk of ESD it is different how you approach it when you have got smaller subdivisions and smaller works going on.

Also, Campaspe's integrated water management project is a shire-wide project which is a great example of the partnership because it is not just council, it is agencies, businesses, industry and community groups. So we have gone through an extensive consultation with these groups and we are delivering a list of prioritised projects that relate to seven integrated water management principles. This project has really helped to develop partnerships across the area, with a recent one being Campaspe Shire and Coliban Water submitting a proposal for funding the feasibility of a wastewater reuse project into the open space area of the Echuca West precinct structure plan. Previously they looked at doing it to house level and for a development in our area. The feasibility is not there, but this is a great opportunity to have water going into green open spaces for the community that is being developed. So it is a really good opportunity.

I guess I would really just like to emphasise that the partnership projects are not only important for regional councils to deliver big projects, they provide support, knowledge and economy of scale that you can participate in and get the same benefits. The majority of these projects are the direct result of grant funding opportunities. So some projects grow from the seed funding provided by the State Government to develop a business case for a project while other projects require the extra dollars from funding to deliver them on the ground. The grant funding process in itself is also great just to assist conversations to develop new partnerships. There is that side of grants that people sometimes do not acknowledge either, and that is really important. And it is not just government conversations; it is with industry and community as well.

For regional councils, support provided through grants from the sustainability accord, the Victorian Adaptation and Sustainability Partnership and more recently DELWP's community partnerships and 3CA grants have really supported councils to deliver projects to adapt to and mitigate climate change. The legacy of these projects—I know one that was in the accord back in 2009 is still present at our council. While there have been some comments about funding that has been used for works that council should be responsible for, the grant funding really does support our capital expenditure programs because it enables councils to look outside the square and apply modern practices to old developments to deliver better outcomes, which if there is not that grant opportunity for, you often do not get the option.

**The CHAIR:** Terrific. Thanks, Allison.

**Ms TERRY:** Thank you. Sharon Terry from Greater Shepparton City Council. We have heard some great stories from local government around the challenges that we face, agriculture in particular from Moira, and the importance of partnerships between all tiers of government—within local governments, between local governments through the Goulburn Broken Greenhouse Alliance, which we are all very pleased to be a part of, and also between State and Federal Governments. I am going to talk little bit more specifically to our submission, so I will talk a little about what is happening within our communities and our community groups, and then I will talk a bit about what Greater Shepparton has been doing in this space, and then I would like to focus on the future and the opportunities there might be that might come out of this process.

We are very fortunate. We have some very active community groups working on tackling climate change in Greater Shepparton. We have a number of groups who are specifically focused on sustainability, including waste and climate change itself. We have got some representatives from those groups here in the audience today, so I would like to acknowledge them and their time.

I would like to talk a little bit first about Goulburn Valley Community Energy, which is a not-for-profit local organisation who have been heavily involved in bringing solar panels to Greater Shepparton and the immediate region in the last 15 years. It started off with offering the first bulk buy of solar panels for residential properties all those years ago. Up to the current date they are working with council on establishing a 50-megawatt solar farm just south of Mooropna.

We also have Transition Tatura, which is a group of volunteers. Tatura is a community just to the west of us. It has heavy industry or some commercial businesses that are in the township itself. They have some unique challenges around the supply of energy and the growth of business in that town. But the Transition Tatura group are really active in talking about sustainability within their community. So they seek funding and grants through both local government and State Government to run events, and they bring a lot of speakers to the township as well so people can hear about climate change resilience and sustainability.

Beneath the Wisteria and Slap Tomorrow are a couple of groups who are focused very much on, again, bringing knowledge and education to the community. Slap Tomorrow are very pivotal in bringing—

**Mr FOWLES:** Sorry, what word are you saying, 'slap'?

**Ms TERRY:** Slap.

**Mr FOWLES:** S-L-A-P.

**Ms TERRY:** S-L-A-P.

**Mr FOWLES:** Is that an acronym? I am not sure if Slap Tomorrow addresses family violence or sunscreen.

**Ms TERRY:** No. It is focused on addressing climate change impacts. Zero Waste Shepparton is another community-led education group who are promoting a shift to a waste-free society and again have a number of resources available for the community to be involved.

From a natural resource management point of view, the Goulburn Valley Environment Group have been active for around 30 years in our community, and they are very strong in advocating and lobbying around environmental issues and the impacts that climate change will have on our natural resources, including water.

The Goulburn Murray Landcare Network is another longstanding organisation that is heavily involved in working with the farming community around revegetation, soil health and carbon sequestration.

The friends of the botanic gardens are also very active around the natural resource management area.

Our broader community have also adopted solar panels to a big extent, and that has been aided by various programs, including Greater Shepparton City Council's energy upgrade agreements that Moira shire described before.

RiverConnect is a program that was driven and really came together through a community desire to see our river systems used and utilised in a much friendlier way. Traditionally, like most river towns, Shepparton was built on the banks of the river and its back was turned to the river, so all the businesses that line the river have their back entrances. So that group brought together land managers—so local government, Goulburn Broken Catchment Management Authority, Parks Victoria, Department of Environment, Land, Water and Planning—and a number of community groups, including water authorities, to the table. We work on projects on a yearly basis, so it is funded through the Goulburn Broken Catchment Management Authority and through council. That has a very strong education component, and they have been actively involved in citizen science projects of late. The most recent one was the wetland carbon storage program through Deakin University.

So now to council. Like all of our colleagues, we have been active in this space for a number of years, most of us started off with the ICLEI program back in the 1990s, and we have all progressed during that phase. For Greater Shepparton we have a fairly extensive tracking program of our energy use and water use, and that is expanding all the time. In 2014 we developed an energy reduction plan that was adopted by council in 2015, and that is aimed to reduce council's energy consumption, or energy use, by 20 per cent based on our 2014 levels. We are due to report on that—at 30 June this year the plan finishes. What we are hoping to do is replace that plan with a zero carbon emission plan.

Electric vehicles: the electrification of our fleet is something we are very passionate about. This current financial year two electric vehicles were procured, and they are in use in the fleet. Next year we will increase that, and that will incrementally increase over time. At the moment we are just focusing on transport, on passenger vehicles, but we are very keen, like most local governments, to expand that into our heavy vehicle use. One of the opportunities we see is growth in this area, and support from the State will be critical.

Greater Shepparton also offers sustainability grants to community members, schools and sporting clubs, up to \$2000, to help reduce their carbon emissions and their energy costs. We have just closed our latest round now actually, and we have got some pretty exciting applications.

Watts Working Better has been discussed a couple of times, so I will not go back into that, and so has the power purchasing agreement.

Just coming back to the collaboration opportunity, it really is critical. From a regional council perspective we just do not have the resources to tackle any of this on our own. The Goulburn Broken Greenhouse Alliance provides us with a platform to come together and work through what our issues are. We find similarities, and hopefully there is some funding available for us to come together so we can undertake a project like Watts Working Better. It is 2.4 years—three years payback for us, significant investment and one of the best programs we have been involved in.

We also have a climate adaptation plan. That is a risk-based adaptation plan for Greater Shepparton's operations, so it is really around how we are able to mitigate the risks of climate change on service delivery to our community. That is in the second year of adoption.

We also have the Shepparton Statement, which is a platform that is for the youth of our community, and we are particularly pleased to see Bouchier Street here today; we are rapt to have you involved in this process. But it is a platform council has provided for the youth of Greater Shepparton to voice their concerns or their thoughts around climate change: what does it mean for their future? This can be done through various means: we directly come out to schools; we also have some social media platforms, but we do not know where it is going to end. It really needs to be driven by the youth; we want to hear what their voices are. This project came about from the first climate strikes, where council thought it was important for youth. This is their future, so we need to give them a platform to be engaged.

We also have an overarching objective called Greening Shepparton, which incorporates our urban forest strategy. That strategy has a target to increase our urban forest to 40 per cent canopy cover for not only Shepparton but all of our regional towns. We have the One Tree Per Child project, which has been running for four years—this is the fourth year now. This is a program where we plant a tree for every child in the shire. In 2016, when it first started, there were 16 664 young people under the age of 18. That figure incrementally increases every year by 10 per cent, so this year we are planting 23 500 native plants and shrubs. So that is a big investment and an exciting project. We also have a program to green the entrances to our towns. Water Sensitive Urban Design has been covered by a number of my colleagues again, and we are heavily engaged in that as well.

We partner with the Healthy Homes Program. We are very concerned around the vulnerable members of our community and how they are going to be able to adapt to the extreme temperatures and climate that we are currently experiencing and will continue to experience under a changing climate. So we are very keen on working in collaboration with other government bodies to ensure that we are addressing that.

And native vegetation: just very quickly, last year, 2019, was the Goulburn Broken Year of the Paddock Tree. We are an agricultural landscape. Greater Shepparton has around 2.5 per cent of native vegetation remaining from prior to European settlement, so we are in dire straits. Our scattered trees are very, very important, so along with the Goulburn Broken Catchment Management Authority and the Department of Environment, Land, Water and Planning, the regional team, we undertook a number of activities. One of them was to hold a forum for landowners and irrigation designers around what does ‘avoid and minimise’ require under the planning scheme and under the native vegetation regulations? We also undertook a scattered tree research forum, where we were lucky to be able to attract a number of eminent scientists around paddock trees and their value on a number of different scales to our region so that our community can have access to that information.

I am aware that I am probably a little bit over time. So very, very quickly, our future and our focus for the future: really it is all about partnership for Greater Shepparton, and I think we see many opportunities for our region. We see many challenges—don’t get me wrong. We recognise those challenges but we also see there are many opportunities, and from a regional perspective we probably offer opportunities that from an urban perspective are not there. We have space.

So if could I talk quickly about energy, what we would like to see is further support, and we would like to acknowledge the support that the State has given in this space in a number of ways. We work closely with the Hume team, and we are really excited about being involved in some stuff around the road maps into the future there, but we would like to see further support around renewable energy supply and technologies in regional areas. We are really keen to develop that as an economic stream and explore those opportunities. We want to see further assistance for households and communities to access renewable energy. We would like to see further advocacy around changes in the electricity market and the regulator. I mentioned Tatura before and the grid constraints that are over there—some really exciting potential opportunities there around how we continue to grow our business and our industry in that community and address that constraint as well.

Also a strong commitment to meeting the IPCC recommendations for zero carbon by 2050; we think that this target is the bare minimum that should be done, and we are very keen to plan how to get there. We would also like to recognise that the electricity market as a sector is on the way to meet that target.

The natural environment: really keen to see protection strengthened for ecosystems that can store carbon, such as our forests and our grasslands. We would like to see further support for revegetation activities, particularly those that enhance the opportunities for rare species and those that will find it difficult to migrate under a changing climate. Greater Shepparton sits on the Goulburn River that links Mansfield shire from the mountains all the way down to Campaspe shire and the Murray River. It is an existing almost continuous belt of native vegetation. There is a lot of opportunity there.

In line with that opportunity there is potential opportunity for the agricultural communities to become involved in carbon sequestration, soil carbon storage, utilising native vegetation as a source of income on their land. So to that end we strongly support the National Farmers Federation’s 2030 road map and the Victorian Farmers Federation’s policies in this space.

With agriculture we are seeing a transition. Moira explained that quite clearly. We have a very similar economic base around farming: some are able to adapt and some are not. We really do need to understand what is happening out there in those committees. We do not. We have an oversight, but we really do need to be able to invest in taking the time to go out and speak to these industries, these communities and these businesses, to sporting groups, to hospitals, to health groups: how is this affecting you now; what are you doing now to adapt to it; what do you need to do to adapt further; and how can governments of all sectors assist you to do that? That will take funds and coordination, and it is something that we see is very important moving forward.

With the community time is such a critical—I mentioned before the vast range of community groups we have—resource for our community groups. Many of them are working full-time. Many of them are resource constrained. It takes a lot of time to source funding applications, to apply for them and then to administer them. We think there are probably some ways we could streamline that process a little bit to take a bit of the burden off that process for them.

Climate risk management plans for our communities: continuing to support vulnerable members of the community. We think the planning scheme has a role to play, and I think that was discussed a little bit earlier on as well.

So just in closing, we think there is a lot of uncertainty out there in the community at the moment. This summer has really brought home to us all the impacts of climate change—drought, heat, record-breaking heat right throughout summer, these bushfires that are unprecedented anywhere in the world and the health impacts that have come out of that. So there is an opportunity right now that we can grasp. We see this happening now in council and with our councillors. There is a change in the air and we want to grasp that opportunity, so we are really keen to work with the State Government. We want to build further on our relationship with the State Government, to work together to really understand what is happening out there in our communities and then to plan for the future to provide some certainty around what the future will be.

**The CHAIR:** Thanks, Sharon. Before I invite my colleagues to ask questions, I do want to acknowledge Suzanna here—obviously, your local member of Parliament. Suzanna actually brings fresh fruit down to the Parliament on a regular basis, which is very much appreciated by a number of us. It is great to see you here today.

**Mr FOWLES:** And it is certainly not the sole reason for her popularity.

**The CHAIR:** No, no. Of course not. Colleagues, I do have an opening question, and then I will throw it open to all of you.

A number of you have made observations around building standards, development standards—I am assuming you mean precinct plans and the like—and planning schemes. Do you think it would be productive and useful if there was guidance around those issues, particularly in terms of responding to climate change from the Government? Like, do you want central intervention into those standards and planning schemes and development standards, or do you think it would be more productive to have decisions along those lines made at the municipal level?

**Mr McINTOSH:** I am happy to go first. I think it does have to come from the state level. Obviously the states are more or less the owners of the planning schemes and at local level we role out the rule book. Clearly there is a bottom line, and if it is prohibitive for a developer to come to town—the controls are just too great there—they will invest elsewhere. So we are trying to attract investment into our communities. We understand that. When we talk partnerships, we need UDIA to be involved as well and key developers. I think they are clearly influential stakeholders in this process in the development industry, so we need to be all in the tent together. But I think from a practitioner point of view, when you are out there dealing with a planning application and you are wheeling and dealing with developers, you need that strong support from a planning scheme. We are all sitting there wondering ‘If this goes to VCAT, how’s it going to go?’, and a tribunal member is going to be looking pretty closely at the planning scheme. They will obviously acknowledge the local context, but the planning scheme really is the bible. So the stronger controls we can get embedded into the planning scheme across the board, the greater success we have got when we are on the front line wheeling and dealing with the development industry.

**Mr MORRIS:** Can I just do a follow-up on this?

**The CHAIR:** Yes, David, sure.

**Mr MORRIS:** Because I sort of flagged this issue myself. Mike, you talked about, and you have essentially confirmed that point, putting ESD into the planning schemes. Are we better to put it into the planning schemes where, as you mentioned, it can be contestable at VCAT, or to do it through the *Building Act* so it is a regulation and it is set in stone and there is no opportunity to take it off to VCAT.

**Mr McINTOSH:** Well, ultimately the *Building Act* is—yes, you are right—a much stronger, I guess, tool for us to drive ESD requirements.

**Ms HAMMOND:** If I can just interject. Currently many councils, mostly metropolitan but Bendigo I know, have some ESD in the planning scheme. The council aligns through a sustainable built environment alliance, which is local government, situated in the MAV offices, I believe, in Melbourne. It is the sort of overarching entity which assists that to happen. That goes through a panel process to have each of those implemented into the planning scheme. That has been defendable through VCAT because of that process that it goes through, which is very rigorous.

The main aim of these things being implemented is to, I guess, have a consortium of councils liaising with DELWP and with the State Government to have an agreed kind of set kind of thing going forward so that everyone is in agreement going forward. It is to have something pre-building, something that is pre-design, pre-building design in the planning act.

**Mr FOWLES:** What do you think is the best compliance mechanism? Irrespective of whether it is in the *Building Act* or in the planning scheme or whatever, what do you think is the best mechanism for ensuring that if a builder says, 'This is a 7-star home', then in fact it is?

**Ms HAMMOND:** It has to be human, and that is what I was saying is the issue. A lot of our—

**Mr FOWLES:** I understand it is an issue. I will push a little bit, if I can. How would you fix it? How would you actually enforce that? What is the mechanism in terms of which personnel, who is paying for it? What is the solution, in your view?

**Ms HAMMOND:** Yes, I think a shared service is probably what we have all talked about in the past—a shared council service which is probably a partnership with the State as well. I think an audited shared service, so every now and again the State audits what is being checked on to keep everyone honest.

**Ms McCALLUM:** Can I just add a comment to your question about that? I think for a lot of things that is actually into the building area because a lot of people say, 'Oh, how did this come to council?', 'How did this go ahead?' or, 'Did that happen?', 'Why isn't it in the planning scheme?'. But that particular development did not need a planning permit, where if you are building, particularly the residential dwellings, all that type of thing needs a building permit. So I think there are a lot of opportunities in the building but there is this historic reaction of, 'Oh, we'll put it in the planning scheme', and it works in the planning scheme but you need a trigger of a permit for that to apply. So many of the buildings that we are talking about only get building permits, they do not need a planning permit, so there are a lot of opportunities under the *Building Act* to increase the ESD for sure. I would just like to put that out.

**Ms KELLY:** Can I just add to that too? I think, picking up on what Allison said, we need a combination of both buildings under the building code, but also a lot of things in the planning scheme under ESD do not fall under 'buildings' as such, such as urban design principles and water-sensitive urban design. So yes, a combination of both.

**The CHAIR:** So it is important to have, from your perspective, climate change issues dealt with both through the building legislation and planning schemes so that they are working together.

**Mr McINTOSH:** Together.

**Ms KELLY:** Side by side, together, absolutely.

**Mr McINTOSH:** Planning schemes, as we have touched on, are at the higher level and often subdivision and that sort of level, certainly in regional areas. Then when you get down to the tints of a particular development, that is where your building controls come into play, to reinforce the direction of the planning scheme.

**Mr MORRIS:** Picking up Allison's point, where Mitchell is dealing with big subdivisions in the southern end of the shire, then clearly the permit for the subdivision is going to pick it up. But if you are talking about a single house replacing another dwelling in Seymour or somewhere, then the planning scheme is not going to pick that up.

**Mr McINTOSH:** Correct, but even down south the planning scheme is only going to touch on it at a broad level, at a subdivision level; it is not going to get drilled down to the particulars of a house that is getting built within that subdivision.

**Mr MORRIS:** Yes, so the *Building Act* then?

**Mr McINTOSH:** Yes.

**Mr MORRIS:** In my part of the world almost everything needs a planning permit, and that is a whole different can of worms.

**Mr HAMER:** Just on a related point, probably specifically an issue for you—if it is you, Mike, in Mitchell; maybe in Shepparton as well because of the type of development—what is stopping you from doing that at the moment? Carole, you mentioned about Bendigo adopting some ESD principles within their planning schemes. What is preventing Mitchell from doing that?

**Mr McINTOSH:** There is nothing preventing us having a go at updating our planning scheme, which we are reviewing at the moment, and as best we can incorporate best practice ESD principles. There is a tension when we go to the State Government and say, 'Well, this is our local policy and we're out here' and the Government goes, 'Well, hang on, we want to promote growth and development within this area. How restrictive is that going to be? We'll only give you this much'. There is the politics at play there with development, so that is one of the key issues at that level.

Without those controls it is simply a transaction and negotiation between yourself and the developer, and that is a bit of a dance—you are trying to get as much as you can, they are trying to get as much as they can, and hopefully you land in between somewhere on your side of the ledger. But you know that if it is too much of an ask, they will roll the dice and say, 'We'll see you at VCAT'.

**Mr HAMER:** In terms of, I suppose, even without the rules in place, individuals, when they are coming to build their own home, particularly the new homes, and wanting to put on solar panels—there was a perfect case in point this morning: it was really thick cloud cover south of the Divide and as soon as you crossed the Divide it was just like a line and straightaway it was completely clear and the solar radiation obviously north of the Divide is much greater. What would be the major factors preventing particularly those new home owners from putting in those solar facilities? Is it just a cost for them? Is that the major driver because of the capital up-front cost rather than obviously the ongoing saving?

**Mr McINTOSH:** Your developer is trying to get the most affordable product to market in the quickest time possible.

**Ms GREEN:** A question to Mike and to David. My reflection is, having represented areas that have had a lot of suburban growth for 17 years but only the last five being around Mitchell, that particularly during the drought it became an actual competitive part of the market in that water-sensitive design and the purple pipe and things like that. Consumers actually really wanted that, particularly in the City of Whittlesea I saw that. It then became something that the market wanted, so then all the other developers wanted to be seen to be green friendly. Government itself has a very large parcel of land in the Shire of Mitchell, being Yarra Valley Water. How do you think Yarra Valley Water could lead the market and influence other developers?

**Mr McINTOSH:** We are currently working together with Yarra Valley Water and a number of other stakeholders on that. We are exploring best practice ESD principles. It is a great opportunity with the State

Government being a significant stakeholder. Yarra Valley Water, the concern everyone has around the room—and probably the elephant in the room—is that when push comes to shove, are they seen as a developer by the rest of the State Government and is the State going to back them on this initiative? We hope the State does, but even they are nervous that they might be told, ‘Hang on, no, Yarra Valley—

**Ms GREEN:** What do you think they could do? Without any barriers what do you think they could do? Some of what you are saying, as a local member I have not heard before, so maybe using your local members as advocates to change the minds of bureaucrats is probably a good idea.

**Mr McINTOSH:** It is a great idea.

**Ms GREEN:** I am always happy to take up that challenge, as I am sure my colleague Jaelyn Symes is, but I literally have not heard these issues before.

**Mr McINTOSH:** Yes, I think it is a really unique opportunity in Melbourne and the state. It is about promoting that more broadly so for the person that comes along and says, ‘I don’t think we’re in the business of developing. I think we should pass off this opportunity to developers’, that is going to be a harder thing to promote when you have got a government leading from the front saying, ‘We’re really proud and we’re showing the industry how it can be done’.

**Ms GREEN:** But what do you think those things would be? I am trying to get you down to say, ‘Okay, they can lead’. Why can they do? What do you think?

**Mr McINTOSH:** Did you want to rattle off waste and water and—

**Cr ATKINSON:** Financing the infrastructure would be the big one. It is okay having a development if you are—

**Ms GREEN:** We are talking about sustainability, David.

**Cr ATKINSON:** Yes. We are talking about the purple pipes, for example, that are up here. Like Mike is saying, all around Victoria, or all around Australia, it should happen. People want to water their gardens, and using potable water is crazy. So if you put in a development, you have got one pipeline of water going through it and it is potable water. So State Government could put in the assets, the infrastructure, so that the pipeline goes past those developments.

**Ms GREEN:** Which was what was done at the VicUrban development at Aurora in Whittlesea, for example.

**Cr ATKINSON:** Yes, and that is it, so expand that. You know what I mean? It is financing it. The developer is not going to do it if it is not there. You have got to get it to them to actually straighten it out.

**Mr MORRIS:** Just on the same subject, Carole talked about having all the schools in Euroa connected up.

**Ms HAMMOND:** Yes.

**Mr MORRIS:** But Mike talked about barriers to access. I think I have written down ‘barriers’, but you were talking about difficulty in access to recycled water. Again, using my local example, we have got the south-eastern outfall running straight through the middle, so people can tap into that and water golf courses and schools and all that sort of stuff; basically, as long as they can pay for the pipe, that is fine. What are the barriers, given the Strathbogies example of Euroa being hooked up? What are the barriers you are running into and what could we change there?

**Mr McINTOSH:** There was a simple one that I was faced with the other day where there was a discussion around, ‘Well, why can’t our contractors who are carting potable water to put onto our unsealed roads as part of our grading program transport recycled water?’. That is a very small example.

**Mr MORRIS:** What standard is the recycled water? I guess that is probably key.

**Ms KELLY:** That is one of the barriers, as well as the class of water, that is available to councils. At the moment the class of water available through some of the Goulburn Valley water sites is not suitable for our football grounds and also not—

**Mr MORRIS:** So is it class B?

**Ms KELLY:** Class B—and not suitable for the soil types that we have.

**Mr MORRIS:** So the plants need upgrading to at least get it up to class A.

**Ms KELLY:** Exactly. Spot on.

**Mr MORRIS:** Yes, okay. It makes sense.

**Cr ATKINSON:** And there are actually discussions with the community—for example, trackside, a discussion with Goulburn Valley Water about getting class B—

**Ms GREEN:** Kilmore Racing Club.

**Cr ATKINSON:** Yes, sorry. The Kilmore Racing Club are trying to get water up there to water the track. You know what I mean—simple things like that: the golf course, cricket grounds, footy clubs. There are heaps of them that could use the water, whereas they are using potable water.

**Mr MORRIS:** Which is crazy.

**Cr ATKINSON:** Yes, it is.

**The CHAIR:** I might just ask a question then as well. Some of the evidence we have heard from other municipalities in other parts of the state is that there is not necessarily a great deal of guidance around stormwater management. Obviously we have got new developments and often we are putting in the type of stormwater infrastructure that we have always put in, and when we are replacing infrastructure because it is worn out often we are just simply replacing like for like—we are not recognising that climate change is going to produce less rain but when it does rain it is at a higher intensity. Do you think there could be better guidance around that type of infrastructure, because obviously it is a risk to municipalities and to communities around localised flooding and the like? What is your experience and comments around that?

**Ms McCALLUM:** I would say some of it is guidance and some of it is how the renewal programs are set up. Council, like everyone, has their processes, so if it is something like that that comes under the renewal program, there is very little room for someone, whether it be the engineers or whoever is running the project, to look at that sort of upgrade because I guess you work to your standards so, 'This type of goal that has a renewal of this much', whether it be a pipe—and that is how it works. So it is about that integration of 'We've got these new ideas and we're going to have to deal with more water' versus how to incorporate that into the renewal without making it an upgrade, because then you have the issues with budget. So some of it comes down to how we classify projects as well and looking at that process.

**The CHAIR:** I am not an engineer, but I assume local governments have engineering standards around this stuff.

**Ms McCALLUM:** They do.

**The CHAIR:** Do those standards today reflect the challenges of climate change over the next 30, 40 or 50 years?

**Ms McCALLUM:** We have got the infrastructure design manual, and that does pick up some of that, but I cannot tell you to what degree. That is not my area of expertise.

**Ms TERRY:** I do know—if I may—that through 2013–14 we had some really severe rainfall events and we had some localised flooding. Post that event an audit was done on all of the council-maintained stormwater systems where those things happened, and it was identified that we needed to basically double the size of the pits. I know from an internal perspective we are utilising that information now, but I guess it comes back to my

point earlier around the need to understand what is happening on the ground, to be able to record that information, and then I think we need to feed that back to the state level to provide that kind of guidance material that you are talking to. I think it is a critical issue for new sub-developments. Most of us are in growth phases at the moment, so it is a very important point.

**The CHAIR:** And it is a massive liability, isn't it? If we get it wrong, people may seek remedy through the courts and other processes.

**Ms HAMMOND:** Exactly, and I think we are also moving into an era where smart technology is helping councils to understand what is happening underground a lot better, but access to that for many regional councils is not available, for obvious reasons that we have stated. It would be good to have some access to that and access to the knowledge of metropolitan councils that are also using it right now.

**Mr FOWLES:** I just had a question about electric vehicles. I am pleased that a number of councils obviously are beginning the journey into the electrification of their fleets. I am interested to know what the lived experience has been like. Range anxiety is obviously more of an issue, I think, in the regional context than it is in metro. How have you found that transition? What things would you like to see from the State Government to assist you in that transition?

**Ms TERRY:** Through the Goulburn Broken Greenhouse Alliance and the Central Victorian Greenhouse Alliance there is a current project funded with the State called Charging the Regions. That is really looking at where the existing charging infrastructure is, what type it is and where there are gaps. For most of us regional councils, we are very keen to extract the tourism potential of providing suitable charging stations for community members to come to our area and visit. From our personal experience, as I mentioned, we have two electric cars. They have a small driving range, so we have experienced a bit of drive anxiety within the staff.

**Mr FOWLES:** Are they Nissan Leafs or—

**Ms TERRY:** Yes, they are. One staff member took it to the other side of Seymour and only just made it back—I think he had 2 per cent left and was doing 60 k's. That gives a very clear picture of what the range was. But those vehicles are very much fit for purpose, so for us they are not really to go outside of the municipality—potentially for us to go to Benalla or one of our neighbouring councils for a meeting and then come back. Any further we know we are probably not going to have access to the charging infrastructure, so we cannot take that vehicle on those trips.

I know from the general public that is certainly a concern for the public as well. We get a lot of queries around people asking: 'Can I charge our cars up anywhere around Greater Shepparton?'. Unfortunately there is only really one option at this point for a public charge station, and that is at a winery, and it is a Tesla charger. So it really is an issue, the ability for people to move around the state and the country in electric vehicles at a rate at which we are used to. I mean, you can plan trips over a longer period, and you can stay overnight and that sort of thing, but it is quite a big behavioural change. I am not sure when it comes to cars we are ready for that.

**Ms HAMMOND:** Can I just say from our perspective in Strathbogie shire, we did a big study on how we would be able to transition our council fleet. We have no electric vehicles at the moment and we also have a big array of larger vehicles as well, and it is just a real shame that we do not have hydrogen happening in this state and in this country because it has a bigger range, it is very quick to fill up and it would be a great economic resource for Australia as well. And councils with the current issues around the South China Sea and everything, with our fuel resources being shipped through that area and from the East as well, if we run out of fuel—we truck our water into the regions, we put out our fires with trucks, our main agricultural resources are trucked out of the area, and we will be devastated if we do not have fuel. So we need an alternative fuel resource in our shires, and council will need to step up if any sort of fuel disaster happens. So we want to be electrified or hydrogenised, and it is a really massive unseen risk for Australia and Victoria and our rural economies. So this is what came out of our study.

**The CHAIR:** Thank you. Last point.

**Mr McINTOSH:** Yes, just quickly, we looked at it with our fleet for all of our trucks and things like that, and the technology simply is not there at the moment for us to roll that out through that fleet. With respect to our vehicles, it is often used and certainly in regional areas the vehicle is an attraction for remuneration and things like that. So it is something that we can compete on compared to salaries, certainly for Mitchell, against some of the metropolitan councils. I know Port Phillip—I used to work there—and they provided a 50 per cent discount or something for staff that were willing to take an electric vehicle. So once you got over the status of cruising around in a Leaf and you realised that it was half the price of what you were going to have to cough up for another car, it really encouraged staff to transition. So I think there is a range of different issues there. From a usability point of view it does not work for us at the moment but then there is also the staff attraction, retention—that sort of stuff. You want to be able to provide incentives there, and councils like Mitchell and probably my colleagues as well cannot afford to—like metropolitan councils—compete in that space and offer those incentives.

**The CHAIR:** Thank you. All right. One last question from my colleague. Over to you, Danielle.

**Ms GREEN:** I just wondered collectively, often new technologies, new industries have bigger startup costs and maybe find it harder to attract finance. Has your group thought about how you might utilise the payroll tax reductions that regional councils get, which will be 25 per cent from 2022 of metropolitan areas? Have you thought about that as a means of attracting particularly new energy and others? I would be interested. I mean at the moment it is 50 per cent and by 2022—it is a great way to grow jobs, but in the new energy economy too.

**The CHAIR:** Who wants to take that?

**Mr McINTOSH:** There certainly has not been a dialogue around the executive group for me. So that is Mitchell's response at this point in time. We have not made that link between the saving and then I guess the sustainability opportunities that might come with that.

**Cr ATKINSON:** Look, as an accountant, it does not kick in until \$475 000, I think it is, the payroll tax. So in the regions, we have got a lot of small businesses, SMEs, so there is not a lot. It is going to affect council itself and a couple of other big companies like Nestlé and we have got SPC and all those up here, but there is a lot of small business out here. So it just does not work for them.

**Ms GREEN:** I suppose maybe raising their awareness about it, though—they might be thinking, 'Okay, then we can grow'.

**Cr ATKINSON:** Yes.

**Ms GREEN:** And I suppose my thinking too of, you know, people working in local jobs, particularly in Mitchell's circumstance, you would only have to attract one or two new employers and then you have got a whole lot of people that are not travelling to work, which is a great greenhouse reduction opportunity.

**Cr ATKINSON:** And we do. The CEO has actually had a couple of businesses come up and look, but for other reasons unbeknown they have not selected our shire. Payroll tax is just a small issue.

**Ms GREEN:** It is an opportunity though.

**Cr ATKINSON:** It is. It is, and all opportunities are great.

**The CHAIR:** Fantastic, all right. Thank you so much for your detailed submissions. They were actually very, very informative, and I will let you get about the rest of your day. So, thank you.

**Witnesses withdrew.**