

26 September 2023

The Hon. Lily D'Ambrosio
Minister for Energy and Resources and Climate Action
Level 16, 8 Nicholson Street
East Melbourne, VIC 3002

By email: lily.dambrosio@parliament.vic.gov.au

Dear Minister D'Ambrosio,

Re: A new strategic partnership to address climate change

On behalf of our members, the Victorian Greenhouse Alliances (VGA) are writing to request a new strategic partnership between state, local and federal government to address the challenges of climate change.

The Victorian Greenhouse Alliances are formal partnerships of local governments and statutory agencies driving climate change action across Victoria's municipalities. The Alliances deliver regional mitigation and adaptation programs that provide economies of scale and enable projects typically beyond the reach of individual councils and agencies. Our project work is complemented by targeted advocacy, capacity building and regional partnerships.

As the risks and opportunities of climate change become increasingly clear, it is imperative that all levels of government work well together to accelerate the transition to net zero and to strengthen community resilience. To meet this challenge, the current fragmented approach to policy, funding and resourcing must be addressed. The recently released *Many Hands Makes Light Work*¹ report identifies that a new approach to climate governance is required to empower all spheres of government to fulfil their climate ambitions by promoting effective coordination between and across all levels of government. This 'multilevel governance' approach is intended to turbocharge climate action and give those on the frontlines a seat at the decision making table. Energy Consumers Australia have made the same recommendation to government in their *Stepping Up*² report, which calls for the creation of a new national partnership across all levels of government with the objective of ensuring an orderly and equitable shift to all-electric homes.

We are seeking a new strategic partnership with the state and federal government to pilot and test the multilevel governance model. The following three areas of collaboration should be prioritised in the first instance:

1. Support for vulnerable households and businesses in the energy transition

We would like to congratulate the state government on its recent announcement to ensure all new dwellings are all electric from January 2024. We applaud the state's leadership on this important first step in the transition away from fossil fuels. Ending new gas connections will cut household energy costs, deliver critical health benefits for Victorians and make a significant impact on emissions.

However, the energy transition must be socially inclusive, equitable and appropriately managed to ensure that the benefits are shared by all users and costs are not unduly borne by vulnerable communities and those least able to afford it. This will require a comprehensive cross-government approach that goes beyond new builds to address the challenges in the existing building stock.

¹ Melbourne Centre for Cities, [Many Hands Make Light Work](#), final report, July 2023

² Energy Consumers Australia (ECA), *Stepping Up: A smoother pathway to decarbonising homes*, August 2023 ([link](#))

A multilevel government approach could include the following elements:

- Collaboratively engaging with the federal government to address the shortcomings of the recently announced Household Energy Upgrades Fund. As it is currently designed, the \$1billion fund will simply be distributed from the CEFC to banks who will not be required to change any of their existing lending criteria. This effectively means that there will be no change to 'business as usual' and zero impact on the existing financial barriers to upgrades in low income and vulnerable households.
- Scaling-up and amplifying existing 'facilitation services' that educate households and business on the benefits of upgrades and enable them to take action through access to trusted installers. Examples of council-provided facilitation services generally include:
 - Targeted outreach campaigns to ensure program awareness and engagement to support household decision making
 - Referrals to experienced service providers that have been vetted by council
 - Assistance in accessing Victorian Government rebates and interest-free loans
 - Additional financial subsidies provided in some council areas on a case-by-case basis.³

2. Harmonising changes to the National Construction Code (NCC) with a broader suite of reforms to Victoria's planning system

There is a disconnect between high level policy positions on climate change — by federal, state and local government — and day-to-day planning decisions. The current system is failing to deliver the necessary emissions trajectory and the resilient housing communities require to adapt to more frequent extreme weather. The proposed changes to the National Construction Code cannot be considered in isolation from the Victoria planning system. National, state and local approaches must be harmonised to deliver the necessary mitigation and adaptation outcomes.

A multilevel government approach could include the following elements:

- Working collaboratively to ensure the new 7-Star NCC requirements are not delayed for a second time. This will help to avoid locking-in high-emissions, inefficient buildings.
- Immediate implementation of the planning scheme amendments submitted by twenty-four members of Council Alliance for a Sustainable Built Environment (CASBE) that seeks to elevate sustainability requirements for new buildings and encourages a move towards net zero carbon development.
- Amending the *Planning and Environment Act* and the *Climate Change Act* to explicitly mandate addressing climate change at all levels of the planning process (alongside of the other key recommendations of the Hansen report)⁴
- Partnering with the Commonwealth to establish a monitoring and compliance program that supports the planned expansion of the Nationwide House Energy Rating Scheme. This should evaluate the additional co-benefits that can be achieved in new developments where dwellings are established under elevated ESD planning schemes and the new NCC standards.

3. Capturing the economic benefits of urban and regional cooling and protecting vegetation

Current rates of development and approaches to site coverage are resulting in a high level of urban and regional vegetation clearance. Despite the best efforts of local government, vegetation is being cleared at

³ For example, this program in Merri-ek has assisted 233 households to date <https://zerocarbonmerri-bek.org.au/solar-and-energy-financial-support-for-residents-on-a-low-income/>

⁴ Hansen (2021) [Climate Change & Planning in Victoria](#), Ensuring Victoria's Planning System Effectively Tackles Climate Change

a faster rate than can be replaced in the public realm. The loss of vegetation is impeding the state's ability to capture the significant economic opportunities from increasing green and blue infrastructure. DELWP's *Environmental-Economic Account for Greater Melbourne* quantifies significant economic benefits of addressing the urban heat island and thus improving productivity and reducing mortality.⁵ The report estimates the benefits of additional cooling through enhanced green infrastructure to be between ~\$530million and ~\$1.1billion per year (in present value terms) for the Melbourne Metropolitan Region in 2051. A very conservative analysis of the cost-benefit-ratio suggests that for every dollar spent on urban greening in Melbourne, around \$4 in benefits are derived.⁶

A multilevel government approach could include the following elements (see further detail [here](#)):

- Setting ambitious goals for increased canopy and shrub cover.
- Use heat island and social vulnerability data and biodiversity outcomes to target important locations in metropolitan and regional areas.
- Apply the evidence base and First Nation's knowledge to select appropriate climate-sensitive and resilient species.
- Address the skills shortage, provide training for existing professionals and support jobs.
- Support delivery through comprehensive community education and engagement, particularly around the protection of existing natural assets.

We would welcome the opportunity to speak with you directly regarding the above partnership opportunities and how we can leverage the respective capabilities and resources of all levels of government to ensure the best outcomes for Victorian communities.

Greenhouse Alliances and contacts

- Barwon South-West Climate Alliance (BSWCA), Sue Phillips, Executive Officer, sue.phillips@bswca.org
 - o City of Greater Geelong
 - o Golden Plains Shire
 - o Surf Coast Shire
 - o Borough of Queenscliffe
 - o Colac Otway Shire
 - o Warrnambool City Council
- Central Victorian Greenhouse Alliance (CVGA), Annika Kearton, Chief Executive Officer, ceo@cvga.org.au
 - o Ararat Rural City Council
 - o Ballarat City Council
 - o Buloke Shire Council
 - o Central Goldfields Shire Council
 - o Gannawarra Shire Council
 - o Greater Bendigo City Council
 - o Hepburn Shire Council
 - o Loddon Shire Council
 - o Macedon Ranges Shire Council
 - o Mildura Rural City Council
 - o Mount Alexander Shire Council
 - o Pyrenees Shire Council
 - o Swan Hill Rural City Council

⁵ <https://app.box.com/s/6fn893tq9sn9hjmikikrfgavgl5k75j8x>

⁶ Living Melbourne, [Priority urban greening analysis](#), June 2023

- Eastern Alliance for Greenhouse Action (EAGA), Scott McKenry, Executive Officer, scott.mckenry@maroondah.vic.gov.au
 - o City of Boroondara
 - o Glen Eira City Council
 - o City of Knox
 - o Maroondah City Council
 - o Monash City Council
 - o Stonnington City Council
 - o Whitehorse City Council
 - o Yarra Ranges Council

- Gippsland Alliance for Climate Action (GACA), Tiffany Harrison, Coordinator, tiffany.harrison@gccn.org.au
 - o East Gippsland Shire Council
 - o Latrobe City Council
 - o South Gippsland Shire Council
 - o Wellington Shire Council

- Goulburn Murray Climate Alliance (GMCA), Carole Hammond, Executive Officer, eo@gmca.org.au
 - o Alpine Shire Council
 - o Benalla Rural City Council
 - o Campaspe Shire Council
 - o Greater Shepparton City Council
 - o Indigo Shire Council
 - o Mansfield Shire Council
 - o Mitchell Shire Council
 - o Moira Shire Council
 - o Murrindindi Shire Council
 - o Towong Shire Council
 - o Strathbogie Shire Council
 - o Wangaratta Rural City Council
 - o Wodonga City Council
 - o Alpine Resorts Victoria
 - o Goulburn Broken Catchment Management Authority
 - o North East Catchment Management Authority

- Northern Alliance for Greenhouse Action (NAGA), Dean Thompson, Executive Officer, dean@naga.org.au
 - o Banyule City Council
 - o City of Darebin
 - o Hume City Council
 - o Manningham City Council
 - o City of Melbourne
 - o Merri-bek City Council
 - o Nillumbik Shire Council
 - o City of Whittlesea
 - o City of Yarra

- South East Councils Climate Change Alliance (SECCCA), Dan Pleiter, Acting Chief Executive Officer, dpleiter@seccca.org.au
 - o Bass Coast Shire Council
 - o Bayside City Council
 - o Cardinia Shire Council
 - o City of Casey



- o Greater Dandenong City Council
 - o Frankston City Council
 - o Mornington Peninsula Shire Council
 - o City of Kingston
 - o City of Port Phillip
- Western Alliance for Greenhouse Action (WAGA) Fran Macdonald, Executive Officer, franm@brimbank.vic.gov.au
 - o Brimbank City Council
 - o Maribyrnong City Council
 - o Hobsons Bay City Council
 - o Melton City Council
 - o Moonee Valley City Council
 - o Moorabool Shire Council
 - o Wyndham City Council

This letter has been approved through the Greenhouse Alliances governance structures but may not have been formally considered by individual members. The submission does not necessarily represent the views of all members.

