

Victoria's Second Climate Change Strategy Submission



No one understands the challenges and opportunities facing Victoria in the 21st century better than local councils. From rapidly evolving technology to social changes, shifting economies to environmental pressures, our local communities and the governments that represent them—are at the forefront of multiple transformations happening simultaneously.

As the peak body for the Victorian local government sector, the Municipal Association of Victoria (MAV) offers councils a one-stop shop of services and support to help them serve their communities.



ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the traditional custodians of the land on which we live. We recognise their continuing connection to land, waters and culture and pay our respects to their Elders past, present and emerging.

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1 Introduction

The Municipal Association of Victoria (MAV) welcomes this opportunity to engage with the development of Victoria's second Climate Change Strategy 2026-30.

The Municipal Association of Victoria is the peak representative and advocacy body for Victoria's 79 councils. The MAV was formed in 1879 and the Municipal Association Act 1907 appointed the MAV the official voice of local government in Victoria.

Today, the MAV advocates for local government interests, initiates projects and services across a broad range of areas, and supports the development, adoption and implementation of evidence-based research and policy.

Our purpose is to mobilise action that supports Victorian councils to create cities, regions, and towns that are thriving, resilient and inclusive communities. Our vision is to be a nation-leading thought leader, partner and resource hub for the Victorian local government sector in strategic foresight, policy and research, leadership and governance, service design and advocacy impact.

Victoria's second Climate Change Strategy comes at a critical time for climate policy at a global, national and local level. This year on the world stage there will be a strong focus on keeping warming to 1.5 degrees through collective action on climate and nature. In 2025, the Australian Government is due to release its next round of Nationally Determined Contributions, alongside 2035 emissions reductions targets.

Locally in Victoria, councils are getting ready to prepare and adopt council plans which set out the strategic direction of each council for the next four years.

Drawing from the summary paper, this submission highlights how the Victoria's second Climate Change Strategy can better recognise and support the role of local government in delivering adaptation and mitigation action. Implementing these recommendations will ensure Victoria is in a stronger position to achieve ambitious emissions reductions over the next five years.

2 Achieving ambitious climate targets

Local government, and their communities, are on the frontline of responding to climate change. Councils are already experiencing the direct impacts of climate change from more frequent and severe storm, heat, flood and fire events, as well as coastal inundation and erosion.

Many Victorian councils, individually and in partnerships, have a strong track record of delivering nation-leading work to reduce emissions and increase organisational and community resilience to climate impacts.

It is clear we need more urgent and rapid action from all levels of government to achieve a safe climate. Both mitigation and adaptation are essential to reduce emissions and minimise the increasing risks from current and future climate impacts.

The second Climate Change Strategy provides an important opportunity for the Victorian Government to set a more ambitious pathway for reducing emissions and strengthening climate resilience over the next five years.

The MAV is strongly supportive of the Victorian Government setting ambitious, science-derived emissions reduction targets backed by investment that enables rapid and deep greenhouse gas emissions reductions across all sectors.

We recognise that reducing Australia's greenhouse gas emissions will require enhanced cooperation between national, state and local governments. The MAV would like to see the Victorian Government implement a multilevel governance approach to climate change. This approach would empower all spheres of government to fulfill their climate ambitions by promoting effective coordination between and across governments.

We also recognise the unique role local government plays in facilitating a just and equitable transition for the whole community, enabling other levels of Government to meet ambitious emissions reduction targets.

A key part of working together to achieve ambitious climate targets includes providing clear guidance and tools for local government to navigate climate-related financial reporting. While the requirements are not mandatory for the sector, there may be flow-on effects for councils as part of companies reporting on their Scope 3 emissions. The MAV welcomes the opportunity to work with the Victorian Government to work on appropriate guidance and tools.

Recommendation

The Victorian Government should embed a multilevel governance approach to climate change by:

- Engaging local government as a trusted partner in the delivery of place-based solutions to climate change and a just and equitable transition.
- Advocating for the Federal Government, as a signatory of the Coalition for High Ambition Multilevel Partnerships, to implement a multilevel governance climate policy and investment approach that recognises the role of local government.

3 Improving council pledges

Under the Climate Change Act 2017, councils may make voluntary emissions reduction pledges describing council actions to reduce emissions and providing an estimate of the expected reductions. As part of Victoria's first Climate Change Strategy, 23 councils submitted council pledges, with the majority of these councils located in metropolitan areas.

These pledges are an important platform for recognising council action in achieving net zero emissions. However, an ongoing challenge for many councils is the capability and capacity to measure and report progress using a consistent and reliable methodology, including one that is recognised by other levels of government and supports ongoing investment.

As part of this next round, the Victorian Government should support more councils to make pledges by delivering tailored supports to less-resourced councils. By supporting a greater number of councils to make pledges, the second Climate Change Strategy will better reflect the breadth of actions being undertaken by the local government sector, and in turn contribute to strengthened emissions reductions.

Recommendation

- The Victorian Government should support councils to make pledges by co-designing information sessions, guides or workshops with the MAV that provide less-resourced councils with the tools to measure and report on their emissions reduction activities.

4 Enabling local government adaptation action

Adaptation objectives and actions are a key component of Victoria's Climate Change Strategies. In the second Climate Change Strategy, the MAV would like to see better recognition and support for the role of local government in delivering adaptation action in Victoria.

Victorian councils are responsible for managing [\\$140 billion of community assets](#) and infrastructure, including roads, community buildings and parks, all of which are impacted by climate events and have a high cost for repair and maintenance. Conservative first-pass economic assessments of the direct risks to council assets indicates that annual average damages are [expected to increase by 150% by 2050 and 300% by 2100](#) under business as usual.

We know that Victorian councils are on the forefront of leading a wide range of effective adaptation responses for the benefit of their communities. Some of these responses include capital upgrades to community facilities and assets to adapt to heatwaves and mitigate against flood and bushfire damage, as well as investment in batteries and stand-alone power for facilities so that they remain functional in extreme weather events.

There are significant opportunities for the Victorian Government to partner with councils to upgrade infrastructure to a more resilient standard, as articulated in our [submission to the inquiry into climate resilience](#).

While some progress has been made, more investment is needed to enable councils to drive place-based adaptation. Resource constraints are particularly challenging for rural and regional councils which are disproportionately impacted by climate change and face greater difficulty in generating revenue.

The MAV supports the Australian Local Government Association's proposal for a national [\\$400 million climate adaptation fund](#) for councils to deliver local, place-based solutions.

Many of the adaptation priorities articulated in Victoria's first Climate Change Strategy could be improved by explicitly including local government, for example:

- Monitor, evaluate, report and improve climate change adaptation by developing and implementing local risk assessments.
- Support local government to integrate climate change risk management into investment decisions.
- Support local government to demonstrate the benefits and business case for climate change adaptation action.
- Ensure that lessons learned from Disaster Ready Fund adaptation projects are integrated into Victoria's Climate Change Strategy's.

Recommendation

Victoria's second Climate Change Strategy should:

- Explicitly recognise the role that local government plays in driving place-based adaptation and its contribution to building climate resilient

- infrastructure, assets and communities by drawing from the above suggestions.
- Establish a dedicated fund to support the implementation of Victoria's Adaptation Action Plans which includes direct financial support for councils.

5 Recognising the role of local government in the energy transition

The Climate Change Strategy articulates the Victorian Government's priorities in relation to the energy transition. Victoria is targeting net zero emissions by 2045 – five years earlier than the current national target. Achieving this target will require real acceleration in renewable energy generation, transmission and storage.

Local governments, in partnership with their communities, are in a unique position to deliver an equitable and just transition. Councils can be valuable partners in information sharing, education and engagement to support their communities to prepare for the transition. Importantly, as the closest connection point to community, local government can help to build the social license for the energy transition at this critical juncture.

The MAV believes the second Climate Change Strategy presents an important opportunity to recognise the role of local government as a key partner in enabling the transition to renewables.

Many Victorian councils are grappling with the role they can play in brokering community benefit sharing arrangements in the transition. Some councils are more advanced in their journey, navigating positive relationships with developers and playing a pivotal role in securing community benefits. Others are supporting their communities to understand the opportunities available through readiness studies and advocacy positions.

Councils face multiple barriers when attempting to support their communities to navigate the energy transition. This includes a lack of legislated requirements for council consultation, poor information provision, consultation fatigue, limited technical experience and limited funding streams. On top of this, councils are navigating a complex and ever-changing regulatory environment.

The local government sector has expressed interest in exploring community benefit models that support the delivery of inter-generational legacy benefits and regional collaboration. With the right support, host councils have a significant opportunity to obtain once-in-a-generation investments for their communities.

Recommendation

Victoria's second Climate Change Strategy should:

- Outline a consistent and coordinated approach to support host councils and communities to realise meaningful, inter-generational benefit-sharing investments for regional and rural communities over the next five years.
- Highlight the policy and legislative frameworks that allow councils to participate fully in the transition to a net zero economy.

6 Integrating and aligning planning reform with climate action

Local government leads the way to integrate climate change and planning decisions

In order to deliver an effective and meaningful Climate Change Strategy, the Victorian Government must ensure that climate and planning policy areas operate in tandem. Ongoing planning reforms and housing strategies must be integrated with the principles and goals in the second Climate Change Strategy.

We would like to draw your attention to the (2021) report which identified the disconnects between high level policy positions on climate change and day-to-day planning decisions. The report examines influences which inform planning decisions, and provides a program of planning reform opportunities that government can pursue.

We know that embedding climate resilience into planning strategies and amendments to planning schemes presents opportunities to better align strategies with day-to-day planning and development decisions.

Councils across Victoria have already collaborated to develop local planning policies in the absence of state-wide policy responding to climate change and Environmentally Sustainable Design (ESD).

Since the introduction of local ESD policies, councils find that elevating sustainable design and zero-carbon development opportunities in planning discussions have helped shift developer and community attitudes. It is now widely acknowledged that energy efficient and climate responsive homes are the most comfortable and cost-efficient to live in.

Councils have also pursued housing strategies to deliver more affordable homes for Victorians for decades, including using local schedules and policies to deliver sustainably designed homes in well-serviced areas, driving down local emissions by reducing energy usage and costs for households. Unfortunately, the new *Townhouse and LowRise code* 'switches off' those policies. We are disappointed that the new Code was introduced without an opportunity for local government to consider or make submissions about its effects.

The MAV is hopeful that the Department of Transport and Planning will work with councils to identify opportunities for future improvement of the Code, noting the state has committed to improving environmentally sustainable development and committing to a 30% canopy cover in the Plan for Victoria.

Planning for natural hazards in a climate crisis

A key part of mitigating risk and adapting communities is better planning for natural hazards. Unfortunately, councils' ability to drive necessary changes to their planning schemes is hampered by a range of factors, including:

- Cost to engage consultants and collect data on hazard risks;
- Lack of resources and technical knowledge within councils and other agencies, particularly the CFA and the catchment management authorities;
- Recent examples of planning panels weakening planning controls proposed by councils; and
- Political pressure placed on councillors from their constituents when proposing new planning controls that may limit development or impact land value.

The MAV's submission to the [Inquiry into the 2022 flood event in Victoria](#) highlighted the urgent need for planning system reform that directs development away from flood-prone areas to protect lives, property and fragile environments.

The local government sector would like to see the Victorian Government implement a consistent state-wide planning approach to flood and coastal inundation, similar to the current bushfire arrangements, with the Minister for Planning made responsible for implementing best-available flood and inundation data into planning schemes. This must be supported by ongoing review, the provision of clear policy direction, updating of state-wide flood, inundation and sea-level rise benchmarks and updating of overlays and planning provisions to ensure development is appropriate to current and future risk.

It must be the role of Government to communicate directly and openly with an approach of education and improving preparedness with residents most at risk of natural hazards in a consistent way across Victoria. Councils already do this to some extent, however the state has considerably more financial and legislative levers to pull compared to local government.

Recommendation

Victoria's second Climate Change Strategy should:

- Commit the Victorian Government to partner with local government on integrating and aligning planning reform with climate action.
- Outline a commitment by the Victorian Government to implement a strong baseline of Environmentally Sustainable Development (ESD) for all development through the planning system.
- Align with the Plan for Victoria action to implement a consistent state-wide planning approach to flooding, coastal inundation and other climate risks, similar to the current bushfire arrangements, with the Minister for Planning made responsible for implementing best-available hazard data into planning schemes.

Conclusion

The local government sector brings a wealth of experience and knowledge to climate policy having spent decades driving adaptation and mitigation action.

Victoria's second Climate Change Strategy will need to be underpinned by strong leadership and appropriate financial investment. With the right engagement and support, councils can play a stronger role in contributing to the Victorian Government's mitigation and adaptation goals.

Victorian councils stand ready to partner and collaborate with the Victorian Government to accelerate climate action, build resilient communities and reduce emissions.

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