

Proposed climate change work programme – LTP Budget options

Meeting: Council Briefing
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Purpose/Ngā whāinga

This report presents budget requirements and options for the proposed climate change strategy work programme, to be included into 2021-2031 Long Term Plan (LTP).

Context/Horopaki

Council reports on June 3 and June 10 introduced a proposed climate change work strategy and accompanying climate change work programme. This introduction included an outline of the kinds of costs required to develop and implement the climate change work programme. Council asked for more detailed costs and benefits presented by the proposed work programme. This report aims to fulfil that request and enable Council to provide direction on inclusion into the LTP consultation process.

Discussion/Ngā kōrerorero

This report introduces a minimum budget required to incorporate a climate change work programme into the LTP in order to meet current and forthcoming climate change adaptation and mitigation obligations. This report also offers three additional options to expand on the minimum budget and deliver a more comprehensive degree of climate change work. Discussion is divided into two subsections:

- Subsection 1 will discuss minimum climate change work requirements and rationale.
- Subsection 2 will summarise budget options, with corresponding deliverables and risks.

Subsection 1: Minimum climate change work programme requirements

This subsection describes a proposed climate change work programme to address minimum adaptation and mitigation Council obligations. Current and forthcoming adaptation and mitigation Council obligations include:

- Greenhouse gas emissions reporting, targets, management and/or reduction
- Adaptation strategy and comprehensive climate change risk assessments (including natural hazards risk assessments)
- Climate change information gaps identified and plans for addressing said gaps
- Community engagement and consultation on adaptation and significant mitigation activity impacting community
- Financial risk understanding and communication transparency

These obligations are based on current legislation, forthcoming legislation, and connected regulatory policy.

This includes the: Resource Management Act (RMA) 1991, Local Government Act 2002, National Coastal Policy Statement 2010, National Policy Statement (NPS) for Renewable Electricity Generation 2011, RMA Amendment Bill 2020, Climate Change Response Amendment Act 2019, NPS on Urban Development 2020, NPS on Freshwater Management (in effect 3 Sep. 2020), Northland Regional Policy Statement, and forthcoming RMA reform.

The most significant change to legislation is the introduction of the RMA Amendment Act 2020. The RMA Amendment Act 2020 introduces additional legislative obligations on climate change adaptation and mitigation. It requires that local authorities consider the National Emissions

Reduction Plan and the National Adaptation Plan made in accordance with the Climate Change Response Act 2002 (& Climate Change Response Amendment Act 2019). Section 74 of RMA Amendment Act will come into effect December 31, 2021.

Ministry for the Environment released the first National Risk Assessment for Aotearoa New Zealand. A summary of the report can be found here: <https://www.mfe.govt.nz/publications/climate-change/national-climate-change-risk-assessment-new-zealand-snapshot>. This assessment reports on the top climate change risks to Aotearoa New Zealand. The Risk Assessment will be updated every six years. The National Adaptation Plan will develop from the Risk Assessment.

Climate change risks for Council and Kaipara District

As part of the aim to meet increasing adaptation and mitigation obligations, the proposed work programme also aims to address and minimise climate change risk to Council. The table below summarises climate change risks specific to KDC. This list is a representative summary and is not exhaustive.

Infrastructure assets	<ul style="list-style-type: none"> • Significant degree of the transport network, flood protection, drainage, stormwater, wastewater and potable water assets are not fit for purpose and are vulnerable to landslips, fluvial flooding, coastal flooding and coastal erosion • Capital works projects that temporarily increase resilience in the short term at the expense of longer-term resilience/adaptation • Commitment to level of service that is unfeasible due to costs / extent of natural hazards risk • Current lack of sufficient data on extent of assets exposed to climate change risks, the degree of vulnerability and the capacity of current assets to provide services in a changing climate
Emergency management	<ul style="list-style-type: none"> • Increased requirements of civil defence, increased costs and capacity to provide this service and meet Civil Defence Emergency Management 2002 obligations • Community confusion and lack of preparation due to insufficient and/or inaccessible community emergency plans
Community and social wellbeing	<ul style="list-style-type: none"> • Decrease in physical and mental health associated with living in increased disaster-prone areas • Increased costs to repair damaged personal property, private businesses and community facilities • Loss of spaces and places that provide community wellbeing and social connection (i.e. green spaces and reserves, sports domains, Marae, halls, etc)
Mana Whenua and Tangata Whenua	<ul style="list-style-type: none"> • Increased demand on current partnership practices without adequate resourcing to support partnership activities • Degradation of Council relationships with Mana Whenua due to lack of support regarding climate change impacts • Coastal and fluvial flooding of Marae and/or papakāinga
Ecological and natural environment	<ul style="list-style-type: none"> • Depletion and damage to coastal environment and species unique to the coastal environment • Depletion and damage to waterways and increased sedimentation of the Kaipara Harbour • Unmanaged coastal flight /coastal retreat impacts on inland natural areas

Economy and finance	<ul style="list-style-type: none"> • Loss of productive land for agriculture and horticulture, and increased costs for agricultural/horticultural production • Inability to gain insurance due to hazards, (for both community and Council) • Increased costs for rate payers for infrastructure services and emergency management services • Litigation costs if there is significant community pushback on Council action/inaction • Lack of assessment on specific financial risks facing Council for each climate change scenario • Limited understanding on climate change impacts on Council revenue
Governance	<ul style="list-style-type: none"> • Lack of appropriate decision-making systems that are resourced or adopted for uncertainty and scale of climate change impacts • Delay on or inability to make adaptation or mitigation decisions due to perceived negative community reactions

The proposed climate change work programme costs are what is needed to produce the deliverables required to address these climate change risks and meet legal obligations on mitigation and adaptation. Budget options analysis is based on the proposed timelines for deliverables (see **Attachment A** Deliverables timeline). Options A-C will allow for delivery of the main steps for Years 1-3, with Options C and B presenting the least risk of delay. The varying budgets will affect the quality, thoroughness and engagement processes for each deliverable. Discussed below, the minimum required budget will likely combine action plan deliverables and impact the timeframes, particularly Years 4-10.

The proposed work programme options are on par with council activity on climate change across the country and on par with council approaches in Te Taitokerau Northland. More information on this assessment can be provided if requested or can be found in the June 3 Council Briefing Report.

Subsection 2: Budget options, deliverables, outcomes and risks

This subsection summarises proposed climate change work programme costs and discusses deliverables and risks for each budget.

Summary of costs comparison

	Year 1	Year 2	Year 3	Years 4-10	Total
Minimum to fulfil obligations	\$174,655	\$208,800	\$173,800	\$687,300	\$1,505,912
Option A Partial Climate Smart Outcomes	\$194,155	\$226,300	\$188,300	\$893,800	\$1,820,512
Option B Strong Climate Smart Outcomes	\$206,155	\$318,300	\$280,300	\$1,708,800	\$3,041,402
Option C Best Practice	\$239,655	\$253,300	\$195,300	\$2,060,800	\$3,326,357

Deliverables by budget option

Status Quo No budgeted work programme	<ul style="list-style-type: none"> • Policy analyst position provides advice and strategic direction for Infrastructure and Emergency management services to support Climate Smart community outcome • Limited community engagement on climate change partially embedded into other Council projects <i>High risk of not meeting obligations</i> • Policy analyst to provide advice and support to community groups where possible • Policy analyst position provides advice to Mana Whenua partners where possible. Climate change work integrated into current resourced work where possible. Partners participate without compensation <i>Does not meet MEA/MoU</i> • Adaptation work implemented through planning obligations as outlined in RPS • Exact costs of climate change impacts unknown • Costs paid for by future rate payers, externalised to private landowners and rate payers <i>High risk of not meeting legal obligations</i> • Rely on CATT and NRC participation for governance model <i>High risk of not meeting obligations</i>
Minimum to fulfil obligations \$1,505,912	<ul style="list-style-type: none"> • Council-wide direction via Climate Smart Policy • Lowered carbon footprint and lowered GHG emissions • Operational mitigation actions • Climate actions addressing community priorities • One pilot Adaptive Pathway project and one major Adaptive Pathways project, two adaptive strategies for prioritised areas • Community engagement via adaptive strategies for infrastructure services and community planning changes • Mana Whenua partners consultation • Te Ao Māori framework and adaptation tool

<p>Option A Partial Climate Smart Outcomes</p> <p>\$1,820,512</p>	<p>Core difference: Replacement of single Climate Action Plan with Adaptation Action Plan, Mitigation Action Plan, Sustainability Action Plan.</p> <p>Additional deliverables to the above minimum obligations, include:</p> <ul style="list-style-type: none"> • Living document with agreed actions for adaptation, including: <ul style="list-style-type: none"> ○ drought actions ○ community emergency management plans ○ governance resilience ○ community-led initiatives ○ Mana Whenua partnerships and tools • Partial hazards assessment - dependent on NRC matching or funding majority • Sustainability assessment tool and increased staff capacity to assess performance measures • Living document with prioritised, agreed upon objectives and actions on: <ul style="list-style-type: none"> ○ Water conservation, Transport, Food, Energy, Material use/sourcing, Waste (solid) • Extensive community engagement, strengthened community relationships • Strengthened Mana Whenua partnerships
<p>Option B Strong Climate Smart Outcomes</p> <p>\$3,041,402</p>	<p>Core differences: Two Adaptive Pathways major projects instead of one major project (three projects total), adaptation strategies for three localities/areas. Additional FTE, Climate Change Lead.</p> <p>Additional deliverables to Option A, include:</p> <ul style="list-style-type: none"> • Three areas/localities with adaptive strategies, decisions made on adaptation • More comprehensive engagement, wider community buy-in on adaptation decisions • Increased internal expertise on risk assessments and hazards assessments to address information gaps • Increased quality of and staff capacity to meet climate change obligations and timelines • Enable excellence in growing obligations and need for technical expertise, community engagement expertise, climate change governance expertise, Māori specific approaches
<p>Option C Best Practice</p> <p>\$3,326,357</p>	<p>Core differences: All Adaptive Pathways projects delivered with full professional services instead of partial professional services. No additional FTE.</p> <p>Additional deliverables to Option B, include:</p> <ul style="list-style-type: none"> • Extensive community engagement made more robust with full professional services support • Robust technical reporting and natural hazards reporting and documentation • Increased staff capacity to focus Climate Smart Policy and Action Plans • Higher likelihood of meeting adopted timeframes

Projected risks under each budget option

Minimum to fulfil obligations	<ul style="list-style-type: none"> • Risk of community confusion around adaptation and mitigation if combined into single Climate Action Plan • Highest risk of litigation and/or community pushback due to lowest degree of engagement • Limited actions could push back significant mitigation/adaptation work and increase future costs • Highest risk of information gaps unaddressed, increasing Council liability • Obligations could outpace FTE capacity
Option A Partial Climate Smart Outcomes	<ul style="list-style-type: none"> • Locality that requires adaptation decisions and adaptive pathways strategy gets pushed back until 24/25 LTP review, possible flow-on effects include increased costs, increased community push-back, increased liability due to inaction • Work programme requirements larger than single FTE position and could result in delayed timeframes and/or reduced quality of work
Option B Strong Climate Smart Outcomes	<ul style="list-style-type: none"> • Higher costs to ratepayers
Option C Best Practice	<ul style="list-style-type: none"> • Highest cost to ratepayers • Increased reliance on professional services, less internal expertise • Work programme requirements larger than single FTE position and could result in delayed timeframes and/or reduced quality of work

Next steps/E whaiake nei

Staff are seeking Council direction on including the proposed climate change work programme options into LTP consultation.

Attachments/Ngā tapiritanga

	Title
A	Deliverables timeline