



# THE COMMITTEE MINUTES

for the meeting

Tuesday 20 August 2019

in the Colonel Light Room,  
Adelaide Town Hall



Present - The Right Honourable the Lord Mayor [Sandy Verschoor];  
Councillor Abiad (Deputy Lord Mayor) (Chair)  
Councillors Abrahamzadeh, Couros, Donovan (Deputy Chair), Hou, Hyde, Khera, Knoll,  
Martin, Moran and Simms.

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## Acknowledgement of Country

At the opening of the Committee Meeting, the Chair stated:

'Council acknowledges that we are meeting on traditional Country of the Kaurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kaurna people living today.

And we also extend that respect to other Aboriginal Language Groups and other First Nations who are present today.'

## Apologies and Leave of Absence

Nil

## Confirmation of Minutes - 6/8/2019

That the Minutes of the meeting of The Committee held on 6 August 2019, be taken as read and be confirmed as an accurate record of proceedings.

## Exclusion of the Public

### 1. Item 4.1 - Exclusion of the Public to Consider [2018/04291] [TC]:

For the following Items for Consideration and Recommendation to Council in Confidence:

#### 5.1. Strategic Procurement Matter [s 90(3) (b) & (d)]

### Order to Exclude for Item 5.1:

#### THAT THE COMMITTEE:

- Having taken into account the relevant consideration contained in s 90(3) (b) & (d) and s 90(2) & (7) of the *Local Government Act 1999 (SA)*, this meeting of The Committee dated 20/8/2019 resolves that it is necessary and appropriate to act in a meeting closed to the public for the consideration of Item 5.1 [Strategic Procurement Matter] listed on the Agenda.

#### Grounds and Basis

This Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting business, prejudice the commercial position of Council and prejudice the commercial position of the person who supplied the information and confer a commercial advantage on a third party prior to finalising contract negotiations and execution.

#### Public Interest

The Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed because it may prejudice Council's ability to discuss or influence a Proponents proposal for the benefit of Council and the community in this matter. This may limit Council's ability to negotiate and achieve the best possible outcome for Council.

- Pursuant to s 90(2) of the *Local Government Act 1999 (SA)* this meeting of The Committee dated 20/8/2019 orders that the public (with the exception of members of Corporation staff and any person permitted to remain) be excluded from this meeting to enable this meeting to receive, discuss or consider in confidence Item 5.1 [Strategic Procurement Matter] listed in the Agenda, on the grounds that such item of business, contains information and matters of a kind referred to in s 90(3) (b) & (d) of the Act.

Members of the public and Corporation staff present not directly involved with Item 5.1 left the Colonel Light Room at 5.32pm.

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# Confidential Item 5.1

Strategic Procurement Matter

Section 90 (3) (b) & (d) of the *Local Government Act 1999 (SA)*

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The Colonel Light Room re-opened to the public at 5.56pm.

### **Confidentiality Order**

#### **Minute 2 - Item 5.1** - Strategic Procurement Matter [TC]

In accordance with Section 91(7) & (9) of the *Local Government Act 1999 (SA)* and because Item 5.1 [Strategic Procurement Matter] listed on the Agenda for the meeting of The Committee held on 20 August 2019 was received, discussed and considered in confidence pursuant to Section 90(3) (b) & (d) of the *Local Government Act 1999 (SA)*, this meeting of The Committee do order that:

1. the resolution become public information and included in the Minutes of the Council meeting
2. the report, the discussion and any other associated information submitted to this meeting and the Minutes of this meeting in relation to the matter remain confidential and not available for public inspection until February 2021
3. the confidentiality of the matter be reviewed in December 2020
4. the Chief Executive Officer be delegated the authority to review and revoke all or part of the order herein and directed to present a report containing the Item for which the confidentiality order has been revoked.

### **Discussion Forum Item**

3. Item 6.1 - Presentation - Climate Change Risks [2014/05026] [TC]

Discussion Facilitators:

Michelle English, Associate Director Sustainability, City of Adelaide  
David Powell, Presiding Member, City of Adelaide Audit Committee  
Sarah Barker, Special Counsel, Minter Ellison

Precis of topic:

Utilising a PowerPoint presentation, The Committee was provided with a presentation on Climate Change Risks.

The PowerPoint presentation utilised is attached for reference at the conclusion of the Minutes of this meeting.

### **Items for Consideration and Recommendation to Council**

4. Item 7.1 - Lot Fourteen Renewal – Tree Removal [2009/01983] [TC]

That the matter be deferred.

5. Item 7.2 - City of Adelaide Submission - South Australia's Housing, Homelessness and Support Strategy [2017/03664] [TC]

#### **THAT THE COMMITTEE RECOMMENDS TO COUNCIL**

That Council:

1. Notes the release of the *Towards a Housing, Homelessness and Support Strategy – Strategic Intent* report, Attachment A to Item 7.2 on the Agenda for the meeting of The Committee held on 20 August 2019, for the South Australian Housing, Homelessness and Support Strategy and the invitation for public submissions into the development of the Strategy.
2. Approves the attached submission to the South Australian Housing, Homeless and Support Strategy Attachment B to Item 7.2 on the Agenda for the meeting of The Committee held on 20 August 2019, excluding Point 1 under Strategic Intent (page 114-116).
6. Item 7.3 - BMX Precinct - City Dirt Master Plan [2018/00490] [TC]

#### **THAT THE COMMITTEE RECOMMENDS TO COUNCIL**

That Council:

1. Notes the community engagement feedback received prior to the development of the City Dirt Master Plan as per Attachment A to Item 7.3 on the Agenda for the meeting of The Committee held on 20 August 2019.

2. Approves the City Dirt Master Plan in Blue Gum Park/Kurangga (Park 20) as per Attachment B to Item 7.3 on the Agenda for the meeting of The Committee held on 20 August 2019, including the vision, principles, actions and overall implementation plan.
3. Consider a budget allocation as part of the 2020/21 Integrated Business Plan deliberations to develop detailed designs and cost estimates to inform implementation of the City Dirt Master Plan in future years.

7. Item 7.4 - Public Art Action Plan 2019-2022 [2018/02734] [TC]

THAT THE COMMITTEE RECOMMENDS TO COUNCIL

That Council:

1. Approves the *Public Art Action Plan 2019-2022*, set out in Attachment A to Item 7.4 on the Agenda for the meeting of The Committee held on 20 August 2019.
2. Notes that the *Public Art Action Plan 2019-2022*, set out in Attachment A to Item 7.4 on the Agenda for the meeting of The Committee held on 20 August 2019, will replace the existing *Public Art and Memorials Policy (2012)*.
3. Notes the draft *Public Art Operating Guidelines*, set out in Attachment B to Item 7.4 on the Agenda for the meeting of The Committee held on 20 August 2019.
4. Notes the draft *Memorials Operating Guidelines*, set out in Attachment C to Item 7.4 on the Agenda for the meeting of The Committee held on 20 August 2019.

During the discussion, Councillor Hyde left the Colonel Light Room at 7.18pm.

8. Item 7.5 - Splash Adelaide 2.0 [2019/01547] [TC]

THAT THE COMMITTEE RECOMMENDS TO COUNCIL

That Council:

1. Notes the objectives and guiding principles for Splash Adelaide as at Attachment A to Item 7.5 on the Agenda for the meeting of The Committee held on 20 August 2019.
2. Authorises the CEO to select, approve and implement Splash Adelaide Projects and all associated matters under his delegation.

During the discussion, Councillor Hyde re-entered the Colonel Light Room at 7.20pm.

9. Item 7.6 - Strategic Plan Progress Report Quarter 4 2018/19 [2017/00570] [TC]

THAT THE COMMITTEE RECOMMENDS TO COUNCIL

That Council:

1. Notes the *Strategic Plan Progress Report Quarter 4 2018-19*.
2. Notes a report will be prepared by December 2019 providing more detailed analysis in relation to the achievements since 2016.

### **Council Member Discussion Forum Items**

The following items were raised:

- The purpose behind the Council Member Discussion Forum Item
- The safety of Chinese protestors in Rundle Mall.
- The passing of former Councillor Anthony Williamson.

## Exclusion of the Public

### 10. Item 9.1 - Exclusion of the Public to Consider [2018/04291] [TC]:

For the following Item for Consideration and Recommendation to Council in Confidence:

#### 10.1. Capital City Committee Update [s 90(3) (g) & (j)]

### Order to Exclude for Item 10.1:

#### THAT THE COMMITTEE:

1. Having taken into account the relevant consideration contained in s 90(3) (g) & (j) and s 90(2) & (7) of the *Local Government Act 1999 (SA)*, this meeting of The Committee dated 20/8/2019 resolves that it is necessary and appropriate to act in a meeting closed to the public for the consideration of Item 10.1 [Capital City Committee Update] listed on the Agenda.

#### Grounds and Basis

This Item is confidential to ensure that the Council does not breach any law, any duty of confidence, or other legal obligation or duty.

The disclosure of information in this report would breach 'cabinet in confidence' information presented to the Capital City Committee and the *City of Adelaide Act 1998* which has provided for a State/Capital City inter-governmental forum (the Capital City Committee) to operate 'in confidence' and a breach of the associated duty of confidence and duty as a member of the inter-governmental forum.

The Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of this information would be contrary to the Capital City Committee's operations and could prejudice the position of the State Government and/or Council in relation to current/future proposals prior to State Government and/or City of Adelaide evaluation and deliberation.

2. Pursuant to s 90(2) of the *Local Government Act 1999 (SA)* this meeting of The Committee dated 20/8/2019 orders that the public (with the exception of members of Corporation staff and any person permitted to remain) be excluded from this meeting to enable this meeting to receive, discuss or consider in confidence Item 10.1 [Capital City Committee Update] listed in the Agenda, on the grounds that such item of business, contains information and matters of a kind referred to in s 90(3) (g) & (j) of the Act.

Councillor Simms, members of the public and Corporation staff present not directly involved with Item 10.1 left the Colonel Light Room at 7.33pm.

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# Confidential Item 10.1

Capital City Committee Update

Section 90 (3) (g) & (j) of the *Local Government Act 1999 (SA)*

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The Colonel Light Room re-opened to the public at 7.37pm.

### **Confidentiality Order**

#### **Minute 11 - Item 10.1** - Capital City Committee Update [TC]

In accordance with Section 91(7) & (9) of the Local Government Act 1999 (SA) and because Item 10.1 [Capital City Committee Update] listed on the Agenda for the meeting of The Committee held on 20 August 2019 was received, discussed and considered in confidence pursuant to Section 90(3) (g) & (j) of the Local Government Act 1999 (SA), this meeting of The Committee do order that:

1. the resolution becomes public information and included in the Minutes of the Council meeting;
2. the report, the discussion and any other associated information submitted to this meeting and the Minutes of this meeting in relation to the matter remain confidential and not available for public inspection until 31 December 2026;
3. the confidentiality of the matter be reviewed in December 2020; and
4. the Chief Executive Officer be delegated the authority to review and revoke all or part of the order herein and directed to present a report containing the item for which the confidentiality order has been revoked.

### **Closure**

The meeting closed at 7.37pm.

Councillor Abiad (Deputy Lord Mayor)  
**The Committee Chair**

### **Documents attached:**

Minute 3 - Item 6.1 – Climate Change Risks PowerPoint Presentation

# CLIMATE CHANGE RISKS

## Workshop Purpose:

*A recommendation from Audit Committee to present to Council on Climate Change Risks.*

FACILITATOR: David Powell – Chair of Audit Committee

- Introductions
  - David Powell – Chair of Audit Committee
  - Sarah Barker – Head of Climate Risk Governance, MinterEllison
- Why Climate Change is important to the Audit Committee and Council
- Impact on Financial Statements
- Presentation by Sarah Barker
- Questions

# WHY CLIMATE CHANGE IS IMPORTANT

- Risk
  - Represents a key risk that we need to identify and manage
  - Has potential to impact property values (and therefore rates)
  - Will result in new initiatives/budget bids for additional spending with impact on Long Term Financial Plan e.g. additional greening, alternate road surfaces etc.
  - Impact on Asset Management Plans by incorporating climate risk
  - Cost of mitigation strategies e.g. any Carbon Neutral targets
  - We expect there to be a Climate Change Risk in City of Adelaide's Strategic Risks and a number of operational risks

# WHY CLIMATE CHANGE IS IMPORTANT

- **Financial Opportunities**
  - Potential for lower insurance premiums by demonstrating climate resilience
  - Likely to achieve favourable interest rates or avoid penalty interest on borrowings
  - Working in collaboration with other Councils (share costs, consistent approach)
  - Engagement with SA Government and Developers to ensure Climate Change considered in Development Plans
- **Community Engagement**
  - Proactively engage with residents to understand local climate risks
  - Support community to reduce emissions

- AASB Practice Statement 2 - Climate Related and other emerging risk disclosures
  - Entities preparing financial statements in accordance with Australian Accounting Standards consider:
    - whether investors could reasonably expect that emerging risks, including climate-related risks could affect the amounts and disclosures reported in the financial statements and have indicated the importance of such information to their decision making; and
    - what disclosures about the impact of climate-related risks are **material** to the financial statements in light of the guidance in APS 2.
  - Auditors would be expected to consider and understand the implications of climate-related risk and how it affects their own work and procedures.
    - If climate-related risk has a significant impact on the entity, the auditor is expected to consider whether the financial statements, appropriately reflect this in accordance with the applicable financial reporting framework.
    - This information would then be audited under the Australian Auditing Standards (ASAs).

# MinterEllison

## *Disasters, duties and divestment:*

## Climate change risk through a finance & liability lens

**Sarah Barker**

Head of Climate Risk Governance, MinterEllison

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City of Adelaide

20 August 2019

The Committee Meeting - Minutes - 20 August 2019

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## There are three main categories of climate-related risk



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PRUDENTIAL REGULATION  
AUTHORITY

- Referencing climate risk framework adopted by Bank of England Prudential Regulation Authority
  - **Physical** – ecological impacts: gradual onset and extreme catastrophic
  - **Economic transition** – market impacts driven by policy, technology, social responses to those physical risks
  - **Liability consequences** – failure to mitigate, adapt or disclose
- ***These risks manifest within mainstream decision-making, development and finance horizons – including the shorter term***



# *Physical/ecological risks*



Minute 3 - Item 6.1 - PowerPoint Presentation

# Climate change science 101

- *What?*

- Climate change – ‘greenhouse effect’

- *How?*

- Primarily emissions of carbon dioxide, methane etc from human activities: combustion of fossil fuels (energy, transport, industry, manufacturing); agriculture (livestock); land use change and clearing

- *When?*

- Pre-industrial 280ppm vs 405ppm CO<sub>2</sub>e now – already average planetary temp approx. 1.1°C above pre-industrial average
- ‘Business as usual’ emissions: 4+°C above pre-industrial average by 2100

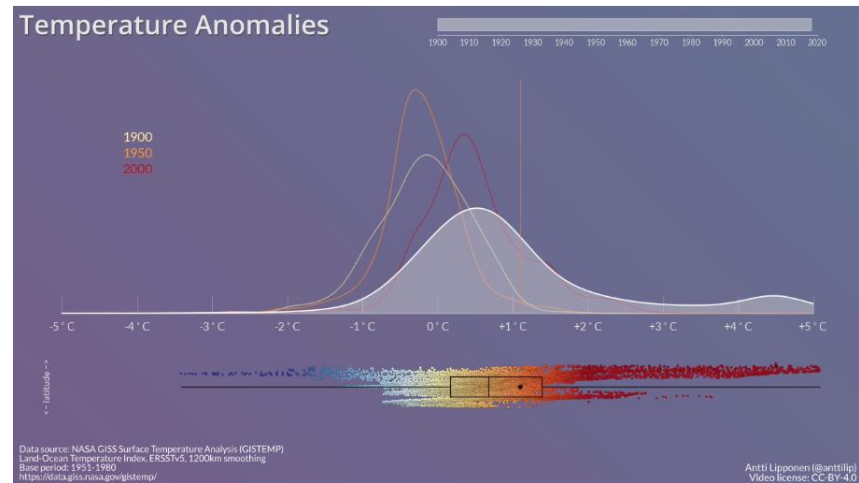
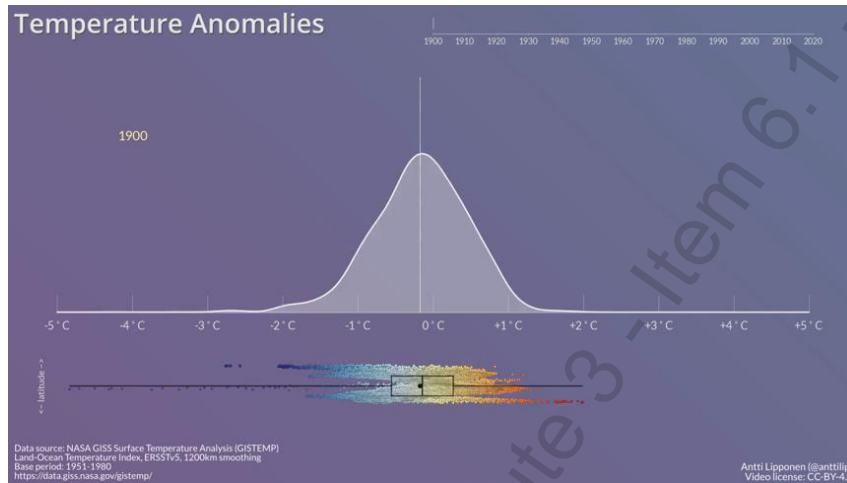
- *Who says so?*

- Scientific consensus – IPCC (2018), CSIRO, NASA, BoM, WMO etc etc – *as scientifically certain as gravity*



## Why do we care? Physical/ecological impacts

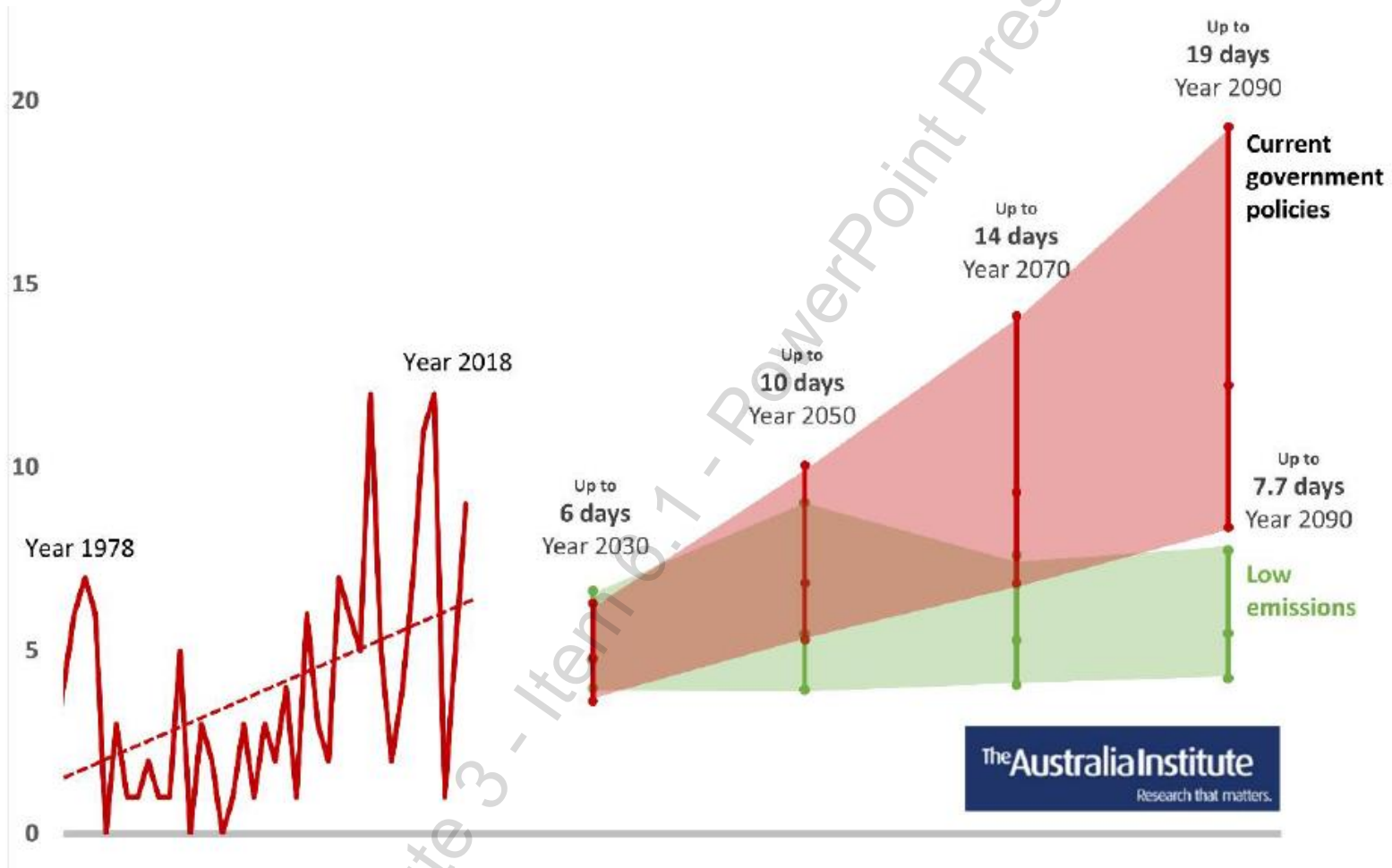
- **Gradual onset** – sea level rise, ice melt, ocean acidification, regional temperature and rainfall variations (dry getting drier, wet getting wetter)
- **Catastrophic** – extreme weather events: increase in frequency and intensity (eg drought, flood, bushfires, storms, cyclones)
- **Ecological impacts** include - mass extinctions of flora and fauna, biodiversity loss, fresh water loss



## City of Adelaide?



# City of Adelaide?



Source: Bureau of Meteorology (2019) *Climate data online*, <http://www.bom.gov.au/climate/data/index.shtml>; CSIRO and Bureau of Meteorology (2018) *Climate projections*, provided on request



## What does that mean for Council...?

*What does this mean for the City of Adelaide's constituents and industry (including finance, insurance and other professional services, health care & social assistance, construction, accommodation and food services)?*

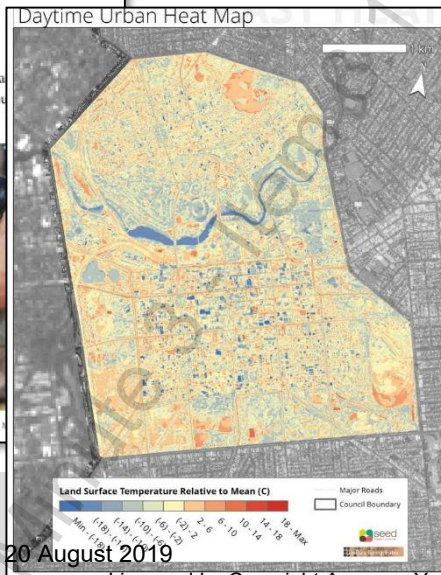
### Climate change threatens SA tourism, health and business: industry leaders

LOCAL

Tourist numbers will drop, cases of malaria could emerge in hospitals, productivity will plummet as a result of climate change, some of South Australia's leading industry and health bodies have warned.



Coordinators had to modify stages of this year's Tour Down Under due to heat. Photo: David...



*What does this mean for Council:*

- *business continuity and service delivery;*
- *OHS, healthcare, aged care and disability services;*
- *community facilities, buildings and properties;*
- *parks, open space and recreational facilities;*
- *footpaths, roads and drains;*
- *governance and regulation of planning and building;*
- *water management – coastal, riverine and sewerage/drains;*
- *emergency management;*
- *transport & mobility;*
- *waste management and landfill?*





The risks – and efficient treatment – will be *unique* to SA more broadly, and the City of Adelaide in particular



What does that mean for Council...



&



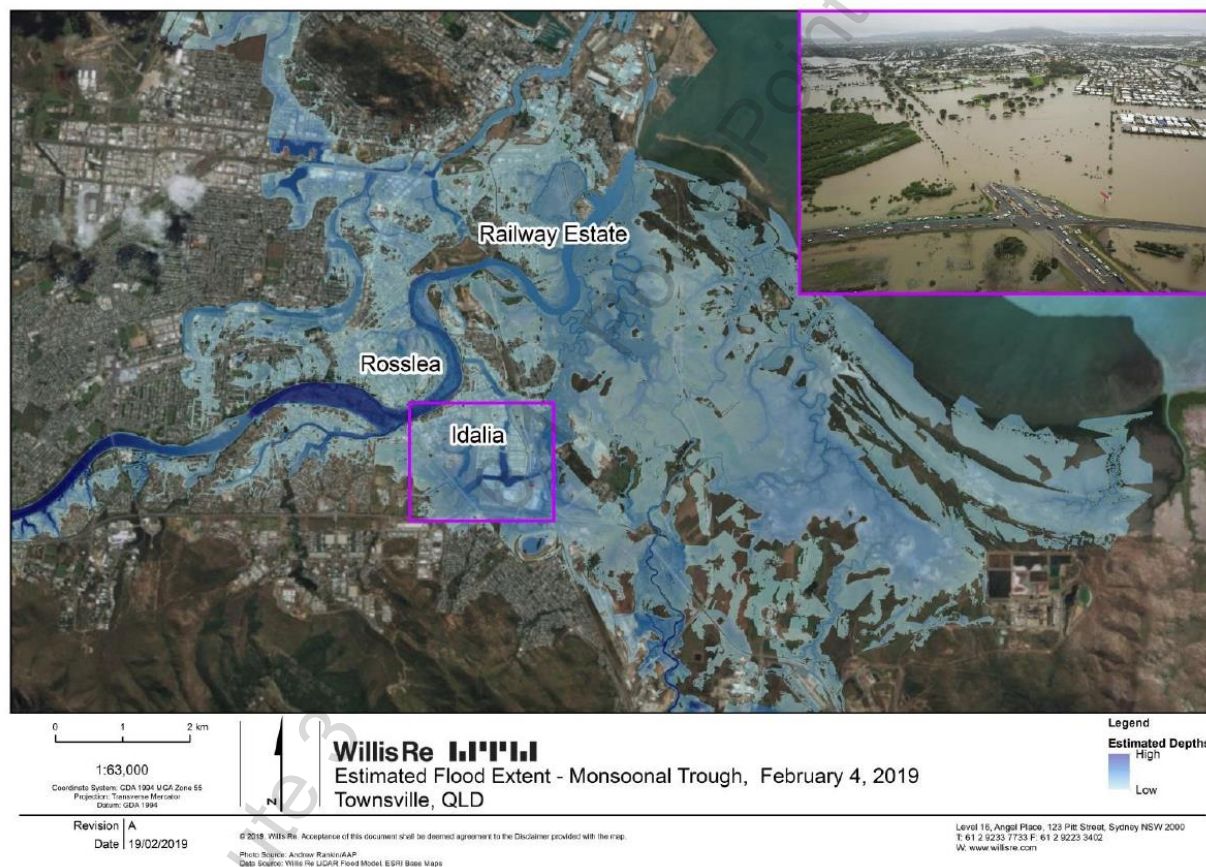
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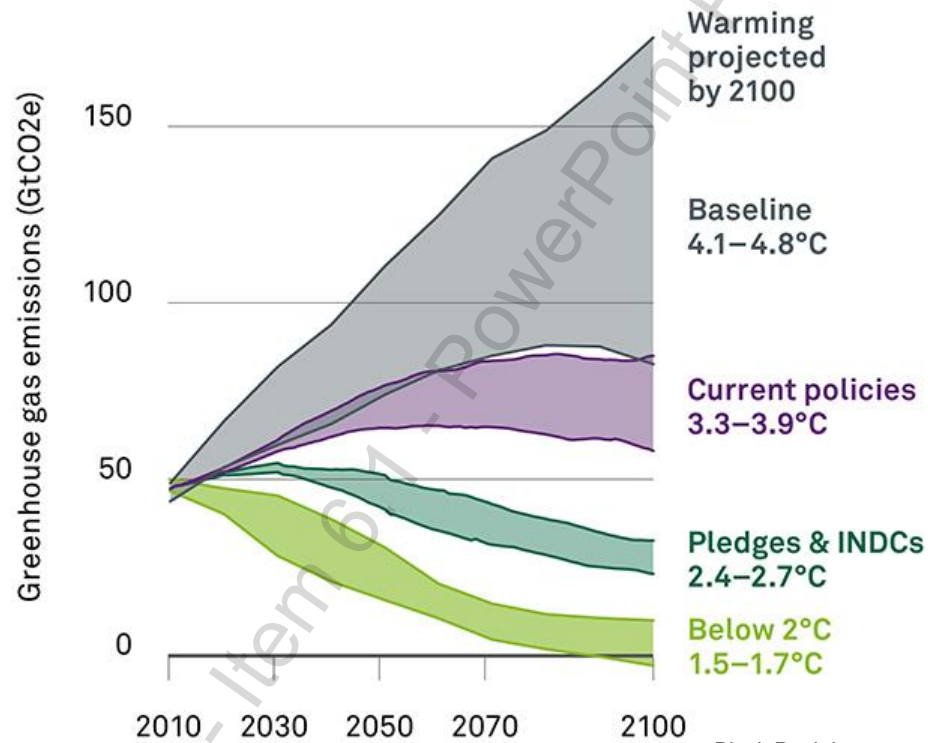
Minute 3 - Item 6.1 - PowerPoint Presentation



*Consider....* What does this mean for the health of the community and regional economy? Transport? Public sector infrastructure? Disaster recovery? Insurability?



# Potential climate pathways to 2100



Black Rock Investment Institute, Sept 2016

# Economics

## *Transition risks*



Minute 3 - Item 6.1 - PowerPoint Presentation

## Transition risks

- Market impacts driven by:

- policy and regulatory responses
- technology
- shifting social preferences and market stakeholder expectations



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- Who says?

- Beyond the 'fossil fuel divestiture debate'* - transition risk recognition continues to rapidly increase amongst asset owners, asset managers, insurers, banks, regulators
- Regulators in Australia: APRA, RBA, ASIC and ASX
- And your auditors and insurers*



Australian Government

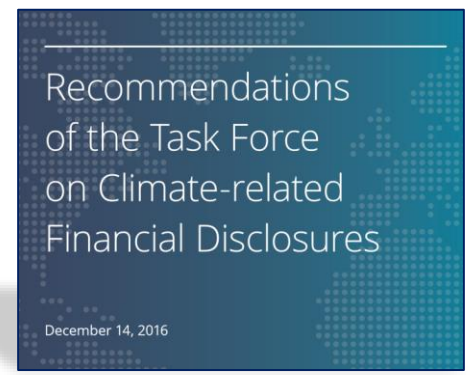
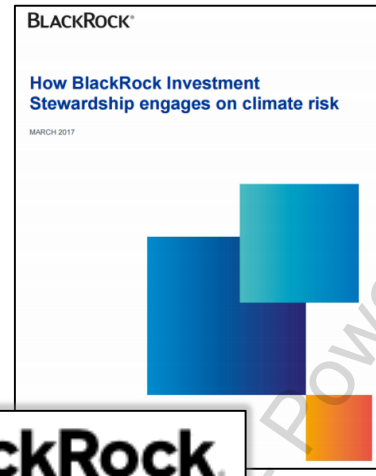
Australian Accounting Standards Board

Climate-related and other emerging  
risks disclosures: assessing  
financial statement materiality using  
AASB Practice Statement 2

December 2018



# 'Demonstrable fluency'



## Credit ratings?



## Climate Change Is A Global Mega-Trend For Sovereign Risk



Table 1

### Vulnerability To Climate Change

Overall ranking	Sovereign	Population living below 5 meters altitude (2006)		Agriculture as share of GDP (2012)		GAIN Vulnerability Index (2012)	
		Rank	(%)	Rank	(%)	Rank	Index
116	Cambodia	90	10.6	113	35.6	106	0.500
115	Vietnam	112	42.8	103	19.7	90	0.381
114	Bangladesh	98	14.0	100	17.7	104	0.495
113	Senegal	100	14.8	96	16.7	100	0.472
31	Australia	75	7.2	31	2.4	28	0.239

# ...and the banks

- CBA FY18 Annual Report
- 8 August 2018

**Strategic report**    **Climate-related financial disclosures**

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**Estimated annual average losses to customers from physical risks**

<b>Impact</b>	Customers facing increasing repair and replacement costs for physical damage to their properties.
<b>Findings</b>	Under the high emissions (RCP 8.5) scenario, if we were to continue to lend in these areas, the estimated annual average losses to customers across our home lending portfolio are expected to increase by 27% by 2060 – this is less than 1% per annum. The largest contributor to these losses currently arises from soil contraction, but the modeling shows that coastal inundation losses could increase by 71% by 2060, primarily due to sea level rises.

Estimated annual average loss by postcode in year 2060

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**Estimated annual average loss by peril**

Index (2018 = 100)

Legend: Soil contraction, Flood, Bushfire, Wind, Inundation

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**High risk properties**

To better understand our potential credit risk, we have estimated the part of our current portfolio which may be high risk, where this is located and how it could change over time. We have considered high risk to be properties where the increase in insurance costs from 2018 as a result of climate change have the potential to create financial strain for customers and their property values.

High risk properties make up only 0.01% of our portfolio (by outstanding balance) in 2020 and rises to be around 1% in 2060 if there are no changes in the way we lend in these areas. This assumes no change in the portfolio over the period and no mitigating actions are taken.

**Estimated % of portfolio (outstanding balance) considered high risk**

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Estimated average annual loss for high risk properties by postcode (in year 2060)

## And opportunities: the sustainable finance (r)evolution

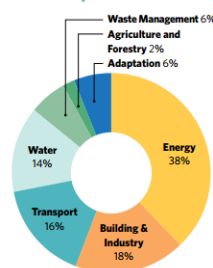
GREEN BONDS

GREEN LOANS

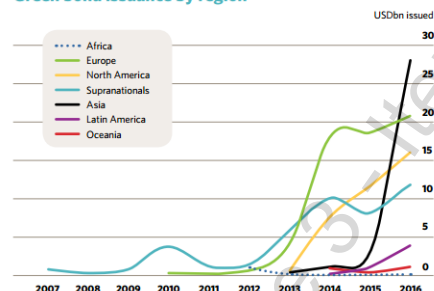
SDG BONDS/LOANS

POSITIVE INCENTIVE  
FACILITIES

There was a broad range of use of proceeds in 2016



Green bond issuance by region





# Public sector liability & insurance consequences?



- *‘Even the most impassioned eco warrior has nothing on a homeowner facing negative equity’*

- Myles Allen



Minute 3 - Item 6.1 - PowerPoint Presentation

## Planning, approvals and commercial laws

- Litigation and administrative claims (merits and judicial review)
  - Planning – mapping and approvals? LSTI map updates?
  - Boundary adjustments and public resumption of land?
  - Negligence & nuisance:
    - failure to adapt contributes to private property damage?
    - economic losses following critical infrastructure outages?
    - reliance on incomplete or incorrect information?
  - Contract: force majeure?
  - Misleading disclosure?
  - Discharge of statutory obligations – including under the *Local Government Act*?
- *The political power of 'ostensibly unsuccessful' litigation*

COURT

## The OTHER Royal Commission

Murray-Darling Basin  
Royal Commission  
Report

Murray-Darling Basin  
Royal Commission  
Report

Bret Walker SC  
Commissioner

29 January 2019

- ‘...climate change...appears to be regarded by the MDBA as a factor to be dealt with by the same mundane operational flexibility as the system always has displayed in order to cope with **‘normal’ variability.**’
- **...Science, as that term should be understood, was not used.** The MDBA has failed to disclose key matters, such as its modelling. Science is open, available, and can be critiqued and checked. It can be validated or invalidated.
- [The MDBA’s failure to conduct] any review of climate change risks to the Basin... demonstrates **ongoing negligence by the MDBA. It is a dereliction of its duties. It is not just indefensible, but incomprehensible...**’

## A few more choice words...

- 'Politics rather than science ultimately drove the setting of the Basin-wide SDL and the recovery figure of 2750 GL. The recovery amount had to start with a '2'. This was not a scientific determination, but one made by senior management and the Board of the MDBA. It is an unlawful approach. It is maladministration.
- In 2011, management of the MDBA improperly pressured the CSIRO to alter parts of the CSIRO's 'Multiple Benefits' report. This rendered parts of that report misleading, as they no longer reflected the views of, at the very least, Dr Matthew Colloff, who was one of the authors. The CSIRO should not have agreed to the changes that were made. This conduct too represents maladministration.
- The assertion by the MDBA that climate change projections could not be incorporated into the modelling because they were too uncertain is rejected.
- [The MDBA's failure to conduct] any review of climate change risks to the Basin... demonstrates ongoing negligence. It is a dereliction of its duties. It is not just indefensible, but incomprehensible.
- Any assertion by the MDBA that climate change can be incorporated into the Basin Plan modelling at its 10-yearly review, or at some later date, is misplaced. Climate change is happening now, and can occur quickly. Deferral to a later date...is nonsensical in a policy sense as well as unlawful.



## Insurance?



**Climate change on track to make world 'uninsurable': IAG**

## FINANCIAL REVIEW

Climate change and extreme weather are projected to reduce property values by \$571 billion by 2030, \$611 billion by 2050 and \$770 billion by 2100.

If we don't rapidly reduce greenhouse gas emissions, by 2030 about 1 in every 19 properties could have effectively unaffordable insurance premiums.

So what does this  
mean we should do?



## This is a different kind of green: the weight of money

- Key messages:

- Climate change has evolved from a purely 'ethical, environmental, non-financial' issue, to one that presents material risks and opportunities within mainstream investment horizons (and political cycles)
- When capital markets and regulators are on board, political 'beliefs' become irrelevant
- Financial and legal imperatives underpin Council proactivity in both climate change mitigation (emissions reduction) and adaptation (impact risk management and strategy)
- *Key to efficient risk management and value capture is a whole-of-Council approach*
- *Core issue: how robust are scenarios and assumptions used in strategy, policy and planning? How will the decisions we make now position our economy and society for this disruption?*





## Stress-testing & scenario planning over a plausible range of climate futures (not just base case or 'mediums') is key to diligent governance

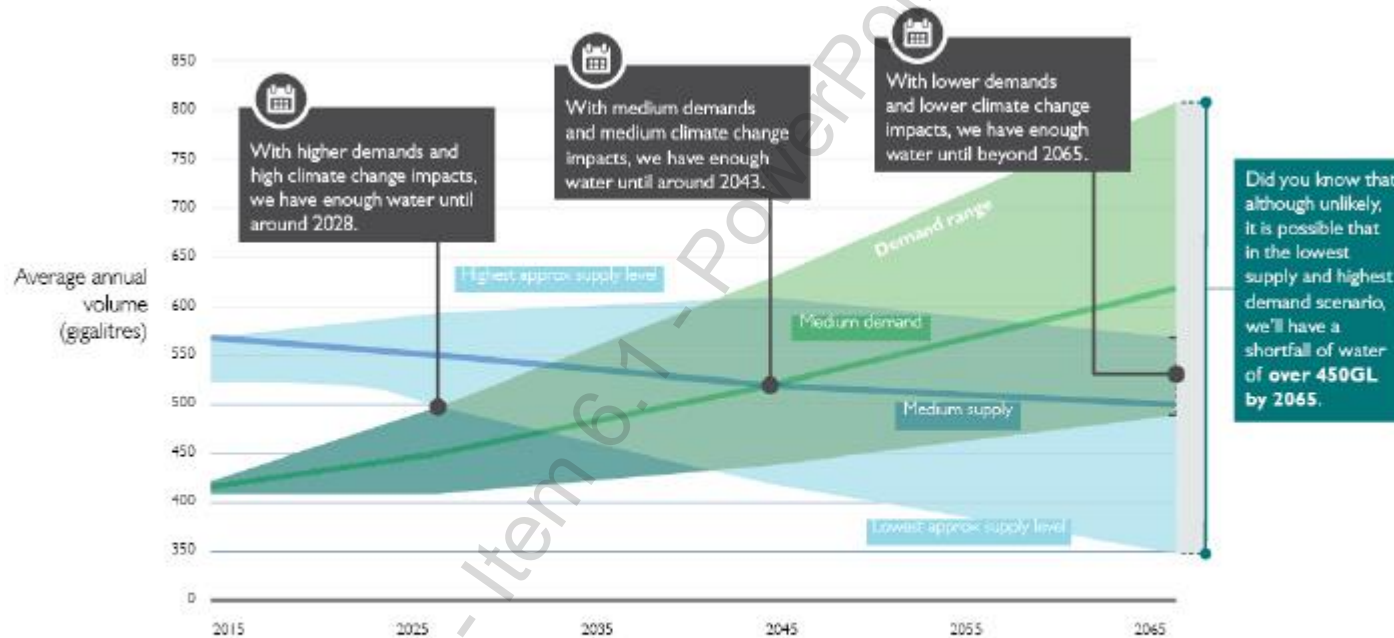
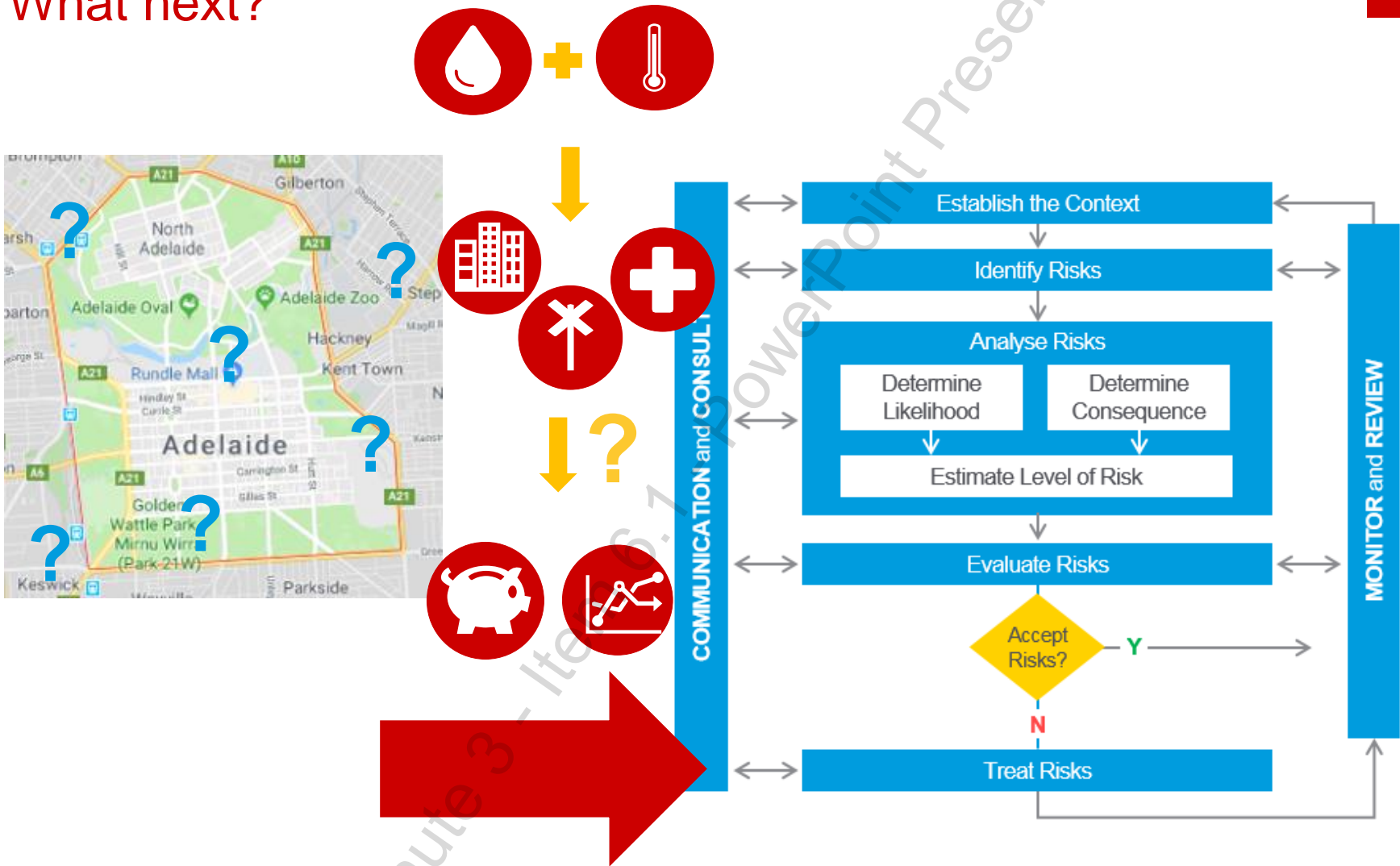


Figure 4: Long-term water supply and demand (Source: *Water for a future-thriving Melbourne*, 2017)

# What next?



## Contact



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Head of Climate Risk Governance

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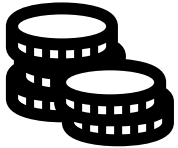
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**EMAIL** [sarah.barker@minterellison.com](mailto:sarah.barker@minterellison.com)

MinterEllison



# MinterEllison



On 3 May 2019, the Audit Committee noted a budget allocation to inform the first stage of the climate risk assessment.



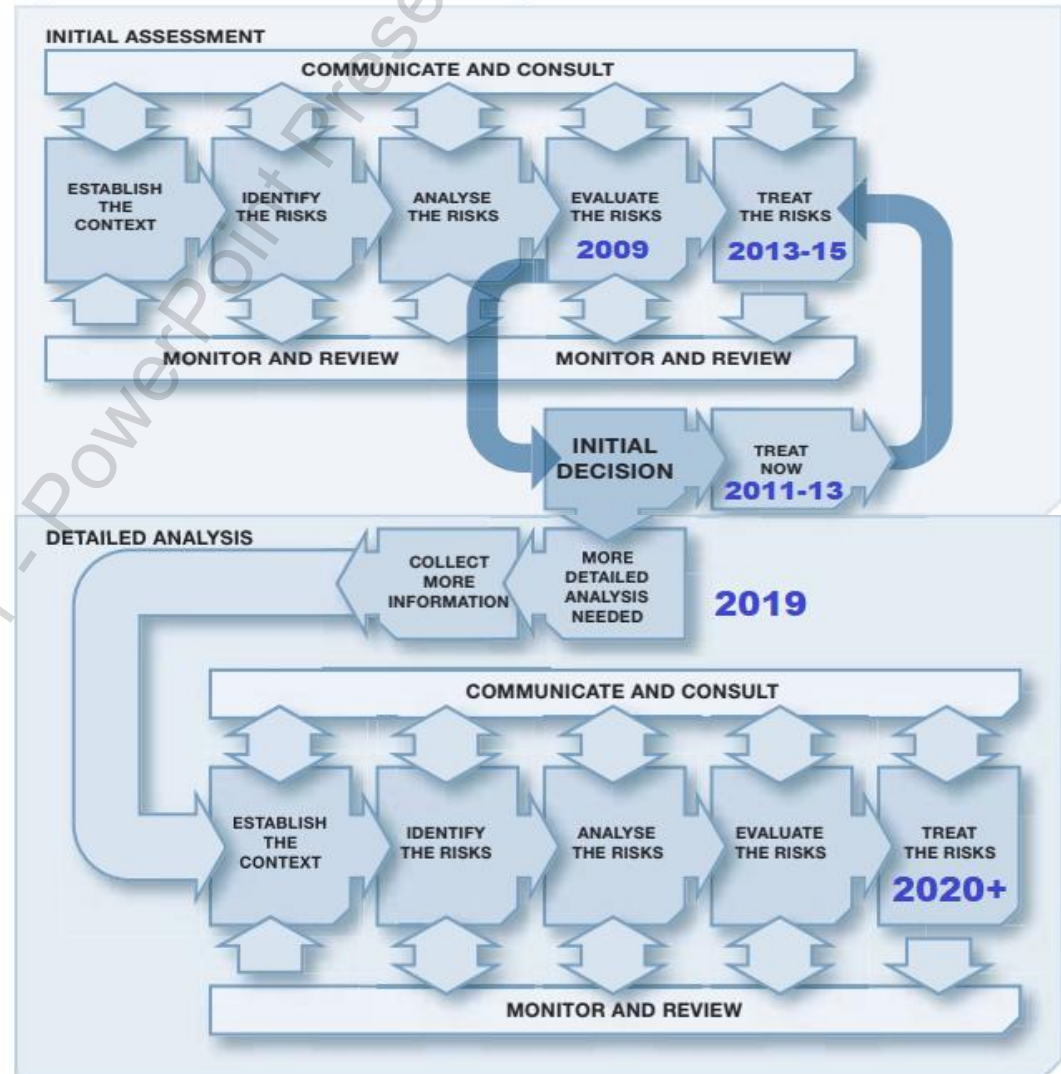
The CoA will build upon previous work and review its organisational exposure and risk controls to climate change via a risk assessment of governance, administration, physical assets, infrastructure, and services. This will assist with positioning our organisation, community and economy positively for the transition to a climate ready city.



During 2019 the CoA will invite the LGA MLS to collaborate and co-fund a climate risk assessment.

## Risk Management Process (ISO 31000)

- As part of LGA Mutual Liability Scheme's *Local Government Climate Change Adaptation Program (2009)*, the CoA developed a *Climate Change Adaptation Action Plan 2011-2013* and the updated *Climate Change Adaptation Action Plan 2013-15*.
- CoA is exposed to on-going climate risks associated with decision-making (governance, risk management, planning and approvals), as well as to its own assets and services.
- CoA is building upon 2009 methodology to avoid duplication and leverage our partnership with LGA MLS (using ISO risk management methodology and updated climate information).



## Referenced methodology (2009)

IDENTIFY	Variable	The number of days over 35 degrees Celsius will increase from 17 to 23 days by 2030.					Risk ID	31				
	Risk Statement	There is reduced amenity as a result of deterioration and death of vegetation in Council-owned gardens, parks and reserves										
ANALYSE / EVALUATE	Function	Asset Management					Risk Priority Matrix					
	Risk Rating	Public Safety	Local Economy	Community Structures & Lifestyle	Physical & Natural Environment	Public Administration & Governance	Likelihood	Consequence				
								5	4	3	2	1
	Existing Controls	A water truck ensures watering of selected significant trees. The Glenelg to Adelaide Parklands Recycled Water Project will increase water availability.	A1	A	Almost Certain	Moderate	High	High	Extreme	Extreme		
					B	Likely	Moderate	Moderate	High	High	Extreme	
					C	Possible	Low	Moderate	High	High	High	
					D	Unlikely	Low	Low	Moderate	High	High	
					E	Rare	Low	Low	Moderate	Moderate	High	

## Additional methodology (2019)

IMPACT (Untreated)	est. OPEX (Revenue/Cost)	\$0	<\$100K	\$100K-1M	\$1-10M	\$10M+				
	equity at risk	<\$100K	\$100K-1M	\$1-10M	\$10M+	\$100M+				
	Legal liability and/or legislative context									
TREAT	Adaptation Strategy	To maintain the aesthetics, amenity and function of Adelaide City Gardens, Parks and Reserves during Extreme Heat								
	Adaptation Measures	Future tree plantings must be suitable for climate current and future. Irrigation practice needs to be implemented in a way which								
	est. OPEX (Revenue/Cost)	\$0	<\$100K	\$100K-1M	\$1-10M	\$10M+				
	est. CAPEX	<\$100K	\$100K-1M	\$1-10M	\$10M+	\$100M+				
	Acquisition or Divest	Acquisition/Divest/NA								
	Council Oversight	*List council committee, process								
Org Responsibility	*Describe department, alignment with function and legislative context									

- Methodology based on ISO:31000 risk assessment
- Will enable CoA to prioritise actions to mitigate areas at highest risk
- The 2019 assessment will include additional elements (e.g. financial consideration, potential acquisition and divestment, council and organisational responsibilities)

# CLIMATE CHANGE RISK PLANNED WORK

## Stage 1

The work will be undertaken in a staged manner, covering the following key aspects:

- Identification and review of climate risks
- Analysis and review of climate risks
- Risk management for climate risks (including prioritisation of risks)
- Disclosure of climate risks.

## Stage 2

This work will inform future work such as strategic planning, asset management, elected member inductions, corporate risk register and LTPs

IN SCOPE (FY 19/20)

OUT OF SCOPE (FUTURE WORK)

Milestone	Date
Develop project plan	Jun-19
Invite collaboration (LGA Mutual Liability Scheme)	Jul-19
Carbon risk overview at council (project brief and/or Sarah Barker)	Aug-19
Project Approval and partnerships (people, resource)	Aug-19
LGA MLS – Board Funding Consideration	Sep-19
Prepare project brief	Oct-19
Select contractor/facilitator (engagement, governance and risk assessment)	Nov-19
Establish CoA's climate-risk governance committee (SRIA)	Dec-19
Identify and review risks	Feb-May 20
<b>Findings and Recommendations</b>	<b>Jun-20</b>
Governance review of recommendations and climate change policy	Q1 FY 20/21
Decision on recommendations (ELT)	Q1 FY 20/21
<b>Decision on recommendations (Council)</b>	<b>Q3 FY 20/21</b>
<b>Update corporate risk register</b>	<b>Q4 FY 20/21</b>
Annual report incorporation, risks, management's discussion and analysis (MD&A), and the governance section	Q4 FY 20/21
Embed understanding and responsibility into ELT and long-term financial plan	TBD
Implement endorsed recommendations (JD's, elected member inductions, LTPs, Asset Mgmt. Plans, etc.	TBD