

Desktop review of climate change risk assessment approaches

As you have read before in previous newsletters, the VCRC team engaged Nation Partners to conduct a desktop review of existing climate risk assessment tools and standards that are available for use by the local government sector. The aim of this review was to identify weaknesses and strengths of existing guidance on climate change risk assessments and recommend fitfor purpose approaches for Victorian local governments' consideration and use.

The VCRC team is still in the process to decide how to incorporate the findings and recommendations as part of the program and also potential communication of the reviewed guidance for Victorian councils.





The table below summarises recommendations on the suitability of the reviewed guidance. In total there were 12 documents reviewed and they were rated high and medium according to the immediate relevance and usability for Victorian Councils. Although many of the reviewed documents will be useful for Councils, it must be noted that the review found that there is no easy, clear fit-for-purpose guidance on climate risk assessment targeting local government. If you want to read the full report please visit our website.

Summary of recommendations of the reviewed guidance on climate risk assessment

Relative rating for immediate relevance and usability for Victorian councils	Documents with this rating	Rationale for this relative rating
High	 Climate Change Risk Management Guide – Topic 2: Using risk management to help you address climate change (Victorian Managed Insurance Authority and Department of Energy, Environment and Climate Action) Climate Change Risk Management Guide – Topic 3: Exploring Victoria's climate change risks (Victorian Managed Insurance Authority and Department of Energy, Environment and Climate Action) Victoria's Future Climate Tool C40 Cities: Rapid Climate Change Risk Assessment Module (C40 Cities Climate Leadership Group, 2021) Guide to Climate Change Risk Assessment for NSW Local Government (NSW Department of Planning, Industry and Environment, 2019) Guidance on undertaking a first-pass risk screening (CoastAdapt, National Climate Change Adaptation Research Facility, 2016) Guidance on undertaking a second-pass risk assessment (CoastAdapt, National Climate Change Adaptation Research Facility, 2016) Guidance on undertaking a third-pass (detailed) risk assessment (CoastAdapt, National Climate Change Adaptation Research Facility, 2016) 	These documents were rated 'High' because they are specifically intended for the use of councils/local governments, and/or are Australia- or Victoria-specific resources that are likely to be relevant and useful for Victorian councils that have varied levels of resourcing and existing expertise in climate risk assessment. Of the 12 documents reviewed, it is considered that most of the 'High' rated documents could be reviewed and potentially used by councils with comparatively limited resources and expertise, noting that some documents are accompanied by additional materials and tools that could support councils to understand and use the guidance. Some of the documents also provide a more detailed approach to climate change risk assessment that would cater to councils that have more resources or established expertise and are seeking to undertake more detailed climate risk assessments.
Medium	 Climate Compass – A climate risk management framework for Commonwealth agencies (CSIRO, 2018) AS5334 – Climate change adaptation for settlements and infrastructure – A risk-based approach (2013) National Climate Risk Assessment DRAFT Methodology – Consultation Version (Department of Climate Change, Energy, the Environment and Water, 2023) Climate Change Risk Management Guide – Topic 1: Understanding Victorian climate change risk management expectations (Victorian Managed Insurance Authority and Department of Energy, Environment and Climate Action) ISO/TS 14092:2020 – Adaptation to climate change — Requirements and guidance on adaptation planning for local governments and communities (International Organization for Standardization, 2020) C40 Cities: Climate Change Risk Assessment Guidance (C40 Cities Climate Leadership Group, 2018) Final of Revised Sections – QCRC Climate Risk Management Framework (Local Government Association of Queensland, 2023) 	Depending on their specific needs, councils may wish to use the 'Medium' rated documents as reference points for aligning their climate change risk assessments with commonly used approaches (such as nationally endorsed and/or globally recognised frameworks). They may also refer to these documents if they have specific interest in: increasing their technical knowledge and capability in climate change risk assessment; increasing climate risk awareness of senior management, understanding the climate change risk assessment approach to be adopted at the Australian national level; and/or to undertake climate risk assessments focused specifically on their assets. It is recommended for the documents within this grouping to be introduced and made available for councils to use as additional reference documents.

Some of the key findings from the review are presented below:

A 'likelihood and consequence' risk framework was the most common framework among the reviewed documents.

All of the reviewed documents recommended assessment of climate-related physical risks, while transition risks were commonly recommended only as part of "second pass" or more complex assessments.

Of the 12 documents reviewed, it is considered that most of the 'High' rated documents could be reviewed and potentially used by councils with comparatively limited resources and expertise.

Limited or no guidance was provided on how to account for interdependencies and interactions between sectors/systems in the context of climate change impacts, or on how to connect climate risk assessment and management with effective adaptation planning and action...

None of the reviewed documents provided explicit or detailed guidance on how the approaches could be adapted to accommodate new or emerging information/evidence and/or methodologies in the future,

The reviewed documents do not provide explicit guidance on how to how to adopt, adjust or reconcile frameworks to align with their own needs and existing risk management frameworks.

First meeting of the Adaptive Capacity Assessment working group

In total 11 councils attended the first meeting of the Adaptive Capacity Assessment working group, including nine metro and two rural. it was a good opportunity for councils that haven't used the assessment before to get familiar with it and to suggest changes.

During our discussion about the review of the checklist, 5 councils had already used the checklist and found the access, format and explanations easy to follow. However, some changes were identified for review including how some of the questions in the checklist could be interpreted differently and a desire for stronger standardisation and evidence requirements for checklist responses to assist with benchmarking.

We also discussed the desire to engage more with rural and regional LGAs, so if you are a rural or regional council interested in the development of the VCRC, please reach out.

Our next meeting in early October will focus on exploring benchmarking options for the checklist as well as monitoring, evaluation and reporting for the VCRC program overall including consideration of How Well Are We Adapting.

What is next?

During October the VCRC team will be:

- Holding the third Project Steering Committee (PSC) meeting.
- Continuing with the literature review. Specifically now looking at adaptation planning.
- Refining the program, governance, funding and resourcing models
- · Continuing the Adaptive Capacity Assessment pilot.

Connect

If you would like further information about VCRC you can find more information on our <u>website</u> or contact our team on vcrcprogram@gmail.com

