

Audit, Finance & Risk Committee
11 March 2021

Report for Agenda Item | Rīpoata moto e Rāraki take 5

Department: Corporate Services

Title | Taitara: Climate Action Plan Update

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

- 1 The purpose of this report is to inform on Climate Action Plan (CAP) priorities and progress.

RECOMMENDATION | NGĀ TŪTOHUNGA

- 2 That the Audit, Finance & Risk Committee:
 1. **Note** the contents of this report.

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CONTEXT | HOROPAKI

- 3 In November 2019, the Government passed the Climate Change Response (Zero Carbon) Amendment Act. The purpose of the Act is to provide a framework in which New Zealand can develop and implement clear and stable climate change policies that contribute to the international effort to limit the global average temperature increase to 1.5°C above pre-industrial levels. The emissions reduction goal in the Climate Action Plan (CAP) is aligned to the Act.
- 4 On 27 June 2019, the same day as the draft version of the CAP was approved for public feedback, QLDC declared a climate and ecological emergency. Following public consultation and subsequent changes to the plan, the CAP was adopted by Council on 12 March 2020. It will help to guide local action as the district rises to and meets the challenges of the climate change emergency. As a Council, the organisation has embarked on a journey towards a major organisational systems and behaviour shift.
- 5 The overarching goals for the CAP are:
 - To achieve net zero carbon emissions by 2050 across the whole district and;
 - to be resilient to the local impact of climate change across the whole district.
- 6 The CAP is intended to provide an overview of QLDC’s actions over the next three years. It will be reviewed annually and will look forward across a three-year horizon. The CAP is structured according to five key outcomes, supported by 73 actions.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

KEY AREAS OF PROGRESS

Outcome one: The community looks to QLDC for leadership and action

- 7 The Climate Reference Group (CRG) is well established and providing excellent advice to QLDC. The role of the CRG is to support the delivery of the CAP through identifying key challenges, evaluating best practices, identifying funding and agreeing priority action areas at each annual review.
- 8 In December/January the CRG undertook a three month ‘health check’ review, which highlighted that whilst there was general agreement that the Terms of Reference and membership is fit for purpose, there is an opportunity to improve pace and ways of working. In January we held a ‘blue sky’ session where staff and the CRG co-designed a plan for the year and the CRG had constructive discussions around ways of working and achieving outcomes.
- 9 The role of Biodiversity Expert is now vacant. A set of biographies and an initial recommendation will be sent to the CE and Mayor for consideration, before taking a full recommendation to councillors.
- 10 An Emissions Reduction Roadmap and Sequestration Study have been finalised. The Emissions Reduction Roadmap provides a pathway for reducing the district’s emissions,

whilst the Sequestration Study explores our ability to capture and store atmospheric carbon. Together, they provide a feasible pathway to net-zero emissions. The report presents three pathways. The district will need to meet or exceed the High Change pathway to align with the target of limiting global warming to well below 2°C.¹

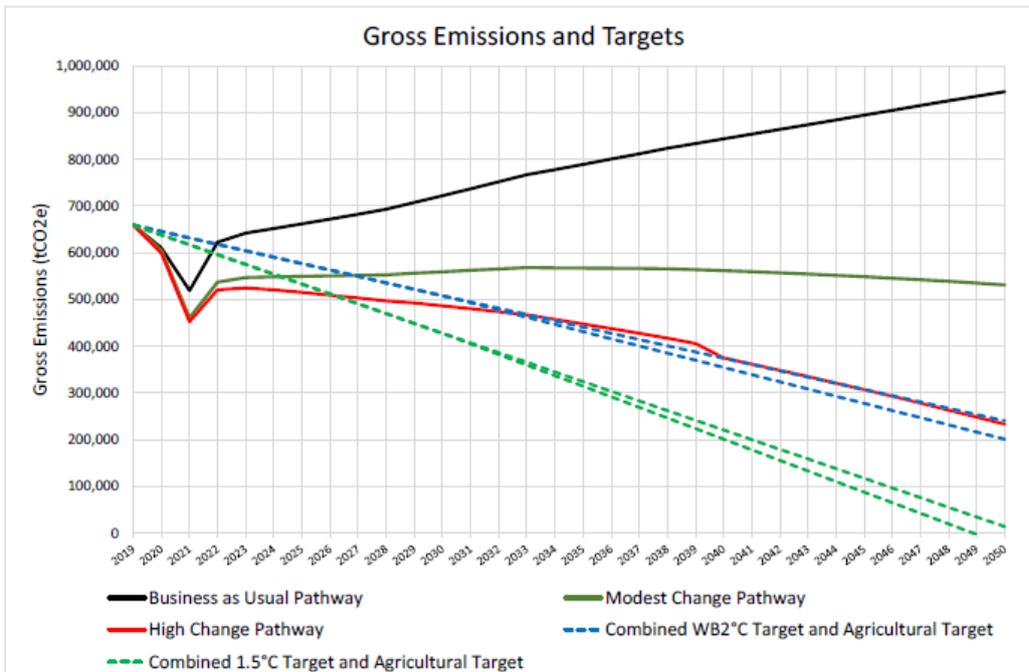


Figure 1 Pathways and targets presented in the Emissions Reduction Masterplan.

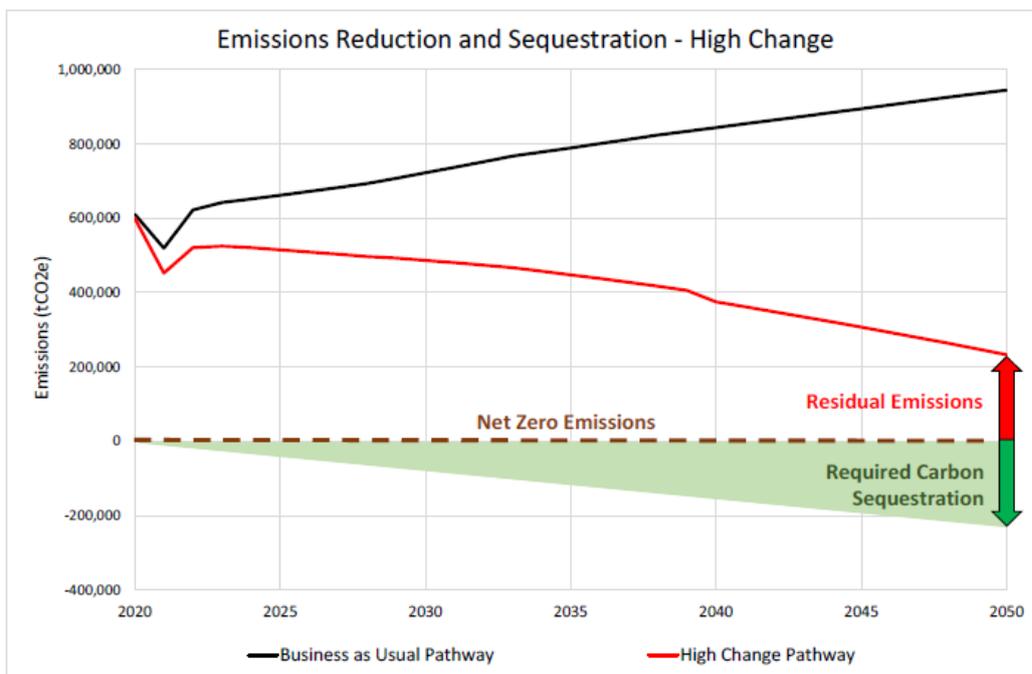


Figure 2 Sequestration required to achieve net zero emissions for the High Change pathway.

¹ The 2015 Paris Agreement established a goal to limit average global temperature rise to well below 2°C below pre-industrial levels, and to pursue efforts to limit it to 1.5°C.

- 11 Officers are working on a summary document that will communicate the content and recommendations of the Emissions Reduction Roadmap and Sequestration Study in an accessible way for the public. This work is instrumental in informing future climate action planning.

Outcome two: Queenstown Lakes has a low-carbon transport system

- 12 The Queenstown Transport Business Case has been endorsed by Council. The case identifies three pillars - hard infrastructure, behaviour change and Public Transport services. The package includes work that will see positive outcomes for climate action such as mode shift and public transport electrification.
- 13 The importance of emissions reduction is part of the ongoing relationship with the Queenstown Airport Corporation (QAC). The following section was included in the approved Statement of Expectation and requirements are echoed in the draft Statement of Intent:
 - 14 “QLDC has adopted a Climate Action Plan and is committed to achieving net zero carbon emissions across the district by 2050. QLDC expects that the QAC will progressively reduce its carbon footprint and achieve carbon neutrality by 2050. QLDC expects to see that the SOI will set science-based targets in line with limiting global warming to 1.5 degC above pre-industrial levels and report on progress on an annual basis. The SOI will outline how carbon neutrality will be achieved. Council also expects QAC to work with the aero industry and airlines to maximise the opportunity to reduce the carbon footprint associated with flying into and out of the district.”

Outcome three: Built environment and infrastructure is climate-responsive

- 15 Progress has been made in understanding the relationship between climate change, risk management and civil defence planning. The potential of climate change to increase the severity and frequency of emergency events has been reflected in the Emergency Otago Group Plan. The group plan is based around the 4R's of Reduction, Readiness, Response and Recovery and provides a breakdown of outcomes and actions to improve the disaster resilience of the district. A work programme has been developed for the district to drive this activity forward which will be led by the district's Emergency Management Officers.
- 16 A draft Otago Climate Change Risk Assessment is complete and provides a solid basis for the adaptation planning to be undertaken this year.
- 17 QLDC is participating in a Local Government NZ trial to incorporate a carbon accounting approach in the design of infrastructure.

Outcome four: Communities are climate-conscious and resilient

- 18 Last year QLDC launched a community ideas platform: Torokiki. One of the challenges posed on this platform was around food waste, composting and food systems. Officers

received brilliant ideas and are supporting the idea raisers to develop and implement their plans.

- 19 A work programme to enhance Community Response readiness is being driven by the Emergency Management Officers. This includes the deployment of a new Community Portal called "Gets Ready" which will help enable communities to share information and support each other during emergency events.

Outcome five: Our economy and natural environment thrive together

- 20 QLDC is working with Destination Queenstown and Lake Wānaka Tourism to develop a Destination Management Plan that focuses upon how to achieve regenerative tourism. This work is being funded by MBIE and will be in development over the next six months.
- 21 QLDC has supported initiatives to promote refillables through the Waste Minimisation Community Contestable Fund. Refill and Chunky Loan Cup have been funded.
- 22 QLDC has supported other circular economy initiatives through this fund also, such as the Hāwea Grove Project, which is an exemplar project for the district for reducing construction waste, and its particular focus on reducing emissions in design.
- 23 The Lakeview Development project is the first QLDC project to incorporate a requirement for waste minimisation into the contract. The project is progressing well and finding innovative ways to reuse materials, with 87% of its waste diverted from landfill.

PRIORITIES FOR NEXT QUARTER

- 24 Develop the 2022-2025 Climate Action Plan.
- 25 QLDC will be working on an Adaptation Plan this year, which will focus on how the community will be supported to prepare for and adapt to the impacts of climate change. This work will be guided by the National Climate Change Risk Assessment (MfE) and the draft Otago Climate Change Risk Assessment (ORC) to ensure that priorities are justified by science and sound risk management practice. Wildfire risk will be one of our more critical areas of risk and QLDC is currently working with FENZ, Emergency Management Otago, DOC, SCION and the Mt Iron Community on scoping a risk reduction project. This exercise may provide a template for future adaptive planning exercises with the community.
- 26 Agree partnership model with Kāi Tahu for delivery of CAP.
- 27 Develop well-designed collateral and materials to support the CAP.

ACTIONS THAT HAVE BEEN RESCHEDULED

- 28 Some actions have been rescheduled due to evolving priorities and/or the impact of COVID-19 on the district and council operations.

- 29 The integration of climate change considerations into QLDC's Subdivision Code of Practice is underway, but with a revised delivery date to ensure alignment with other elements being considered in this Code of Practice Review. Due March '22.
- 30 Three of the actions in section 5a 'Sustainable Tourism System' have been parked for now, due to the tourism downturn.
- 31 'Deliver an education campaign in relation to space-heating requirements' is parked. This action was de-prioritised as part of the CRG review.
- 32 Detailed design for New Zealand's first passive build community facility - Luggate Memorial Centre – is complete. The practical completion is now scheduled for September/October 2021.

2022-2025 CLIMATE ACTION PLAN

- 33 QLDC has committed to reviewing the CAP each year in line with the annual plan cycle. The plan will always look forward three years.
- 34 Internal and external stakeholders will be engaged throughout the development of the draft before a consultation in October and adoption by Council in December. The CRG is a key stakeholder group in reviewing and agreeing priority action areas for the plan.

CLIMATE CHANGE COMMISSION DRAFT REPORT

- 35 The Climate Change Commission has released a draft report that calls for "transformational and lasting change across society and the economy". The report provides:
 - emissions budgets for the next 15 years;
 - recommendations on how to meet these budgets; and
 - advice on whether Aotearoa's first Nationally Determined Contribution is compatible with global efforts under the Paris Agreement to limit warming to 1.5°C above pre-industrial levels.
- 36 The advice is both achievable and affordable. However urgent, equitable change is required. It has identified six big issues:
 - Pace of Change
 - Future Generations
 - New Zealand's Contribution to the Nationally Determined Contribution (NDC)
 - Role and Type of Forests used
 - Policy Priorities for emissions reduction
 - Technology and behaviour change
- 37 QLDC is working on a submission with input from the Climate Reference Group.
- 38 The district has several distinctive issues that will be raised in the submission. For example:

- Whilst the district supports the move towards electrification, further renewable electrification poses significant challenges due to transmission capacity and affordability limits.
- Disaster resilience needs significant consideration.
- Further exploration of the implications of tourism is required.

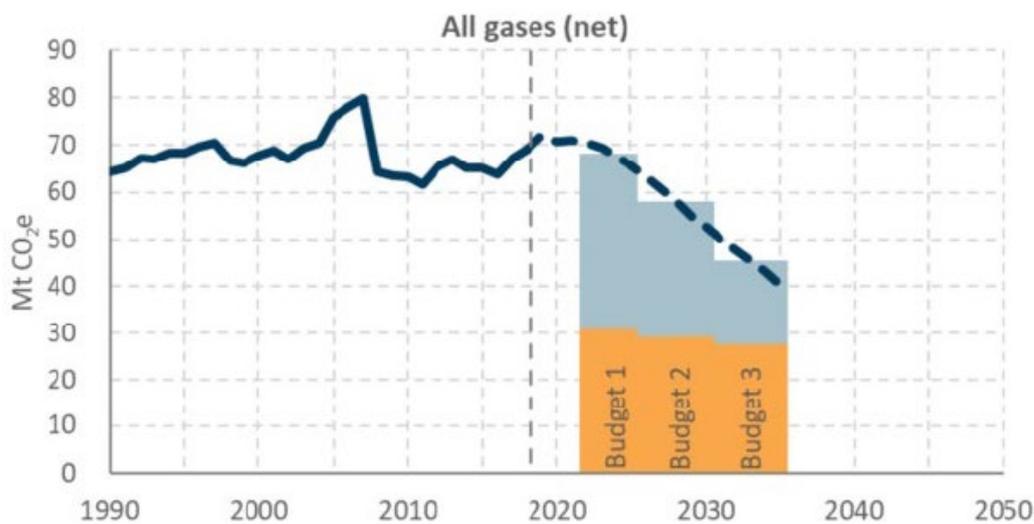


Figure 3 New Zealand's draft emission reduction pathway and first three carbon budgets

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

- 39 This matter is of [low] significance, as determined by reference to the Council's Significance and Engagement Policy because it is consistent with existing strategy, and does not impact on the objectives set out in the Financial Strategy, Ten Year Plan or Annual Plan. Although the matter is of importance to the district and is of community interest, it is of low significance due to its alignment with the CAP.
- 40 The persons who are affected by or interested in this matter are all residents/ratepayers of the Queenstown Lakes district community, particularly individuals who take an interest in climate change.
- 41 As the significance of this matter is low and only for noting, no consultation with the community or local iwi is required.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

- 42 This matter relates to the Environmental risk category. It is associated with RISK00019 Ineffective planning for climate change affects within the [QLDC Risk Register](#). This risk has been assessed as having a very high inherent risk rating.

43 The approval of the recommended option will support the Council by allowing us to implement additional controls for this risk. This shall be achieved by continued governance of the CAP by the Audit, Finance & Risk Committee.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

44 There are no budget, cost or resource implications to consider at this time.

COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA

45 The following Council policies, strategies and bylaws were considered:

- The Climate Action Plan is aligned to the principles of the Vision Beyond 2050, particular to Zero Carbon Communities and Disaster-Defying Resilience.
- Related policies, strategies and bylaws (including Management plans) are:
 - 2018-48 Infrastructure Strategy
 - 2018 Three Waters Asset Management Plan
 - 2018 Transportation Activity Management Plan
 - 2018 Waste Minimisation and Management Plan
- The QLDC Disability Policy was considered in the development of the CAP

46 The recommended option is consistent with the principles set out in the named policies.

47 This matter is included in the Ten Year Plan/Annual Plan

- “QLDC is currently developing its first generation Climate Change Strategy – this strategy intends to broadly line up with the recent LGNZ Climate Change Programme – New Zealand’s commitment to the Paris Agreement. There are two streams to this strategy:
 - the first being emissions reduction. Identifying projects that reduce Councils [sic] and the Community’s emissions i.e. public transport, energy efficiency on large items such as swimming pools and pumping costs for three waters. Other initiatives currently underway include measuring the emissions base line for Council, i.e. what do we emit today, this will allow us to measure and report our future performance.
 - The second stream is about resilience and climate change, i.e. exploration of vulnerabilities and mitigation of the effects. If the future will be characterised by stormy and warmer weather, what is our exposure to that as a district? It is about identifying what aspects of a changing climate will most need to be responded to and what are our responses i.e. the district’s natural hazards are flooding and storms, warming temperatures and wind erosion. Identifying and actively pursuing ways to improve the district’s resilience”. (6.1 Demanding Natural Environment, p. 32)

ATTACHMENTS | NGĀ TĀPIRIHANGA

A	Climate Action Plan 2019-22
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