

Far North District Council Climate Change Governance

Governance Research Paper

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Prepared by:
Donovan Burton
Chloe Portanger

Te Whakahaere

Executive Summary

FNDC Climate Governance Review: Executive Summary

The report contains the results of a review of a climate change governance assessment for Far North District Council (FNDC). The approach follows the Informed.City™ governance assessment methodology that helps identify where climate change has been included in a local government's governance arrangements and illustrates how these actions align with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) for disclosing climate-related risks.

The methods used include a review of relevant governance documents and mechanisms, together with interviews with FNDC management.

Key Findings

This review found that FNDC considers climate change a significant issue, has reflected it in some governance documents, and has commenced several activities in response. The key findings are:

- **Climate change is included in many governance documents, and the focus is predominantly on recognition and justification for oversight.** Climate change considerations were in both mandatory and non-mandatory documents, with a large percentage of these in the Long Term Plan (which includes the Financial Strategy and the Infrastructure Strategy) and the Operative District Plan.
- **The risk management framework has an excellent consideration of climate change with the issue captured in the risk register.** The reflection of climate change in the risk register covers a taxonomy of four risk types and requires quarterly reporting, which will help FNDC to monitor the issue.
- **FNDC has developed a Climate Change Roadmap (Roadmap), which provides a good overview of the drivers for a structure response to climate change.** The Roadmap contains a wealth of evidence and direction and forms a robust platform for progress. However, the Roadmap lacks a strong implementation connection to core governance mechanisms and operates without core governance support (e.g. via a policy).
- **There is no evidence of structured oversight of climate-related risks in Council reports and committees.** The lack of governance documents/processes that guide how climate change should be considered in Council and Committee decisions is likely to be affecting the oversight and management of climate change. This policy vacuum may lead to inconsistent and potentially ill-informed decision-making and expose FNDC to increasing climate-related risks.
- **Governance mechanisms do not identify management's role in responding to climate change.** Management plays a critical role in responding to climate-related issues. Although, it is not clear the extent of this role as there is no explicit direction captured in any governance mechanism, except for some reference in the risk management framework.
- **Far North Holdings (FNH) receives no direction on how it should respond to or report on climate-related issues.** There is no requirement or guidelines from FNDC for FNH to manage or report on climate-related issues specifically. This lack of guidance means that FNDC may be unaware of associated climate-related risks and opportunities.

- **FNDC has not quantified climate risks to its assets, nor is the issue reflected thoroughly in asset management plans.** Numerous climate-related risks may affect FNDC assets. Without quantifying the risks and risk treatment options (adaptation), it will be nearly impossible to maintain effective oversight of the issue.
- **There is minimal internal reporting or monitoring of climate-related issues.** It is not clear how climate change issues are tracked and monitored in FNDC, other than via the risk management framework. There are minimal climate-related metrics and targets captured in any governance documents or mechanisms. This means it will be difficult to monitor climate-related issues and the effectiveness of any responses.
- **Management supports the development of a climate change policy.** Interviews with FNDC found that approximately 90% of the management team supported the development of a climate policy, with many participants stating that the policy needs to guide how they are expected to respond to climate-related issues. Several managers stated the need for training and guidelines to support the implementation of a policy.

Key Recommendations

Several recommendations will help FNDC improve its oversight and management of climate-related issues.

1. **Develop and implement a climate policy.** It is evident that the current FNDC climate policy vacuum is affecting the way in which the organisation plans for, and responds to, climate-related issues. A climate change policy will greatly enhance FNDC's current response to the effects of climate change. It will act as a catalyst for improved climate-related oversight and governance. There are a number of policy approaches open to Council, with the most suitable option likely to be a staged policy or suite of policies, supported by a "foundation" policy.
2. **Develop a climate policy implementation plan.** The implementation plan could include targeted and/or all staff training, development of factsheets, links to key resources, presentations from sector experts, staff surveys, and community/stakeholder engagement.

Regardless of a policy decision, address the climate governance gaps. The following recommendations are aimed to address the key governance gaps. All of these can be further supported by a climate policy and should be implemented regardless of the policy decision (see below).

3. **Ensure FNH is adequately identifying and reporting on climate-related risks.** FNH's Statement of Intent should explicitly mention the management and reporting of climate-related issues. The implementation of this should be overseen by the relevant committee (currently the Assurance, Risk and Finance Committee). The Assurance, Risk and Finance Committee will require oversight direction/guidance for its role in this recommendation.
4. **Carry out a detailed climate change risk assessment of FNDC assets.** It should include geospatial analysis which quantifies in units (e.g. length or number of assets) and the asset value and/or replacement costs. Other variables may include the number of properties in which the asset supports service delivery (e.g. potable water), and the rateable income collected from those areas at risk (should the asset fail or reduce functionality). From the assessment, information can be utilised for key metrics, targets, financial planning, and risk monitoring.

5. **Improve climate change considerations in asset management plans.** Council should make it a priority to fully integrated considerations of climate change into all of its asset management plans (AMP). Explicit consideration of climate change in AMPs will allow FNDC to save money through reduced maintenance costs, fewer stranded assets, and improved asset performance.
6. **Develop climate change scenarios.** Climate change scenarios should be used to help identify the range of plausible futures and the ramifications for FNDC Long Term Plan development and implementation.
7. **Improve the consideration of climate change in financial planning.** This would include capturing climate change costing in capital upgrades, consideration of a range of carbon prices and prioritise climate-related training needs for the financial team to ensure they are aware of current and emerging considerations of climate change in accounting practices and standards.
8. **Implement a monitoring and evaluation dashboard.** A dashboard that enables monitoring of key climate metrics and evaluation against targets will greatly support oversight. However, it should be recognised that a dashboard is only as good as the governance mechanisms that support it.

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List of Abbreviations

AMP	Asset Management Plan
CCO	Council Controlled Organisation
FNDC	Far North District Council
FNH	Far North Holdings
LTP	Long-Term Plan
SDG	Sustainable Development Goals
TCFD	Task Force on Climate-related Financial Disclosures
XRB	External Reporting Board

1 Introduction

1.1 About this Report

FNDC recognises it has an obligation to address climate change in respect of both the impacts on the community and the operations of FNDC. In 2020 FNDC (via the Strategy and Policy Committee) received advice from Simpson Grierson which covered¹:

- The legal obligations of FNDC decision-makers (elected representatives and officers) to consider climate change.
- The subsequent legal risks associated with a failure (or inability) to meet those obligations.
- Developing climate-related legal risk assessment policy against which FNDC decisions would be assessed to ensure that FNDC's climate-related legal risk is appropriately addressed. (FNDC 2020)

Since that advice was presented to FNDC, Council has further supported the continued exploration of climate-related issues and associated responses. This research project uses a scan of FNDC's climate-related governance documents and interviews with managers to help FNDC develop a climate change policy.

2 Methodology

The assessment approach follows the Informed.City™ governance assessment methodology which is used to identify where climate change has been included in a local government's governance arrangements and illustrate how these actions align with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) for disclosing climate-related risks.

The need to focus on climate change governance is gaining momentum in academic literature, United Nations publications and approaches, and corporate disclosure frameworks (Clos 2015). For example, disclosure of governance arrangements around climate-related risks and opportunities is a key component of the recommendations of the Financial Stability Board's [Task Force on Climate-related Financial Disclosures](#) (TCFD) (see Figure 1). This framework also forms the basis of the emerging climate disclosure standards, as set out by the New Zealand External Reporting Board (XRB). The four themes that are covered by the TCFD and XRB are also explored in this assessment.

The 'lines of evidence' themselves do not rate the performance of the specific governance mechanism. They highlight the fact that there is a relevant mechanism that refers to a climate-related issue, that can be linked to the TCFD framework.

The method used in this report consists of a document review, and interviews with management. In this assessment we have consolidated the climate-related information into 'lines of evidence' and aligned Council's core governance documents with the four elements of the TCFD: 1). Governance, 2). Strategy, 3). Risk Management and 4). Metrics & Targets.

¹ We recommend that FNDC staff draw from that legal advice when describing the legal imperative for responding to climate change in any policy options report.

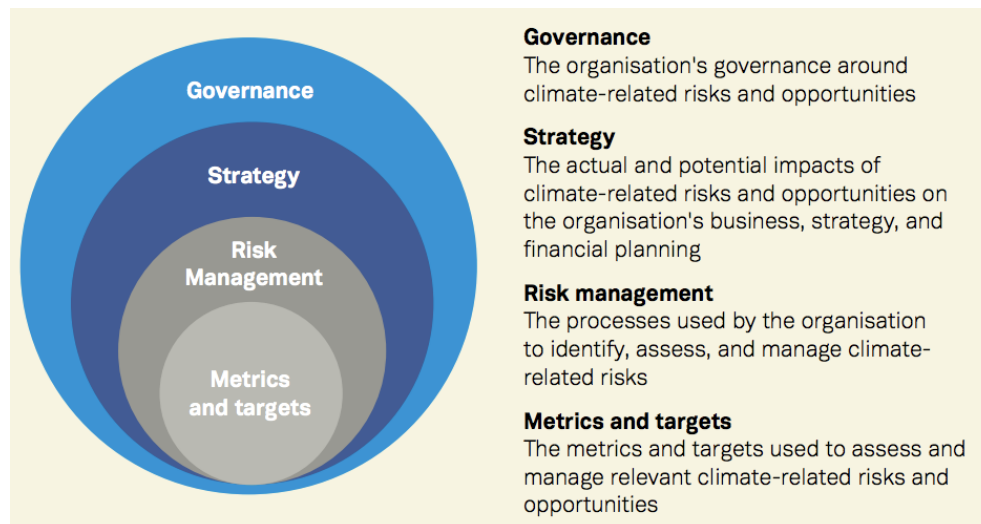


Figure 1: Core elements of recommended climate-related financial disclosures (TCFD 2017)

2.1 Document Review

The Document Review involved collating Council's core governance documents and assessing how climate change is included in these arrangements. The documents were collected from two sources: 1). Public documents found on the Council's website (publicly available), and 2). Internal documents provided by Council (council-provided). Some documents were both publicly available and provided by the Council.

The types of documents reviewed for Council have been grouped into three tiers. Tier 1 is 'Mandatory Documents', those which Council is legally required to prepare as directed under New Zealand legislation. The authors identified 28 Tier 1 documents from six document types that were included in this review (see Table 1).

Table 1: Description of types of mandatory documents (Tier 1)

Document Type	Legislation	Summary
Annual plan	Local Government Act 2002 (Section 95)	A local authority must prepare and adopt an annual plan for each financial year and make the plan publicly available.
Annual report	Local Government Act 2002 (Section 98)	A local authority must prepare and adopt in respect of each financial year an annual report. A local authority must make publicly available its annual report; and a summary of the information contained in its annual report.
Dangerous and insanitary buildings policy	Building Act 2004 (Section 131)	A territorial authority must adopt a policy on dangerous and insanitary buildings within its district.
Financial strategy (in LTP)	Local Government Act 2002 (Section 101A)	A local authority must, as part of its long-term plan, prepare and adopt a financial strategy for all of the consecutive financial years covered by the long-term plan.
Infrastructure strategy (in LTP)	Resource Management Act 1991 (Section 101B)	A local authority must, as part of its long-term plan, prepare and adopt an infrastructure strategy for a period of at least 30 consecutive financial years.
Statement of intent for council-controlled organisation	Local Government Act 2002 (Section 277)	Every council-controlled organisation (other than one to which section 276 applies) that is in existence on 1 July 2003 must, subject to section 64(2), have, in respect of the financial year beginning on 1 July 2004, a statement of intent in accordance with section 64(1).

Tier 2 is 'Non-Mandatory Documents', which incorporates all other core governance documents used by Council to direct decision-making. This includes, but is not limited to, policies, plans, strategies, assessments, frameworks, orders, registers, and inventories. The authors found 32 non-mandatory document types which are within the scope of this review on Council's governance of climate-related issues.

Tier 3 is 'Governance Mechanisms', which includes documents that assist in informing and guiding the management of Council and their governance processes. The authors identified four Tier 3 document types: community board terms of reference, committee terms of reference, Council terms of reference, and Council report templates.

The document review process began once FNDC's documents were identified and downloaded. Keywords related to climate change, greenhouse gas emissions, risks and TCFD were highlighted in each document to assist the authors in locating the information. Each section of information that was relevant to a TCFD recommendation was recorded as a 'line of evidence', along with additional attribute information to help with presenting data insights.

Fifty-eight (58) documents were assessed for the FNDC document review. This includes 28 mandatory documents (Tier 1), 14 non-mandatory documents (Tier 2), and 16 governance mechanisms (Tier 3). The review also found 102 'lines of evidence' which support the TCFD's recommendations in disclosing climate-related risks. A list of FNDC's documents that include these lines of evidence has been provided in Appendix A. The governance review for FNDC was conducted on the 26th of January 2022.

2.2 Interviews with Management

One-on-one interviews with FNDC managers occurred from December 2021 to February 2022. The semi-structured interviews were conversational in style and the managers were informed that no identifiable attribution would be given to any statements. Each of the interviews lasted for 30-60 minutes, with opportunities for targeted follow-up conversations established. The interviews were designed to:

- Understand the current state of play of FNDC's current governance mechanisms associated with climate change;
- Identify the key climate-related issues for FNDC (with physical and transition issues);
- Gain insight into the key climate-related activities being carried out by Council; and
- Identify the key governance support that staff believe will help them to improve their ability to respond to climate-related issues.

2.3 Workshop with elected members

A workshop with elected members was carried out on 28th January 2022. The workshop presented the findings of the governance review and provided a platform for a conversation about climate-related issues.

3 Findings of Governance Review

The findings of this review are aligned against 11 recommended disclosures from the TCFD which are tied to four key recommendations: 1). Governance, 2). Strategy, 3). Risk Management, and 4). Metrics and Targets. This section provides a summary of the 'lines of evidence' found in FNDC's documents and governance mechanisms that support these TCFD disclosures and then drills down into each of these four elements.

3.1 Evidence to Support TCFD Recommendations

Summary

The results of this review show that climate change is recognised by FNDC as a critical issue in Council's governance documents. The FNDC governance mechanisms provide over 100 'lines of evidence' to support the TCFD recommendations on disclosing climate risk (see Figure 2). FNDC has lines of evidence against all four elements of the TCFD recommendations, with a large proportion (33%, 34 lines of evidence) aligned to Governance, and specifically 'Council's oversight of climate-related risks and opportunities'. The results reveal that almost all lines of evidence for Council's oversight of climate-related risks and opportunities are captured in key documents, and very few are represented in governance mechanisms, such as Council and Committee Terms of Reference.

Regarding Strategy disclosures, the review shows that more attention has been focussed on describing climate-related risks and opportunities (16 lines of evidence). There is less detail on the impacts of these issues on Council's functions (6 lines of evidence) or understanding the resilience of Council's strategy under different climate scenarios (1 line of evidence).

Other prominent findings were from Risk Management, with six documents providing 20 lines of evidence to 'describe the organisation's process for identifying and assessing climate-related risks'. These findings suggest that there is more focus on the 'recognition' of risk in Council's current governance arrangement and less evidence on the process for managing climate-related risks or how these processes are integrated into Council's risk management.

FNDC's documents provide minimal information to support the TCFD's Metrics and Targets disclosures. There is only one line of evidence that identifies carbon footprint as a climate-related metric. The Carbon Inventory Report identifies 7 lines of evidence regarding the disclosure of greenhouse emissions. There are lines of evidence that describe Council's only target - to reduce greenhouse gas emissions. However, there are no details about how FNDC will track their progress against this target.

The review also found 42 FNDC documents with no evidence of climate change (see Appendix B for a full list of documents). Notable documents include the Council Terms of Reference, five Committee Terms of Reference, and the Risk Management Policy.

It is clear from this governance review that FNDC considers climate change to be a material risk and one that warrants attention.

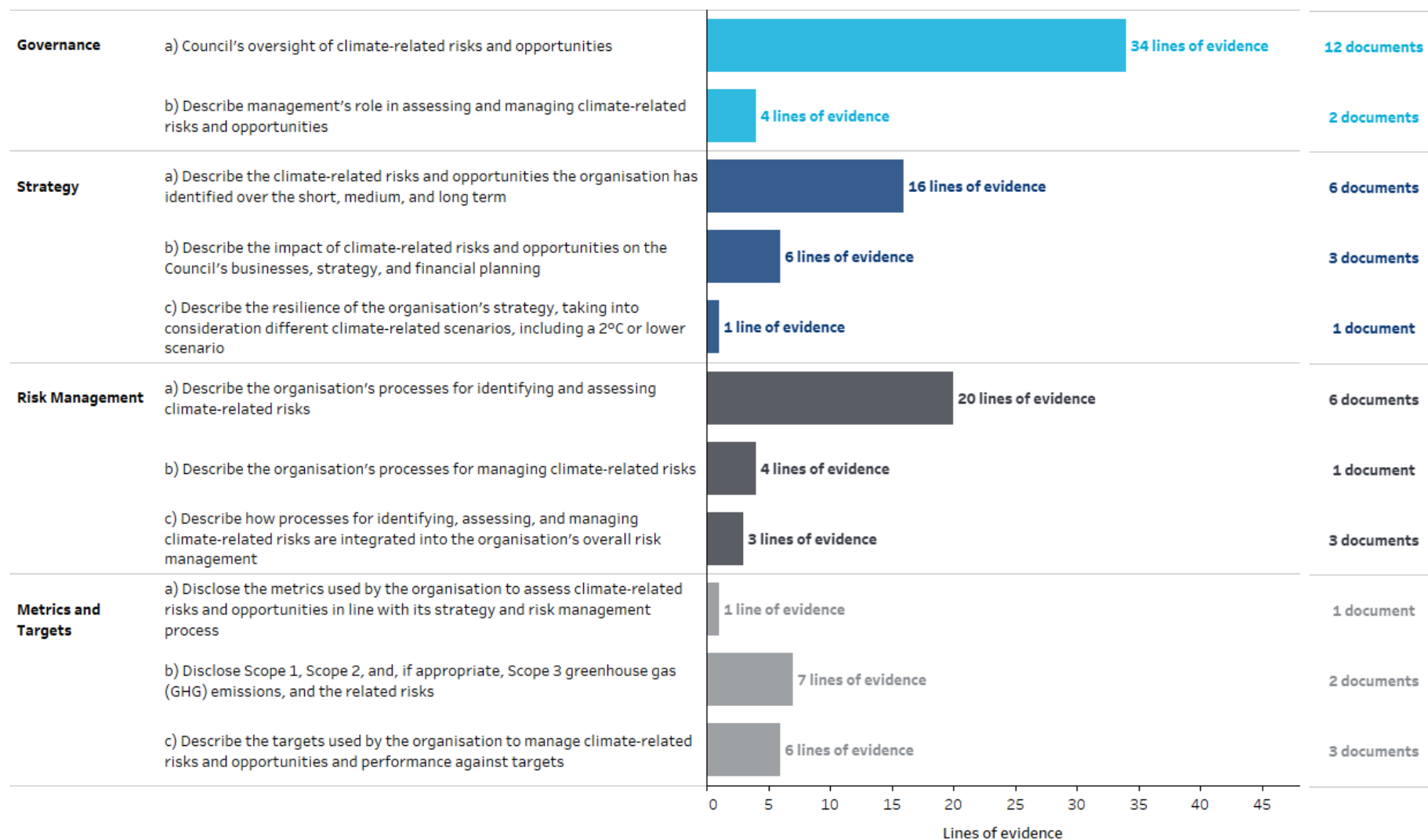


Figure 2: Lines of evidence identified in FNDC documents that align to each TCFD recommendation

Lines of evidence for TCFD's governance disclosures

FNDC documents are focussed more on Council's oversight of climate related-issues and opportunities, compared to management's role in responding to the issue (see Table 2). Lines of evidence for Council's oversight were found in five mandatory documents (Tier 1), six non-mandatory documents (Tier 2) and one governance mechanism (Tier 3). However, oversight is only partially covered in these documents and mainly concentrates on the recognition that climate change is a risk that must be considered. A large proportion of this evidence originates from Council's Our Infrastructure Strategy (32%, 12 lines of evidence) however, this information primarily references other Council documents (i.e. Climate Change Roadmap) and summarises the role of the infrastructure strategy in managing the effects of climate change on infrastructure.

There is no structured oversight of climate-related issues in the Council Report Template for Agenda or Committee Terms of Reference, which are key oversight mechanisms for the organisation. The review also shows that FNDC's documents do not provide a clear direction about how Council wants to be informed about climate-related issues. There was also no formal inclusion of climate change in the Far North Holdings Limited Statement of Intent. Also, the Assurance, Risk and Finance Committee has not included evidence in its Terms of Reference regarding how it will oversee Far North Holdings' considerations or response to climate change. This means it will be difficult to have structured oversight and ensure alignment by FNH with FNDC's Long Term Plan.

The impacts of climate change are not explicitly captured in governance mechanisms and climate strategies have not been utilised. The review found only four lines of evidence that identify management's role in assessing and managing climate-related risk and opportunities. This originated from the 'Climate Change Risk Register Recommendations' report and the 'Joint Climate Change Adaptation Committee Terms of Reference'. However, there was no evidence to show that the roles of management and how management will be held to account for disclosing climate risk (e.g. internal reporting lines on climate change). Other than the 'Climate Change Risk Register Recommendations', no governance documents direct the roles and responsibilities for the management of climate change.

Table 2: Lines of evidence identified in FNDC documents for TCFD Governance recommendations

Document Name	a) Council's oversight	b) Management's role
Tier 1: Mandatory Documents		
Annual Report 2020-2021	1 line of evidence	
Long Term Plan 2021-2031	4 lines of evidence	
Our Financial Strategy 2021	2 lines of evidence	
Our Infrastructure Strategy 2021	12 lines of evidence	
Significance and Engagement Policy 2021	1 line of evidence	
Tier 2: Non-Mandatory Documents		
Climate Change Risk Register - Recommendations 2021	2 lines of evidence	3 lines of evidence
Climate Change Roadmap 2020	2 lines of evidence	
Far North 2100	3 lines of evidence	
Integrated Transport Strategy 2020	3 lines of evidence	
Monitoring Strategy 2008	2 lines of evidence	
Programme Darwin Update 2021	1 line of evidence	
Tier 3: Governance Mechanisms		
Joint Climate Change Adaptation Committee Terms of Reference 2020		1 line of evidence
Strategy and Policy Committee Terms of Reference 2019	1 line of evidence	

Lines of evidence for TCFD's strategy disclosures

Council recognises climate change as one of their top organisational risks to the community through environmental impacts and transition challenges to Council. FNDC has three mandatory documents and five non-mandatory documents that provide information to support the TCFD's Strategy disclosures (see Table 3). In these key governance documents, there are 16 lines of evidence that describe the climate-related risks and opportunities that Council has identified. The Long Term Plan acknowledges climate change as a 'medium' financial risk, and the Operative District Plan includes climate change in the method for mapping coastal hazards. In the Climate Change Risk Register Recommendations, Council recognises climate change as one of their top organisational risks to the community through environmental impacts and transition challenges to Council. This confirms that FNDC recognise climate change as an issue that will affect Council's strategy, however, the extent of this is not clear.

The governance documents also provide minimal inclusion of the impacts of these risks and opportunities on Council's businesses, strategy, and financial planning. The Integrated Transport Strategy includes four lines of evidence to support the impacts, however, they are only general statements about the effects of climate change on the supply and cost of transport services. The lines of evidence show that early quantification of coastal hazards has been completed using Northland Regional Council climate hazards information, although this is currently not linked (or no evidence to show it is linked) to financial and asset management.

The review reveals that there is no discussion of other elements of climate risk (e.g. heat, flood, social, environmental) and no quantification of how climate change may affect service provisions, rateable income, operational costs, capital expenditure etc. Also, FNDC's governance documents do not provide any evidence to show that climate scenarios have been used to explore potential futures.

Table 3: Lines of evidence identified in FNDC documents for TCFD Strategy recommendations

Document	a) Describe risks and opportunities	b) Impact of risks and opportunities	c) Resilience of strategy under scenarios
Tier 1: Mandatory Documents			
Long Term Plan 2021-2031	2 lines of evidence		
Operative District Plan 2009	4 lines of evidence		
Our Infrastructure Strategy 2021		1 line of evidence	
Tier 2: Non-Mandatory Documents			
Carbon Inventory Report 2018-2019	1 line of evidence		
Climate Change Risk Register - Recommendations 2021	1 line of evidence		
Climate Change Roadmap 2020	4 lines of evidence		
Integrated Transport Strategy 2020	4 lines of evidence	4 lines of evidence	1 line of evidence
Waste Management and Minimisation Plan 2017-2023		1 line of evidence	

Lines of evidence for TCFD's risk management disclosures

FNDC's risk management documents provide a very good framing of climate-related risk. The primary driver of this is the 'Climate Change Risk Register Recommendations' which provides ten lines of evidence to support all three of the TCFD's Risk Management disclosures (see Table 4). In this document, Council recognises that risk management is one of the key pillars to managing climate change and has approved four climate change risk themes. Council also recommends that "at least annually there is a climate change group risk progress report which provides an overview to the Assurance, Risk and Finance Committee on the management and progress to treat the climate change risks."

Five other documents explain the processes by which Council has identified and assessed climate-related risks. However, this information is only general as it includes planning processes described in the Operative District Plan, risk exposure assessments performed as part of the Integrated Transport Strategy, and other legislative and policy requirements related to risk management.

Aside from the information provided in the 'Climate Change Risk Register Recommendations', there are no other documents that describe the process for managing climate-related risk. Also, there is limited evidence on how these processes are integrated into Council's overall risk management. For example, there is no explicit connection between the Climate Change Roadmap and the Operative District Plan explaining how climate risk should be managed.

Table 4: Lines of evidence identified in FNDC documents for TCFD Risk Management recommendations

Document Name	a) Process for identifying/ assessing risk	b) Process for managing risk	c) Integration into risk management
Tier 1: Mandatory Documents			
Operative District Plan 2009	7 lines of evidence		
Our Infrastructure Strategy 2021	1 line of evidence		1 line of evidence
Significance and Engagement Policy 2021	2 lines of evidence		
Tier 2: Non-Mandatory Documents			
Climate Change Risk Register - Recommendations 2021	5 lines of evidence	4 lines of evidence	1 line of evidence
Climate Change Roadmap 2020	1 line of evidence		
Integrated Transport Strategy 2020	4 lines of evidence		
Programme Darwin Update 2021			1 line of evidence

Lines of evidence for TCFD metrics & targets disclosures

FNDC's documents provide very little evidence to support the disclosure of metrics and targets for climate change. The Long-Term Plan discusses carbon footprint as a climate-related metric; however, this is the only document that provides metrics to assess climate-related risks (see Table 5). Also, there is no evidence to suggest Council intends to track metrics for either physical or transition climate-related risks. These findings highlight that Council has not clearly defined goals or KPIs in their governance documents or aligned these metrics to their climate ambition.

The lines of evidence from the Carbon Inventory Report shows that FNDC has commenced carbon accounting. Council has reported their Scope 1, 2 and 3 emissions for the 2018-2019 reporting year. This is supported by the Climate Change Roadmap which explains that Council will be measuring emissions through an emissions inventory by using the financial year 2018/19 as their baseline. It should be noted that FNDC currently does not have a carbon strategy to align the disclosure of GHG emissions to their strategic decision-making.

The emissions reduction goal is vague and provides no additional details about how FNDC will track their progress against this target. When reviewing targets, both the Climate Change Roadmap and the Far North 2100 Strategy state Council's goal to reduce greenhouse gas emissions in-line with the Government's National emission reduction targets. The review did not find evidence of any other targets in Council's governance documents. However, this emissions reduction goal is vague and provides no additional details about how FNDC will track their progress against this target.

Table 5: Lines of evidence identified in FNDC documents for TCFD Metrics & Targets recommendations

Document Name	a) Metrics to assess risks and opportunities	b) Disclose GHG emissions	c) Targets to manage risks and opportunities
Tier 1: Mandatory Documents			
Long Term Plan 2021-2031	1 line of evidence		1 line of evidence
Tier 2: Non-Mandatory Documents			
Carbon Inventory Report 2018-2019		6 lines of evidence	
Climate Change Roadmap 2020		1 line of evidence	3 lines of evidence
Far North 2100			2 lines of evidence

3.2 Key Findings from Interviews with Management

The overarching findings (which represented approximately 90% of the views of those interviewed) include:

- Recognition by the participants that transition and physical climate-related issues are complex and already affecting FNDC and the community it supports.
- Management uncertainty about the full extent of climate-related issues (e.g. biodiversity, human health, levels of services, exposure to carbon pricing, etc.)
- Uncertainty about how to respond to the current and emerging issues in a climate policy vacuum (e.g. not knowing when/where priority should be given for specific actions).
- Uncertainty about which information sources and/or frameworks they should be drawing on for decision-making.
- Uncertainty from management about how deep and how fast Council wants to decarbonise (e.g. what interim targets should they aim for – and are they the same rate across all council functions, can they spend more money on assets if the carbon payback is fast, etc).
- Considerable support from the management team for the development of a climate policy.
- Concern from some of the management team that a policy alone will not address the issue, without some guidance and training of staff.

4 Climate Policy Insights

This section contains a summary of climate policy insights. The insights cover the benefits of a climate policy, challenges associated with policy implementation, and limitations of traditional policy approaches to responding to climate-related issues. These insights are based on the authors' breadth of climate-related work with over 130 local governments, combined with the review of governance mechanisms, and interviews with Council's management team. The climate policy insights also act as a primer for the climate policy recommendations (see Chapter 5).

Climate Policy Insight 1:

Benefits of a climate change policy

Avoiding ad hoc, reactive management of climate change issues

Climate change is a pressing issue for local government that is already manifesting as a legal, social, economic and environmental risk. Local governments make decisions that span generations (e.g. roll-out of infrastructure, planning for future settlements) and as such need to be actively assessing and responding to the direct and indirect risks that climate change presents. However, since climate change presents a range of direct and indirect challenges that are likely to manifest over time, it is ineffective to manage the issue in an ad hoc and reactive manner.

Providing a consistent lens for climate change adaptation

A climate change policy allows the organisation to place a climate change lens over all of Council's activities and use the existing system to drive adaptation. It can allow for the consistent application of standards, agreed use of information sources and specific triggers for change.

Stating Council's position rather than relying on personal viewpoints

Staff members in local government have a range of viewpoints regarding the existence of climate change. Adopting a formal policy places limitations on the extent to which personal viewpoints affect the professional judgments of people who may be sceptical about the need to focus on preparing for climate change.

Driving concerted action to effect change

A climate policy can also drive concerted action for management/staff members who may be complacent or unsure how to respond to climate change. There is evidence to suggest that the creation of a policy has helped other local governments to effect change (see Climate Policy Insight 2).

Providing the head of power for action

Specifically, a climate policy can provide the head of power and "guide rails" to help a local government to:

- Shape and publicly convey a climate change ambition
- Support long term financial planning, asset management, strategic planning, and other key Council decisions with consistent, timely and scientifically sound information related to climate change.
- Ensure that Council is well placed to benefit from economic development opportunities that may eventuate due to its proactive approach to managing climate-related issues.

Climate Policy Insight 2:

A climate policy improves local government integration of climate change

Results from an assessment of 338 councils (Informed.City™ 2020) shows that there is a positive correlation between councils that have a climate change policy and those that have scored highly in a climate change governance assessment (see

Figure 3). All councils with 'Advanced' for climate change policy are in the 90th percentile for climate change governance (out of 338 councils).

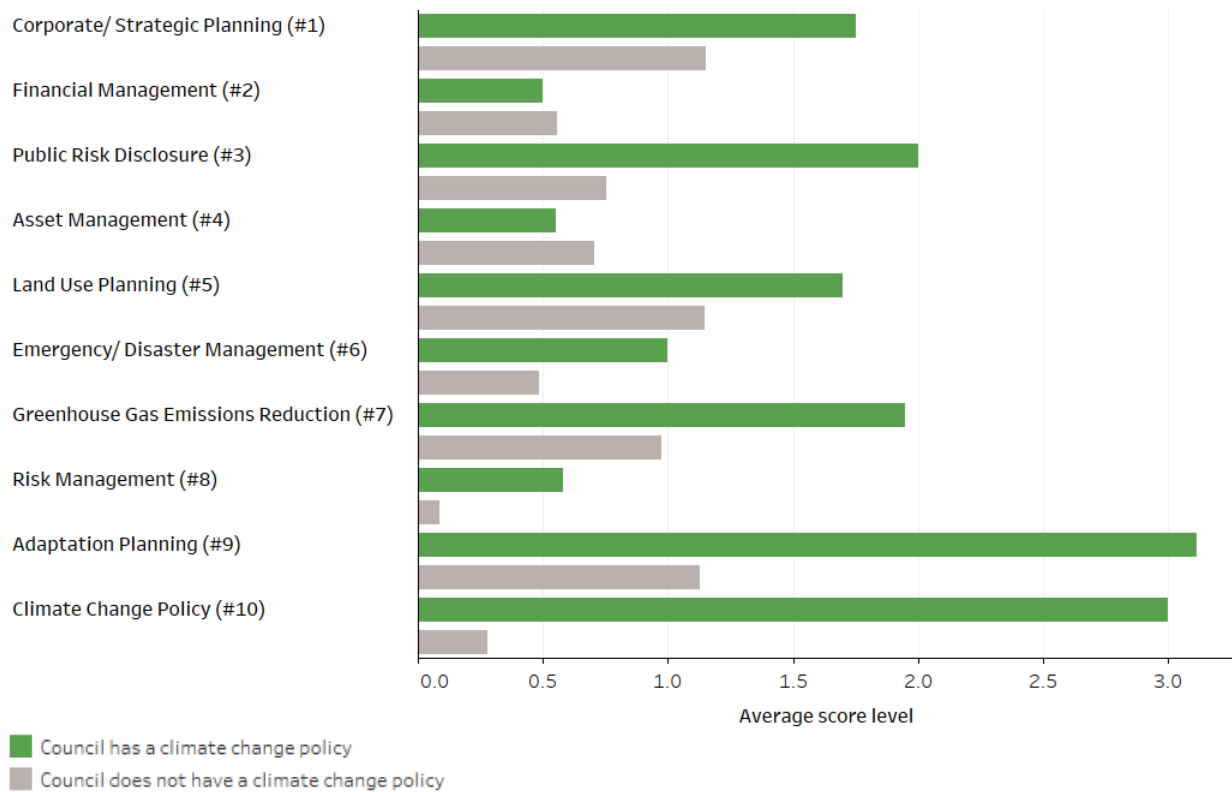


Figure 3: Average scores for climate change governance indicators climate change policy

The findings also show that local governments that have a climate change policy score higher for six of the nine governance indicators (excluding climate change policy). Interestingly the existence of a climate change policy did not correlate with financial or asset management. This may just be due to the fact these two areas consistently receive poor scoring in the assessment, or that policies may not effectively influence those council functions. The authors are unsure if a similar result would occur in NZ. Whatever the case FNDC may consider that it may need targeted adjustments to asset management and financial management policies and/or targeted training for those who work in those functions.

Climate Policy Insight 3:

Climate policy development and implementation challenges

Six challenges to the development and implementation of climate policy are discussed below²:

Opening the climate change conversation: The climate change issue is complex and can result in challenging conversations with the community. This is especially so if a council decision constrains future property use or affects, or will be perceived to affect, its value. Other challenges that have been noted in Australia are climate-related decisions (or at times lack of decisions) which affect traditional owners. These issues at times delay or cease policy development, when in fact the policy itself should be designed to help local government navigate these sensitive issues. Many elected members do not understand the nuances of climate change and as such, it is imperative that elected members develop and maintain a good understanding of climate-related issues.

The expectation that higher levels of government will respond: At times climate-related policies have been amended, paused or ceased because elected members believe (or expect) other levels of government to manage the issue. This issue requires elected members and policy staff to clearly understand the shifting regulatory environment.

Poorly developed policies: Political sensitivities, poor background research, over-optimism, unclear *raison d'être*, or simple restrictions on the physical size of documents have affected the development of some well-intentioned policies. This can lead to poor policy implementation or less than desired policy outcomes.

Poor (or no) stakeholder engagement: There are examples of council climate-related policies resulting in significant community backlash. This usually occurs when engagement with the community has not been effective (e.g. engagement is tokenistic and/or constrains community input).

Poor or no implementation support: The authors of this report have experienced times in which key staff (including those tasked with managing climate-related issues) were unaware of the existence of a climate policy. Other examples include council staff who are confused by the wording or intent of the policy and failed to adhere to the policy directions. Implementation risk also may occur when the costs associated with implementation are not framed as an investment and are seen as a cost, with funding allocations withdrawn before the policy has had enough time to be fully implemented. These challenges usually occur when associated training and implementation guidelines are absent. Implementation support is a critical investment.

Climate Policy Insight 4:

A single, static, traditional policy approach has limitations

Climate-related issues are complex. This is because “Connections among socio-economic, environmental, and technological systems transmit risk from one system or sector to another, creating new risks or exacerbating existing ones” (Simpson et al. 2021, p.1). A climate change policy must be

² These examples are drawn from the author’s direct involvement with local governments. Local governments have been deidentified for privacy purposes.

designed in a way that responds (or enables the response) to the system's risk. It also must be designed in a way that captures a raft of current issues and is responsive to emerging issues.

A traditional policy approach, that takes up to 18 months to develop and is viable for several years, is at risk of being out of date before it is endorsed by Council. In the climate change milieu, much can change in a matter of weeks. An example of where transition risk moved faster than was anticipated can be seen in the FNDC Long Term Plan assumptions on a carbon price. The assumption used in the document was that the carbon price would remain relatively unchanged over the Long Term Plan lifetime, whereas in reality, the price has tripled in the past three years.

The climate policy for FNDC needs to be delivered in a rapidly moving environment – where decisions associated with or influenced by climate change will need to be made on an almost daily basis.

5 Climate Policy Recommendations

The development and implementation of a climate change policy require considered thought. These recommendations are based on the general findings from the governance review and insights from FNDC management.

Climate Policy Recommendation 1:

Council should address the climate policy vacuum as soon as possible

A climate change policy will greatly enhance FNDC's current response to the effects of climate change. It will act as a catalyst for improved climate-related oversight and governance.

It is evident that the current FNDC climate policy vacuum is affecting how the organisation plans for, and responds to, climate-related issues. While there are numerous references to climate change in the core governance documents it is evident that there is no structured approach that enables the elected members to maintain oversight of the issue. Additionally, there are very few lines of evidence that shows the roles and responsibilities of management associated with implementing the response to climate-related issues (see Chapter 3).

The existing approach to climate change leans heavily on Council's Climate Change Roadmap, Risk Management Framework and Operative District Plan. However, these three governance mechanisms on their own are insufficient to provide a robust platform for the oversight and integrated response to climate-related issues.

The Climate Change Roadmap will be most efficiently and effectively implemented if it is supported by a climate policy to enable clear oversight, direction and response (see Chapter 3). The policy vacuum was noted by a majority of the management team during the interviews (see Chapter 3).

Drawing from industry experience in other jurisdictions the authors notes that a climate policy of some form has overall, improved local government governance and management of climate issues. However, policy development and implementation are not without challenges (see Climate Policy Insight 3).

There are numerous climate change policies in Australia that FNDC should explore. Notable ones include:

Douglas	Climate Change General Policy 2017
Longreach	Climate Change General Operations Policy 2020
Mackay	Climate Change Adaptation Policy 2018
Moreton Bay	Climate Change Policy 2020
Noosa	Climate Change Response Policy 2017
Whitsunday	Climate Change Adaptation Policy 2019
Capel	Climate Change Adaptation and Sustainability Policy 2018
Cottesloe	Climate Change Policy 2011
Greater Geraldton	Climate Change Policy 2018
Kwinana	Climate Change Policy 2013
Mosman Park	Climate Change Policy 2011
Mareeba	Climate Change Resilience Policy 2021
Logan	Climate Change Resilience Policy 2020
Kingborough	Climate Change Adaptation Policy 2021
Hobart	Climate Change Adaptation Policy 2020
Central Coast	Climate Change Policy and Strategy 2019

Climate Policy Recommendation 2:

As a minimum, a climate policy should include the following elements

Given the pervasiveness and dynamic attributes of the issue, a climate change policy (or suite of policies) will need to cover a broad range of council functions. As a minimum, the scope of any policy/ mechanism should cover the elements listed below (see Table 6).

Table 6: Elements that a climate policy should cover

Theme / Element	Comments
Objectives	Clearly state the climate-related objectives
Policy coverage	Include a definition of the scope. For example is it for the whole of council, specific functional areas, specific climate-related issues or all climate-related issues, if it is an overarching policy.
Guiding principles	Consider inclusion of guiding principles. For example: <ul style="list-style-type: none"> Where appropriate, goals should be measurable and evaluated on a regular basis Work cooperatively with other councils and Central Government and ensure that the respective roles and responsibilities are appropriate, and duplication is avoided Further examples of principles are located in the Central Coast Council climate policy.
Ambition (targets and goals)	The policy should contain Council's climate ambition (targets) statement. Ambition should cover net zero, scope of emissions, role in supporting community to achieve their goals, and ambition around physical, ecological and social resilience.
Governance mechanisms	State the key documents/committees that this policy will give head of power to. Provide direction on how the climate governance structure will weave into existing structure. The mandate may be immediate or stage relevant governance changes over time. The policy may provide the direction/head of power for climate change governance integration plan.
Physical risk information sources	Provide direction associated with trusted sources of information (e.g. minimum climate modelling inputs). It could be listed in the policy or provide head of power to technical

Theme / Element	Comments
	guidance. Information here will also be linked to Council's policy. Delegation for updating the technical guidance could be provided in the policy.
Transition risk information sources	Provide direction associated with trusted sources of information. The policy may further define which transition risk will be explicitly considered (e.g. legal, insurance etc.). It could be listed in the policy or provide head of power to technical guidance. Information here will also be linked to Council's policy. Delegation for updating the technical guidance could be provided in the policy.
Methodologies	The policy should give reference to methodologies that will be used for analysing climate-related issues (e.g. science-based targets for cities methodologies , risk assessment protocols). It could be listed in the policy or provide head of power to technical guidance. Delegation for updating methodologies could be provided in the policy.
Adaptation	The policy may explicitly state the priority locations and/or functions for climate change adaptation or provide the prioritisation methodology. The policy could also delegate this to a climate change strategy or other relevant mechanism. The policy could also include its position (either council-wide or site specific) for adaptation action types (e.g. planned retreat, land acquisitions and purchasing).
Carbon	The policy may explicitly state the process for carbon reduction (e.g. no international offsets), function-specific carbon reduction targets. It may cover decisions associated with carbon reduction (e.g. fleet, electricity, renewable energy) or delegate this to a relevant carbon or climate change strategy.
Decision-making	The climate policy may establish when and how climate change is included in decision-making. For example, it may be location-specific, action-specific (e.g. sea wall decisions), and/or financial (over certain financial thresholds). Decision-making could also include considerations of current and future carbon prices (with the policy defining the minimum carbon price range). The policy may also direct explicit climate-related outputs be captured from analysis/decision-making (e.g. tonnes of carbon saved or generated from the decision).
Assurance	Policy can direct assurance requirements for specific elements (e.g. for carbon audits, risk assessment etc.).
Engagement	The policy can state when (and how) community (or elements of the community and broader stakeholder groups) should be engaged.
Council functions	The policy should explicitly state which council functions will be delegated oversight and/or be tasked with implementation.
Strategy	The policy can direct which information will be considered during strategic reviews of key governance mechanisms (e.g. LTP, Infrastructure Strategy etc.).
Resourcing	The policy should give recognition where/how resourcing for activities can be obtained. This may include from general budget allocations, targeted levies, service charges, rate increases etc.
Regulation	The policy should list the main regulations that are relevant to this policy.
Roles and responsibilities	Roles and responsibilities must be clear – for elected members (Council), management, and staff. Responsibilities should also be assigned to functions.
Metrics	The policy should state what metrics FNDC will collate and monitor. It can define which metrics will be aggregated into broader Council metrics, and what mechanism will be used to track them (e.g. Project Darwin).
Internal reporting	The policy should state what information management should report on including how will this get collated, and what is the reporting process, frequency etc. It should also capture reporting requirements for FNH.
Disclosure	The policy should state the minimum or specific climate-related information that will be disclosed. This may include the nature of the disclosure, the baseline information, and how Council is tracking against targets.
Monitoring	The policy should state the monitoring method/s used, the delivery mechanism and the frequency of monitoring for each of the metrics.
When to review	The policy should stipulate how, and which thresholds, will be pre-determined to identify triggers for review/action.

Climate Policy Recommendation 3:

Develop a climate policy implementation plan

If FNDC decides that it will implement a policy or suite of policies, it should also create a policy implementation plan. This is because several managers who were interviewed stated that they thought training and guidelines would be critical to ensure that the implementation of a climate policy is effective. The implementation plan could include targeted and/or all staff training, development of factsheets, links to key resources, presentations from sector experts, staff surveys, and community/stakeholder engagement.

Climate Policy Recommendation 4:

Staged climate policy

As is discussed above, a climate change policy should provide direction on several issues. The most significant challenge is associated with the time it takes to develop and implement the climate policy. There are numerous elements to consider in a climate-related policy and as such, it is prudent to consider separating into a suite of climate policies and focussing on the priority needs first (e.g. Carbon Policy and Adaptation Policy).

The author recommends that if a staged approach is carried out, any following climate-related policies be given head of power by a “climate change foundation policy” that then states in the first instance what policies should be created and in the interim what climate-related changes should be made to existing policies. For example:

- Climate change foundation policy
- Carbon reduction policy
- Climate change adaptation policy
- Financial management policy (amended to reflect climate change)
- Asset management policy (amended to reflect climate change)
- Risk management policy (amended to reflect climate change)

There are several other ways in which the above could be implemented:

- a) create a dynamic “live” policy - however, a new policy style such as a living policy may cause concern for elected members.
- b) create a living style policy within a traditional policy frame including delegation to one or a number of other mechanisms (e.g. Climate Change Roadmap) and or guidelines that may be less time consuming to update. This approach was implemented by the Central Coast Council in Tasmania, which had an interconnected climate change policy and strategy:

“Strategic Direction 1.1 - Council recognises the Strategy as a dynamic document that can be updated as new information or opportunities arise. Specific mitigation and adaptation responses to climate change should be directed via the Strategy.” [Central Coast Council Climate Change Strategy 2019](#), page. 3

The above approach by Central Coast Council has enabled them to amend the strategy in response to emerging issues.

6 Non-Policy Governance Recommendations

The following recommendations are climate governance gaps that require attention, regardless of the outcome of the policy decision.

Non-Policy Recommendation 1:

Ensure Far North Holdings is adequately identifying and reporting on climate-related risks

This assessment found that there is no requirement or guidelines from FNDC for FNH to specifically manage or report on climate-related issues. Indirectly FNH would be required to consider climate change, as they must give regard to the Long Term Plan. However, the Long Term Plan does not contain enough directions to inform FNH on climate-related issues.

FNH has over \$100 million in assets and an annual operating revenue of over \$15 million. The nature of FNH's operations, namely in property development and asset management, mean that the transition and physical effects of climate change are likely to present a risk that, at the very least, requires assessment. FNH provides an income stream for FNDC, and without this income, it is estimated that general rates would be 4% higher. Any impacts on the ability of FNH to maintain the income stream will therefore also have a financial impact on FNDC (and the broader community).

To implement this recommendation, FNH's Statement of Intent should explicitly mention the management and reporting of climate-related issues. The implementation of this should be overseen by the relevant committee (currently the Assurance, Risk and Finance Committee). The Assurance, Risk and Finance Committee will require oversight direction/ guidance for its role in this recommendation.

A climate change policy can support the extent to which FNH would be required to quantify and report on climate-related issues. It could specify key climate-related issues that should occur in a Statement of Intent, as well as the mechanisms of FNH reporting, and relevant oversight requirements of the relevant committee.

Box 1. [Auckland Council Tauāki whakaaweawe āhuarangi Climate Impact Statement](#)

In Auckland, the Council Controlled Organisation (CCO) Oversight Committee ensures that reporting on climate-related issues is a regular occurrence, via climate impact statements. The quarterly performance reports are a key tool to monitor the progress of each CCO in action on climate change. The CCO's quarterly reports contain commentary on activities relating to climate change.

Non-Policy Recommendation 2:

Quantify the potential exposure to climate-related risks

Climate change risk assessments provide organisations with the critical information they need to understand the associated impacts. Risk assessments take many forms, although it is likely that most local governments in New Zealand would have followed or aligned to the ISO Risk Assessment Framework AS31000. The Ministry for the Environment (MfE) has recently developed a [Guide to local government climate change risk assessments](#) (MfE 2021). The scope of climate change risk assessments should incorporate both physical and transition risks and it is important to “quantify the value (in monetary terms, if possible) of the defined assets, taonga, environments and people exposed to the identified climate hazards” (MfE 2021, p.60).

Understanding specific risks is a complex task, and undertaking detailed risk assessments can be expensive, time-consuming and involve numerous experts and stakeholders. Because of these limitations, many local governments have opted for scoping or high-level risk assessments. Scoping risk assessments involve a smaller number of climate change scenarios and local governments are usually focussed on Council’s corporate risks (as opposed to also understanding environmental, social and economic risks).

A detailed climate change risk assessment of FNDC assets should include geospatial analysis which quantifies the units (e.g. length or number of assets) and the asset value and/or replacement costs. Other variables may include the number of properties in which the asset supports service delivery (e.g. potable water), and the rateable income collected from those areas at risk should the asset fail or reduce functionality. From the assessment, information can be utilised for key metrics, targets, financial planning and risk monitoring.

A climate change policy can help frame the minimum amount of information that should be included in a climate change risk assessment, who should carry out the risk assessment, the frequency of the assessments and how the results should be incorporated into decision-making. Climate change risk assessments should play an iterative role in numerous FNDC governance mechanisms. A climate policy could provide the framing for that iterative approach.

Box.2 [Quantifying Climate Change Risks. Kingborough Council, Tasmania](#)

An example of risk quantification can be seen in Kingborough Council’s review of natural hazards and climate change issues in Kingston Beach, (Kingborough Council - Tasmania). In this study nine risks were explored: bushfire; heatwave; tsunami; dam break; landslip; riverine flood; coastal inundation from sea level rise; storm surge and coincident flooding. Many specialists (including the authors of this report) and staff contributed information for this report’s findings. The core of the project focused on quantifying the exposure of the Kingston Beach assets (both structural and social) to the range of hazards identified. To undertake this task over 2,400 spatial outputs were generated (see Figure 4 below).

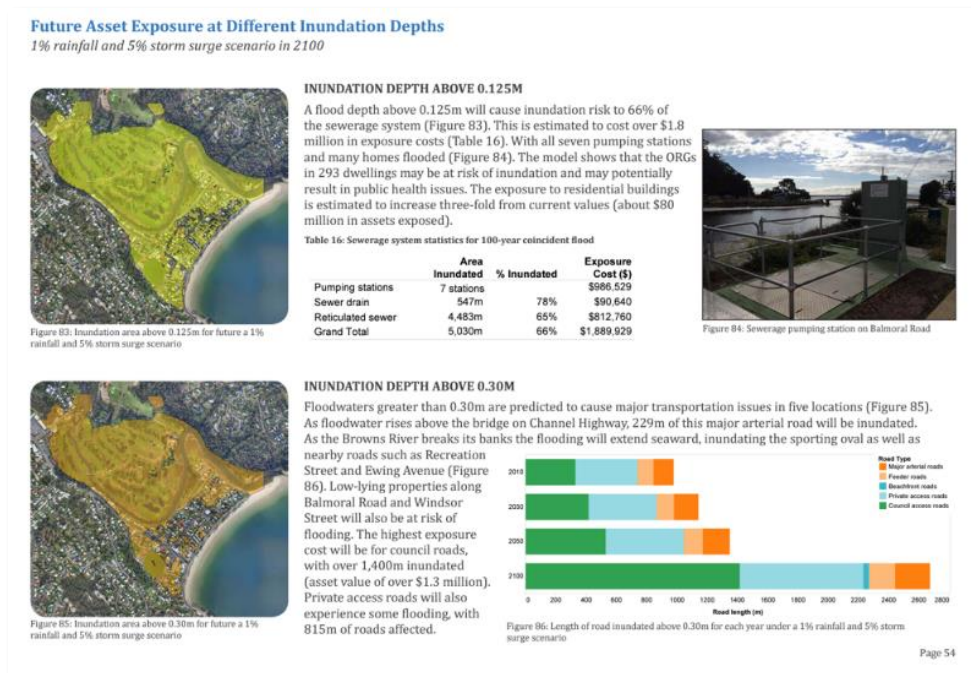


Figure 4: Kingston Beach asset exposure dashboard

Non-Policy Recommendation 3:

Improve the consideration of climate change within asset management plans

FNDC has hundreds of millions of dollars invested in its assets. Some of the assets that Council maintains, or are likely to install and maintain, have a long life expectancy and as such may be exposed to direct and indirect climate change risks. A failure of asset management consideration may generate a potentially unexplored or under-quantified financial risk for Council.

In FNDC's Our Infrastructure Strategy, Council suggests that it is unlikely that it will be affordable to provide the same levels of service that the community receive now in 30 years. This is due, in large, part to the implications of climate change. In the Strategy, Council discusses managing climate change in the next 30 years. It is stated that: "the infrastructure planning, and associated investment decisions, we make throughout the term of the Strategy will have a bearing on the resilience of our core infrastructure and the associated resilience of our communities towards the later part of this century" (FNDC 2021).

One of the goals of the FNDC Climate Change Roadmap is to future-proof its resources, assets, and services from the risks of climate change. The Roadmap also highlights the importance of operationalising the considerations of climate change into its asset management plans. This recommendation reinforces the intention of the Roadmap to integrate climate change into asset management by helping the strategic focus filter down to the operational level.

However, it is evident that Council has not carried out a detailed risk assessment (across all climate risks) of all FNDC assets. Nor is it evident that climate adaptation planning has been integrated into asset management plans. This finding was supported by Council staff.

Council should make it a priority to fully integrated considerations of climate change into all of its asset management plans (AMP). Explicit consideration of climate change in AMPs will allow FNDC to save money through reduced maintenance costs, fewer stranded assets and improved asset performance.

Box 3. Example Council considering climate change in Asset Management Plans

Unley Council, South Australia, Asset Management Plans

All of Council's asset management plans provide a detailed inclusion of climate change including both direct and indirect impacts. Each plan identifies the impact of climate change on its assets, provides a summary of Council's demand management plan, and highlights how these decisions will influence the assets. In their plans, Council has also acknowledged the impact that climate change will have on the lifespan of their assets. They state:

The impact of climate change to infrastructure assets useful life is not yet quantified and may continue to change as increased temperature, heatwaves, higher storm and rainfall intensities will increasingly affect the useful life of infrastructure at a material level. These impacts have been identified in risk management and future demands. (City of Unley 2020)

Non-Policy Recommendation 4:

Improve FNDC's oversight of climate-related issues

Oversight is a means for holding the organisation accountable for its actions. The oversight by elected members should focus on ensuring FNDC implements responses to climate-related issues (from regulatory requirements, and community expectations) in accordance with Council's relevant governance mechanisms. Oversight can occur in numerous ways, such as:

- Establishing and monitoring relevant key performance indicators in as close to real-time as possible
- Understanding the relevant short, medium and long term climate-related issues
- Maintaining lines of inquiry for all (or key) decisions that may be affected by climate change
- Ensuring roles and responsibilities associated with climate change are clear
- Keeping abreast of regulations to understand the impacts of potential climate-related policy changes on the Long Term Plan
- Ensuring information is disclosed in a transparent and timely manner
- Ensuring resources allocated are commensurate with the issues
- Making informed decisions
- Empowering management to respond to climate-related risks

At present, the most formally structured oversight of FNDC's climate-related risks is via the risk management framework. In that framework, climate change is grouped into four risk categories and the risk is reported on every quarter. This level of oversight is relatively new for Council (October 2021) and is still in the early establishment phase (e.g. identifying suitable risk treatments and levels of information required for reporting).

Oversight of climate change risks could be improved by incorporation of considerations into Council reports, all council committees, staff and elected member training.

Oversight can be significantly supported by a climate change policy, that provides the framework for informed decision-making.

Box 4. City of Stonnington (Victoria) – Integration of Climate-related Issues via a Climate Emergency Action Plan

The City of Stonnington is committed to acting immediately and urgently on the climate emergency and leading and inspiring local action. To do so they have created a Climate Emergency Action Plan. One of the numerous, targeted actions is the establishment of an internal Climate Oversight Committee with key decision-makers to support the integration of climate emergency response into Council decision-making. The City has a 2025 net-zero target for Council operations and their Plan aligns with and supports numerous Sustainable Development Goals (SDGs).

Non-Policy Recommendation 5:

Carry out climate-related training for all staff

The implementation of good governance of climate-related issues requires an adequately informed workforce.

Council should work closely with department heads and human resources to identify capability needs. Consider having a temporary increase in training allowances to help staff improve their understanding of how climate change may affect their department. Differing skillsets may be required, depending on the roles and responsibilities of the employee.

To implement this recommendation, FNDC should consider creating a skills-based survey to understand the knowledge gaps. Resourcing for ongoing training should be incorporated into financial planning.

It is important to note that elected members should also receive ongoing training on climate-related issues.

Box 5. Climate Change Training for Staff, City of Greater Geelong (Victoria, Australia)

The City of Greater Geelong developed climate change training for staff. The training is designed for those looking to understand climate change, learn how it might impact their work and prepare to adapt effectively. It is also for those who already understand climate change but now want to respond.

This training is for council staff and others working across council operations. Those who design, build and maintain council assets, who plan for future suburbs, protect Geelong's environmental assets, and deliver services to our community. The training package is tailored for City of Greater Geelong staff but can also be used by other organisations. Training workshops have been successfully held with our partner organisations including Barwon Water, VicRoads and coastal committees of management to assist them in building internal capacity and networks.

Non-Policy Recommendation 6:

Improve the incorporation of climate change into financial planning

Climate change is increasingly being seen as a financial management issue. The cost of direct and indirect impacts will cascade through the economy and affect costs associated with a local government's activities and responsibilities. For example, increased extreme weather in Asia may disrupt global supply chains and affect the availability of certain goods and services for local governments, or increased litigation and/or increased extreme events may affect local government insurance costs (general insurance and liability cover).

Furthermore, responding to climate change requires an initial and ongoing outlay of resources and commitment of staff time. Resource constraints or lack of financial commitment from local governments are often identified as a primary barrier to implementing responses to climate-related issues.

To improve the consideration of climate change in financial management FNDC should:

- Ensure that risk assessments include financial quantifications of assets exposed to risk.
- Identify the climate change component in capital upgrades. This can be obtained from an AMP if they incorporate climate change into the plans (for example see [Bay of Plenty Draft Asset Management Plan](#)).
- Prioritise climate-related training needs for the financial team to ensure they are aware of current and emerging considerations of climate change in accounting practices and standards.
- Incorporate a range of carbon prices into long term modelling (align to climate scenarios).
- Update the Financial Management Policy to frame how climate-related issues are considered.

Non-Policy Recommendation 7:

Develop climate scenarios to support long-term strategic decision-making

Scenario planning is often used as part of identifying how climate change may affect an organisation. Scenario planning can be conducted using a range of different approaches, from using public climate scenarios to the development of a range of organisation-specific plausible futures. As noted by Nardia Haigh:

Scenario planning is the development of multiple scenarios about the future, and use of them to make decisions...scenarios are plausible hypothetical "what if" stories about what your organization's future might look like based on forces that could shape it. Scenarios are not projections, predictions, or forecasts, but are powerful narratives to help you anticipate and prepare for possible changes your organization might encounter in the future. (Haigh 2019, p.6)

For FNDC the development of climate change scenarios will help facilitate improved staff awareness of climate-related risks while enabling a critical exploration of some plausible futures that are unlikely to be captured in traditional risk assessments. It is recommended at the very least FNDC explore public climate scenarios such as those used by the [Climate Change Commission](#) to explore how Council may be affected by a range of climate-related futures.

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8 Appendices

Appendix A: FNDC documents with lines of evidence to support the TCFD recommendations

Tier	Document Name
Tier 1	Annual Report 2020-2021
	Long Term Plan 2021-2031
	Operative District Plan 2009
	Our Financial Strategy 2021
	Our Infrastructure Strategy 2021
	Significance and Engagement Policy 2021
Tier 2	Carbon Inventory Report 2018-2019
	Climate Change Risk Register - Recommendations 2021
	Climate Change Roadmap 2020
	Far North 2100
	Integrated Transport Strategy 2020
	Monitoring Strategy 2008
	Programme Darwin Update 2021
	Waste Management and Minimisation Plan 2017-2023
Tier 3	Joint Climate Change Adaptation Committee Terms of Reference 2020
	Strategy and Policy Committee Terms of Reference 2019

Appendix B: FNDC documents with no evidence of climate change by tier

Tier	Document Name
Tier 1	Annual Plan 2020-2021
	Bledisloe Domain Management Plan 1996
	Coopers Beach Domain Management Plan 2014
	Dangerous, Insanitary and Earthquake-prone Buildings Policy 2014
	Development Contributions Policy 2015
	Far North Holdings Limited - Statement of Intent 2020-2023
	Hundertwasser Park Recreation Reserve Management Plan 2014
	Kerikeri Domain Reserve Management Plan 2019
	Kerikeri Sports Complex Management Plan 2011
	Lindvart Park Reserve Management Plan 2018
	Local Governance Statement 2019-2022
	Lucy Elizabeth Williams Scenic Reserve Management Plan 2014
	Manuwai Reserve Management Plan 2002
	Paihia Village Green Management Plan 2014
	Rating Relief Policies 2021-2031
	Reserves Policy 2017
	Revenue and Financing Policy 2021
	Simson Park Reserve Management Plan 1987
	Te Hiku Moerua Park Recreation Reserve Management Plan 2014
	Treasury, Liability and Investment Policies 2021
	Waipapa Sports Ground Reserve Management Plan 2013
	Walls Bay Reserve Management Plan 2014
Tier 2	Iwi/Hapū (Environmental) Management Plans Policy 2016
	Organisational Risk Framework 2019
	Policy and Engagement Project Management Framework - Overview V0.9 2021
	Policy development process - Guidelines 2021
	Risk Management Policy 2019
	Sustainable Procurement Policy 2020
Tier 3	Assurance, Risk and Finance Committee Terms of Reference 2019
	Bay of Islands-Whangaroa Community Board Terms of Reference 2021
	Community Board Working Party Terms of Reference 2020
	Council Report Template for Agenda
	Council Terms of Reference 2019
	Data Governance Subcommittee Terms of Reference 2019
	Hokianga Spraying Committee Terms of Reference 2021
	Infrastructure Committee Terms of Reference 2020
	Joint Regional Economic Development Committee Terms of Reference 2021
	Kaikohe-Hokianga Community Board Terms of Reference 2021
	Kaitaia Drainage Area Committee Terms of Reference 2016
	Project Mandate Template
	Regulatory Compliance Committee Terms of Reference 2019
	Te Hiku Community Board Terms of Reference 2021