This Briefing document relates to a project being coordinated by Cities Power Partnership and the Climate Council in collaboration with University of Melbourne Centre for Cities, and the Better Futures Australia Local Government Working group, investigating an effective partnership model for multilevel governance or vertical integration between local governments and other tiers of government, and other relevant sectors.

We seek input and ideas to progress our Objectives and Goals from attendees at the Local Government Workshop at Better Futures Forum, Canberra, 6 September. Note, this Report will be completed by end of November 2022, so input and advice should keep in mind this time frame for initial framework.

Background
While Australian Local Governments have been leading on climate action for decades, there are still state and federal policy barriers that can dampen or even prohibit some local climate initiatives. In addition, the ability for councils to act in some areas is influenced by other state or federal policies. An example of this is the federal National Construction Code (NCC) that dictates the minimum energy efficiency and construction requirements for new residential and commercial buildings. While in some cases, councils can implement more stringent building requirements for the LGA itself, this is not the most efficient or effective outcome and creates complexity within the market. While local governments are key stakeholders in achieving emissions reduction and assisting countries to achieve their NDCs, there is a need for a more integrated climate policy approach in Australia where state and federal policies work together to enable and accelerate local climate action.

This project will analyse policies at the local, state and federal level to assess the barriers, gaps and opportunities to enable more climate action, particularly as it relates to local government. The scope of this analysis will be limited to the Building ESD and Energy Efficiency sector, and will use a climate resilient lens to assess whether policies are future oriented. The project will provide a framework for conducting subsequent analyses in the other key sectors.

Report Objectives
1. Provide an assessment of how climate action across the key focus area is supported, promoted or obstructed by Australia’s multi-level governance frameworks, mechanisms and instruments, with recommendations for how these can be improved.

1 Global Covenant of Mayors for Climate and Energy, The Multilevel Climate Action Playbook
2. Identify key policy pathways, lessons and takeaways on the role of vertical integration of climate change policies in Australia relevant to the cities’ perspective.

3. Provide insight into global best practice vertically integrated policy frameworks and implementation pathways. Identify key success factors and recommendations for an Australian context.

4. Apply the principles of the GCoM Multilevel Climate Action framework to an Australian Context.

**Report Goals**

- Provide a clear, actionable policy analysis with specific actionable recommendations across state and federal governments about how to unlock and support more local action to reduce carbon emissions and build community resilience.
- Provide clear guidance to the federal government on how local governments can effectively contribute to Australia’s NDCs.
- Provide targeted advocacy opportunities for local governments to unlock more action, using the recommendations from the report.
- Provide tangible recommendations to complement and coincide with the work of the BFA Local Government Working Group on establishing an effective partnership between local governments and the Federal Government to accelerate climate action.

**Report will be completed by end of November 2022**

**Other information & relevant reports (FOR CONTEXT ONLY)**

**Relevant Reports**

- [A blueprint for accelerating climate action and a green recovery at the local level](#)
- [GCoM - The Multilevel Climate Action Playbook For Local And Regional Governments](#)
- [C40 Climate Action Planning Programme Vertical Integration Guide](#)

**Key Terms**

- **Vertical Integration** - “the act of aligning and coordinating climate policies, plans and implementation across different levels of government, leveraging the potential of each respective level through collective efforts and promoting top-down and bottom-up information exchange”
- **Multi-level Governance Framework** - “a term that refers to the structural and institutional setting in which different levels of government distribute roles and responsibilities, coordinate and cooperate on climate action as well as being the specific instruments that are implemented at different levels of government to support and implement local climate action”
- **Multilevel climate governance** - “the synergistic interplay between different levels of government, as well as between a variety of non-state actors, in governing climate...”

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C40, C40 Climate Action Planning Programme Vertical Integration Guide
action. Multi-level climate governance underscores the need for both vertical and horizontal forms of coordination.”

**Figure 3:** Multilevel climate governance encompasses vertical and horizontal coordination

In the context of climate action, vertical integration objectives typically include:
1. Joint climate adaptation and mitigation target and goal setting
2. Aligning political interests and agendas
3. Aligning policies and plans
4. Coordinating across institutions
5. Accessing climate finance
6. Building capacity and skills
7. Facilitating monitoring, evaluation and learning

According to research by the Coalition for Urban Transitions (Climate Emergency Urban Opportunity, 2019), the majority (65%) of urban emissions abatement potential is either under the primary authority of local governments, or can be achieved through local government collaborative action with national and state governments:

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