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Improving climate risk management across the NSW public sector

In a first for state and territory jurisdictions in Australia, the NSW Government developed a whole-of-government approach to managing climate risk and adapting to climate change. The Climate Risk Ready NSW program aims to build capability and improve government responses by providing consistent, integrated guidance across all agencies.

The program was developed by the Office of Energy and Climate Change (OECC) and the Strategic Balance Sheet Management Division in NSW Treasury, in partnership with agencies across the sector. A cross-portfolio Executive Climate Risk Steering Group was established to guide the delivery of the program, strengthen accountability and build a strong authorising environment.

Building leaders' capabilities

The program includes an Executive Climate Risk Masterclass for senior executives, to build leadership awareness of climate risk management obligations.

There's also an accredited Climate Risk Ready course for climate risk managers, co-designed by 16 agencies and delivered in partnership with Western Sydney University. The course has attracted participants from across Australia, including from local government.

A Climate Risk Ready NSW Guide supports both Climate Risk Ready course participants and other government employees in managing climate risk.

Strengthening collaboration

Following are some of the program's key achievements:

- The Executive Climate Risk Steering Group now oversees strategic climate risk responses across the government, reporting annually to the NSW Secretaries Board. In 2023, it remains the only group of its kind in an Australian jurisdiction.
- Fifty-five senior executives across the NSW Government and other jurisdictions completed the first Executive Climate Risk Masterclass series. A further 120 executives are registered for the second series.

- There is now stronger collaboration in relation to climate risk between Treasury and the OECC, recognising that climate risk affects all aspects of government and government expenditure.
- Almost 70% of agencies had commenced a climate change risk assessment by August 2023, compared to just 33% in 2015.
- The number of agencies with an internal executive climate risk governance body is up from 12% in 2015 to 84% as at August 2023.
- The Climate Risk Ready course is being scaled to NSW local councils and will be adapted for use by icare's Risk Education eXpress service.

The Climate Risk Ready NSW program has contributed to more agencies embedding climate change in their risk management decisions. Other Australian jurisdictions have followed NSW's lead in setting up their own whole-of-government climate risk management programs.

By continuing to strengthen executive capability in climate risk management and fostering collaborative leadership, the program will provide long-term benefits to service delivery for the residents of NSW.