

Lord Mayor's Charitable Foundation



Principle 10



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KEEP HUMANITY'S
FUTURE IN SIGHT

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Our Climate Resilient Neighbourhoods initiative will demonstrate different ways climate resilience can look, feel and function. Local projects will show the possibilities for improving people's lives when climate change adaptation and mitigation are combined through a regenerative social justice approach.

Dr Karyn Bosomworth

Program Manager, Healthy and Climate Resilient Communities, LMCF

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Climate change affects everything we fund whether it relates to health, affordable housing, jobs or inclusive communities. We think about opportunities to reduce emissions or build climate resilience at the local level. Both are critically important.

Dr Catherine Brown

OAM, CEO, LMCF



About The Lord Mayor's Charitable Foundation

The Lord Mayor's Charitable Foundation (LMCF) is Australia's largest and oldest independent community foundation, established in 1923. Based in Melbourne, Victoria, LMCF aims to address the big issues facing the city through grants, collaborations, research, influencing policy, communications, and impact investment. The Foundation's work is funded by an endowment of AUD 255 million built through gifts and bequests from many donors over many years and currently focuses on climate change, affordable housing and economic inclusion, including social enterprises as job creators. The Foundation also provides donor-advised giving services.

What was the challenge?

Melbourne and its surrounding areas grapple with many intersecting challenges, intensified by the climate crisis. Data from the Australian science agency CSIRO revealed an increasing trend of extreme heat across the country, with January 2019 as the hottest ever month on record. At the local level, extreme climate and heatwaves exacerbate health problems and death rates in local communities and strain ecosystems and infrastructure.

It is clear that as a result of climate impacts, Melbourne faces multiple urgent and interconnected social, environmental and health challenges, and that these need to be addressed together rather than in isolation. The challenge for LMCF as a locally-based funder was to understand what this meant for their work, and how they should aim to apply climate as a lens across all their granting activities as they work towards their vision of Melbourne as a thriving city for people and the planet.

What was the response?

LCMF's journey towards a climate lens began with its first request that required the Foundation to support interventions on the environment. In 2015, through her involvement in the Australian Environmental Grantmakers Network, LCMF CEO Dr Catherine Brown had the opportunity to join an Australian delegation to the Funders Initiative at the COP21 Paris Climate Conference. In Paris, LMCF learned from other city and civil society leaders how climate change affects every aspect of cities and their communities. Following the learnings and exchanges at COP21, the LCMF started recognising the inextricable link between climate change and health in their context, especially those issues faced by vulnerable communities, which are often disproportionately affected by the growing heatwaves and emergencies such as bushfires and floods. As a result, Dr Brown proposed establishing climate change as a focus of LMCF's work in their next strategy review. Already familiar with applying a gender lens, the Board and staff readily understood the importance of and agreed on the necessity to integrate a climate lens into their work.

Having come to recognise the inseparable link between climate change and their mission to serve local communities in Melbourne, LCMF has increasingly sought to make climate concerns central to all their work by looking at a range of different issues including sustainable food, energy efficiency, community resilience, health impacts, affordable housing, and employment. They asked themselves important questions on how to bring these aspirations to life:

- ✓ How can a climate lens be systematically applied to all of the Foundation's work, and encourage other philanthropic organisations to do the same?
- ✓ What internal transformations are necessary within the organisation itself to ensure that the climate lens is truly adopted into the organisational culture?
- ✓ To what extent can weaving in a systems change approach to their climate work encourage tackling root causes of challenges, and help embrace long-term programmatic thinking?

Their approach has embodied several key elements:

- ✓ **Applying a climate lens to all of the Foundation's work:** LMCF considers the impact of climate change across all its initiatives. In their grantmaking they reflect on questions such as how an area they are working in would be affected by climate change – heatwaves and health – or ways to reduce carbon emissions in their projects – by requiring energy efficiency in affordable housing for example. They also fund social enterprises and employability programmes for disadvantaged groups to capitalise on emerging jobs in the low-carbon economy. By employing a climate lens, they not only consider the potential challenges but also spot new opportunities to achieve impact goals such as economic inclusion and better quality of health. The Foundation is also committed to decarbonising their endowment investment portfolio by 50% by 2030 and continuing to decrease beyond this, to ensure alignment with the impact they are working towards.
- ✓ **Internal transformation as a funder:** LMCF's work has been a journey of learning and discovery, as it expanded its staffing, knowledge, grantmaking, and collaborations around climate action. To build on its organisational capacity, employing the right staff with mitigation and resilience expertise has been key. Roles have also started to focus on forward-looking economic models. LMCF adopted an evidence-informed approach, drawing on learnings and insights from COP21, engagement with partners such as ClimateWorks, Climate and Health Alliance, Jesuit Social Services, and decades of research on climate change adaptation and disaster risk reduction to shape their interventions. Building on their growing knowledge of climate change and the emerging needs of the communities they serve, LMCF launched the Hot Spots initiative in 2018, which aimed to support vulnerable groups during increasingly frequent heat waves in the city through a series of partnerships. Learning from these experiences, including the implications of interacting, cascading events, and the understanding that vulnerabilities to climate change impacts are driven by social inequities, LMCF has since expanded this funding programme with the launch of its new Climate Neighbourhoods Initiative.
- ✓ **Creating awareness on climate change:** Climate change has been a political issue in Australia and one of the first actions LMCF took was to build understanding and create awareness through research and supporting trusted voices providing high-quality data via mainstream channels such as National and commercial TV channels, working with the Australian Football League, doctors and farmers. Their collaborations on research have continued to build more knowledge of issues such as supporting FoodPrint in mapping food systems in Australia and identifying the need for drought-proofing. They are deepening their work by supporting the Australian Council for Social Service (ACOSS) for a fast and just transition.
- ✓ **Developing capabilities and working through partnerships:** Initiatives like Hot Spots have established on-the-ground partnerships, engaging community health organisations, neighbourhood houses and large social services as key agents in climate change resilience at the neighbourhood level. Building upon LMCF's mandate to tackle the major social and environmental issues facing Greater Melbourne, this work demonstrates their adaptability to face a new challenge. To support their new strategy, the Foundation has also appointed staff with relevant knowledge in climate change resilience and just transitions and partnered with academic institutions on research.
- ✓ **Embracing an adaptive action learning approach:** Climate change is a complex issue where innovative solutions are just starting to emerge, so it is necessary to manage uncertainty and continually adapt approaches as required. Aware that Australia was also relatively behind in climate change action, LMCF decided to move forward and test and learn as they went along to innovate their interventions. This process began with identifying issues that they wanted to address and allocating seed funding to targeted pilots based on need. Learning from what works, and what does not work, successful pilots were then supported with follow-on funding to expand over time. Insights gained from pilots were also leveraged for wider scale-up and replication, such as the new Climate Resilient Neighbourhoods initiative. This process also involved collaboration with academic experts and deep research on the focal issue, as well as the development of a knowledge-sharing hub. LMCF's adaptive approach was consistent with their view of philanthropy as risk capital to test new solutions, and collaborations enable the funding of evidence-based work.
- ✓ **Adopting a systems change perspective:** The Hot Spots initiative adopted a systems change perspective by fostering collaborations among community organisations seeking to tackle the root drivers of climate

vulnerabilities. This initiative supports the voices, capabilities, and aspirations of communities whose resilience is currently undermined by health inequities. LCMF is also working towards creating an enabling environment by influencing policy and regulations, and through funding research that can lead to more effective mitigation of climate change risks, better energy policy, reductions in residential greenhouse gas emissions and building climate change adaptation capacities. It is also hosting the Collaborative for Community Resilience which is building a network and will provide a site for shared online resources to connect communities, and organisations working on resilience. Another LCMF-funded project that links economic disadvantage and climate change is the *Fast and Just Transition* work led by the Australian Council of Social Services.

What have they learned?

- ✓ **Recognise that polycrisis is inevitably linked to your mission.** LCMF recognises how vulnerable and marginalised communities are often the most affected by issues such as climate change. Key societal challenges are increasingly interlinked and overlapping.
- ✓ **Integrating a polycrisis lens does not necessarily require changing the work that you do.** Start with thinking deeply about how these issues impact your communities and areas of impact, either as challenges or opportunities. For LCMF, the key moment came when they recognised that the disproportionate impacts of climate change and disasters are driven by social and environmental inequities – key issues on which the Foundation was already working.
- ✓ **A polycrisis lens can also unveil novel opportunities for achieving meaningful impact in line with your core mission,** such as job creation or better health outcomes.
- ✓ **Considering how different themes intersect can also reveal new ideas and perspectives for addressing climate resilience.** Through their insights from COP21, partner engagements and research, LCMF learned how the resilience of communities to climate change was underpinned by issues of social and economic inclusion in housing, health, and jobs. Social connections within neighbourhoods strengthened the ability of communities to respond to and recover well from climate shocks and stressors. They could also see this link in their work on affordable housing.
- ✓ **Adopt an adaptive, test-and-learn approach.** Given the complexity and uncertainty surrounding grand challenges like climate change, no one organisation or sector will ever have all the answers. Look to work through collaborations with knowledgeable partners across all levels, from on-the-ground groups to academia, and make sure that your organisation has the flexibility to adapt in the face of new challenges or when new knowledge and insight becomes available. Being part of networks has been of significant value to LCMF, from Dr Brown's participation in the Climate Funders Initiative alongside COP21 that kickstarted their climate journey, and they are now Australia's first signatory to International Philanthropy Commitment on Climate Change.

Key outcomes and impact indicators

797 million

The Victoria government has introduced AUD 797 million in funding for the uptake of renewables and energy efficiency, influenced by the Foundation's partners.

40 representatives

40 representatives from 15 community service organisations connected to an array of community groups and individuals worked to map collaborative actions to tackle climate change.

123 houses

The housing upgrade programme is providing renewable energy and efficiency to 123 houses for low-income groups with health conditions.

6 to 7-star energy rating

Federal Government standards for new housing increased from a 6 to 7-star energy rating, following five years of policy advocacy by a collaboration of 100 nonprofit organisations led by Renew.

Australian populations

LMCF-funded research drew attention to the previously overlooked dire threat of extreme heat to Australian populations. Local projects demonstrated a response that can be replicated.