

Simone Schwarz  
File Ref:

3 November 2004

Mr Vick Buchbach  
The Committee Manager  
Public Accounts Committee  
Parliament House  
Macquarie Street  
Sydney NSW 2000

Dear Mr Buchbach

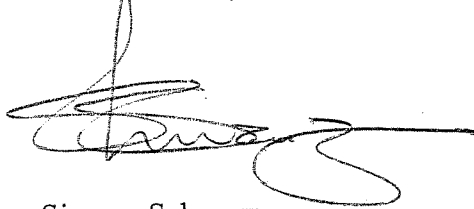
**Submission to an Inquiry into Sustainability Reporting in the NSW Public Sector**

Attached is our submission to the above inquiry, and copies of the current reporting documents referred to in the submission.

We have obtained a verbal extension to the closing date for submissions from Ms Jackie Ohlin.

Please contact me if you require further information on 9710 0674 or by email on [sschwarz@ssc.nsw.gov.au](mailto:sschwarz@ssc.nsw.gov.au).

Yours faithfully



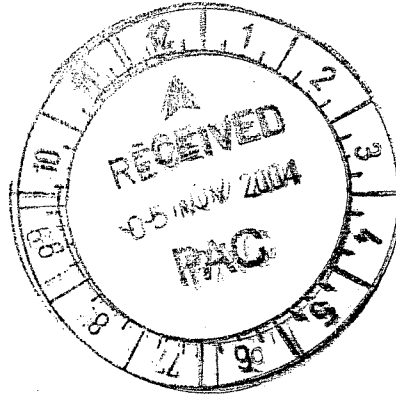
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for J W Rayner  
General Manager



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# ***Sutherland Shire Council's***

***Submission to an Inquiry***

***into***

***Sustainability Reporting***

***in the***

***New South Wales Public Sector***



## **Background**

Sutherland Shire is a significant part of the growing Sydney Metropolitan Region and is home to approximately 5% of Sydney's population (approx 215,000 residents).

The total area of the Sutherland Shire is 370sq km. We have four national parks, including Australia's oldest (the Royal National Park). We have 11km of beaches and the area is known for its natural qualities of bushland and waterways.

On the social front, residents enjoy an outdoor lifestyle of sport and enjoying our beaches, waterways and bushland. We have a strong social fabric, with greater numbers of residents volunteering than the national average (NIPS 2004\*).

The unemployment rate in the Shire is low, estimated to be around 3.5%, with 75% of the labour force employed in white collar occupations. However, more than 60,000 residents are employed outside the Shire.

(\* Neighbourhood Interaction and Participation Survey, Sutherland Shire Council, 2004; all other information above sourced from the Triple Bottom Line Management Plan 2004/05 to 2007/08 (attached).)

## **Interest and expertise in Sustainability Reporting**

Sutherland Shire Council has a great interest in sustainability reporting for two reasons, the first being our obligations under various pieces of legislation to produce: a State of the Environment Report; Management Plan; Annual Report and Social Plan; and the second being that our residents value the quality of the natural and social environment and as such we reflect this as an organisation and have pursued best practice in producing an award winning *State of the Shire 2004 report: a question of sustainability*, and have pursued internationally recognised work in eco-accounting.

Our experience in sustainability reporting has led us to the conclusion that reporting is not an end result in itself, but rather is one methodology to get to sustainability. Reporting alone is not the answer, it is the action that is taken as a result of reporting that is important. Without this insight, sustainability reporting becomes meaningless.

## **Sutherland Shire Council's approach to TBL and sustainability reporting**

Council regards itself as a triple bottom line organisation. Our direction is to pursue sustainability across economic, social and environmental considerations. We address economic, social and environmental issues on a day to day basis, in the deliberate actions, projects and programs that are part of our business. Some examples include:

- Our parks, sporting and community facilities are provided to have positive social outcomes
- Bush care, and gross pollution traps are provided to protect the environment
- The Sutherland Shire Hub of Economic Development (SSHED), our business accelerator, and other economic development activities are provided to have positive economic outcomes .

All the projects, programs and actions we intend to undertake are outlined in the Triple Bottom Line Management Plan 2004/05 to 2007/08.

However, we recognise that there are unintended environmental, social and economic impacts as 'by products' of the work that we do, for example:

- Watering our playing fields (where we try to minimise water use)
- There can be waste and environmental impact from building and road works (which we try to recycle where possible)
- Our employment practices affect the Sutherland Shire, as we are one of the largest employers in our area

So there is both a positive and negative impact of the work that we do. Similarly, the approach that we have taken is that we will provide performance reports on both the positive and negative impacts of our work.

TBL is about the impact an organisation, in our case, Sutherland Shire Council, is having on the community it operates within.

We regard the triple bottom line as a methodology for delivering sustainability. The outcome we are trying to achieve is a sustainable Sutherland Shire, in line with the vision outlined by our community in the *Our Shire, Our Future, Our Guide for Shaping the Shire to 2030* (attached)

There is no point in TBL or sustainability reporting if no action is taken on the results of that reporting. The outcome of reporting must be action, otherwise it is a waste of time.

### **How is council applying TBL?**

Council is applying TBL by reflecting that we are a TBL organisation. We have developed the Triple Bottom Line Management Plan 2004/05 to 2007/08, which has TBL statements at the beginning of each principal activity.

We treat all our projects as contributing to TBL (as everything we do is intended to have a positive environmental, social or economic outcome) and therefore all our key performance indicators are relevant for TBL reporting.

In this way, we are reporting on the positive and negative impacts we are having on the community.

We have grouped all our principal activities under the TBL headings of environmental, social or economic as follows:

#### **Environmental**

- Nurture our clean and beautiful natural environment

#### **Social**

- Improve our suburbs
- Increase the number of citizens involved in community life

- Build safe, active and healthy lifestyles

#### **Economic**

- Maintain our prosperous local economy
- Business activities

The only principal activity not grouped under these headings is council's Support Services, which otherwise would be allocated across all these areas as appropriate.

Our key performance indicators are grouped under the following headings:

- **Achievements**
- **Satisfaction and**
- **Effectiveness**

We have indicators that tell us how we are going on our planned projects and programs, for example:

#### **Environmental**

- Riverkeepers maintained
- Tree giveaway program conducted
- Noxious weeds program undertaken

#### **Social**

- \$200,000 spent on disabled access works
- Increased attendance at community events and activities
- Engadine Leisure Centre Learners pool redeveloped

#### **Economic**

- 90% occupancy rate for the business accelerator (SSHED)
- Median time for processing business development applications
- Business clusters identified and plans developed

The most recent performance reports contain detailed information about how we are progressing on the projects and programs outlined in the current Triple Bottom Line Management Plan 2004/05 to 2007/08.

We also have indicators to tell us how we are going on the unintended impacts of our work, for example:

#### **Environmental**

- Reduction in council's energy consumption
- Reduction in water consumption by council operations
- % decrease in council's use of fuel
- reduction of waste to landfill from council operations

#### **Social**

- Access to carers leave, job share and part time positions
- Reduction in workplace grievance/EEO complaints

- % staff accessing study leave
- zero occurrences of WorkCover reportable workplace incidents

We also use TBL as a decision-making tool:

- all reports to council must address environmental, social and economic impacts
- managers are being trained in sustainability issues

The intention of TBL is to make council's work units focus on the unintended consequences and impacts of the programs and projects they undertake to minimise these negative impacts.

It is about the way we do business – the way we operate, to be more sustainable in our community.

Sutherland Shire Council's approach to TBL is that it is both a reporting mechanism and a decision-making tool, and that TBL for local government is just core business.

But above all, it is a methodology for delivering sustainability.

### **What about the sustainability of the Shire?**

While TBL is more about the impact an organisation, in our case, Sutherland Shire Council, is having on the community, Council also measures how sustainable the Shire as a whole is in a report entitled *State of the Shire 2004 report: a question of sustainability*.

For more detail on the environmental issues and condition of the Shire, the *State of the Environment Report 2002/03* should be referred to, and for more detail on social issues within the Shire, the various target plans within the *Social Plan* should be consulted.

Council has also undertaken some ground breaking, internationally recognised work on eco-accounting (sample report attached).

### **Response to specific terms of reference of the Inquiry**

#### **2c) Whether sustainability reporting should be linked to other reporting mechanisms to Parliament:**

Another new regime of stand alone reporting just creates more work. Where possible, it should be linked and integrated to other reporting mechanisms.

Sustainability reporting should not be made mandatory for local government. Many councils have difficulty with the legislative reporting requirements and unless there is a willingness to do something as a result of the reporting, then it is just a wasted exercise and will become a token effort. By keeping it voluntary, there may be more opportunity for councils to take the actions that are needed to become sustainable, by doing it in their own way, within their own capabilities.

**2e) Consider how effectively sustainability reporting is linked to actions within and across agencies:**

This is the key to sustainability reporting. Reporting for the sake of reporting will not bring the change required to become more sustainable. The resulting actions within and across agencies is the critical issue to becoming more sustainable.

**3c) Examine the value of core sustainability indicators across all public sector agencies versus development of indicators which are agency-specific:**

While sustainability reporting should not be made mandatory, there are core indicators that could be suggested as a minimum. Environmental indicators include use of power, water, fuel and the production of waste. Social indicators include access to personnel policies (not that they exist outside award conditions) such as carers leave, job share, study leave, the incidence of workplace grievances and Workcover reportable incidents.

**Conclusion**

Sutherland Shire Council would not like to see mandatory sustainability reporting for local government, or for the NSW public sector. Sustainability reporting is not an end in itself, rather it is the action as a result of reporting that is critical. The danger is that sustainability reporting will become yet another set of reports which will result in no action, and therefore be useless. All organisations should be encouraged to undertake sustainability reporting, but if there is no action as a result of the reporting, then it has not been a successful methodology for delivering sustainability.