

## 4. Improving the sustainability of Council's operations

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This report recommends a direction for Council's operations that meets statutory requirements and supports Council's leadership role in promoting sustainability action across the Bega Valley Shire.

**Group Manager, Planning and Environment**

### BACKGROUND

Since 1993 Local Government has, as one of its functions, been charged with managing our community in an ecologically sustainable manner whilst also demonstrating community leadership. This has been accomplished by Bega Valley Shire Council to date in a general manner with principles of sustainability being applied non-specifically across operations and services – for example, the purchase of 100% renewable energy, the adoption of “50/50 by 2020” as a policy position and the participation in the Cities for Climate Protection Program (CCP). Whilst this has generally met Council's legal obligation, it has not placed Council in a position of demonstrating leadership by ensuring that its own operations are cost effective and heading towards sustainability.

In 2008 Council committed to a Southern Councils Group (SCG) project “Business Treading Lightly” (BTL). This project was developed by the SCG to assist targeted businesses reduce their ecological footprint by operating more sustainably. BTL is funded by the NSW Environmental Trust through a \$2 million grant. BTL has a Project Officer based at Council's Bega Administration Centre. A key objective in the BTL Business Plan is to also improve the sustainability performance of member councils.

### DISCUSSION

There are two main programs available for local government in NSW to assist councils in moving towards a more sustainable way of operation. These systems are the Local Government and Shires (LGSA) ‘*Sustainability Health Check*’ and the Department of Environment and Climate Changes (DECC) ‘*Sustainability Advantage*’. Both systems are similar in approach and have been assessed by staff as to suitability. Although the initial registration costs of ‘*Sustainability Advantage*’ are higher, the level of support provided is much greater. The program is supported by the Department of Environment & Climate Change and is also used by Business Treading Lightly. ‘*Sustainability Health Check*’ is a self-assessment tool which may assist in raising awareness of sustainability issues, but does not in itself provide solutions and cost savings.

‘*Sustainability Advantage*’ is a business support service from DECC that over 220 businesses have been involved with to date. It is designed to help organisations understand sustainability, successfully manage for a better environment and add business value. Organisations that take part in ‘*Sustainability Advantage*’ do so to

40 identify and take advantage of opportunities in innovation, increase the understanding and relevance of sustainability, reduce costs (energy and resources), improve productivity, enhance their reputation, access the latest environmental advice and improve their environmental performance.

The program examines the organisation across ten key areas ranging from “financial management” to “leadership and staff” in order to benchmark baseline performance.

Closer examination and plans for future action are then developed with consultants across a number of modules.

- Vision commitment and planning
- Resource efficiency
- Environmental risk and responsibility
- External stakeholder engagement
- 50 • Supply chain management
- Staff engagement
- Climate change

The modules are delivered by specialists funded by the DECC who are experienced in helping organisations plan and implement environmental projects using tools, training and expert advice. Most councils undertake 3 or 4 modules with the choice of modules open to each registered participant.

60 This program will satisfy Council’s commitment to the BTL project and will also demonstrate Council’s commitment to progressing sustainably. The application costs with the DECC are \$3000 and this includes use and access to all modules complemented by a number of business and sustainability consultants. ‘*Sustainability Advantage*’ is preferred by staff. The ongoing costs of involvement (after sign up) will be covered by existing budgets and reimbursed by savings into the future. ‘*Sustainability Advantage*’ will also provide additional impetus to Council’s involvement with the Cities for Climate Change Program (currently completed Step 1).

Other councils currently involved in ‘*Sustainability Advantage*’ include Lake Macquarie City Council, Lismore City Council, Sutherland Shire Council, Marrickville Council, Willoughby Council, and Parramatta City Council.

## ISSUES

### Legal

70 Under Section 7 of the Local Government Act 1993 Council has an obligation to carry out its functions in a manner that addresses sustainability. In addition the charter of the Act (s8) also requires Council to conduct its operations in a sustainable manner and also to provide community leadership.

## Policy

In order to demonstrate community leadership it is important that Council further develops its environmental management policy framework.

## Environmental

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Council has a responsibility to ensure that its own operations are conducted in a sustainable manner. The program through its diagnostic analysis of key operations, will help lower Council's impact across waste, water, energy and fuel use.

## Asset

An understanding of the current costs of Council's own operations will provide a baseline for comparing costs into the future. Some energy costs are expected to decrease. Many councils also find improved procurement outcomes.

## Social / Cultural

Council is charged with providing leadership to the community in many areas. By demonstrating its own sustainability Council will meet this obligation and will be better placed to influence and lead the development of greater sustainability outcomes across the Bega Valley.

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## Financial

Registration costs of \$3,000 are required and are proposed to be funded from the Environment Levy reserve.

## Resources (including staff)

The Sustainability Advantage Program will conduct diagnostics of resource efficiency, supply chain and environmental risk as priorities. This will allow alignment with CCP milestones and enable annual reporting of progress through the Sustainability Health Check.

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The examination of Council's current position in regard sustainability and the development and implementation of action plans to improve our sustainability into the future will involve a strong commitment from senior staff and managers (and all Council staff). As action plans are implemented, establishment costs are proposed to be funded from the savings that will result. These costs are proposed to be funded from a revolving fund established for that purpose, initially funded by the Environment Levy.

## Operational Plan

Following installation of new financial software and design of an updated chart of accounts, it is anticipated the 2010/11 budgets and financial accounts will be capable of reporting in a triple bottom line format.

## **CONCLUSION**

110 Council should continue to undertake a further review of its own operations using a number of different tools. An independent procurement review is separately under way. *'Sustainability Advantage'* provides a greatly subsidised means for this process to occur, whilst assisting Council in its role as a community leader in this important issue. This also directly complements the BTL project in working with local businesses.

## **RECOMMENDATION**

That Council further progresses the sustainability of its own operations by joining the DECC *'Sustainability Advantage'* program.