

**House of Representatives Standing Committee on Environment and Heritage  
Submission re Sustainability Charter from Z. Kapera**

**Introduction**

**SUBMISSION NO. 40**

This is an independent submission from a professional local government officer. The observations relate primarily to local authorities, which are considered to “play a vital role in educating, mobilising and responding to the public to promote sustainable development”. (**Agenda 21 – 1992**)

The feedback to the discussion paper is made largely in the context of the U.K’s Best Value Performance Management Framework, which essentially is a continuous improvement tool that ensures local authorities account, to the public, for their corporate social responsibility.

My experience has been to review local authority governance and reporting systems for over twenty years in both the U.K. and Australia. My credentials are as follows:

- Professionally qualified internal auditor (CIA – Certified Internal Auditor)
- Post Graduate diploma and Masters degree covering governance, sustainability, Best Value and performance management
- Development of Best Value methodology, establishment of performance indicators and benchmarking activities
- Development of a governance framework consistent with Australian Standards 8000 series
- Development of Triple Bottom Line performance indicators based on “Quality of Life” indicators and Global Reporting Initiative

**General**

**Questions for consideration**

Responses

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>• Should a sustainability charter consist of aspirational statements, set targets (such as measurable water quality) or both?</li></ul>   | 1. Both  |
| <ul style="list-style-type: none"><li>• What research will be needed to develop and support the Sustainability Charter?</li></ul>   | 2. Various   |
| <ul style="list-style-type: none"><li>• Can existing standards (such as the Water Efficiency Labelling and Standards (WELS) Scheme) be applied to the Sustainability Charter?<ul style="list-style-type: none"><li>➤ What are they?</li></ul></li></ul> | 3. Yes but many more dependant on sector & legislation |
| <ul style="list-style-type: none"><li>• Can the charter be framed in such a way to ensure that it can be integrated into all level of government decision making?</li></ul>   | 4. Yes should be                                       |
| <ul style="list-style-type: none"><li>• Will there be a cost/gain to the economy by introducing the target(s)?</li></ul>  | 5. Cost but gain for democracy/governance              |
| <ul style="list-style-type: none"><li>• Could a sustainability charter be incorporated into national State of the Environment reporting?</li></ul>  | 6. Has to be compatible                                |
| <ul style="list-style-type: none"><li>• Is National Competition Policy a good template for consideration of incentive payments for sustainable outcomes?</li></ul>  | 7. ?   |
| <ul style="list-style-type: none"><li>• How should payments be awarded under the Sustainability Charter?</li></ul>  | 8. Performance based                                   |
| <ul style="list-style-type: none"><li>• Is it possible to measure cultural and social values in relation to a Sustainability Charter?</li></ul>   | 9. Yes. U.K  |

**Responses:**

1. Both – Performance management techniques involve setting objectives and establishing associated performance measures and targets to measure success. Performance indicators and performance management frameworks “enable local authorities to benchmark themselves with against other councils in other areas; they allow the Government to monitor progress over time; and they provide useful information to local people.” (**Deputy Prime Minister – U.K. Best Value Performance Indicators 2005/6.**)

**House of Representatives Standing Committee on Environment and Heritage**  
**Submission re Sustainability Charter from Z. Kapera**

Recent developments with regard to the Corporate Social Responsibility and Governance Standards Australia make the case for internal and external reporting across the triple bottom line. The Environment Institute of Australia and New Zealand also responded recently to the Australian Government Corporations and Markets committee stating that it “sees merit in both integrating CSR reporting into existing financial reports and in publishing separate CSR reports. The most important issue is that a company’s environmental, social and broader economic performance or contribution is adequately and truthfully reported”.

2. The major challenge is to avoid duplicating indicators and aspirations, which have already been developed such as ESD, SOE, Regional Plan, GRI, “Quality of Life”, Managing For Outcomes etc. Another challenge is to develop greater parity between all the different schemes, initiatives, legislation and strategies to ensure “joined up government”. National “quality of life”/sustainability aspirations should be consistent with State and local government. Far too often, strategies differ at the Federal and State levels and in some cases there is no take up at the local Authority level at all.

A good example is Greenhouse gas emissions, There is a National and State Strategy, which is at odds with Kyoto and at Council level, Cities for Climate Protection may have reduction targets. Furthermore the State has in its “Managing For Outcomes” publication greenhouse gas emissions as an indicator but some local councils, in the same state have no greenhouse kpis or reduction measures being monitored or reported.

Research needs to consider all the current performance measures and reporting systems across Australia but also consider the U.K. Best Value performance management framework. The objective should be to establish greater parity of aspirations and measures so that all agencies/local authorities can be measured and compared on their sustainability performance.

3. Again there are so many existing standards, either promoted by legislation, best practice institutions both here and abroad that the issue is to select the most appropriate or arrive at some common ground.

Other standards are:

- GRI (public Sector supplement)
  - AS/NZS ISO 14031:2000 – Environmental performance evaluation – guidelines
  - U.K. BVPI National indicators and targets
  - National Water Quality management Strategy
  - Queensland Water Quality Guidelines
  - Various legislation (EPAct, EPBC Act, Water Act, various policy under EPAct)
4. Yes at the outcomes level (community safety, wellbeing, environment, etc) Agency and local authority will have some collaboration and parity exercises to enable relevant measures for both. (e.g. State Education Service will have different kpis to local authorities, but some objectives will be similar like Libraries)
  5. Performance Management has been an essential part of TQM since the 50’s. The cost issue is a matter of perspective. Sure if agencies and local authorities are not measuring performance there will be a redirection of resources or additional resources but you could argue that this is what they should be doing.
  6. Yes but SOE does not currently hold individual Councils to account, therefore improvement measures are not always taken.
  7. Social and cultural measures have been developed globally and are measured in the U.K. through the Best Value Performance Management Framework, as is environmental performance, against national targets.

**House of Representatives Standing Committee on Environment and Heritage  
Submission re Sustainability Charter from Z. Kapera**

**The Built Environment**

Questions for consideration	Responses
<ul style="list-style-type: none"><li>• What objectives are applicable to the built environment?<ul style="list-style-type: none"><li>➤ How would these be measured?</li></ul></li><li>• How should we rate the sustainability of existing building infrastructure?<ul style="list-style-type: none"><li>➤ Could a measurement of level of retro-fitting achieve this?</li><li>➤ How would we measure levels of retro -fitting?</li></ul></li><li>• Do we need to protect heritage buildings as part of the sustainability charter?</li><li>• Can existing building standards, such as the 5 star rating system, be incorporated into the Sustainability Charter?</li></ul>	<p>1. Integrated Planning Act, Regional Plan. Building codes. Not being measured</p> <p>Yes</p> <p>2. Should be, but</p>

**Responses:**

1. Planning schemes are obliged to determine desirable environmental outcomes. However, few local authorities actually measure these performance areas
2. 5 star rating system does not apply to all States. Therefore there is a lack of parity and inconsistent building standards across Australia

**Water**

**Questions for consideration**

<ul style="list-style-type: none"><li>• How should water quality be measured?</li></ul>	Drinking water and pollution
<ul style="list-style-type: none"><li>• Should targets be focused on reducing water consumption, increasing water re-use or both?</li></ul>	Both and more
<ul style="list-style-type: none"><li>• How can we measure the health of water catchment areas?</li></ul>	Report Cards/SOE

**Responses:**

1. The UK Government Sustainable Development Strategy has 68 specific performance indicators including these two for Water:

**5. Water resource use:**

Total abstractions from non-tidal surface and ground water, leakage losses and Gross Domestic Product

**16. Domestic water consumption:**

Litres per person per day

**17. Water stress:**

*(to be developed to monitor the impacts of water shortages)*

Check out the following link: <http://www.sustainable-development.gov.uk/progress/indicators/index.htm>

**House of Representatives Standing Committee on Environment and Heritage  
Submission re Sustainability Charter from Z. Kapera**

2. Water quality is governed by the Water Act and the EPAct, Water policy, Standards are set for both drinking quality and discharge and pollution. Much of this information/measurement is being reported already through a variety of initiatives including annual reports and report cards. However, there is scope to establish greater parity and increase accountability

## Energy

### Questions for considerations

- How should we measure the use of renewable energy?
- How do we encourage an increase in renewable energy use?
- Can we measure the awareness of the environmental, economic and social benefits of energy efficiency and renewable energy?

GRI provides protocols so does ICLEI, CCP

Need to consider Nuclear power

Surveys

### Responses:

Again there are a number of protocols, commonalities need to be derived and promoted.

Surveys and education programs are the best means of measuring qualitative data

The "London Quality of Life Indicators" report has some useful comparisons and examples follow the link [http://www.london.gov.uk/mayor/sustainable-development/docs/lfdc\\_indicators\\_2005.pdf](http://www.london.gov.uk/mayor/sustainable-development/docs/lfdc_indicators_2005.pdf)

## Transport

### Questions for consideration

- How do we judge the efficiency of transport systems?
- What transport infrastructure measures will reduce private transport needs?
  - How do we measure these?

U.K. is good source of reference. Especially efforts in London

### Responses:

In the U.K. there are several sources and programmes for sustainable development including the Best Value Programme, for local Councils who report on **passenger journeys on buses** and other indicators in Local Action 21 strategies. Also of interest in the Mayor of London annual "London's Quality of Life Indicators" report. The attached extract covering Transport is a useful example, but the document also covers journeys to school by type:

## 16. Traffic Volumes

London traffic volumes remained the same from 2002 to 2003 at 32.8 billion vehicle km<sup>24</sup>. Since 1999 traffic flow in London has been stable at around 32.7 billion vehicle km, while nationally volumes have risen by 5%. Over a 10-year period the difference is more pronounced with traffic across the whole of Great Britain increasing by 19% compared with less than 7% for London.

Source: Department of Transport Traffic volumes

Transport is closely linked to economic growth, social inclusion and environmental quality. As such, it is a key quality of life indicator. Reductions in traffic volumes can help ease congestion on the roads, as well as reducing vehicle emissions, which affect air quality.

Overall motor traffic in London has remained relatively static in recent years, in comparison

to national upward trends. On major roads in London, there has been a general decline in daily traffic flows by cars and taxis since 2000. Motorcycle and pedal cycle flows both increased in 2003.

Car ownership levels in London remain lower than national levels. In 2003, 39% of households didn't own a car compared to 37% for the period 1999/01.

Congestion charging was implemented in February 2003, and has contributed to a 16% reduction in traffic volumes in vehicle kilometres within the central London charging zone.

### Conclusions:

1. Need a Sustainable Development Commission with National and State jurisdiction. (Note sustainable development goes beyond "development" and includes "quality of life" and governance)
2. Performance Management Frameworks do work. Best Value example in the U.K. is proven in the public sector. The principle behind the U.K. performance management framework should be considered as part of the solution here.
3. Objectives can be set Nationally and cascade down across Agencies and Local Councils.
4. Targets and measures should be mandated, measured, reported and benchmarked to ensure continuous improvement and accountability at the individual Agency and local authority level, in accordance with CSR standards.
5. Performance should be evaluated by third party auditors to improve credibility and public confidence.