



Minister for the Environment and Climate Change, Gavin Jennings (centre) introduces the facilitators for the new Climate Communities Grants Program, launched in April 2010.

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Part 1

Foreword



The Victorian Government established Sustainability Victoria in 2005 to deliver its policy of a thriving sustainable economy and liveable communities. We act as a catalyst to introduce and support sustainable approaches to regional and urban living, production and consumption.

2009–10 was a challenging and exciting year for us. Our achievements, delivered in partnership with a wide range of Victorian organisations and communities, are set out in this Annual Report.

The outcomes of our activities are difficult to measure discretely, because they are only one driving factor in the complex evolution of our society towards embedding sustainable practices. This report outlines our progress against the targets we have set to guide our work. In 2009–10 we also determined that we needed to do further work on a comprehensive set of measurements to ensure that investment is deployed to maximise the benefit to Victoria. We established a board committee in February 2010 to oversee the development of Sustainability Victoria’s performance monitoring framework.

Joining with the iconic community organisation Keep Australia Beautiful Victoria was a highlight of the past year. It enabled us to increase our reach to Victorian people, whether they live in metropolitan or regional Victoria.

In 2009–10 we met our commitment to deliver more than 10 million tonnes of greenhouse gas abatement over the four years, 2006–2010.

We strengthened and reshaped our existing programs to better meet the information, advice and support needs of Victorians. This included:

- + integrating our digital and call centre operations and associated programs, and reaching almost two million Victorians as we progress towards the establishment of a One-Stop-Shop
- + providing 15,351 rebates to Victorian households, which reduced greenhouse gas emissions by more than 15,101 tonnes

- + extending our Right Advice at the Right Place Program to 326 appliance retail stores across Victoria, which contributed to Victoria leading the country in the sales of energy and water-efficient appliances
- + providing free energy and water retrofits to 1,975 low-income households to help them adapt to the impacts of climate change
- + establishing programs that engaged more than 5,000 Victorian households in the sustainability agenda through workplaces, schools and leisure activities.

We celebrated Victorians' achievements through the Premier's Sustainability Awards, the ResourceSmart Schools Awards, the Keep Australia Beautiful Sustainable Cities and Clean Beaches Awards and the Tidy Town Awards.

In the resource recovery sector, we partnered with key industry associations and businesses to identify lifecycle or supply chain opportunities to make more effective use of resources.

We witnessed the agreement of national and state governments to formulate national product stewardship framework regulations, informed by our work with several industries in computer recycling.

We saw the release of the Victorian Government's Litter Strategy, *Creating Cleaner, Safer Places*, and developed the associated Action Plan in partnership with a range of organisations.

We provided authoritative advice to our stakeholders on energy efficiency, renewable energy developments and opportunities. We also connected business, community and government stakeholders to support new developments in renewable energy.

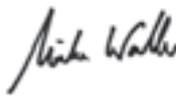
We dedicated resources to support the rebuilding of homes and communities destroyed by the February 2009 bushfires. In keeping with this, we also renewed our focus on the built environment generally, working in partnership with the building industry and other stakeholders to improve the sustainability performance of our buildings.

Much of our work during 2009–10 strengthened Victorian communities. In April 2010, the Premier announced the Victorian Government's \$10m investment in the Climate Communities program to help Victorian communities adapt to the economic, social and environmental impacts of climate change.

We commenced the integration of our community-based programs to deepen our connections in regional Victoria, and we managed the Review of Regional Waste Management Groups.

We supported and demonstrated a range of opportunities for a more sustainable future through our groundbreaking work on building the business case for – and assisting in the development of – sustainable precincts.

It is with pleasure that we commend the 2009–10 Sustainability Victoria Annual Report to you.



Mike Waller
Chair



Anita Roper
CEO



Part 2

About Sustainability Victoria

Manner of establishment and responsible minister

Sustainability Victoria is a Victorian Government Statutory Authority established under the *Sustainability Victoria Act 2005*. Gavin Jennings MLC, Minister for Environment and Climate Change, is the responsible minister for the reporting period 2009–10.

Objectives, functions and powers

The objective of Sustainability Victoria is to facilitate and promote environmental sustainability in the use of resources.

The functions of Sustainability Victoria are contained in the *Sustainability Victoria Act 2005*, Part 2(7).

The powers of Sustainability Victoria are contained in the *Sustainability Victoria Act 2005*, Part 2(8).

Our role

Sustainability Victoria implements Victorian Government policy by working with business, government and the community to reduce carbon pollution and facilitate the smarter use of energy, materials and water.

Complementing the work of other government and non-government agencies, we address areas of market gaps or failure and encourage innovation. We are helping Victorians to change their behaviour by providing evidence, tools and incentives for a more sustainable future.

Our vision

That Victorians use resources sustainably to support a thriving community and economy.

Our purpose

As an agency of the Victorian Government, we are a catalyst for sustainable growth and development in Victoria. We bring together the knowledge and capabilities of people, organisations and communities to deliver integrated social, economic and environmental outcomes.

Policy framework

The Victorian Government recognises that a healthy environment underpins Victoria’s long-term prosperity. Its goals are stated in *Growing Victoria Together: protecting the environment for future generations and using natural resources efficiently*.

In 2005, the government released *Our Environment, Our Future: Victoria’s Environmental Sustainability Framework*. This document outlines the policy framework for delivering on the objective of environmental health and sustainability. It includes the following key policies and commitments:

- + *Our Environment Our Future: Environmental Sustainability Action Statement* (2006)
- + ‘Tackling Climate Change’ and ‘Water: Making Every Drop Count’ (2006)
- + *Renewable Energy and Energy Efficiency Action Plans* (2006)
- + *Sustainability in Action: Towards Zero Waste Strategy* (2005)
- + *Victoria’s Greenhouse Strategy* (2002, 2005)
- + *Victoria’s Greenhouse Challenge for Energy* (2004)
- + *Our Water Our Future* (2004, 2007).

More recently, the government has released two statements outlining its plan for sustaining a vibrant economy and energy sector in a world adapting to climate change:

1. *Jobs for the Future Economy Action Plan* (2010)
2. *Cleaner Energy Brighter Future* (2010).

These statements are the key planks of the government’s broader climate change strategy. They provide further guidance for our work in the future.



Our approach

The challenges we face cannot be addressed by any single person, organisation or community. Sustainability Victoria works closely with stakeholders in areas of priority for the Victorian economy, community and environment, particularly where there is clear evidence of market gaps or failures. Our partnerships are fundamental to achieving the integrated social, economic and environmental outcomes that are pivotal to a sustainable Victoria.

Sustainability Victoria's Strategic Plan 2009–2014

Our 2009–2014 strategic plan outlines how we will achieve our aim of being a catalyst for sustainable growth and development in Victoria. We have identified opportunities to be smarter in the way we use resources and to generate economic value through innovation and adoption of emerging and new technologies.

The strategic plan identifies six goals under two overarching strategic directions:

1. sustainable living, production and consumption
2. sustainable resource use in urban and regional communities.

Our six goals are to:

1. encourage business, communities and governments to make more sustainable choices
2. create capacity for sustainable products and services
3. grow the supply of energy from diverse renewable energy sources
4. influence the sustainability performance and use of new and existing buildings
5. encourage sustainable precincts and communities
6. create capacity and demand for 'green collar' jobs.

The key criteria we have adopted to prioritise our actions and maximise our impact are to:

- + connect people and sectors and work with our partners
- + provide and leverage sustainability know-how and solutions
- + promote skills, knowledge sharing and best practice
- + contribute to government policy and leadership.

Strengthening our internal capability is also critical to delivering on our strategic directions and goals.



Part 3

Our Board

The Sustainability Victoria Board consists of nine non-executive members who are appointed in accordance with the *Sustainability Victoria Act 2005*. The Minister for Environment and Climate Change is responsible for all board appointments, ensuring that members have the relevant skills, experience and knowledge to oversee our strategy and functions. The Minister for Energy and Resources and the Minister for Water each nominate one member to the board.

Role of the board

The board is responsible for the good governance and effective leadership of Sustainability Victoria. It:

- + sets the strategic direction, objectives and performance targets for the organisation
- + selects the Chief Executive Officer
- + monitors the operational and financial performance of the organisation
- + oversees compliance with laws, regulations and other obligations
- + sets and monitors internal controls to manage risks
- + ensures appropriate conduct and effective stakeholder relationships
- + manages and monitors board and committee conduct and performance.

Board members

Mike Waller, Chair

Mike is a director and co-founder of Heuris Partners Ltd, a consultancy specialising in the minerals and energy sectors. His earlier appointments include chief economist and head of environment and community relations policy with BHP Billiton. He has held senior positions in UK Treasury and a number of Australian government departments. Mike holds an honours degree in economics from the University of Reading and has undertaken senior executive training at the London Business School.

Cheryl Batagol, Deputy Chair

Cheryl is the chairman of the Victorian Environment Protection Authority (EPA) and a member of the Victorian Catchment Management Council. She serves as acting chair of the Victorian Government's Sustainability Fund. She is a former chairman of Melbourne Water and board member of City West Water and Southern Rural Water. She has 30 years' experience in the waste management industry, including commercial, industrial and trade waste management and treatment. Cheryl also served as the chairperson of EcoRecycle Victoria from 2003–2005.

Mick Bourke

Mick took over as CEO of the Country Fire Authority in September 2009. Immediately prior to that, he was chairman and CEO of the EPA.

He has been in charge of many organisations, including City West Water Ltd and Coliban Water, and has a long background in regional Victoria as well as metropolitan Melbourne. Mick is a past board member of the Energy and Water Ombudsman of Victoria and Melbourne's Royal Botanic Gardens. He holds a variety of other roles related to environment and sustainability.



Tony Marxsen

Tony Marxsen has extensive strategy and operational experience at senior executive and board levels in the energy sector and a range of other industries. Tony has held senior chief information officer roles in a number of large public and private sector organisations. He is currently a principal with The Nous Group, advising major corporations and governments on long-term energy supply planning, regulation, planning and operation of energy infrastructure and climate change mitigation and adaptation options.

Carolyn Lloyd

Carolyn has a long involvement in the building and construction industry, particularly in initiatives that promote and support sustainable urban communities. She is currently deputy chair of VicUrban and a member of the Building Practitioners' Board. She was the CEO of the Housing Industry Association and has held board positions on the Sustainable Energy Authority of Victoria, EcoRecycle Victoria, the Victorian Building Industry Training Board and the Building Industry Advisory Council. She has also lead several international tours of builders and developers who specialise in environmentally sound higher-density urban communities.

Nicholas Gruen

Nicholas Gruen has worked at senior levels in economics and public policy in both the public and private sectors. He was economic advisor to two Cabinet ministers and was appointed to the Productivity Commission (then Industry Commission) in 1993 and later Director of the Business Council's New Directions Program from 1997. Leading Lateral Economics since 2000, he has consulted widely to both private sector and government clients specialising recently in innovation in government.

In 2009 he chaired the Federal Government's Government 2.0 Taskforce, which was widely acclaimed by leading global commentators in the field.

Tanya Ha

Tanya is an award-winning science journalist, author, and environmental campaigner. She specialises in communicating sustainability to a broad audience through mainstream media, particularly television and lifestyle print media. She has written several sustainability-related books, including the children's book *Green Stuff for Kids* and the best-selling *Greenology*. She has a strong background in environmentally oriented not-for-profits, and established the Melbourne office for the Planet Ark Environmental Foundation. Tanya was a board member of Keep Australia Beautiful (National Association).

Mike Hill

Mike has been closely involved with local government for three decades, including serving as a councillor and mayor of Moreland. He was CEO of the Victorian Local Governance Association for nine years. He designed, chaired and is currently director of the Victorian Local Sustainability Accord, which aligns local and state government sustainability and climate change action. Mike chairs the Moreland Energy Foundation, the Natural Resources Conservation League and ECO-Buy Limited and is a member of the advisory committee of RMIT's Centre for Design. Mike is co-director of WestWyck, a company developing an eco-village on a former school site in Brunswick West.

Suzanne Evans (from December 2009)

Suzanne is a partner in a horticultural enterprise in central Victoria, and serves on the boards of North East Water Corporation and Austin Health. She is a past member of the Osteopaths Registration Board of Victoria and the Medical Practitioners' Board of Victoria's Customer Consultative Committee, and is currently on the Minister for Health's list of panel members for hearing complaints against health practitioners. Suzanne has executive experience in the water industry and state Treasury. She holds qualifications in economics and accounting.

Operation of the board

The Board is governed by its Corporate Governance Charter and Framework. Table 1 shows meeting attendance of all board members.

Table 1: Board meeting attendance

Board Member	Meetings Held	Meetings Attended
Mike Waller, Chair	11	11
Cheryl Batagol, Deputy Chair	11	9
Mick Bourke	11	8
Tony Marxsen	11	10
Carolyn Lloyd	11	8
Nicholas Gruen	11	8
Tanya Ha	11	10
Mike Hill	11	11
Suzanne Evans (from December 2009)	5	5

Board committees

There are three committees that assist the board in performing its corporate governance responsibilities:

1. Audit and Risk
2. Human Resources
3. Performance Monitoring Advisory

Each committee operates under approved terms of reference that are reviewed annually. Minutes of committee meetings are tabled at the subsequent board meeting.

Audit and Risk Committee

The main responsibility of the Audit and Risk Committee is to ensure that an appropriate control environment is maintained, with a principal focus on risk management, statutory and regulatory compliance, financial management and audit assurance.

In 2009–10, the committee:

- + appointed HLB Mann Judd as internal auditors
- + reviewed Sustainability Victoria's compliance with the Department of Treasury and Finance's financial management compliance framework
- + reviewed Sustainability Victoria's ICT security testing
- + reviewed Sustainability Victoria's rebate programs
- + reviewed Sustainability Victoria's contract management and administration
- + endorsed Sustainability Victoria's information policy.

The board Chair's risk attestation is shown in Appendix 1.

The Audit and Risk Committee comprises three board members: Mick Bourke (Chair), Tony Marxsen and Mike Hill. There is also one external member, Frank King, who joined the committee in January 2010 to provide independent expertise. Frank has an extensive background in public sector financial management. He is Chair of the Victorian Centre for Adult Education and President of the Emergency and State Services Superannuation Board. He is an independent member and Chair of the Audit Committee of the Department of Health and an independent member of the Internal Audit Committee of the Parliament of Victoria. Frank is a former deputy secretary of the Department of Treasury and Finance, and has been an adviser and project manager on United Nations and World Bank funded projects in East Africa and the Middle East.

The Audit and Risk Committee satisfies the criteria for independence in accordance with the standing directions of the Minister for Finance. Table 2 shows meeting attendance of members of the committee.

Table 2: Audit and Risk Committee attendance

Committee Member	Meetings Held	Meetings Attended
Mick Bourke, Chair	6	5
Tony Marxsen	6	6
Mike Hill	6	5
Frank King (from January 2010)	3	3

Human Resources Committee

The Human Resources Committee oversees remuneration, HR and OH&S practices.

In 2009–10, the committee:

- + reviewed, contributed to and monitored the HR plans for improving organisational culture, and employee retention and development
- + reviewed the desktop audit of Sustainability Victoria's OH&S management system and monitored the implementation of agreed actions based on the AS/NZS 4801:2001 standard
- + monitored the actions identified in the HR risk register to mitigate people and culture risks, and identified trends in the quarterly HR metrics and the annual culture pulse check
- + approved the current year's performance process and timetable for managing CEO performance and updated the CEO succession plan
- + reviewed trends in employee performance ratings for the year.

The committee comprises three board members:

Carolyn Lloyd (Chair), Cheryl Batagol and Tanya Ha. Leigh Keath joined the committee in November 2009 to provide independent expertise. Leigh is the General Manager of HR at Melbourne Water. He is responsible for strategies, policies and procedures in health and safety, culture and leadership, and internal communications. Leigh has a strong and extensive background in HR spanning over 18 years, including Melbourne Water, BHP and BHP Billiton.

Table 3 shows meeting attendance of members of the committee.

Table 3: Human Resources Committee attendance

Committee Member	Meetings Held	Meetings Attended
Carolyn Lloyd, Chair	4	3
Cheryl Batagol	4	3
Tanya Ha	4	4
Leigh Keath (from November 2009)	3	3

Performance Monitoring Advisory Committee

The board convened a third committee in February 2010 to oversee the development of Sustainability Victoria's performance monitoring framework.

The role of this committee is to:

- + ensure that Sustainability Victoria's performance is measured against rigorous criteria that relate directly to its purpose under the *Sustainability Victoria Act 2005*, and to the deliverables and targets in the annual business plan
- + provide guidance and advice at key milestones during the development of the framework
- + report to the board about the development of the framework.

Development of the performance monitoring framework is underway.

The committee comprises three board members: Tony Marxsen (Chair), Mike Hill and Suzanne Evans.

Table 4 shows meeting attendance of members of the committee.

Table 4: Performance Monitoring Advisory Committee attendance

Committee Member	Meetings Held	Meetings Attended
Tony Marxsen	3	3
Mike Hill	3	3
Suzanne Evans	3	3

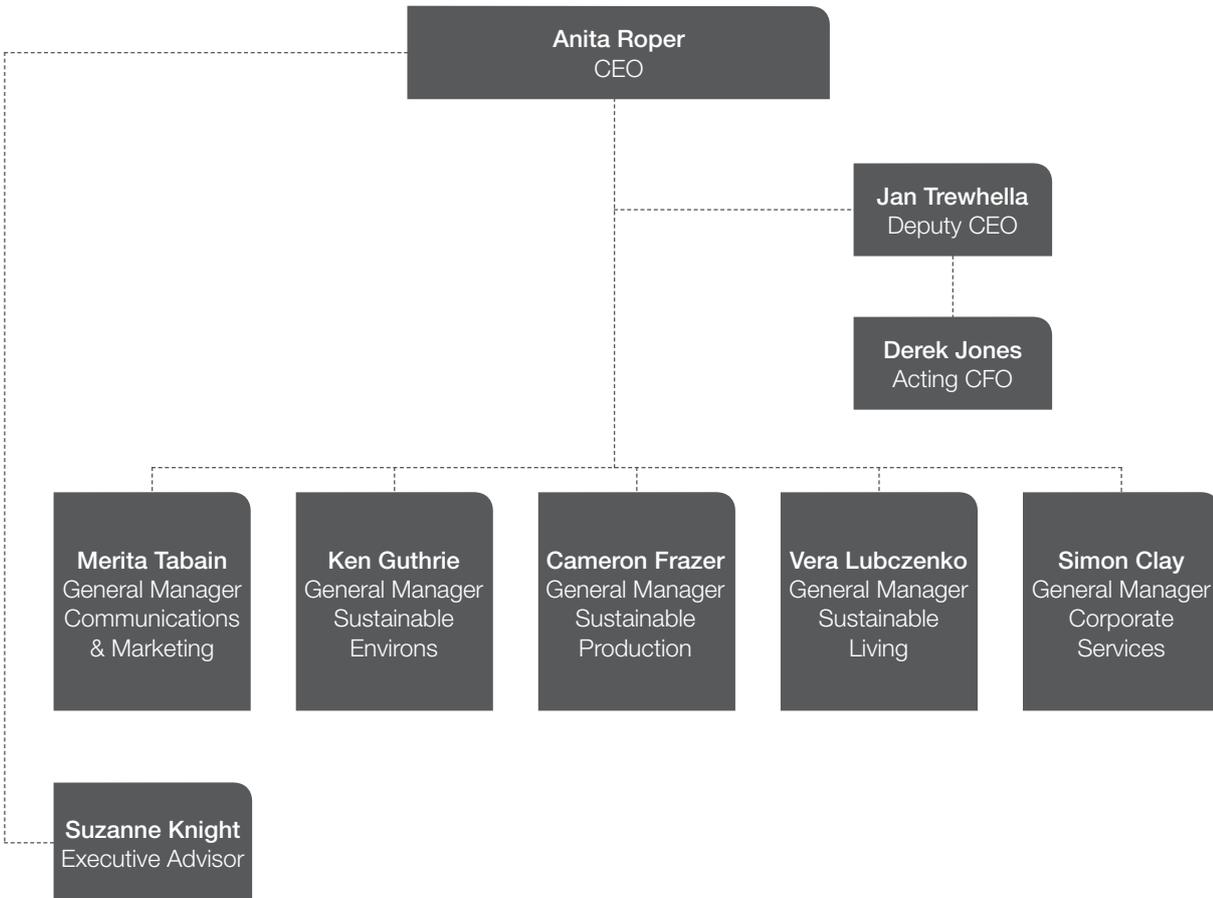
Part 4

Our Executive team

The executive team comprises the CEO, deputy CEO and five general managers. The Chief Financial Officer reports to the deputy CEO.

The executive team is accountable for line management, strategic direction, key organisational functions and delivery of the programs in our business plan.

Sustainability Victoria's executive team organisational chart:



Part 5

Our Performance

What we set out to do

Sustainability Victoria's 2009–10 Business Plan gave priority to:

- + informing and supporting people to take action
- + influencing change and building capacity in the built environment and precincts
- + strengthening Victoria's green skills base
- + developing a strong evidence base
- + building capacity.

Key Targets

In 2009–10, Sustainability Victoria continued to set challenging targets to deliver the best possible sustainability outcomes for Victorians and value for money through our programs. We established both qualitative commitments and quantitative targets in our 2009–10 Business Plan.

We have evaluated our effectiveness against five key measurements:

1. tonnes of greenhouse gas abated
2. megawatt hours of renewable energy generated through our support of new technologies and innovations
3. megawatt hours of energy saved through our household, business and government energy efficiency and retrofit programs
4. tonnes of waste diverted from landfill through our resource recovery programs
5. number of Victorians reached by our programs.

Independent verification of our greenhouse gas abatement claims is included in Appendix 2.

Overall, we either exceeded our targets or nearly met them, as shown in Table 5 and 6 on the following page.

Table 5: Goal targets and achievements

Goal	Target	Actual	% Achieved
Greenhouse gas abated (tonnes)	4,031,700	4,094,408	102
Energy saved (MWh)	2,015,900	2,078,283	103
Renewable energy (MWh)	493,900	617,699	125
Waste diverted (tonnes)	383,700	436,519	114
Victorians reached	2,237,800	2,178,435	97.3

Table 6: Towards Zero Waste Strategy targets

2014 Targets	Projected Target	2008–2009 Interim Target ¹	Actual Result
1.5 million tonne reduction in solid waste generated (reported as total solid waste generated)	10.0 million tonnes generated ²		10.3 million tonnes generated
75 per cent by weight of solid waste recovered for re-use, recycling and/or energy generation	2,015,900	60%	64%
Sectoral recovery rates achieved:			
– Municipal solid waste (65 per cent)		45%	43%
– Commercial & industrial waste (80 per cent)		65%	71%
– Construction & demolition waste (80 per cent)		65%	71%
A 25 per cent improvement in littering behaviour from 2003 levels	13.6% ³	436,519	17.2% ⁴

¹ Interim target as specified in the *Sustainability in Action: Towards Zero Waste Strategy*

² Figures generated through modelling and reported in previous years have been rebased with updated information, resulting in a recalculation of projected figures.

³ 2009 Notional target base on calendar year.

⁴ *The Victorian Litter Report 2009*, Sustainability Victoria.

Table 7 provides a snapshot of our performance and achievements against our 2009–10 strategic goals. Parts 6–11 of this annual report are devoted to discussing our programs in greater detail.

Table 7: Our performance in 2009–10

Goal 1 – To encourage business, communities and government to make more sustainable choices		
Objectives		
<ul style="list-style-type: none"> + Establish networks between sustainability experts and organisations that influence consumer choices + Connect business, communities and government with trusted information, tools and incentives to help them take action 		
Program	Purpose	Performance
One-Stop Household Shop <ul style="list-style-type: none"> + rebates + low-income households + broader household support and engagement 	Deliver an integrated set of practical and relevant resources and services from trusted sources to help householders understand and take action on climate change. This includes: <ul style="list-style-type: none"> + advice on energy efficiency, clean energy supply opportunities, more sustainable resource use and opportunities for resource recovery + a range of rebates + tailored support for low-income households + other general household programs 	Customer service/communications <ul style="list-style-type: none"> + regular e-newsletters emailed to over 100,000 individuals + telephone contact with more than 22,000 people + 210,684 unique visits to the ResourceSmart website + programs and projects mentioned in print and broadcast media 150 times per month Digital marketing <ul style="list-style-type: none"> + 210,684 unique visits to ResourceSmart website + 198,335 unique visits to all other Sustainability Victoria-managed websites + Climate Communities website being finalised Regional solar hot water program <ul style="list-style-type: none"> + 3,930 solar hot water rebates provided in regional Victoria + 10,670 tonnes of GHG abatement Metropolitan solar hot water program <ul style="list-style-type: none"> + 2,880 solar hot water rebates provided in metropolitan Melbourne + 3,319 tonnes GHG abatement Appliance rebates <ul style="list-style-type: none"> + 8,062 rebates provided to householders to purchase energy and water-efficient appliances + 144 concession-card households assisted to purchase energy and water-efficient whitegoods + 128 tonnes of GHG abatement Renewable remote power generation program <ul style="list-style-type: none"> + 287 rebates worth \$5,586,281 provided to replace diesel generators with renewable energy systems + 802 tonnes of GHG abatement Gas hot water rebate <ul style="list-style-type: none"> + 48 rebates provided + 182 tonnes GHG abatement Right Advice at the Right Place <ul style="list-style-type: none"> + 326 stores across Victoria participated Detox Your Home program <ul style="list-style-type: none"> + 883 tonnes of toxic and chemical wastes collected + 7,000 householders used the service + 2 new permanent facilities opened in Bendigo and Cranbourne + 1,329 tonnes GHG abatement

Table 7: Our performance in 2009–10 (continued)

Goal 1 – To encourage business, communities and government to make more sustainable choices		
Program	Purpose	Performance
One-Stop Household Shop (continued)		<p>Energy and Water Task Force</p> <ul style="list-style-type: none"> + 1,975 households received a free energy and water home assessment and retrofit + 1,359 tonnes GHG abatement <p>Climate change proofing low-income households</p> <ul style="list-style-type: none"> + 11 community groups to deliver projects under this program in 2010–2011 <p>Household recycling program</p> <ul style="list-style-type: none"> + 1,200 households surveyed to identify barriers to increasing household recycling <p>GreenHouse program</p> <ul style="list-style-type: none"> + 3 pilot programs delivered targeting high resource-use households + 3,383 households achieved an estimated greenhouse gas abatement of 20,475 tonnes in the GreenHouse project + 1,727 households achieved an estimated annualised abatement of 1,724 tonnes in the Workplace and Schools Challenge <p>Green Light Report (GLR)</p> <ul style="list-style-type: none"> + 2009 Green Light Report was completed and released + 5,000 interviews completed towards 2010 GLR
Awards and sponsorships	Showcase and support Victorian leadership and achievement in sustainability through the management of the Premier's Sustainability Awards and an integrated sponsorship strategy to key Victorian sustainability awards and events	<p>Awards and sponsorships</p> <ul style="list-style-type: none"> + sponsored FutureShots and the Sustainable Living Festival + sponsored Deakin Lecture Series, Sustainable House Day and the Green Cities Expo + supported Banksia Awards, UNAA Awards and Victorian Manufacturing Hall of Fame Awards + provided sponsorship funding for AFR Carbon Reduction Conference and Energy Efficiency Council Conference. <p>Premier's Sustainability Awards</p> <ul style="list-style-type: none"> + Vega Press won the Premier's Award
Sustainability ambassadors	Leverage our expertise to provide accurate and up-to-date information to influence business practices and consumer choices through key speaking opportunities	<p>Sustainability ambassadors</p> <ul style="list-style-type: none"> + CEO spoke at over 50 events + staff spoke at over 150 engagements

Table 7: Our performance in 2009–10 (continued)

Goal 1 – To encourage business, communities and government to make more sustainable choices		
Program	Purpose	Performance
Government programs	Provide tools and resources to continually improve the environmental sustainability of Victorian and local government agencies through the ResourceSmart Government program	<p>ResourceSmart Local Government</p> <ul style="list-style-type: none"> + provided a suite of sustainability tools to the 79 local governments + launched a new website that provides tailored resources for local governments <p>ResourceSmart Victorian Government</p> <ul style="list-style-type: none"> + developed and delivered ResourceSmart programs to over 80 government agencies, 22 tertiary institutes and over 100 healthcare agencies + gave onsite advice to healthcare and tertiary organisations + delivered four introductory training sessions on environmental management systems <p>ResourceSmart Tertiary Education</p> <ul style="list-style-type: none"> + convened a Tertiary Education for Sustainability working group <p>ECO-Buy</p> <ul style="list-style-type: none"> + provided funding to ECO-Buy
Sustainability tools	Develop 5 Star Sustainability assessment and certification tools for state and local government, the manufacturing industry and schools to assist these organisations to assess and progress their sustainability level	<p>5 Star Sustainability assessment and certification</p> <ul style="list-style-type: none"> + developed and launched 3 sector-specific assessment and certification tools + rolled out industry tool to 20 large businesses + tested 5 Star Sustainability for Government with 10 organisations + accredited 178 schools using 5 Star Sustainability for Schools

Table 7: Our performance in 2009–10 (continued)

Goal 2 – To create capacity for sustainable products and services		
Objectives <ul style="list-style-type: none"> + Work with regulators and priority industries at the most effective points in the value chain to develop sustainable life-cycle solutions + Grow networks of good practice and innovation in product and service industries 		
Program	Purpose	Performance
Industry partnerships and networks	Engage networks of industry organisations around the four key points in product and service life cycles – design, production, purchasing, and end-of-life management – to improve environmental sustainability in their operations and supply chains	Sustainable Leadership in Industry – PACIA <ul style="list-style-type: none"> + sponsored the Prepare 2030 Workshop which produced the <i>Forum Prepare 2030</i> discussion paper + completed Quickstart Design for Sustainability (D4S) series + commenced research into <i>Lifecycle Thinking through Supply Chain</i> Sustainable Leadership in Industry – AI Group <ul style="list-style-type: none"> + supported the Australian Industry Group's delivery of the ResourceSmart Business Industry project Carbon Down – VECCI <ul style="list-style-type: none"> + launched the Carbon Compass online tool for SMEs + launched 'What can I do right now?' website + completed Victorian Carbon Footprint Survey + completed <i>Talking Carbon to SMEs</i> Industry partnerships <ul style="list-style-type: none"> + partnered with 13 associations and networks + reached over 500 member businesses + delivered more than 50 events that attracted a total of over 1,000 participants ECO Choice Networks – Fleet Vehicles <ul style="list-style-type: none"> + conducted research into developing a triple bottom line-guide to fleet vehicle procurement Water Sector Network <ul style="list-style-type: none"> + facilitated the Water Industry Greenhouse Working Group
Demonstrating Best Practice and Innovation in Sustainable Solutions for Business	Distribute information, provide assistance and demonstrate best practice and innovation in areas of market failures or gaps, to enable businesses to implement sustainable solutions that improve their performance and economic viability over the long term and to incorporate sustainable solutions at all stages of the value chain	Clean Technology Investment <ul style="list-style-type: none"> + completed 3 projects: <ul style="list-style-type: none"> • installation of 600 kW steam turbine for Murray Goulburn in Leongatha • a business case for resources derived fuel for Blue Circle Southern Cement • a life cycle assessment and installation of equipment for Geobrick Pty Ltd + 43,496 tonnes GHG abatement

Table 7: Our performance in 2009–10 (continued)

Goal 2 – To create capacity for sustainable products and services		
Program	Purpose	Performance
Demonstrating Best Practice and Innovation in Sustainable Solutions for Business (continued)		<p>Best Practice Guides for Energy Efficiency</p> <ul style="list-style-type: none"> + distributed <i>Best Practice Guides for Energy Efficiency</i> to industry + released FAQs for businesses considering small to mid-size cogeneration projects + completed a pump energy efficiency case study on Murray Goulburn Co-Op and Victoria University + 692 tonnes GHG abatement <p>Beyond Best Practice</p> <ul style="list-style-type: none"> + funded and conducted 5 feasibility studies to assist business assess new technologies and business models <p>Renewable Energy Support Fund</p> <ul style="list-style-type: none"> + provided \$975,000 toward the Hepburn Community Wind Park through the Sustainability Fund <p>National Packaging Covenant – New Collection Service Models SMEs</p> <ul style="list-style-type: none"> + implemented new recycling services for SMEs + recovered 7,564 tonnes of recyclable packaging
Towards Zero Waste – Strategy, Planning and Reporting	Gather and analyse data around economic opportunities for resource recovery to support the delivery of the Government's <i>Towards Zero Waste Strategy</i> and the development and implementation of metropolitan and regional plans; and report on progress against the targets set out in the Strategy	<p>Towards Zero Waste Progress Report</p> <ul style="list-style-type: none"> + prepared annual <i>Towards Zero Waste Progress Report</i> (due for release in 2010–11) <p>Local Government Survey</p> <ul style="list-style-type: none"> + conducted 2008–09 Local Government Survey + kerbside recovery rate rose from 42 per cent in 2007–08 to 43 per cent in 2008–09 <p>Victorian Recycling Industry Annual Survey</p> <ul style="list-style-type: none"> + finalised the 2008–09 Recycling Survey with data from 72 businesses + resource recovery rate risen from 61 per cent in 2007–08 to 64 per cent in 2008–09 <p>Metropolitan Waste and Resource Recovery Strategic Plan implementation</p> <ul style="list-style-type: none"> + produced Best Practice for Waste Management in Multi-unit Developments (MUDs) <p>Solid Industrial Waste Management Plan</p> <ul style="list-style-type: none"> + undertook consultations with local governments and the waste sector + undertook waste, economic and infrastructure modeling <p>Organics – Market Development and Review</p> <ul style="list-style-type: none"> + engaged new markets for quality recycled organic products <p>Towards Zero Waste Strategy review</p> <ul style="list-style-type: none"> + coordinated review of <i>Towards Zero Waste Strategy</i>

Table 7: Our performance in 2009–10 (continued)

Goal 2 – To create capacity for sustainable products and services		
Program	Purpose	Performance
Towards Zero Waste – Delivery	Support industry and regions to implement actions and plans in the Commercial and Industrial (C&I), municipal and organics sectors as part of delivery of the <i>Towards Zero Waste Strategy</i> and take action to improve the sustainability of product life cycles	<p>Municipal Resource Recovery Program</p> <ul style="list-style-type: none"> + invested \$527,000 in four projects recovering 5,224 tonnes of municipal waste for recycling + 1,443 tonnes Greenhouse Gas (GHG) abatement <p>TZW Best Practice – Support for Industry Resource Recovery Commercial and Industrial Construction and Demolition (C&I, C&D)</p> <ul style="list-style-type: none"> + demolition recycling facility upgraded by the Alex Fraser Group, expanding capacity by 400,000 tonnes pa + glass processing system introduced by SKM Recycling, diverting 13,500 tonnes <p>TZW Best Practice – Support for Organics Recovery</p> <ul style="list-style-type: none"> + recycled 62,454 tonnes of green organics through 6 partners + 31,227 tonnes GHG abatement <p>Best Practice Guides for Resource Recovery</p> <ul style="list-style-type: none"> + revised and republished <i>Best Practice for Organics Recovery</i> + revised and republished <i>The Guide to Best Practice at Resource Recovery Centres</i> <p>Product Stewardship Priorities</p> <ul style="list-style-type: none"> + Byteback™ model contributed to establishment of a national recycling scheme for televisions and computers + Byteback™ collected 800 tonnes of computer waste from 8 locations + launched phase 2 of Batteryback™ unwanted household battery program + 6,539 tonnes GHG abatement
Towards Zero Waste – Litter Program	Finalise, release and implement a coordinated litter reduction strategy for Victoria focused on reducing litter in public places, in partnership with the Victorian Litter Action Alliance (VLAA) and its Litter Champion, industry, the community and regulatory bodies	<p>Victorian Litter Strategy: Creating Cleaner, Safer Places – Working together to remove litter from Victoria’s environment</p> <ul style="list-style-type: none"> + released Victorian Litter Strategy <p>Litter Strategy Action Plan</p> <ul style="list-style-type: none"> + announced Litter Strategy Action Plan <p>Victoria’s Litter Action Alliance (VLAA) Litter Champion</p> <ul style="list-style-type: none"> + Victorian Litter Champion developed a Roadside Litter Prevention and Resource Recovery kit + 93 per cent reduction in roadside litter along Bass Highway + 68 per cent reduction along the Princes Highway from Waurin Ponds to Winchelsea <p>Victorian Litter Report</p> <ul style="list-style-type: none"> + completed Victorian Litter Report including survey data from 215 locations across Victoria + 17.2 per cent improvement in litter prevention behaviours from the 2003 benchmark <p>Public Place & Venue Resource Recovery</p> <ul style="list-style-type: none"> + commenced the Western Victoria Public Place Recycling project

Table 7: Our performance in 2009–10 (continued)

Goal 2 – To create capacity for sustainable products and services		
Program	Purpose	Performance
Regulatory and Policy Support	Provide energy sector information and technical advice to regulators, industry and government, to influence the development of standards, rules and regulations and improve the sustainability of energy supply and use	<p>Energy Efficiency Policy Support – National</p> <ul style="list-style-type: none"> + represented the Victorian Government on the Ministerial Council on Energy's Energy Efficiency Working Group + led Victoria's involvement in the Minimum Energy Performance Standards (MEPS) program for appliances and equipment <p>Energy Efficiency Policy Support – Victoria</p> <ul style="list-style-type: none"> + worked with other government departments on the scoping of further energy efficiency measures + supported the implementation of the Victorian Energy Efficiency Target scheme <p>Minimum Energy Performance Standards</p> <ul style="list-style-type: none"> + led Victoria's involvement in the Minimum Energy Performance Standards (MEPS) program for appliances and equipment + 2,391,213 tonnes GHG abatement <p>Strategic Research on energy efficiency issues</p> <ul style="list-style-type: none"> + commenced the On Ground Assessment (OGA) Pilot Project + reviewed the heat-load estimation methodology used in the OGA Pilot Project <p>Distributed Generation Acceleration</p> <ul style="list-style-type: none"> + consolidated relationships with key stakeholders with interests in distributed generation + provided advice on a range of proposed Distributed Generation (DG) projects

Table 7: Our performance in 2009–10 (continued)

Goal 3 – To grow the supply of energy from diverse renewable energy sources		
Objectives		
<ul style="list-style-type: none"> + Provide authoritative advice and information about renewable energy to business, community and government + Leverage our expertise and resources to encourage the uptake of renewable energy technology 		
Program	Purpose	Performance
Renewable Energy Information Program	Gather data about Victoria's renewable energy supply and investigate emerging technology developments both in Australia and internationally, to identify and communicate renewable energy opportunities and options to stakeholders	<p>Renewable Energy information dissemination</p> <ul style="list-style-type: none"> + disseminated information and advice to Renewable Energy Sector + sponsored visit by Olivier Druecke (President, European Solar Thermal Industry Federation) to speak at two Australian conferences and an industry workshop + presented at 11 local conferences, an international conference and 2 Bioenergy Stakeholder breakfasts <p>Emerging Sustainable Energy Technologies</p> <ul style="list-style-type: none"> + commissioned research and report on the outlook for a diverse range of renewable and low-emission energy technologies <p>Renewable Energy Data Update & Analysis</p> <ul style="list-style-type: none"> + collected electricity generation data from suppliers representing more than 95 per cent of Victoria's renewable electricity supply + examined trends and the supply mix of the state's renewable electricity
Industry Renewable Energy Support Program	Provide industry with in-kind and co-funded collaborative support to enable businesses to take advantage of renewable energy opportunities in the PV, solar cooling, bio energy, wind farm and marine energy sectors	<p>Small Renewable Energy Projects</p> <ul style="list-style-type: none"> + produced a study of the potential for solar-assisted cooling in fruit cool stores and dairy farm refrigeration + supported the 2nd Australian Solar Cooling Conference <p>GreenPower National Program</p> <ul style="list-style-type: none"> + continued our representation on the intergovernmental National GreenPower Steering Group + continued our role as the Program's Marketing Manager + maintained and updated the national GreenPower website + 822,579 tonnes GHG abatement <p>Wind Energy and other Industry Support</p> <ul style="list-style-type: none"> + provided submissions and advice to Planning Panels Victoria for 3 wind farm proposals. + provided advice to the Department of Sustainability and Environment to develop its marine renewable energy strategy + delivered a research project on aviation lighting and wind turbines <p>Solar Hot Water Industry and Products</p> <ul style="list-style-type: none"> + reviewed the performance of 400 solar hot water systems <p>Wave Resource Measurement</p> <ul style="list-style-type: none"> + contracted an oceanographic expert to advise on the implementation of a wave energy monitoring program + called for tenders for 2 energy wave monitoring devices

Table 7: Our performance in 2009–10 (continued)

Goal 4 – To influence the sustainability performance and use of new and existing buildings		
Objectives		
<ul style="list-style-type: none"> + Working with the building industry to encourage thinking beyond regulatory compliance for new homes + Connecting financiers, trades and community organisations to implement mass-market improvements in the performance of existing homes + Supporting innovation in design, construction and building technologies + Working with industry, government and the community to improve non-residential building performance through tuning and retrofitting 		
Program	Purpose	Performance
ResourceSmart New Homes	Provide the building industry with research and tangible and cost-effective examples of sustainable new home designs that go beyond current regulation, to assist the construction of new energy-efficient homes through the ResourceSmart New Homes program	<p>CSIRO Australian Zero Energy House</p> <ul style="list-style-type: none"> + Australian Zero Energy House successfully built to an 8.2-star rating by Henley Properties Group at the Delfin Laurimar Estate <p>Housing Industry Association GreenSmart Funding</p> <ul style="list-style-type: none"> + completed the GreenSmart Funding project with HIA <p>Bushfire reconstruction and recovery</p> <ul style="list-style-type: none"> + produced the Sustainable Rebuilding Ideas manual, comprising 23 fact sheets <p>SV-VicUrban residential web application</p> <ul style="list-style-type: none"> + developed a web application for new home buyers <p>Victorian Building Sustainability Assessor Accreditation</p> <ul style="list-style-type: none"> + commenced outsourcing accreditation of assessors for determining compliance with the 5-star new homes requirement <p>Swinburne Hybrid Research Project</p> <ul style="list-style-type: none"> + Swinburne University prepared a report on developing virtual hybrid buildings
Commercial and Retail Buildings Performance Improvement	Use a range of tools to present a clear economic case for 'green buildings' to key decision-makers in the sector, in consultation with commercial and retail building owners, tenants and operators	<p>Outreach and Advice</p> <ul style="list-style-type: none"> + engaged 14 organisations in the Outreach program + 20 organisations toured our environmentally sensitive fit-out <p>Demonstrating the Green Building business case</p> <ul style="list-style-type: none"> + partnered with NAB to investigate the staff productivity benefits of its green refurbishment of 500 Bourke Street, Melbourne + initiated a longitudinal pre and post occupancy evaluation study at the new Alexandra District Hospital building + continued to work as a member of the Australian Sustainable Built Environment Council + hosted three forum events with expert speakers <p>ResourceSmart Buildings Challenge</p> <ul style="list-style-type: none"> + completed a scoping study to analyse the environmental, economic and social impact of shopping centres

Table 7: Our performance in 2009–10 (continued)

Goal 4 – To influence the sustainability performance and use of new and existing buildings		
Program	Purpose	Performance
Commercial and Retail Buildings Performance Improvement (continued)		<p>CitySwitch</p> <ul style="list-style-type: none"> + expanded CitySwitch into the City of Port Phillip + increased number of signatories to 64 tenants + developed new program resources + 655 tonnes GHG abatement <p>Commercial Building Tuning Project</p> <ul style="list-style-type: none"> + continued working with Colonial First State to assist in green refurbishment of 385 Bourke Street, Melbourne + developed a case study with ISPT detailing outcomes of the building upgrade project at 500 Bourke Street, Melbourne + 4,680 tonnes GHG abatement
Upgrading Existing Homes	Foster sustainable home renovation and home alteration, through the promotion of financial incentives and rebates programs; aid tradespeople and their customers to make informed sustainable decisions; and help identify sustainable solutions, such as renewable energy sources, energy-efficient design aspects, low-impact materials, and ResourceSmart appliances	<p>Existing home improvement scoping study & MBAV Partnership Proposal – course development</p> <ul style="list-style-type: none"> + worked on a partnership agreement with the MBAV and RMIT on the existing home improvement study + worked with the MBAV to develop resources ahead of the implementation of the 6-star standard
Innovation in Design and Construction	Use interactive online tools to enable builders and consumers to value the elements of sustainability in their homes and encourage sustainable building practices	<p>FirstRate5</p> <ul style="list-style-type: none"> + continued to develop and support FirstRate5 software enhancement, administration and sales + during 2009–10, 551,973 tonnes of CO₂ was saved by the 5-star homes that have been built since regulations began in 2004

Table 7: Our performance in 2009–10 (continued)

Goal 5 – To encourage sustainable precincts and communities		
Objectives		
<ul style="list-style-type: none"> + Supporting communities with information, expertise and resources to develop more sustainable precincts and communities + Working with the formal education system to increase the focus on sustainability within schools and build the sustainability knowledge of future generations + Working with planners, industry and government to develop and test new models of delivery in new precinct development 		
Program	Purpose	Performance
Engaging Sustainable Communities	Provide sustainability expertise and resources to support Victorian communities to adopt more sustainable approaches to energy supply	<p>Climate Communities Grants Program</p> <ul style="list-style-type: none"> + consulted with a wide range of stakeholders to help shape the program + launched the program in April 2010 <p>Integrated Community Engagement Strategy (Community Networks)</p> <ul style="list-style-type: none"> + attended 21 community events reaching over 3,300 people <p>Community Sustainable Energy Group Information Portal</p> <ul style="list-style-type: none"> + developed the framework for the portal in consultation with community sustainability groups <p>GreenHouse League</p> <ul style="list-style-type: none"> + developed program model, data set, communication tools and website for GreenHouse League + 41 AFL football and netball clubs have been recruited to the program <p>Moreland Solar Cities Project</p> <ul style="list-style-type: none"> + identified 4 sub-projects to implement distributed generation and energy-efficiency initiatives
Sustainable Resource Use and Recovery in Regional Victoria	Develop and implement a regional strategy encompassing the Review of Regional Waste Management Groups, the integration of Keep Australia Beautiful Victoria with Sustainability Victoria; and target support for sustainable resource use and recovery in regional Victoria	<p>Keep Australia Beautiful Victoria</p> <ul style="list-style-type: none"> + joined with Keep Australia Beautiful Victoria (KABV) on 1 July 2009 <p>Review of Regional Waste Management Groups (RWMGs)</p> <ul style="list-style-type: none"> + continued the Government's review of Victoria's regional waste management groups + released <i>A Future Directions Paper – Consultation Draft</i> + met with over 160 people during a 13-week consultation period <p>RWMGs Business Planning and Gap Funding</p> <ul style="list-style-type: none"> + supported the 12 regional waste management groups to develop their business plans + provided feedback on draft business plans prior to submission to the Minister <p>Regional TZW Support Program</p> <ul style="list-style-type: none"> + announced \$2.1 million of funding for 18 Regional <i>Towards Zero Waste Support Program</i> projects

Table 7: Our performance in 2009–10 (continued)

Goal 5 – To encourage sustainable precincts and communities		
Program	Purpose	Performance
Sustainable Precincts program	Develop the business case for sustainable precincts, and explore and assess implementation options such as decentralised energy and water supply in consultation with a range of stakeholders	<p>Armstrong Creek</p> <ul style="list-style-type: none"> + promoted the business case for Armstrong Creek + worked with developers to apply evidence from the Armstrong Creek Business Case to their particular development precincts <p>Building the Business Case for Sustainable Precincts</p> <ul style="list-style-type: none"> + produced a research report and 6 case studies from the analysis of innovative business models <p>Werribee Employment Precinct Sustainability Strategy</p> <ul style="list-style-type: none"> + participated in the Energy Working Group + provided advice on technology, regulatory and policy issues for precinct energy development
Smart Energy Zones Program	Support communities with expertise and resources to develop sustainable precincts and communities	<p>Smart Energy Zones</p> <ul style="list-style-type: none"> + commenced 7 Smart Energy Zones projects + completed 2 projects: <ul style="list-style-type: none"> • Central Victoria Solar Cities project • CERES Environmental Park
Zero Emissions Neighbourhoods Program	Promote and test new models for residential developments designed for zero net greenhouse gas emissions, through the Zero Emissions Neighbourhoods Program	<p>Zero Emissions Neighbourhoods (ZEN)</p> <ul style="list-style-type: none"> + worked with 16 developers, local governments, community groups and other government agencies with potential ZEN neighbourhoods + held 10 workshops to explore the opportunities and barriers to achieving ZEN + worked with 6 proponents to progress scoping and feasibility studies
Resource Smart Education Program	Increase the focus on sustainability, and build sustainability knowledge, skills, capacity and behaviour at all levels of education, through the ResourceSmart Education Program	<p>Solar in Schools</p> <ul style="list-style-type: none"> + committed 75 schools to installing solar power panels + 204 tonnes GHG abatement <p>Professional Development for Education for Sustainability Practitioners</p> <ul style="list-style-type: none"> + sponsored Greening Australia's Toolbox for Environmental Change + provided 20 educators with the skills and knowledge to support schools participating in ResourceSmart AuSSI Vic <p>ResourceSmart Schools</p> <ul style="list-style-type: none"> + 90 new primary and secondary schools joined the existing 614 ResourceSmart AuSSI Vic schools <p>Education for Sustainability</p> <ul style="list-style-type: none"> + continued to chair the Sustainability in Schools State Steering Committee

Table 7: Our performance in 2009–10 (continued)

Goal 6 – To create capacity and demand for ‘green jobs’		
Objective		
+ Increase the level of skills, education and training in the construction, property, management, trades and retrofit industries		
Program	Purpose	Performance
Green Skill Training and Accreditation	Develop a strategy for Sustainability Victoria's role in green skills training and accreditation, to ensure timely and effective delivery of programs and participate in green skills initiatives at national and state levels to influence the development, delivery, take-up and evaluation of green skills training	<p>Course Development</p> <ul style="list-style-type: none"> + issued 63 licences to deliver 7 Sustainability Victoria courses + designed, completed and accredited 3 new courses with the Victorian Registration and Qualifications Authority (VRQA): <ul style="list-style-type: none"> • Sustainable Painting Practices • Basic Home Sustainability Advice (for volunteers) • Retrofitting Homes for Energy and Water Efficiency <p>Accreditation</p> <ul style="list-style-type: none"> + commenced work on an accreditation system for Home Sustainability Assessors + commenced work on an integrated accreditation system for trades and professions involved in retrofitting commercial buildings <p>Curriculum Maintenance, Monitoring and Evaluation</p> <ul style="list-style-type: none"> + reviewed the courses in Home Sustainability Assessment, and Energy Efficient Heating, Ventilation and Air Conditioning (HVAC) Systems + delivered 4 Train the Trainer sessions to 40 teachers working at RTOs + entered 57 new licence agreements with RTOs to deliver our courses <p>Sustainability Victoria's Skills Training Strategy</p> <ul style="list-style-type: none"> + developed a Green Skills Training Strategy <p>Policy support</p> <ul style="list-style-type: none"> + continued to develop a National Energy Efficiency Skills Initiative + worked with Skills Victoria to identify new courses under the Government's <i>Jobs for the Future Economy – Victoria's Action Plan for Green Jobs</i> + supported the development of training to complement new policy initiatives: <ul style="list-style-type: none"> • Residential Building Mandatory Disclosure • phase-out of inefficient hot water systems • broader rollout of Green Leases for commercial buildings

Part 6 Goal 1

To encourage business, communities and government to make more sustainable choices

The aim of Sustainability Victoria's 2009–10 Business Plan was to fill a critical gap – to provide trusted and relevant information, tools and incentives to Victorians.

Our key objectives for 2009–10 were to:

- + establish networks among sustainability experts and organisations that influence customer choices
- + connect business, communities and government with trusted information, tools and incentives for taking action.

Working towards the establishment of a 'One-Stop-Shop' of resources and services, we have strengthened and reshaped our existing programs. We developed the Climate Communities portal as part of this work, which we expect to launch in August 2010.

We integrated our digital and call-centre customer services. This improved access to information and advice about government rebates, our Right Advice at the Right Place project and our low-income household retrofit projects.

We also commenced new projects to encourage people in workplaces, community clubs and several local government areas to take up the challenge of sustainability. We showed what can be achieved by individuals, families, colleagues and communities.

We informed Victorians across business, communities and governments, and showcased achievements in sustainability to promote effective action.

We also provided a range of tools to state and local governments and large businesses, to make their operations, products and services more sustainable.

The following is an overview of our 2009–10 Business Plan programs, projects and initiatives under the goal of encouraging business, communities and government to make more sustainable choices.

Creating the foundations of a One-Stop-Shop

The aim of the One-Stop Shop is to deliver an integrated set of practical and relevant resources and services to help householders understand and take action on climate change. This includes:

- + advice on energy efficiency, clean-energy supply opportunities, more sustainable resource use and opportunities for resource recovery
- + a range of rebates
- + tailored support for low-income households
- + other general household programs.

In 2009–10, we reviewed and refined our existing telephone and digital customer services, and various programs. We provided practical and relevant information and services that informed and supported Victorians to make more sustainable choices.

Information and Advisory Service

Our Information and Advisory Service informed Victorians about sustainable solutions through communications channels like phone, email and websites. In 2009–10, this service received 22,152 telephone calls from people seeking advice about sustainability.

This increased the number of sustainability choices made by Victorians at home, work and in the community.

Digital communications

We engaged Victorians through websites, email marketing and social media tools with the ResourceSmart website, which received 210,684 unique visits in 2009–10. Our other managed websites achieved total shared traffic of 198,335.

We used various social media tools to complement existing programs, including Facebook, Twitter, blogs and Google. We also used email marketing to send over 100,000 regular e-newsletters specifically targeting information to stakeholder databases.

Household incentives

In 2009–10, we provided 15,351 rebates to Victorian households, helping reduce greenhouse gas emissions by around 15,101 tonnes per annum.

Solar and gas hot water rebates

We have provided solar hot water rebates to Victorians for 10 years now. Over this period 34,312 solar hot water systems have been installed and \$58 million has been paid in rebates. This program has generated \$160 million in sales and installation of solar hot water systems so far.

Rebates continue to accelerate the uptake of solar hot water systems. In 2009–10, the Regional Solar Hot Water Rebate Program provided 3,930 rebates to help regional Victorians switch to solar hot water. Metropolitan Melbourne households received 2,880 solar hot water rebates, almost double the number from the previous financial year.

The focus throughout the year was on replacing gas water heaters with solar systems, to complement the Commonwealth program that provides rebates for replacing electric water heaters. We also provided 48 rebates under the Gas Hot Water Rebate Program, which encourages households to replace peak electric hot water systems with highly efficient gas hot water systems.

As part of the Regional Solar Hot Water Rebate Program, we partnered with Green Plumbers and the Plumbing Industry Commission to provide free training on solar hot water installation to 413 plumbers at 16 workshops across regional and rural Victoria. A key component of our quality assurance process is inspecting solar hot water installations that were supported by a rebate. The Plumbing Industry Commission undertook 448 inspections on our behalf to ensure that installations met our requirements. Thirty-seven installations required some rectification to ensure efficiency met required performance standards (none of these were safety-related).

After the February 2009 bushfires, we made solar hot water and rainwater tank rebates available for homes that are being rebuilt. We provided 34 grants for rainwater tanks.

In August 2009, the government announced a further \$10 million to extend the solar hot water rebates program.

Appliance rebates

We provided 8,062 appliance rebates to encourage householders to buy energy and water-efficient washing machines and dishwashers. Our program also helped 144 concession card households to purchase whitegoods, partnering with 31 No Interest Loan Scheme (NILS) organisations, Brotherhood of St Laurence Progress Loans program and the Good Shepherd Buying Service.

Renewable energy system rebates

Administering the Australian Government's Renewable Remote Power Generation Program, we provided 287 rebates worth \$5.6 million to replace diesel generators with renewable energy systems. Since it began in August 2007, this program has provided 614 rebates in Victoria worth \$11.6 million. It was closed to new applicants in 2009.

Right Advice at the Right Place

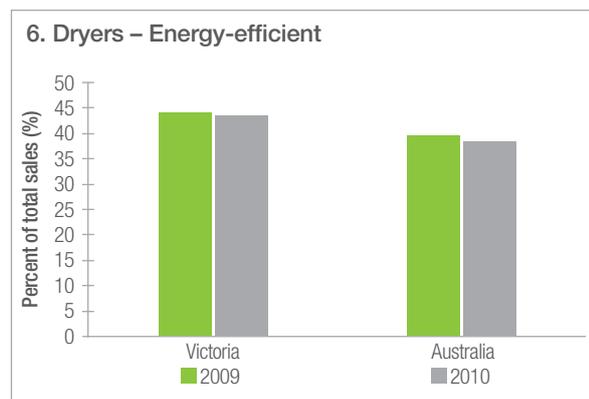
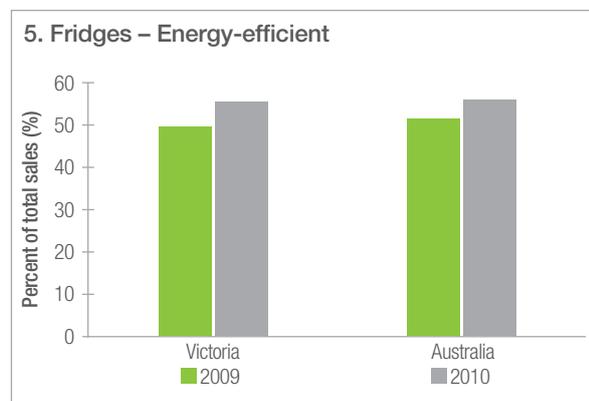
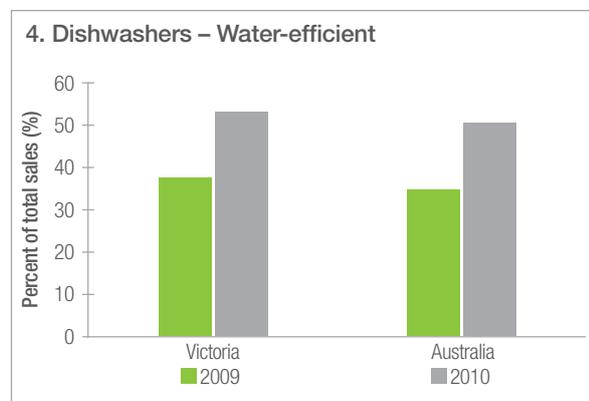
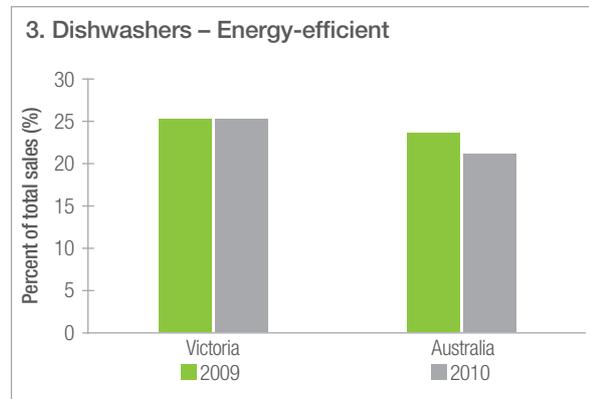
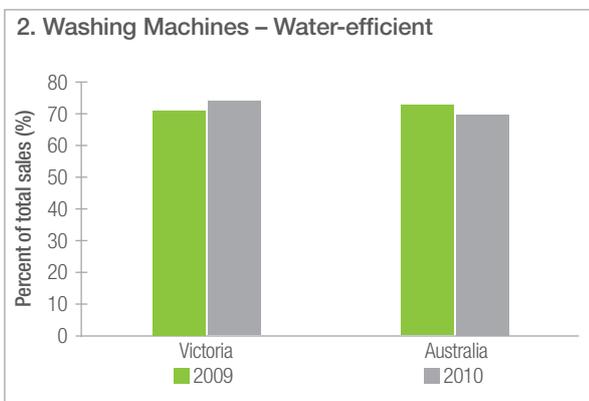
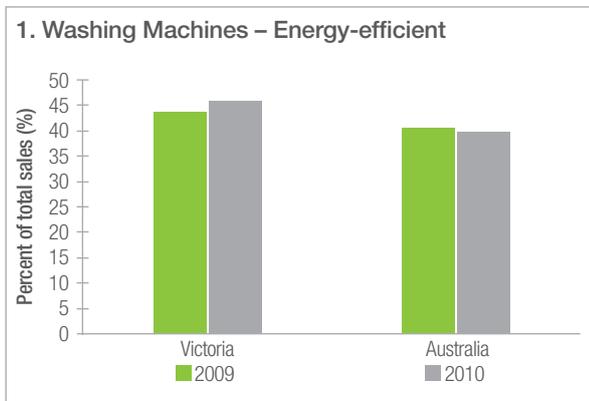
The Right Advice at the Right Price program aims to increase consumer awareness by promoting resource and financial savings. Now in its third year, this program encourages Victorians to buy energy and water-efficient products via our partnerships with appliance, hardware and lighting retailers. There are now 326 participating stores across Victoria, including Beacon Lighting, Bunnings, Camberwell Electrics, Warehouse Sales, ELGAS, The Good Guys, Harvey Norman and Mitre 10.

Sales of energy and water-efficient appliances in Victoria have increased against national averages. Over 90 per cent of participating retailers are highly satisfied with the program and believe it adds value. Almost 70 per cent of retailers have noted an increase in sales of energy-efficient products since the program began in 2007.

This program is partly funded by the Sustainability Fund.

The six charts in Exhibit 1 show sales of energy-efficient appliances in Victoria against the national average.

Exhibit 1:
Energy-efficient appliances: percentage of total sales*



* Refers to sales for each 12-month period up to May of 2009 and 2010

Detox Your Home

The Detox Your Home program aims to protect our waterways and environment by providing free, safe disposal options for unwanted household chemicals. In 2009–10 Victorians disposed of nearly 883 tonnes of chemical waste through this program.

Thirty-one mobile Detox Your Home collections were held at metropolitan and regional councils across Victoria. Two new Detox Your Home drop-off facilities opened in Bendigo and Cranbourne, increasing the permanent network to 13 locations across Victoria. Over 7,000 householders used the service.

Most chemicals collected through the program were recycled or used as alternative fuel sources, while the rest were treated and disposed of safely.

This establishment of the permanent network of collection facilities is funded by the Sustainability Fund.

The Victorian Voluntary Paint Product Stewardship Trial

As part of the Detox program, we have worked extensively with The Australian Paint Manufacturers' Federation and its members, and The Master Painters Association of Victoria to develop an industry-owned, voluntary product stewardship model. The aim of this is to collect, treat and safely dispose of all unwanted paint from domestic and trade sources. A 12-month trial is set to commence early 2011 – the first of its kind in Australia.

Energy and Water Taskforce

The Energy and Water Task Force (EWTF) has helped low-income and disadvantaged households cut their energy and water use since 2003.

In 2009–10, 1,975 households received a free energy and water home assessment and retrofit. These home retrofits will save an estimated 1,359 tonnes of greenhouse gas, 15,685 GJ of gas and 357 MWh of electricity each year, trimming around \$258,000 off household energy bills.

EWTF projects operated in the Latrobe Valley, the Doveton Neighbourhood Renewal area, the Ashwood, Ashburton and Chadstone Neighbourhood Renewal area, Cobram, Seymour, Shepparton, Terang, Warrnambool and nearby towns, the municipalities of Darebin and Yarra, rural areas around Bendigo, and parts of Geelong.

Partnering with various organisations, the EWTF also provides green skills training to unemployed Victorians so that they can participate in retrofitting. Forty-four people were trained in 2009–10.

Research into the social impacts of the EWTF, conducted by Monash Sustainability Institute in 2009–10, concluded that 'a major social value of the EWTF lies in the ability of the program to build community strength

[and the movement of trainees into] ongoing employment in the same or related fields'.

In 2009 the Frankston North EWTF project won the Not-for-Profit category of the Victorian Safer Communities Award. The award recognised many different community organisations' contributions to the project, in particular the local CFA's offer of free safety audits to participating households.

The EWTF is delivered in partnership with Encompass Community Services, Low Energy Supplies and Services, Mission Australia, Try Youth and Community Services, UnitingCare Cutting Edge, and Western District Employment Access.

Climate change-proofing low-income households

This Victorian Government program aims to help low-income Victorians adapt to climate change and minimise its impact on their homes and lives.

On 23 April 2010, the Minister for Environment and Climate Change announced the first 11 successful recipients of the Sustainability Fund grants for climate-proofing low-income households. The grants are worth \$1,120,049, and will help over 2,000 households in regional Victoria and metropolitan Melbourne to participate in sustainability initiatives and benefit from reduced energy bills and improved home comfort.

Our approach to assisting low-income households is to work with trusted and experienced partners, including the Community Housing Federation of Victoria, Craig Family Centre, Good Shepherd Youth and Family Service, Kensington Neighbourhood House, Kildonan UnitingCare, Lalor Living and Learning Centre, Mildura Rural City Council, Rural City of Wangaratta, St Laurence Community Services, Western District Health Service and Wingate Avenue Community Centre.

Household recycling program

This program aims to reduce the amount of material going to landfill. In 2009–10, waste audits of household garbage bins in metropolitan Melbourne showed that, on average, recyclable packaging comprises up to 20 per cent of the total weight of material going to landfill.

Stage one of this three-year program was a survey of 1200 households to identify barriers to increasing household recycling. Stage two will involve social research into householder recycling behaviours, drivers and barriers to kerbside recycling in metropolitan Melbourne. This research will form the foundation of the communication and behaviour change programs rolling out in 2010–2011.

Supported by funding from the National Packaging Covenant, we have also partnered with the Metropolitan Waste Management Group, SKM Recycling, Theiss, VISY, JJ Richards and DASMA, and begun work with 20 metropolitan councils to encourage householders to place materials in the right bin.

GreenHouse program

The aim of the GreenHouse program is to provide information, inspiration and support to high-usage households to reduce their greenhouse gas emissions and encourage more sustainable behaviours.

In 2009–10, we implemented three pilot programs:

1. Greenhouse Project
2. Greenhouse Games Schools Challenge
3. Greenhouse Games Workplace Challenge.

These programs aimed to:

- + engage 10,000 Victorian households
- + facilitate the uptake of Sustainability Victoria's 10 Key Actions
- + reduce household energy consumption by at least 5 per cent
- + save 10,000 tonnes in greenhouse gas emissions.

While the response to these programs was good, we learnt that engaging households with this innovative model will take time. For example, whilst the programs reached 5,110 households, we fell short of our target of 10,000 households.

The program model, data set and website for the GreenHouse Games Workplace and Schools Challenges are being revised to prepare for September 2010 delivery of the Workplace Challenge and October 2010 delivery of the Schools Challenge.

GreenHouse Project

The GreenHouse Project partnered with six local government authorities (Cities of Casey, Boroondara, Greater Geelong, Bayside, Knox and Shire of Yarra Ranges) and two agencies (EnergyMad and Low Energy Supplies and Services). It reached 3,383 households and delivered an abatement of around 20,475 tonnes over the life of installed products.

GreenHouse Games Schools Challenge (2009)

The GreenHouse Games Schools Challenge partnered with 31 Victorian primary and secondary schools. Nine hundred and five households began the challenge, with 333 completing it. This delivered an estimated annualised abatement of 829 tonnes, or an average reduction of 0.91 tonnes per household.

GreenHouse Games Workplace Challenge (2009)

The GreenHouse Games Workplace Challenge partnered with 11 workplaces (National Australia Bank, Telstra, Australia Post, Department of Innovation, Industry and Regional Development, Lend Lease, Ericsson, Medibank Private, Fosters, RMIT, SP Ausnet and Fujitsu). Over 800 households began the challenge, and 369 completed it, for an estimated annualised abatement of 895 tonnes, or an average 1.09 tonnes reduction per household.

Green Light Report

The *Green Light Report* provides a snapshot of the environmental attitudes and behaviours of Victorian householders. In 2009, we interviewed 2,150 householders in metropolitan and regional Victoria, and 3,135 householders from 15 targeted local government areas. The survey helped state and local government develop relevant policies, programs and communications, and showed the uptake of various sustainable behaviours across Victoria.

Survey data published in the 2009 Green Light Report reveals the following environmental attitudes:

- + 42 per cent are very concerned about the environment (versus 38 per cent in 2008).
- + 44 per cent rated water as the most important environmental issue for the Victorian government; 17 per cent rated climate change as the most important.
- + 18 per cent rated environmental issues as the top issue requiring government attention (second only to bushfires).

The 2009 report also allowed us to track changes in attitudes and behaviours. Table 8 shows the positive and negative changes since the 2008 *Green Light Report*.

Table 8: Changes in environmental attitudes and behaviours (2008–2009)

Attitude/ Behaviour	% Respondents 2009	% Respondents 2008
There's something I can do about the environment as an individual	90	86
I'd like to make my home more environmentally friendly, but I can't afford it	70	66
Taken a shower of four minutes or less	71	64
Avoided using plastic bags to carry shopping home	64	60
Purchased locally grown fruit or vegetables to help the environment	73	64
Grown your own fruit or vegetables to help the environment	50	42
Travelled by plane and offset emissions	7	3
Used water tanks	34	30
Used front-loading washing machine	28	25
Used fluorescent light globes	66	62
Have plasma screen TV	20	13
Have two or more fridges or stand-alone freezers	48	43

Positive trends include:

- + an increase in short showers
- + increased use of Green bags
- + increased purchases of local fruit and vegetables
- + an increase in growing own fruit and vegetables
- + increased offsetting of air travel
- + increased rainwater tanks (particularly in Melbourne)
- + increased front-loading washing machines
- + increased compact fluorescent light globes.

Negative trends include:

- + a reduction in the number of people who feel there is something they can do about the environment
- + a decrease in perceived ability to afford to implement environmental initiatives
- + increase in number of homes with plasma TVs
- + increase in household that have two or more fridges or stand-alone freezers.

Showcasing sustainability achievements

We understand the importance of showcasing sustainability achievements to further promote effective action. In 2009–10, our sponsorship activities acknowledged the achievements of Victorians across various sectors, and provided opportunities for people in business, government and the community to share their experiences and learning with sustainability experts and other key stakeholders.

We sponsored key events and activities such as Future Shots, a young people's film competition on sustainability, and the Sustainable Living Festival. We also sponsored the Deakin Lecture Series, Sustainable House Day and the Green Cities Expo. We provided sponsorship funding for conferences, such as the Australian Financial Review (AFR) Carbon Reduction Conference and the Energy Efficiency Council Conference.

We also presented at local, regional, state, national and international conferences. Forums covered specific sectoral issues like bioenergy and solar hot water heating, as well as the broader issues of built environment and sustainable precincts, and the sustainable use of resources across various sectors.

We conducted two in a series of planned regional visits to promote our services and engage all sectors of a particular community with the sustainability agenda. In 2009–10, we visited Torquay and Shepparton, with around 400 groups and individuals participating in our roadshow.

Premier's Sustainability Awards 2009–10

The Premier's Sustainability Awards recognise excellence in sustainability in the community, built environment, large and small business, local and state government bodies, tertiary education, and in developing products and services. Sustainability Victoria has managed the Awards for the Premier since 2007. We received 116 submissions in 2010, a 93 per cent increase on the 60 submissions received in 2009. Attendee numbers also doubled with 749 guests at the ceremony in 2010.

The theme of the awards was 'Rise to the Challenge of Change'. Three new categories were introduced at the request of stakeholders: tertiary education, local government and state government.

The diversity of 2010 Awards sponsors reflects the growing awareness of the importance of sustainability. Sponsorship was provided by:

- + Herald Sun (media partner)
- + Tru Energy (event sponsor)
- + Department of Education and Early Childhood Development (community award sponsor)
- + Rheem/Edwards/Solahart (built environment award sponsor)
- + Sensis (small business award sponsor)
- + Yarra Valley Water (large business award sponsor)
- + Publishers National Environment (state government award sponsor)
- + SITA Environmental Solutions (local government award sponsor)
- + TAFE Development Centre (tertiary education award)
- + La Trobe University (products or services award).

The winners of the Awards are listed in Appendix 3.

Empowering government agencies

The aim of our various government projects is to continuously improve the environmental sustainability of Victorian and local government agencies.

ResourceSmart Governments Program

We have provided a suite of sustainability tools and resources to state and local government agencies through the ResourceSmart Governments Program.

Since 2008, agencies have participated in a staged program to develop and implement Environmental Management Systems. Over 80 agencies have now submitted strategies for review and taken sustainable actions such as reducing resource consumption and building sustainability into decision-making and core business.

Twenty-two tertiary institutes (TAFEs and universities) participated in the ResourceSmart Tertiary Education program. This offered sector-based training, coaching

and materials to build sustainability into core business activities. We also helped establish a high-level Education for Sustainability working group to build sustainability into teaching, learning, curriculum and research in Victoria.

Over 100 healthcare agencies participated in the ResourceSmart Healthcare program which provided sector-based training, coaching and materials.

We gave Victoria's 79 local governments access to a suite of tools and the latest information to drive sustainability change. Utility Tracker was updated to measure energy and water use in council facilities. We also rolled out the Best Practice Tracker, a new tool that uses energy and water consumption data to track performance and provide direction for upgrading council facilities. Resource Locator is a new web-based information source of case studies and other resources specifically designed for local governments. It now includes information on sustainable precincts.

ECO-Buy

We provided funding to ECO-Buy to enable the delivery of a range of training, tools and support programs for local governments, state government agencies and departments, and businesses. Significant achievements were celebrated at the ECO-Buy Awards event including a Sustainability Victoria sponsored award.

Providing sustainability tools

In 2009–10 we developed three sector-specific sustainability assessment and certification tools for government, industry and schools. The aim of these is to assist organisations to assess and improve their sustainability performance.

5 Star Sustainability assessment and certification

Our 5 Star Sustainability for Government tool offers state government agencies the opportunity for self-assessment and certification. A 5 Star sustainability tool for local governments was also developed, and will be piloted in 2010–11.

The 5 Star Sustainability for Industry tool was successfully trialed by a sample of medium-to-large manufacturing businesses. They found it user-friendly and effective in identifying ways to improve performance across key areas of sustainability. They also provided feedback to strengthen the usability of the tool.

The 5 Star Sustainability Certification for Schools (known as ResourceSmart AuSSI Vic 5 Star certification) aims to benchmark primary and secondary schools' performance across operations, curriculum and community engagement. Schools can work through the certification process one area at a time, either at their own pace or through a facilitated model. Two schools have reached two-star status, and 176 schools have achieved one star.

Key Partners in the Delivery of Goal 1

Australia Post
Beacon Lighting
Brotherhood of St Laurence
Bunnings
Camberwell Electrics
Cities of Casey, Boroondara, Greater Geelong, Bayside, Knox and Shire of Yarra Ranges
DASMA
Department of Environment, Water, Heritage and the Arts (Commonwealth)
Department of Health
Department of Innovation, Industry and Regional Development
Department of Premier and Cabinet
Department of Sustainability and Environment
Department of Treasury and Finance
ECO-Buy
ELGAS
Encompass Community Services
EnergyMad
Environment Protection Authority
Ericsson
Fosters
Fujitsu
Good Shepherd Youth and Family Services – national NILS network coordinator
Green Plumbers
Greenhouse Alliances
Harvey Norman
International Council for Local Environmental Initiatives (ICLEI)
JJ Richards
Kildonan UnitingCare
Lend Lease

Local Governments Low Energy Supplies and Services – LESS
Medibank Private
Metropolitan Waste Management Group
Mission Australia
Mitre 10
Municipal Association of Victoria
National Australia Bank
Office of the Commissioner for Environmental Sustainability
Plumbing Industry Commission
Public and community healthcare organisations
Regional Waste Management Groups
RMIT University
Skills Victoria
SKM Recycling
SP Ausnet
Sustainable Campus Group
TAFE Development Centre
Telstra
Tertiary Institutes (TAFEs and universities), including sustainability units such as the National Centre for Sustainability (Swinburne), Monash Sustainability Institute, Global Sustainability (RMIT)
The Good Guys
Theiss
Try Youth and Community Services
UnitingCare Cutting Edge
Victorian Local Government Sustainability Accord
Victorian TAFE Association
VISY
Warehouse Sales
Western District Employment Access

Part 7 Goal 2

To create capacity for sustainable products and services

Sustainability Victoria's main responsibility is to facilitate and promote sustainable resource use. Since our inception in October 2005, we have helped many Victorians become smarter in their use of resources by supporting increased recycling, reprocessing and resale of materials diverted from landfill. As a result, Victoria's progress on the targets set in the government's *Towards Zero Waste Strategy* has been positive.

Our key objectives for 2009–10 were to:

- + work with regulators and priority industries at the most effective points in the value chain to develop sustainable lifecycle solutions
- + grow networks of good practice and innovation in product and service industries.

In 2009–10, we targeted how we use resources at all stages of the product lifecycle to ensure that Victoria generates real economic value, innovative thinking and technologies. We supported and promoted best practice in resource recovery, by refining and integrating our resource recovery programs.

We advocated at national and state levels for the smarter use of our existing energy resources and to increase our renewable resources usage.

We leveraged our regulatory and policy support work to promote, connect and support the deployment of renewable technologies.

We helped Victorian businesses adopt clean technologies by promoting technological, product and process innovation in the supply chain, particularly in the manufacturing, plastics and chemicals, and small business areas of the economy. We focused on practices, technologies and innovations that may help make Victoria more sustainable.

The following is an overview of our 2009–10 Business Plan programs, projects and initiatives under the goal of creating capacity for sustainable products and services.

Partnering with industry

Our industry partnerships enable us to engage networks of organisations with the four key points in product and service lifecycles – design, production, purchasing, and end-of-life management – to enhance the sustainability of operations and supply chains.

Plastics and Chemicals Industries Association

Our partnership with the Plastics and Chemicals Industry Association (PACIA) increased the capabilities and knowledge of the industry. In 2009–10 we:

- + sponsored the scenario planning workshop, Prepare 2030, leading to an industry discussion paper
- + commenced the *Lifecycle Thinking through the Supply Chain* project. The outcomes will underpin a broader industry roadmap that outlines the need for – and barriers to – lifecycle thinking through the supply chain
- + completed Quickstarts in the Design for Sustainability (D4S) series, providing design for sustainability strategies, technical information on plastics, relevant regulations and standards, and additional resources.

Australian Industry Group

Partnering with the Australian Industry Group, we delivered the ResourceSmart Business Industry Pilot project across two product supply chains in the food sector. This reduced the carbon intensity of two products, SPC Ardmona's 410 gram can of peaches and the Bulla Dairy Foods 2-litre tub of vanilla ice-cream.

In 2009–10 we:

- + identified the flow of resources through supply chains from a lifecycle perspective and carbon reduction business improvement opportunities
- + provided on-site assistance for participating small and medium businesses to start carbon-reducing activities. We will use the learning from this project to refine the project model and business case to attract further interest and funding.

Carbon Down

Carbon Down is a partnership between the Victorian Employers Chamber of Commerce and Industry (VECCI) and the Victorian Government, which is managed by Sustainability Victoria. Carbon Down projects help Victoria's 490,000 small to medium businesses (SMEs) reduce their carbon footprint and save money.

Key achievements in 2009–10 include:

- + launching Carbon Compass (www.carboncompass.com.au), an online tool that gives SMEs reliable, easy-to-access sustainability solutions
- + delivering direct carbon abatement by SMEs through initiatives like Bendigo Bank's Ban the Bulb program
- + launching What Can I Do Right Now? (www.whatcanidorightnow.com.au), a campaign that encourages new businesses to be more environmentally friendly through relevant, easy-to-implement activities
- + making low-cost, practical carbon reduction information available and accessible in over 200 locations to all Victorian SMEs. Locations include local councils, the education sector, not-for-profit organisations, large corporate and various industry associations
- + completing two important research pieces – the *Victorian Carbon Footprint Survey* and *Talking Carbon to SMEs*. The *Victorian Carbon Footprint Survey* was designed to model the carbon footprint make-up and characteristics of the different industries and segments across Victoria's small businesses. *Talking Carbon to SMEs* contains 10 key recommendations when talking about carbon to small and medium businesses.

Industry Partnerships Program

The Industry Partnerships program helps manufacturing industry groups achieve behaviour change and deliver resource-efficiency projects to their members. We partnered with 13 industry associations and networks to increase sustainability in priority sectors including non-ferrous metals, chemicals, iron and steel, fabricated metal products, dairy, cement, lime and concrete, motor vehicles, and pulp paper and paperboard.

In 2009–10, the program reached over 500 member businesses, and resulted in more than 50 events with over 1,000 participants. Outcomes include:

- + reduction in energy, water and waste through projects with the Australian Die Casting Association, South East Business Networks and Australian Foundry Institute
- + sustainability-focused business networks facilitated by the Shire of Yarra Ranges, SIRF Roundtables and Mornington Peninsula Shire
- + supply chain engagement and improvement projects

with the Australasian Slag Association and Ash Development Association of Australia

- + a focus on sustainability at the national conferences of the Australian Foundry Institute and the Confectionery Manufacturers Association
- + a model of the impacts of energy-efficient window installation in new houses and an industry strategy to encourage uptake, developed with the Sustainable Windows Alliance (Australian Glass and Glazing Association and the Australian Window Association)
- + sharing of sustainability know-how, with 50 site visits by Fergusson Plarre, Davey Water Products, Kraft, Visy and Replas, as part of Insights 2 Excellence's Sustainability Insights program.

EcoChoice Networks

The EcoChoice networks program is aimed at helping fleet managers make sustainable procurement decisions for vehicles owned and leased by Victorian government agencies and authorities.

We are developing and testing a user-friendly triple bottom-line guide in partnership with Zoos Victoria, City of Ballarat, Western Water, Vic Roads and City of Melbourne. The guide, which will be available in late 2010, will feature advice on applying whole-of-government Standard Motor Vehicle Policy and other government policy initiatives like the Victorian Government Climate Change Green Paper, Victorian Government Fleet Vehicle Emissions Target and five-year Electric Vehicle (EV) trial.

This project has engaged the Department of Sustainability and Environment, the Environment Protection Authority, the Department of Treasury and Finance, and the Office of the Commissioner for Environmental Sustainability.

Water sector network

We facilitated The Water Industry Greenhouse Working Group, which comprises representatives from 18 of the 20 water corporations, and government departments and agencies. The group met four times in 2009–10, and our focus was the relationship between water use and other resources like energy and materials.

We concluded our facilitation role with the Water Industry Greenhouse Working Group this year.

Demonstrating best practice and innovation

Sustainability Victoria promotes best practice and innovation through our programs, assisting businesses to improve their performance and long-term viability by incorporating sustainable solutions at all stages of the value chain.



Clean Technology Investment

The Clean Technology Investment program has helped larger Victorian businesses plan and implement practical and commercially viable projects to reduce greenhouse gas emissions. The program was a response to the growing national focus on business energy efficiency.

We completed three projects in 2009–10:

- + Murray Goulburn Co-operative – a feasibility study and installation of a 600 kW steam turbine for on-site use at Leongatha
- + Geobrick Pty Ltd – verifying product claims using lifecycle assessment, developing quality management procedures and installing quality-control equipment for low-emission (non-fired) carbon brick manufacture
- + Blue Circle Southern Cement – business case development for waste recovery at the Brooklyn landfill for recycling and use as a resource-derived fuel at Blue Circle’s cement kiln.

One project was terminated by mutual agreement, because of challenges in raising capital investment following the global financial crisis.

Another project, assisted by Colonial First State, is a feasibility study for a tri-generation system at a Melbourne location. This should be completed in 2011–12.

Best Practice Guides for Energy Efficiency

In 2009–10, we promoted and distributed *Best Practice Guides for Energy Efficiency* and associated case studies to industry. We also released a Frequently Asked Questions (FAQs) guide for businesses considering small to mid-size cogeneration projects of less than 10 MW electricity generation.

Our pump energy efficiency case study on Murray Goulburn Co-operative showed annual savings of 92 tonnes of greenhouse gas emissions, 75 MWh and \$6,000 in energy cost savings. Our data centre energy efficiency case study on Victoria University indicated annual savings of 600 tonnes of greenhouse gas emissions, 500 MWh and \$40,000 of energy cost savings.

Beyond Best Practice

The Beyond Best Practice initiative accelerates new and innovative solutions to reduce carbon emissions and improve resource efficiency. It supports organisations as they work through the early stages of building a solid business case.

We fund business case development that:

- + demonstrates the capacity to transform and strengthen an industry or sector within five years
- + integrates lifecycle thinking into identifying and adopting solutions so the best solution is used at the most appropriate time.

In 2009–10, we funded and conducted five feasibility studies:

1. demonstrating the viability of on-site co-generation for small-to-medium-scale water treatment facilities to reduce energy intensity
2. investigating the feasibility of intercompany transfers of surplus thermal and water resources
3. testing viable engineering applications for waste glass as a road-construction material in pavement sub-base
4. reviewing the feasibility for a regional waste-to-energy facility with an on-site industrial customer group
5. evaluating new technologies to enable closed-loop efficiencies for latex and water wastes in carpet manufacturing.

The organisations involved were Western Water, Boral, Kraft, Crema, Bendigo City Council, Alex Fraser Group, VicRoads and Victoria Carpets.

Renewable Energy Support Fund

Hepburn Community Wind Park received a grant of \$975,000 through the Renewable Energy Support Fund. Hepburn is Australia’s first community wind park. The Cooperative ordered two wind turbines from RE Power Systems. These have been built and are in storage in Germany. We expect the wind park to be operating in 2010-11. The project’s total cost is over \$12 million, and was significantly financed by members of a community cooperative.

National Packaging Covenant – new collection service models for small-to-medium enterprises

In late 2008–09 the National Packaging Covenant granted us funding of \$1.5 million to provide new collection services to SMEs to recover 42,000 tonnes of recyclable packaging by June 2011.

We contracted two partners through a competitive funding process to recover the recyclable packaging. In 2009–10 Transpacific Industries Group and SKM Recycling collected 7,564 tonnes of recyclable packaging material from SMEs.

Heading Towards Zero Waste – strategy, planning and reporting

To support the delivery of the government’s *Toward Zero Waste Strategy*, Sustainability Victoria aims to:

- + gather and analyse data around economic opportunities for resource recovery
- + develop and implement metropolitan and regional plans
- + report on progress against the targets set out in the strategy.

The following is a brief overview of our reporting, strategy and plans in connection with *Towards Zero Waste*.

Towards Zero Waste Report: 2008–09

Based on the latest figures, in 2008–09 Victoria exceeded its overall target for solid waste recovered, retrieving 64 per cent of all materials. Improvements in the commercial and industrial, and construction and demolition sectors helped achieve this. Victoria's waste generation is now 1.93 tonnes per capita, which has decreased by 30 kilograms (or 1.5 per cent) per person from 2007–08.

Meeting the target of 1.5 million tonnes reduction in total waste, compared with 'business as usual', remains a significant challenge, given Victoria's projected population growth.

The *Local Government Survey* and the *Victorian Recycling Industries Annual Survey* are the major reports informing the *Towards Zero Waste Progress Report*.

Local government survey

The Victorian Local Government Annual Survey measures the success of council kerbside collection services to divert household waste from landfill. Victoria's 79 local governments provide data to assess service delivery effectiveness and efficiency.

The survey showed that the kerbside recovery rate had risen from 42 per cent in 2007–08 to 43 per cent in 2008–09.

Victorian Recycling Industries Annual Survey

A key target of the *Towards Zero Waste Strategy* is to increase waste recovery to 75 per cent by 2013–14.

The *Victorian Recycling Industries Annual Survey* measures the success of the recovery and diversion of waste from landfill. Data from 72 businesses within the resource recovery sector revealed that the statewide resource recovery rate has risen from 61 per cent in 2007–08 to 64 per cent in 2008–09.

Metropolitan Waste and Resource Recovery Strategic Plan

The Minister for Environment and Climate Change, Gavin Jennings MLC, released the Metropolitan Waste and Resource Recovery Strategic Plan in 2008–09.

In 2009–10 we partnered with the Metropolitan Waste Management Group, EPA Victoria and the Department of Sustainability and Environment to focus on priorities for implementing the plan.

A clear priority is to improve recovery rates from multi-unit developments (MUDS). Historically, only low levels of materials for recycling have been recovered from MUDs and there is potential to increase recovery significantly.

We developed a best practice guide for managing waste and recyclables, the *Guide to Best Practice for Waste Management in Multi-unit Developments*. The guide outlines waste management issues such as adequate access and storage space, and contains educational materials that will help to improve sorting and collecting recyclable materials from MUDs.

Developers, architects, council staff and the waste industry were consulted in the development of the guide.

Solid Industrial Waste Management Plan

The Solid Industrial Waste Management Plan is the other key plan guiding implementation of the *Towards Zero Waste Strategy*. It aims to provide future directions for industrial waste recovery and management.

We consulted with local government and the waste sector to develop the plan. We also undertook waste, economic and infrastructure modeling. However, due to the timing of the *Towards Zero Waste Strategy* review and its possible implications for the Solid Industrial Waste Management Plan, finalisation of the plan has been deferred. We expect to complete the plan during 2010–11.

Organics recovery and market strategy

Recovering and reprocessing organics, and developing markets for them is critical to delivering on Towards Zero Waste targets.

In 2009–10 the Healthy Parks, Ovals and Waterways Program aimed to close the loop on recovering and reprocessing organic materials by creating additional markets for end-products. The program demonstrated the benefits of using recycled organic products to metropolitan councils. We ran eight trial projects with five local governments across Melbourne.

We also made major progress in engaging end-markets, through events like the Melbourne International Flower and Garden Show and forums targeting key end-users in metropolitan and regional areas. Our partnership with Compost Australia meant that market organics officers in other states could be involved, increasing resources to further develop Victorian markets.

Expert speakers reinforced the messages of quality systems and products to the compost industry. We also promoted the importance of the Certified Compost Scheme. We helped five Victorian composters, all offering certified products to Australian Standards, to become full members of the national Advancing the Recycled Organics Industry scheme.

The Kerbside Organics Best Practice program recycled 62,454 tonnes of green organics, an increase of 92 tonnes compared to 2008–09. The City of Monash and City of Kingston contributed to 54 per cent of the green organics recycled. Together with Boral, the Cities of Bayside, Cardinia and Greater Shepparton contributed the remaining 46 per cent.

Towards Zero Waste Strategy mid-term review

We coordinated the review of the *Towards Zero Waste Strategy*. The objective of the review was to document Victoria's achievements in the past five years and inform decisions about future programs to achieve the *Towards Zero Waste* targets.

Findings show significant improvements in waste recovery, but waste avoidance and recycling is still a challenge for Victoria.

Heading Towards Zero Waste – delivery

As part of the delivery of the *Towards Zero Waste Strategy*, Sustainability Victoria supports industry and regions to implement actions that improve the sustainability of product life cycles. The following is a brief overview of our delivery in connection with *Towards Zero Waste*.

Municipal resource recovery

The Municipal Resource Recovery program assists local governments to develop best-practice waste management facilities and tools to meet the *Towards Zero Waste* target of a 65 per cent recovery rate of municipal and household waste by 2014.

We invested \$527,000 in four projects, recovering 5,224 tonnes of municipal waste for recycling. Completed in 2009–10, the projects were:

1. **The Echuca Eco Centre.** This is a new resource recovery centre, with the capacity to recover over 1,400 tonnes of materials for recycling each year and save 1,443 tonnes of greenhouse gases. The site will recover priority materials including timber and green organics; improve the efficiency and effectiveness of material handling and material recovery; and provide on-site undercover storage and a re-use sales centre offering the community low-cost materials.
2. **Knox Resource Recovery Centre** in Wantirna South. An upgrade to this facility included a new construction and demolition waste sorting area, a new building for recovering valuable materials and a resale centre with an outdoor display area.
3. **Eight resource recovery centres around the Barwon Region** were upgraded to establish mattress recycling.
4. **Halls Gap.** A new resource recovery centre at Halls Gap was established to expand the range of materials collected, increase recovery and improve site safety for staff and the community.

Two remaining projects from the Municipal Resource Recovery program funding rounds which will be completed in 2010–11 are:

1. the construction of a new resource recovery centre in Apollo Bay
2. a new resource recovery centre at the Cobram Landfill.

Support for industry resource recovery

Our commercial and industrial infrastructure grants program has provided significant funding for projects to deliver against the *Towards Zero Waste Strategy* targets for commercial and industrial (C&I), and construction and demolition (C&D) resource recovery.

This year saw the completion of the \$5.8 million three-year funding program, which supported 22 projects. Our program target to recover 474,000 tonnes was exceeded, with 650,000 tonnes recovered across the projects.

Projects completed this year include the Alex Fraser Group's construction of a recycling facility that recovered 400,000 tonnes (twice the amount originally estimated), and a glass processing system built by SKM Recycling, which diverted nearly 13,500 tonnes.

Best Practice Guides for resource recovery

In 2009–10 we revised two of our best practice guides to include the latest knowledge. Both guides provide users with up-to-date practical information to help improve planning and the long-term efficiency of operations:

1. The *Guide to Best Practice for Organics Recovery* provides information, examples and tools to plan, implement and assess systems for better organics management. The guide is intended for both existing organics processors and those interested in developing an organics processing facility. It aims to assist with decision-making, so that new and upgraded organics processing capacity is in line with government and community expectations.
2. The *Guide to Best Practice at Resource Recovery Centres* is for people establishing, operating and managing resource recovery centres that are open to the Victorian public. This includes operators, managers, equipment suppliers and contractors. It provides advice on planning and siting, design and construction, operation and management, and rehabilitation.

A revised training program for resource recovery centre staff will be completed in 2010–11.

Product stewardship

Sustainability Victoria continued to show leadership in this field, working on voluntary pilot product stewardship schemes in major waste-generating product sectors.

Byteback™ is a model for collecting end-of-life computer equipment. Funded by the Sustainability Fund, Byteback™ collected almost 800 tonnes of computer waste from eight locations in 2009–10.

Drawing on our work with Byteback™, the Federal and State Environment Ministers agreed to establish a national recycling scheme for televisions and computers.

We expect this to begin in 2011, and Byteback™ will become part of the program.

Phase two of the Batteryback™ unwanted household battery program was launched in October 2009, collecting over one tonne of batteries through retail outlets. This was an increase of over 250 per cent compared to phase one. Cost efficiencies were improved by 44 per cent compared to the phase one trial. Other key findings include identifying the most common brands in the waste stream and establishing that non-rechargeable batteries make up 75 per cent of batteries collected.

Heading Towards Zero Waste – litter

To achieve the *Towards Zero Waste* litter targets, Sustainability Victoria is implementing a coordinated litter reduction strategy that is focused on reducing litter in public places. The following is a brief overview of our progress in connection with *Towards Zero Waste* targets in this area.

Victorian Litter Strategy

In August 2009 Minister Jennings released *The Victorian Litter Strategy: Creating Cleaner, Safer Places – Working together to remove litter from Victoria’s environment*. Developed with the Victorian Litter Action Alliance (VLAA), the strategy is aimed at achieving the *Towards Zero Waste* target of a 25 per cent improvement in littering behaviours by 2014, compared to 2003.

Key areas for action are:

- + a coordinated statewide approach
- + improved litter prevention and management
- + measuring and reporting of litter
- + behavioural change.

In March 2010 the Premier and Minister Jennings announced the \$6 million Litter Strategy Action Plan to work with government, industry and the community to roll out infrastructure, education and enforcement activities to combat litter. The Action Plan builds on current litter solutions and outlines future plans for Victoria to support the implementation of the Litter Strategy.

The five focus areas in the Litter Strategy Action Plan are to:

1. improve public place recycling
2. implement roadside litter prevention kits
3. fund local government litter prevention officers
4. start an education and behaviour change campaign
5. improve litter reporting.

¹ The original CCAT methodology was designed in 2003 by Robert Curnow and Karen Spehr of Community Change Pty Ltd.

Victorian Litter Champion

The Victorian Litter Champion reports through Sustainability Victoria to the Victorian Litter Action Alliance (VLAA). The Litter Champion plays a key role in delivering the Litter Strategy Action Plan and working with various partners to reduce litter.

In 2009–10 the VLAA Litter Champion developed a Roadside Litter Prevention and Resource Recovery kit, which was funded by the National Packaging Covenant, the Australian Food and Grocery Council Packaging Stewardship Forum, and Sustainability Victoria. Based on a pilot program, the kit promoted capacity-building workshops across Victoria. The pilot achieved a 93 per cent reduction in roadside litter along the Bass Highway from Inverloch to Anderson Inlet, and a 68 per cent reduction along the Princes Highway from Wearn Ponds to Winchelsea.

The Victorian Government has allocated \$600,000 over three years for the kit’s implementation. Two Victorian projects also secured National Packaging Covenant funding for 2010–11 to implement the kit along Victorian coastal highways and the Western Highway.

In addition, the Litter Champion worked with local government councils, regional waste management groups and other property owners to tackle illegal residential dumping. It also worked with the Metropolitan Waste Management Group and member councils to run more effective litter prevention programs.

The biennial VLAA survey, which measures litter prevention activity and identifies future priorities and resource needs, was completed.

Victorian Litter Report

The *Victorian Litter Report* is a survey of 215 locations across Victoria that provides data on litter, littering and litter prevention across the state. The 2009 Victorian Litter Report used the Clean Communities Assessment Tool¹ to report on progress against the *Towards Zero Waste* target of 25 per cent reduction by 2014 compared with 2003 levels.

Report results showed a 17.2 per cent improvement in litter prevention behaviours from the 2003 benchmark, a 3.6 per cent improvement on the notional target of 13.6 per cent. This means that Victorians are on track to meet the 2014 *Towards Zero Waste* target for littering.

Public place and venue resource recovery

In 2009–10 we launched the Western Victoria Public Place Recycling project with our partners Alcoa of Australia and the Barwon Regional Waste Management Group.

Alcoa is funding the two-year project to provide public resource recovery infrastructure at sports grounds, community facilities and main streets in the Barwon and South-West regions. When the new infrastructure is finalised in 2010–11, we expect an increase of at least 20 tonnes a year of recyclable material.

Providing regulatory and policy support

One of Sustainability Victoria's key objectives is to provide energy sector information and technical advice to regulators, industry and government, to influence the development of standards, rules and regulations, and improve the sustainability of energy supply and use. The following is an overview of our work in this area.

Energy efficiency

In 2009–10 we participated in Commonwealth and Victorian government processes to assist energy-efficiency policy development and implementation.

At the national level, we represented the Victorian Government on the Ministerial Council on Energy's Energy Efficiency Working Group and various National Framework for Energy Efficiency committees. This includes leading Victoria in the Minimum Energy Performance Standards (MEPS) program for appliances and equipment, the national program that oversees mandatory energy labelling and minimum energy performance standards.

Participating in the MEPS program enabled us to:

- + lead Victoria's contribution to the introduction of MEPS and labelling for televisions; MEPS for incandescent lamps and compact fluorescent lamps; tighter labelling requirements for residential air conditioners and refrigerators; and a voluntary pool pump-labelling scheme. We also helped advance regulatory processes for gas water heaters; gas room, decorative and outdoor heaters; portable air conditioners; and home entertainment equipment.
- + continue to manage national projects for the national Equipment Energy Efficiency Committee on industrial equipment and gas-ducted heaters. We also completed a discussion paper on a 10-year Industrial Equipment Strategy and developed discussion papers on non-domestic pumps, non-domestic fans and gas-ducted heaters. We expect to make these public early in 2010–11.

We also worked with other government departments on scoping further energy efficiency measures for Victoria. We helped implement the Victorian Energy Efficiency Target scheme by providing specialist technical advice to the Department of Primary Industries and the Essential Services Commission, including reviewing potential new measures for inclusion in the scheme.

Strategic research on energy efficiency issues

In 2009–10 we started work on strengthening our evidence base on the energy efficiency of Victorian houses and the practical potential to improve it. This includes:

- + the On Ground Assessment (OGA) Pilot Project, which collected detailed data from 15 pre-1980 houses in Melbourne and analysed energy savings that could be achieved through various building shell, lighting and appliance improvements.
- + a review of the heat-load estimation methodology used in the OGA Pilot Project to develop a better modelling methodology. This will be used in an expanded OGA Project in 2010–11 that will assess an additional 30 houses.
- + the start of a Victorian Residential End Use Metering Project (Vic-REMP) to collect data on the electrical-load profile of Victorian homes, and lighting and key appliance energy use.

We contracted Moreland Energy Foundation Limited to undertake the OGA Pilot Project. The Commonwealth Department of Climate Change and Energy Efficiency is managing the national REMP project. The Vic-REMP project will draw on national project insights and supplement the national project with more detailed Victorian data.

Distributed Generation Acceleration

In 2009–10 we consolidated our relationships with key stakeholders who have an interest in distributed generation. Stakeholders include the Departments of Primary Industries, and of Innovation, Industry and Regional Development, and Victoria's electricity network businesses.

We provided advice on a range of proposed DG projects through our Distributed Generation Acceleration Program, including those for Department of Human Services on cogeneration for public hospitals, and cogeneration at Melbourne Airport.

We surveyed those applying to connect generation to the Victorian distribution grid about their issues and experience.

We also held a workshop with other key departments about strategic options for DG in Victoria.

Key Partners in the Delivery of Goal 2

Alex Fraser Group
Ash Development Association of Australia
Australasian (Iron & Steel) Slag Association
Australian Die Casting Association
Australian Food and Grocery Council Packaging Stewardship Forum
Australian Foundry Institute
Australian Industry Group (Ai Group)
Barwon Regional Waste Management Group
Boral
Boral Plasterboard
Butt Free Australia
Carpet Industry Association Ltd
City of Bayside
City of Cardinia
City of Greater Bendigo
City of Greater Shepparton
City of Kingston
City of Melbourne
City of Monash
Colac Otway Shire Council
Compost Victoria
Confectionery Manufacturers Australia
Crema Group
Dairy Innovation Australia
Department of Climate Change and Energy Efficiency (Commonwealth)
Department of Premier and Cabinet
Department of Primary Industry
Department of Resources Energy and Tourism (Commonwealth)
Department of Sustainability and Environment
Energy Safe Victoria
EPA Victoria

Essential Services Commission
Insights 2 Excellence
Kraft Foods Ltd
Melbourne Water
Metropolitan Waste Management Group
Moira Shire Council
Mornington Peninsula Shire
Municipal Association of Victoria
Murray Goulburn Co-op
National Packaging Covenant
Northern Grampians Shire Council
Parks Victoria
Plastics and Chemicals Industry Association (PACIA)
Shire of Campaspe
Shire of Yarra Ranges
SIRF Roundtables
South East Business Networks
South East Water Ltd
Sustainable Windows Alliance
The Association of Victorian Regional Waste Management Groups
VicRoads
Victoria Carpets
Victoria University
Victorian Chamber of Commerce and Industry (VECCI)
Victorian Litter Action Alliance
Victorian Local Governance Association
Victorian Waste Management Association
Vinyl Council Australia
Visy Recycling
W.M. Waste Management Services Pty Ltd
Waste Management Association of Australia
Western Water Ltd

Part 8 Goal 3

To grow the supply of energy from diverse renewable energy sources

In 2009–10, we continued to promote and support the uptake of renewable technologies in Victoria. Our key objectives were to:

- + provide authoritative advice and information about renewable energy to business, community and government
- + leverage our expertise and resources to encourage uptake and help deploy renewable energy technology.

We focused particularly on responding to industry and community needs for information and advice about renewable technologies, and on helping determine the technologies that are best suited to their needs.

We gave authoritative advice to stakeholders about development opportunities and the range and performance of renewable technologies, to inform decision-making in the wind, solar, geothermal and bioenergy sectors.

We brought together stakeholders within various national and international businesses, and national, state and local government authorities, to help establish renewable projects.

We also supported the deployment of innovative technologies in Victoria.

The following is an overview of our 2009–10 Business Plan projects and initiatives under our goal of growing the supply of energy from renewable sources.

Providing authoritative advice

In 2009–10, we promoted our programs through speaking engagements and workshops, and published information detailing developments in various renewable-energy sectors, including solar, bioenergy and wind power.

Renewable energy information

We disseminated information and advice to the renewable energy sector in Victoria. The information promoted new technology applications, funding and investment opportunities, and engagement with experts in the sector.

We sponsored Olivier Druেকে, President of the European Solar Thermal Industry Federation (ESTIF), to speak at two Australian conferences and an industry workshop where solar pioneer David Mills of Ausra Limited also participated.

Two Bioenergy Breakfasts with guest speakers from industry and government featured discussion on Victoria's potential to grow bioenergy. Richard Bolt, Secretary of the Department of Primary Industries, highlighted the role of bioenergy in the government's *Future Energy Statement*.

Publications produced in 2009–10 include:

- + *Large-scale Solar Thermal Systems Design Handbook* (in conjunction with the Master Plumbers and Mechanical Services)
- + *Consumer Guide to Small Wind Turbine Generation*
- + new case studies and video clips detailing renewable energy projects supported by Sustainability Victoria.

Emerging sustainable energy technologies

We commissioned energy consultants Energetics to research and report on the status and medium-term outlook of various renewable and low-emission energy technologies. The report, which will be available in early 2010–11, details the cost and level of technical maturity of each technology, and estimates their market readiness from 2015 to 2020. Most renewable energy technologies are included, as well as fuel cells, micro turbines and storage technologies.

Renewable energy data update and analysis

We collected recent annual electricity generation data from suppliers representing more than 95 per cent of Victoria's renewable electricity supply. This information was analysed to examine trends and the supply mix of the state's renewable electricity. We gave detailed information to the Department of Sustainability and Environment and the Department of Primary Industries to inform the development of their energy-related projects and policy. We also published summaries on our website.

Our analysis shows that renewable electricity has grown 37 per cent from 2004 to the end of 2009. Victoria's largest supply of renewable electricity now comes from wind energy, almost double the energy from hydro-electricity.

Leveraging our expertise and resources

Sustainability Victoria provides industry with in-kind and co-funded collaborative support to enable businesses to take advantage of renewable energy opportunities in the PV, solar cooling, bio energy, wind farm and marine energy sectors.

Small Renewable Energy Program

The focus of the small renewable energy program was to identify non-residential solar thermal energy opportunities, including solar cooling. A study of the potential for solar-assisted cooling in fruit cool stores and dairy farm refrigeration found that savings of up to 30 per cent are achievable on dairy farms and up to 9 per cent on fruit cold stores. We also supported the second Australian Solar Cooling Conference, which brought together national experts and government representatives in Melbourne.

GreenPower

We continued our representation on the intergovernmental National GreenPower Steering Group. As the Program's Marketing Manager, we supported the steering group and oversaw approval of marketing material from GreenPower providers. We also maintained and updated the national GreenPower website, so that customers had access to current information.

While Victoria still has the largest number of GreenPower customers, the number of customers voluntarily purchasing GreenPower and the volume of energy sold in Victoria fell by around 6 per cent in 2009–10. In 2010–11, we propose to work with GreenPower providers to investigate the reasons for this.

Wind energy and other industry planning support

We provided submissions and advice to Planning Panels Victoria for three wind farm proposals.

We also advised the Department of Sustainability and Environment on developing its marine renewable energy strategy.

We delivered a research project on aviation lighting and wind turbines which examined alternatives to installing night lights on wind turbines.

Further research on wind farms and the impact on the brulga population in Western Victoria progressed with the Department of Planning and Community Development, the Department of Sustainability and Environment, Planning Panels Victoria and the Clean Energy Council.

Solar hot water industry and products

We reviewed the performance of 400 solar hot water systems seeking eligibility under Victoria's rebate scheme, 5 Star Housing regulation and the Victorian Energy Saver Incentive. Internal technical assessments were supported by independent auditing of solar hot water heaters to provide an accurate and current database.

General Manager Sustainable Environments, Ken Guthrie chaired the international and the Australian and New Zealand Standards Committee for Solar Water Heating.

Wave resource measurement

We commenced work to evaluate the potential wave energy resource in Victoria, including research to define the scope for a wave energy monitoring project. Data will be analysed to develop maps and better assess Victoria's potential for a wave energy industry.

Key Partners in the Delivery of Goal 3

Alternative Technology Association
Australian Energy Market Operator
Australian Solar Cooling Interest Group
Australian Solar Energy Society
Clean Energy Council
Department of Climate Change and Energy Efficiency (Commonwealth)
Department of Innovation, Industry and Regional Development
Department of Planning and Community Development
Department of Primary Industries
Department of Sustainability and Environment
Essential Services Commission
European Solar Thermal Industry Federation
Invest Victoria
Master Plumbers and Mechanical Services Association of Australia
Office of the Renewable Energy Regulator
Planning Panels Victoria
Powercor
Standards Australia

Part 9 Goal 4

To influence the sustainability performance and use of new and existing buildings

Improving our built environment is a major priority for Sustainability Victoria. It is essential to delivering on our second strategic direction – improved sustainable resource use in urban and regional communities.

Action around the built environment relates not only to the building shells of homes, commercial or industrial buildings. It also includes the planning, design and overall sustainability performance of buildings, including their fit-out, the appliances and equipment installed and, most importantly, the way we live and work in those buildings.

We partnered with the building industry and other stakeholders to research, drive action, and help construct, renovate and retrofit sustainable buildings.

This work has contributed to future development in the built environment.

Our objectives in 2009–10 were to:

- + work with the building industry to encourage thinking beyond regulatory compliance for new homes
- + connect financiers, trades and community organisations to start mass-market improvements in the performance of existing homes
- + support innovation in design, construction and building technologies
- + work with industry, government and the community to improve non-residential building performance through tuning and retrofitting.

The following is an overview of our 2009–10 Business Plan programs, projects and initiatives under our goal of improving the sustainability of new and existing buildings.

Promoting ResourceSmart new homes

The aim of our ResourceSmart New Homes program is to provide the building industry with research and cost-effective examples of sustainable new home designs to encourage the construction of energy efficient homes.

CSIRO Australian Zero Energy House

In 2009–10 we worked with the CSIRO to launch its Australian Zero Energy House, an 8.2-star house designed with 6 kW solar panels to offset the small amount of energy the house would use. Henley Properties Group built the house at Delfin Laurimar Estate. It is currently being used as a display home but it will be tenanted. Sensors and metering equipment will monitor the house while occupied, with the data informing industry and government on the role of occupant behaviour in a high-performance house.

Housing Industry Association GreenSmart Funding

In 2009–10 we continued our work with the Housing Industry Association (HIA) to promote sustainable housing initiatives to its Victorian members through the GreenSmart program.

With our financial support, HIA has consolidated the program, putting in place dedicated staff and increasing communications through HIA GreenSmart newsletters and events.

Bushfire reconstruction and recovery

We produced the *Sustainable Rebuilding Ideas* manual in response to the 2009 Black Saturday bushfires. This comprises 23 fact sheets containing detailed sustainable solutions for those rebuilding or repairing homes. We supported this information in the field with staff visits and presentations to bushfire survivors. The fact sheets and an accompanying short video are available online.

Our involvement in three built environment projects scheduled for 2009–10 did not proceed because of our decision to shift resources to help rebuild Victorian homes and communities destroyed by the bushfires. These projects were the Existing Home Improvement Study, the MBAV Course Development Partnership project, and the development of Best Practice Manuals for Commercial and Retail Retrofits.

SV-VicUrban Residential Web Application

We have been working with VicUrban on a web application for new home buyers. Due for release in late 2010, the application will be a valuable resource for new home buyers looking for sustainable home solutions. It will:

- + educate new home buyers about sustainable design concepts
- + use real examples to show what sustainable home construction looks like
- + show the impact of sustainable behaviour in the home
- + make available many additional sustainability resources for the home.

Victorian Building Sustainability Assessor Accreditation

Having developed a robust system for accrediting building assessors, we engaged with other organisations to adopt the future accreditation and management of the assessors. This was done in close consultation with the building industry. The transition of House Energy Rater Accreditation to relevant industry groups should be finalised in 2010–11.

Swinburne Hybrid Research Project

Swinburne University prepared a report on developing virtual hybrid buildings: residential buildings that have the capacity to supply the annual operating energy requirements of its occupants. The report was promoted by Swinburne University.

Improving the performance of commercial and retail buildings

We use a range of tools to present a clear economic case for 'green buildings' to key decision-makers in the commercial and retail sector.

Outreach and Advice Pilot

Outreach was piloted in 2009–10 to showcase our 5-Star Green Star and 5-Star National Australian Built Environment Rating System (NABERS) rated fit-out. Our Green Leaders engaged 14 organisations in the Outreach Program and another 20 organisations toured our fit-out.

The Outreach Program's four key aspects are:

1. organisational environmental management practices and policies
2. Green teams and behaviour-change initiatives
3. environmentally sensitive design initiatives
4. monitoring and measurement systems.

Demonstrating the 'green building' business case

We partnered with National Australia Bank in 2009–10 to investigate the staff productivity benefits of its green refurbishment of 500 Bourke Street, Melbourne. We also worked on a similar study with Insurance Australia Group on its offices at 181 William Street, Melbourne.

We worked with Grocon to help develop in-depth case studies and communications materials detailing the innovative aspects of its 6 star GreenStar Pixel building in Carlton. This material will help us demonstrate and promote world's best practice in commercial building sustainability to the property, design and construction sectors.

In partnership with others, we delivered the Melbourne Forum event program, partnering with the Building Commission, Green Building Council of Australia, City of Melbourne, and the Australian Institute of Refrigeration Air Conditioning and Heating (AIRAH). Expert speakers presented on electricity generation in commercial buildings, commercial building mandatory energy efficiency disclosure, and changes to the Building Code of Australia (BCA) minimum energy efficiency standards.

ResourceSmart buildings challenge

We completed a scoping study that analysed the environmental, economic and social impacts of Victoria's shopping centres. Findings suggest that shopping centres have significant environmental impacts, including consuming around 50 per cent of Australia's commercial building energy and generating around 5 per cent of Australia's total greenhouse gas emissions.

We conducted over 30 in-depth consultations with key industry stakeholders including centre owners, peak bodies, retail tenants and centre management staff over the year. Feedback identified a significant opportunity to help large and smaller shopping centre owners understand and address their impacts.

CitySwitch

CitySwitch Green Office is a national tenant energy efficiency program. Signatories commit to improving their offices' energy efficiency to 4 Stars under the National Australian Built Environment Rating System. Now in its second year in Victoria, CitySwitch expanded into the City of Port Phillip. Around 50 per cent of Victoria's commercial building tenancy space is now eligible to join. Signatory numbers grew to 64 tenants in 2009–10, representing 146,000 m² of commercial office space.

New program resources were introduced, including the simple and practical CitySwitch workbook and CitySwitch tool kit. These are designed to help signatories effect real energy efficiency improvements in their tenancies.



Commercial Building Tuning Project

We partnered with Colonial First State to assist in the green refurbishment of its building at 385 Bourke Street, Melbourne. Our support included technical advice on the feasibility of roof-mounted wind turbines and tri-generation technologies.

Stage 1 of the project is complete, and the building has moved from a zero star NABERS rating to 2.5 stars. This is an energy saving of 41 per cent, resulting in a saving of 4,680 tonnes of greenhouse gas per year. The case study for Stage 1 of the project is available on the ResourceSmart website.

Fostering innovation in design and construction

Sustainability Victoria is actively involved in developing interactive online tools and software to encourage sustainable building practices.

FirstRate5 software development for regulation purposes

We continued to develop and support the FirstRate5 software, which is used to determine compliance with 5-star housing regulations for new homes. We also researched the potential to include embodied energy and water assessments into the software with the assistance of the RMIT Centre for Design.

Key Partners in the Delivery of Goal 4

Australian Institute of Refrigeration Air Conditioning and Heating (AIRAH)
Building Commission
City of Melbourne
City of Port Phillip
City of Sydney
Colonial First State Global Asset Management
CSIRO
Delfin Lend-Lease
Donald Cant Watt Corke
Green Building Council of Australia
Henley Properties Group
Insurance Australia Group
ISPT
Jones Lang LaSalle
National Australia Bank
Umow Lai Pty Ltd
Victorian Bushfire Reconstruction and Recovery Authority
VicUrban

Part 10 Goal 5

To encourage sustainable precincts and communities

In 2009–10 we helped communities across Victoria adapt to the economic, social and environmental effects of climate change.

With the Victorian Government's \$10 million commitment to Climate Communities, we focused on meeting the needs of regional Victorians.

We worked with organisations with strong links to local Victorian communities including local governments, regional waste management groups and community groups.

Keep Australia Beautiful Victoria joined with us this year, strengthening our capacity to reduce litter and encourage sustainability initiatives in more communities.

We also managed the Review of Regional Waste Management Groups, aiming to strengthen regional Victoria's capacity to reach the Government's *Towards Zero Waste* targets and enable regional local governments to offer cost-effective waste services.

We demonstrated the business case for sustainable development versus 'business as usual', and supported viable sustainable precincts through our Smart Energy Zones and Zero Emission Neighbourhood programs.

Work in the Victorian education sector continued through our ResourceSmart Education Program, helping to create sustainable communities by building the awareness, knowledge and skills of future generations.

Our objectives in 2009–10 were to:

- + support communities with information, expertise and resources to develop more sustainable precincts and communities
- + work with the education system to increase the focus on sustainability in the sector
- + work with planners, industry and government to develop and test new models of delivery in new precinct development.

The following is an overview of our 2009–10 Business Plan programs, projects and initiatives under our goal of encouraging sustainable precincts and communities.

Engaging sustainable communities

Sustainability Victoria provides expertise and resources to communities to help them adopt more sustainable approaches to energy supply.

Climate Communities Grants Program

The Premier and Minister Jennings launched the \$10 million Climate Communities grants program in April 2010. It aims to provide advice, research, information and funding for local groups across Victoria to take practical action on climate change in their communities.

We are implementing the program, which will help link existing community networks and support new groups wishing to take environmental action at a local level.

This open grants program will provide up to \$50,000 funding for community organisations.

The key objectives of the program are to help local communities:

- + reduce emissions
- + build community resilience to adapt to climate change
- + trial and/or promote new ideas to tackle climate change.

We have appointed a team of Climate Communities Facilitators to work with local communities across the state to provide expert advice, research, information and assistance with grant applications.

This project is funded through the Sustainability Fund.

Integrated Community Engagement Strategy

In 2009–10 we participated in 21 community events, reaching over 3,300 people in metropolitan Melbourne and regional Victoria, including Elmore, Corryong, Geelong, Orbost and Rutherglen.

Our contribution to these events included giving presentations and workshops, and staffing displays at expos and field days. The displays and presentations provided ideas on sustainability in the home.

In October 2009 we facilitated a Connecting Communities workshop, Incorporating Sustainability into Volunteering Projects, in conjunction with the annual Victorian Tidy Towns Sustainable Communities awards. Over 50 regional Victorians attended the workshop.

Community sustainable energy portal

We supported development of a web-based information portal to provide reliable information on implementing community sustainable energy projects. The portal will guide and inform a growing number of communities to initiate and implement local renewable energy projects. It will be launched in early 2010–11.

GreenHouse League

The GreenHouse League engages householders in sustainability through Australian Rules football and netball clubs, with a model that uses sustainable action as a fundraising opportunity. Over an eight-week season, householders act on sustainability in their home to generate points that translate into dollars for their club.

The project works via an online interface, that encourages behaviour change through incentives, pledges, team and individual rewards, and measures the results achieved towards its goals.

Over three years, GreenHouse League is aiming to recruit more than 10,000 Victorian households and a minimum greenhouse gas abatement of 1 tonne per household.

In 2009–10 we developed the program model, data set, communication tools and website in preparation for the start of season one on 19 July 2010. With the support of Netball Victoria, and the Yarra Junior, Eastern and Southern Football Leagues, the GreenHouse League recruited 41 AFL football and netball clubs. Thirty-four of the recruited clubs are from metropolitan Melbourne, and seven are from regional Victoria. GreenHouse League is working with these clubs and two program ambassadors, Collingwood's Harry O'Brien and Melbourne Vixens netballer Bianca Chatfield, to draft 2000 households into the first season.

This project is funded by the Sustainability Fund.

Moreland Solar City

The Moreland Solar City project is part of the Australian Government's Solar Cities initiative, and is led by the Moreland Energy Foundation Ltd (MEFL) in partnership with Sustainability Victoria, Moreland City Council and the Brotherhood of St Laurence.

A year after starting up, the Moreland Solar City project has developed programs to move energy generation closer to homes, so that householders and local communities can manage their own energy supply and demand.

We have committed \$1 million to the four key program areas:

1. **Zero Carbon Moreland** is a community action project aimed at signing up 10 per cent of Moreland to reduce greenhouse pollution 20 per cent by 2010. This translates to 5,000 households, 500 local businesses and 50 community organisations. This program has been active for 12 months and, as at March 2010, 1,758 households, 58 local businesses and 18 community organisations had signed up.
2. **Energy Hub** is a community enterprise to provide energy-efficiency audits and retrofits to low-income households. It will also deliver training and employment. To March 2010, it had undertaken 64 audits and retrofits.
3. **Coburg Initiative** will help the \$1 billion redevelopment of Coburg City Centre to become an internationally recognised sustainable urban area. Three thousand new dwellings and over 65,000 square metres of retail and office space are planned over 12 years. This program has developed energy maps of the Coburg Initiative baseline energy generation and use, outlining energy consumption for various alternative development scenarios.
4. **Moreland Energy Services** will deliver small-scale distributed power generation in the municipality. Smart Energy Zones directly supports a shared co-generation system at the Fawkner Leisure Centre. The project is due for completion by December 2010.

Facilitating sustainable resource use and recovery in regional Victoria

Sustainability Victoria focused on developing and implementing a regional strategy that encompasses the integration of Keep Australia Beautiful Victoria with Sustainability Victoria, a review of regional waste management groups, and targeted support for sustainable resource use and recovery in regional Victoria.

Keep Australia Beautiful Victoria

On 1 July 2009, Keep Australia Beautiful Victoria (KABV) joined Sustainability Victoria, bringing over 40 years of experience in inspiring communities to improve the local environment.

The good work of KABV continued in 2009–10 with the annual Victorian Tidy Towns Sustainable Communities awards. The overall Tidy Town of the Year winner was Beechworth, which went on to be crowned the National Tidy Town winner in Canberra in April.

The Sustainable Cities and Clean Beaches awards were held in June 2010.

The City of Melton Shire Council was announced as the Sustainable City of the Year in June, and Bells Beach won the Clean Beach of the Year at a Melbourne event.

Twenty-seven new groups joined Adopt a Roadside over the year, bringing the total to 97 groups. Adopt a Roadside groups are spread across Victoria, with the Northern and Western regions most represented at 31 groups each. The groups are active on 465 km of roadside in regional Victoria, and we estimate that over 830 volunteers remove some 62 tonnes of waste from roadsides over the year.

There are now 17 Stationeers groups operating in Victoria.

Review of Regional Waste Management groups

We continued our review of Victoria's 12 regional waste management groups. We hope the review will strengthen regional Victoria's capacity to reach the *Towards Zero Waste* targets and enable local governments to provide waste services more cost-effectively.

Extensive consultation around the release of the *Future Directions Paper – Consultation Draft* in August 2009 informed the review. The *Future Directions Paper* identified various barriers and opportunities relating to increasing resource recovery in regional Victoria. It also proposed future operating scenarios that would help regional waste management groups better meet *Towards Zero Waste* targets.

We held a 13-week public consultation after the paper's release, discussing the future of waste management with over 160 people. By the end of the consultation period we had received 56 written submissions on the *Future Directions Paper* from local governments, regional waste management groups, waste industry and community groups, to inform the future operating structure for regional waste management groups.

Regional Waste Management Groups Business Planning and Gap Funding

We supported the 12 regional waste management groups to develop business plans to progress against *Towards Zero Waste* targets. We conducted a business planning workshop for the groups, and gave feedback on the draft business plans before they were submitted to the Minister.

Regional Towards Zero Waste Support Program

In November 2009, the Minister for Environment and Climate Change announced \$2.1 million funding for 18 regional *Towards Zero Waste* Support Program projects. The program gives financial support to projects that increase waste recovery, reduce litter, improve municipal resource recovery and create green jobs. It specifically targets regional Victoria, to reduce the disparity between metropolitan and regional Victoria in achieving *Towards Zero Waste* targets.

The regional *Towards Zero Waste* Support Program aims to meet Target 3a of the *Towards Zero Waste Strategy*: 65 per cent by weight of solid waste recovered

for reuse, recycling and/or energy generation by 2014 from the municipal sector.

The projects aim to achieve:

- + recovery of 43,240 tonnes of material
- + diversion of 29,877 tonnes of green house gas emissions
- + greater opportunity for green jobs in regional Victoria
- + creation of local markets for materials
- + cost reduction to councils through reduced waste to landfill and other efficiency gains
- + cleaner and more sustainable environments and communities, which will increase tourism and strengthen communities.

Building sustainable precincts

Sustainability Victoria is committed to developing the business case for sustainable precincts and exploring implementation options such as decentralised energy and water supply.

Armstrong Creek

In 2008, the City of Greater Geelong Council asked us to help them implement their vision for a sustainable community at Armstrong Creek. We did a cost-benefit analysis which was guided by a reference group of key local and state government agencies. The study compared and evaluated the economic and financial benefits of a 'business as usual' infrastructure approach against a sustainability approach.

The analysis showed that, compared to business as usual, a sustainability approach would deliver \$466 million in savings (net present value) to residents, developers and the community over 15 years, including \$48 million in capital investment savings.

Developers were assisted to identify sustainability opportunities for their precincts. Villawood Properties received funding to develop a feasibility study examining energy supply and demand options in their precinct.

Building the business case

To build the business case for sustainable precincts, we researched innovative business models that have been used to finance, deliver, manage and operate infrastructure and services in sustainable precincts, specifically relating to energy, water, waste and transport. These models overcome market, regulatory and technical barriers, and have a positive triple-bottom-line outcome.

Our subject matter experts worked with a reference group which included the departments of Transport; Planning and Community Development; and Treasury and Finance.

The research analysed 43 projects in 12 countries for their innovative business and delivery models and ways of managing the risk across the triple bottom line. It showcases the benefits of successful real-world initiatives/examples. It also describes how approaches may have changed to overcome key barriers.

The research addresses the potential to adapt these business models to the Victorian regulatory and market context, so that they can be replicated locally.

Werribee Employment Precinct

The Government's metropolitan planning update, Melbourne @ 5 million, identifies the Werribee Employment Precinct as a rare opportunity to create a major employment and services centre for Melbourne's west to ensure jobs and services are closer to where people live and to reduce congestion on roads and public transport services. It is just 25 km from Melbourne's CBD and the largest parcel of undeveloped public-owned land in metropolitan Melbourne with good access to transport systems and ideally placed for development of strategic metropolitan importance.

The Department of Planning and Community Development is in the early stages of preparing a delivery strategy for city-scale development of the Precinct to 21st century standards with low emissions.

Vacant Crown land near Werribee is the site of the new Werribee Employment Precinct, expected to create 50,000 jobs. About eight times the size of Melbourne's CBD.

The precinct will showcase sustainable design with an emphasis on water, energy and transport.

We worked with the Department of Planning and Community Development and other government departments on the project, participating on its Energy Working Group and advising on technology, regulatory and policy issues for precinct energy development.

Smart Energy Zones

In 2009–10 we supported seven Smart Energy Zones projects with information, expertise and resources, integrating local supply and demand-side technologies and infrastructure.

Two infrastructure projects were completed with our partners from Boroondara and Manningham City

councils; VicUrban; the Department of Human Service; the Centre for Education and Research in Environmental Strategies (CERES); and two Federal government Solar City initiatives. Infrastructure has been installed at:

1. Ballarat and Bendigo, with two 300 kW solar panel ground-mounted parks generating electricity for a total of 300 households as part of the Central Victoria Solar City project
2. CERES Environmental Park in Brunswick, with energy-efficiency features in the new Van Raay Centre (restaurant and community spaces), the Education Centre (area for school groups) and the EcoHouse (demonstration and education space).

Construction has started at the Department of Human Services Carlton site, with the first of three combined social, public and private housing precincts that incorporate various environmental sustainable design features and sustainable energy.

Most of the infrastructure work for the remaining projects will be finished in the next two years.

This project is funded by the Sustainability Fund.

Zero Emission Neighbourhoods

We worked with 16 developers, local governments, community groups and other government agencies to foster neighbourhoods that are aiming to reduce emissions relating to water, waste, energy and transport. We held 10 workshops to explore the opportunities and barriers for the neighbourhoods to become Zero Emissions Neighbourhoods (ZEN).

We are now working with six of the project managers on scoping and feasibility studies to identify sustainable infrastructure options for zero emissions status. We are also constructing a tool to calculate the greenhouse gas emissions from the proposed precincts. This will be ready in early 2010–11.

We have also supported the introduction of the Urban Development Industry Association's EnviroDevelopment precinct rating tool through the ZEN program. We are working with the Green Building Councils to develop their Green Star Communities National Framework and Rating tool.

This project is funded by the Sustainability Fund.

Learning to be resource-smart – ResourceSmart Education

The aim of our ResourceSmart Education Program is to build sustainability knowledge, skills and capacity at all levels of education. The program delivers many projects including ResourceSmart Schools, Education for Sustainability, Professional Development for Sustainability Educators, and Solar in Schools.

We chair the Sustainability in Schools State Steering Committee, a whole-of-government approach to coordinating sustainability learnings in the formal education sector.

In 2009–10, 90 new primary and secondary schools joined the existing 614 ResourceSmart AuSSI Vic schools. These schools are building a whole-school approach into curriculum, school operations, infrastructure and community partnerships. The ResourceSmart AuSSI Vic 5-Star certification recognises schools' achievements in sustainability.

Sixty-three primary and secondary schools entered the 2009 ResourceSmart School Awards, and 68 schools entered the 2009 Rubbish Free Lunch Challenge. The Minister for Environment and Climate Change awarded the 2009 ResourceSmart School of the Year Award to Balnarring Primary School at a ceremony at Federation Square in November.

We also support professional development for sustainability educators. We sponsored the annual Greening Australia's Toolbox for Environmental Change conference. The ResourceSmart AuSSI Vic Professional Learning training package provided 20 educators with the skills and knowledge to support schools participating in the initiative.

Solar in Schools

The Victorian Solar in Schools Initiative encourages schools and community organisations to install photovoltaic systems. It also educates schools and the community about renewable energy and how energy can be conserved.

Over 350 schools and community organisations have been pre-approved for Solar in Schools Initiative funding, with over 200 having installed photovoltaic systems. In 2009–10, 75 schools committed to installing solar power panels under this program.

Key Partners in the Delivery of Goal 5

Alcoa of Australia Ltd
Association of Independent Schools of Victoria
Barwon Regional Waste Management Group
Barwon Water
Building Commission
CarbonetiX
Catholic Education Offices, Sandhurst and Melbourne
CERES Community Environment Park
City of Greater Geelong
Connex & Metro Trains
Department of Education and Early Childhood Development
Department of Environment Water Heritage and the Arts (Commonwealth)
Department of Planning and Community Development
Department of Sustainability and Environment
Department of Transport
Department of Treasury and Finance
Environment Protection Authority Victoria
Greening Australia
Regional waste management groups
RMIT University
Swinburne National Centre for Sustainability
The Office of Water in the Department of Sustainability and Environment
Victorian Association of Environmental Education
VicUrban
Villawood Properties

Part 11 Goal 6

To create capacity and demand for 'green-collar' jobs

In 2009–10 we increased our emphasis on developing skills training for future jobs in a green economy. This supports the Victorian Government's aim to maintain and create jobs to support the economy and encourage Victorians to accept new employment opportunities in a world adapting to climate change.

Green skills training is an emerging high priority for State and Commonwealth governments. A key part of Sustainability Victoria's work is to help our workforce adopt more sustainable behaviours and reduce our carbon footprint.

To effect change, we engage with national, state and industry partners.

We influence and contribute to skills development and implementation for sustainability policy at Victorian and national levels. We are well-equipped to develop and deliver training in both the tertiary and Vocational Education and Training (VET) sectors. We also chair the National Framework for Energy Efficiency Training Committee,

Our Green Skills Training Strategy defines our work under four broad areas:

1. Course development
2. Curriculum maintenance and monitoring
3. Accreditation
4. Policy support.

In 2009–10 our focus was to increase the level of skills education and training in the construction, property management, trades and retrofit industries.

Green Skills Training and Accreditation

We are close to completing a National Energy Efficiency Skills Initiative for the National Strategy on Energy Efficiency.

In 2009–10, we accredited three new courses:

1. Sustainable Painting Practices
2. Basic Home Sustainability Advice (for volunteers)
3. Retrofitting Homes for Energy and Water Efficiency.

The course in Home Sustainability Assessment and the course in Energy Efficient Heating, Ventilation and Air Conditioning (HVAC) Systems are being reviewed to maintain the currency of the curricula.

This year we also delivered four Train the Trainer sessions to 40 teachers working at Registered Training Organisations (RTOs), to ensure that they can successfully deliver our courses. We entered 63 new licence agreements with RTOs to deliver our courses.

We partnered with the National Electrical Communications Association to develop marketing collateral for EcoSmart Electricians. We also sponsored the annual conference of plumbing teachers, and hosted a function with the Master Painters Association to launch our Sustainable Painting Practices course.

Policy Support

We worked with Skills Victoria to identify new courses under the government's *Jobs for the Future Economy – Victoria's Action Plan for Green Jobs*. We supported the development of training to complement new policy initiatives in Residential Building Mandatory Disclosure, the phase-out of inefficient hot water systems and the broader rollout of Green Leases for commercial buildings. We also continued to work with National Energy Efficiency Skills Initiative.

Key Partners in the Delivery of Goal 6

Australian Institute of Refrigeration Air Conditioning and Heating
Australian Mechanical Contractors Association
Department of Climate Change and Energy Efficiency (Commonwealth)
Department of Education and Training (NSW)
Department of Energy, Resources and Tourism (Commonwealth)
Department of Environment, Climate Change and Water (NSW)
Energy Skills Queensland
Facility Managers Association of Australia
Holmesglen TAFE
Master Painters Association (Victoria)
Master Plumbers Association
Monash Institute of Sustainability
National Electrical Communications Association
RMIT University
Skills Victoria
Swinburne National Centre for Sustainability
Victoria University

Part 12

Sustainability Fund

Sustainability Victoria manages the Sustainability Fund through the Sustainability Fund Secretariat on behalf of the Minister for Environment and Climate Change and the Treasurer.

The Fund supports innovative projects that foster sustainability with economic and social benefits that lead to innovative new markets, products and services for industry, community and local governments. This is achieved through open funding rounds and a range of strategic projects, recommended by the independent Sustainability Fund Advisory Panel and approved by the Minister for Environment and Climate Change and the Treasurer.

In 2009–10, the Fund announced \$90 million of new funding for sustainability initiatives through the following programs:

- + Round Four of the Fund's open-funding rounds supported 39 projects with \$4.204 million, with 11 of these specifically targeting low-income initiatives.
- + Round Two of the Fund's EcoLiving program provided \$1.065 million of funding for four new EcoLiving projects.
- + Round Three of the Neighbourhood Renewal program provided \$257,271 of funding for five sustainability projects in neighbourhood renewal areas.
- + Round Four of the Local Sustainability Accord program (now managed by the Department of Sustainability and Environment) funded 23 local governments to the value of over \$1.315 million.
- + The new Climate Communities grant program has committed \$10 million over the next two years to grants that will promote and support local actions to tackle climate change.
- + \$20 million has been committed over the next four years to the Enforcement of Best Practice and Implementation of Key Strategies in Waste Management program, which will support actions and strategies necessary to ensure effective implementation of the increased landfill levies.

- + \$28 million has been committed over the next five years to the Driving Waste Reduction and Resource Recovery and Recycling programs, to assist businesses and councils to reduce waste and implement recycling initiatives.
- + \$21.55 million has been committed over the next four years for a range of projects outlined in the Jobs for the Future Economy Action Plan.
- + \$2 million has been committed towards the Rooming House Reform program to improve energy and water efficiency in registered rooming houses.
- + \$2 million has been committed to a \$6 million program to implement five key initiatives in the Victorian Litter Strategy over the next four years to roll out infrastructure, education and enforcement activities to prevent and reduce litter.

The Fund managed and supported over 100 diverse projects including five EcoLiving centres, an e-waste recycling centre in Gippsland, a SustainAbility toolkit for people with disabilities, and a Sustainable Living program in Warrnambool. The Fund also supported the Bendigo and Ballarat solar parks launched in November 2009.

Projects recommended for funding by the Sustainability Fund Advisory Panel			
Organisation	Project Title	Funding Program	Funding Support
South East Councils Climate Change Alliance Inc	South East EcoLiving Community Challenge	EcoLiving Grant Program Round Two	\$ 285,000
Ballarat Renewable Energy and Zero Emissions	EcoLiving Ballarat Learning Network – Creating Our Sustainable Community Today	EcoLiving Grant Program Round Two	\$ 290,000
Wangaratta Rural City Council	Barr Reserve Sustainability Precinct	EcoLiving Grant Program Round Two	\$ 200,000
Mildura Rural City Council	Learning From Landfill – Environmental Behaviour Change in Sunrays	EcoLiving Grant Program Round Two	\$ 290,000
North Yarra Community Health	The Yarra Bike Fleet	Neighbourhood Renewal Round Three	\$ 60,045
Heathdale Neighbourhood Association Inc	Shoestring Gardening	Neighbourhood Renewal Round Three	\$ 60,644
Saltbush Community Initiatives Inc.	Community Backyard Sustainability Garden	Neighbourhood Renewal Round Three	\$ 38,942
Cloverdale Community Centre	Barren to Bountiful	Neighbourhood Renewal Round Three	\$ 50,000
Banyule Community Health	Earthed – small steps to a clean world	Neighbourhood Renewal Round Three	\$ 47,640
Alternative Technology Association	The Tankulator – Rain Harvesting Self Assessment Tool for Climate Change Adaptation	Sustainability Fund Open Round Four	\$ 57,400
Central Victorian Greenhouse Alliance	Retrofitting the Region	Sustainability Fund Open Round Four	\$ 200,000
Darebin City Council	Sustainable Homes and Communities	Sustainability Fund Open Round Four	\$ 214,368
ecovantage Pty Ltd	Home Energy Savings Downlight Trial	Sustainability Fund Open Round Four	\$ 78,502
Frankston City Council	Measurement of Frankston City's Community Greenhouse Gas Emissions	Sustainability Fund Open Round Four	\$ 31,875
Future Canvas Inc	Urban Reforestation – Climate Change Action in Docklands	Sustainability Fund Open Round Four	\$ 75,000
Hindmarsh Shire Council	Bringing Sustainability Action to Wimmera and Southern Mallee Households	Sustainability Fund Open Round Four	\$ 130,000
Hobsons Bay City Council	My Smart Garden	Sustainability Fund Open Round Four	\$ 104,455
Hume City Council	ENROL – Enabling Neighbourhoods to Reduce Organics to Landfill	Sustainability Fund Open Round Four	\$ 45,000
Hearne Technology Pty Ltd	AccuRate – Sustainability Edition	Sustainability Fund Open Round Four	\$ 59,500
Green Cross Australia	Build it Back Green	Sustainability Fund Open Round Four	\$ 177,100
Monash University	Minimising Energy Consumption of Domestic Rainwater	Sustainability Fund Open Round Four	\$ 32,301
South West Sustainability Partnership	Smart Living Community Support and Advice Network	Sustainability Fund Open Round Four	\$ 50,000
Holmesglen Institute TAFE	Embedding Home Sustainability Assessment Skills into Trade Training	Sustainability Fund Open Round Four	\$ 90,913

Projects recommended for funding by the Sustainability Fund Advisory Panel			
Organisation	Project Title	Funding Program	Funding Support
Shepparton Chamber of Commerce and Industry Inc	Facilitate Residential Aged Care Services in Renewable Low Emissions Energy	Sustainability Fund Open Round Four	\$ 170,000
Shepparton Chamber of Commerce and Industry Inc	Customised Renewable Energy Initiatives for Culturally and Linguistically Diverse Communities	Sustainability Fund Open Round Four	\$ 35,000
Sustainable Gardening Australia Inc	Footprint Flicks – Tread Lightly in the Garden	Sustainability Fund Open Round Four	\$ 40,000
Swinburne University of Technology – National Centre for Sustainability	NCS Smart Meter Behavioural Change Project	Sustainability Fund Open Round Four	\$ 105,000
Mitchell Shire Council	Sustainable Gardening in Mitchell and Strathbogie Shires	Sustainability Fund Open Round Four	\$ 18,000
Manningham City Council	Delivering Clean Energy Solutions – Energising Households for a Sate-Climate Future	Sustainability Fund Open Round Four	\$ 146,000
Environment Victoria	GreenTown – Growing Sustainable Action with Diverse Communities	Sustainability Fund Open Round Four	\$ 300,000
Green Bags	RED – Recycling plus Education = the Difference	Sustainability Fund Open Round Four	\$ 89,264
Melbourne City Council	Energy Efficiency in Higher Density Residential Buildings	Sustainability Fund Open Round Four	\$ 133,470
Towong Shire Council	Sustainable Intelligence: Measure, Educate, Monitor, Achieve	Sustainability Fund Open Round Four	\$ 52,000
UrbanTrans ANZ Pty Ltd	Green My Postcode	Sustainability Fund Open Round Four	\$ 95,000
Victoria University	Fostering Sustainable Resource Usage in Households with Businesses	Sustainability Fund Open Round Four	\$ 90,000
Victoria University	Encouraging Sustainable Environmental Behaviour in Low Income Migrant Households	Sustainability Fund Open Round Four	\$ 49,180
Victorian Urban Development Authority	Building Climate Change Resilience into New Multi-Unit Residential Housing in Dandenong	Sustainability Fund Open Round Four	\$ 415,000
Community Housing Federation of Victoria	Sustainable Community Housing Innovations Project	Sustainability Fund Open Round Four (Low Income Stream)	\$ 22,000
Craig Family Centre Inc	Sustainable Neighbourhoods	Sustainability Fund Open Round Four (Low Income Stream)	\$ 124,443
Good Shepherd Youth and Family Service	Creating Sustainable Communities (CSC)	Sustainability Fund Open Round Four (Low Income Stream)	\$ 200,000
Kensington Neighbourhood House Inc	Community Education for Public Housing Residents	Sustainability Fund Open Round Four (Low Income Stream)	\$ 6,500
Kildonan Uniting Care	Sustainable Families	Sustainability Fund Open Round Four (Low Income Stream)	\$ 204,866
Lalor Living and Learning Centre Inc.	Sustainable Living and Learning for All: new adult education modules	Sustainability Fund Open Round Four (Low Income Stream)	\$ 45,000

Projects recommended for funding by the Sustainability Fund Advisory Panel			
Organisation	Project Title	Funding Program	Funding Support
Mildura Rural City Council	Easing the Load – Comfort and Energy Efficiency for the Elderly	Sustainability Fund Open Round Four (Low Income Stream)	\$ 100,000
Rural City of Wangaratta	Home Care Sustainable Households	Sustainability Fund Open Round Four (Low Income Stream)	\$ 70,000
St Laurence Community Services Inc	Green Educators	Sustainability Fund Open Round Four (Low Income Stream)	\$ 140,000
Western District Health Service	Pass the Parcel – The ibutton approach to Energy Efficiency	Sustainability Fund Open Round Four (Low Income Stream)	\$ 154,000
Wingate Avenue Community Centre	Household Recycling scheme on the Ascot Vale Housing Estate	Sustainability Fund Open Round Four (Low Income Stream)	\$ 53,240
Projects overseen by the Department of Sustainability and Environment			
Moreland City Council	Sustainable Design Assessments in the Planning Process roll-out project	Accord Program I, Round Four	\$251,825
Southern Grampians Shire Council	Regional Sustainability Report Card for South West Victoria	Accord Program I, Round Four	\$130,000
Darebin City Council	Talking my Language: Environmental Information and Action in Diverse Communities	Accord Program I, Round Four	\$125,420
Moira Shire Council	Backbone to Biolinks project	Accord Program I, Round Four	\$82,000
Greater Shepparton City Council	Goulburn Broken Climate Change Impact Analysis project	Accord Program I, Round Four	\$76,650
Moonee Valley City Council	Valuing Urban Trees project	Accord Program I, Round Four	\$70,000
Hume City Council	NAGA Sustainable Public Lighting – Stage 3	Accord Program I, Round Four	\$50,000
City of Yarra	Towards Zero Net Emissions Plan: Regional Implementation	Accord Program I, Round Four	\$50,000
Wyndham City Council	Community Capacity Building Model for Regional Bulk Buying Networks	Accord Program I, Round Four	\$40,000
City of Greater Bendigo	A Shared Journey, Service Delivery in a Changing Climate: Targeted Workshops	Accord Program I, Round Four	\$30,000
City of Greater Dandenong	Developing a Model to Build Council's Capacity to Work Together on NRM projects	Accord Program I, Round Four	\$50,000
Banally Rural City Council	Development of Environmental Strategy project	Accord Program I, Round Four	\$30,000
Shire of Campaspe	Development of Environmental Strategy project	Accord Program I, Round Four	\$30,000
Greater Shepparton City Council	Development of Environmental Strategy project	Accord Program I, Round Four	\$30,000
Hepburn Shire Council	Development of Environmental Strategy project	Accord Program I, Round Four	\$30,000



Projects overseen by the Department Sustainability and Environment			
Organisation	Project Title	Funding Program	Funding Support
Loddon Shire Council	Development of Environmental Strategy project	Accord Program I, Round Four	\$30,000
Mansfield Shire Council	Development of Environmental Strategy project	Accord Program I, Round Four	\$30,000
Mildura Rural City Council	Development of Environmental Strategy project	Accord Program I, Round Four	\$30,000
Northern Grampians Shire Council	Development of Environmental Strategy project	Accord Program I, Round Four	\$30,000
Pyrenees Shire Council	Development of Environmental Strategy project	Accord Program I, Round Four	\$30,000
South Gippsland Shire Council	Development of Environmental Strategy project	Accord Program I, Round Four	\$30,000
Strathbogie Shire Council	Development of Environmental Strategy project	Accord Program I, Round Four	\$30,000
Wodonga City Council	Development of Environmental Strategy project	Accord Program I, Round Four	\$30,000
Funding allocated to new strategic projects			
Sustainability Victoria	Climate Communities Program	Climate Communities Program	\$10,000,000
Sustainability Victoria	Litter Strategy Implementation	Creating Cleaner, Safer Places	\$2,000,000
Sustainability Victoria	Rooming Houses Reform Program	Rooming Houses Reform Program	\$2,000,000
Environmental Protection Authority	EPA strike team to minimise illegal dumping	Enforcement of Best Practice and Key Strategies	\$6,000,000
Environmental Protection Authority	Remediation of contaminated legacy sites	Enforcement of Best Practice and Key Strategies	\$5,500,000
Metropolitan Waste Management Group	Implementation of Metropolitan Waste Management plans	Enforcement of Best Practice and Key Strategies	\$5,500,000
Sustainability Victoria	Implementation of outcomes of Regional Waste Management Groups review	Enforcement of Best Practice and Key Strategies	\$3,000,000
Environmental Protection Authority and Sustainability Victoria	Driving Waste Reduction and Resource Recovery and Recycling	Driving Waste Reduction and Resource Recovery and Recycling	\$28,000,000
Department of Planning and Community Development	1200 Buildings Program	Jobs for the Future Economy	\$500,000
Department of Sustainability and Environment	Green Plumbing	Jobs for the Future Economy	\$10,000,000
Sustainability Victoria	Solar Hubs for Victorian Communities	Jobs for the Future Economy	\$5,000,000
Department of Human Services	Fuel Cells in Public Housing	Jobs for the Future Economy	\$1,050,000
Department of Planning and Community Development	Green Skills for Trades	Jobs for the Future Economy	\$5,000,000
Total			\$90,392,543

Part 13

Strengthening our organisation

We recognised the importance of strengthening all areas of our internal capability to achieve the goals set out in our Strategic Plan and deliver the best possible economic, social and environmental outcomes for Victoria. In 2009–10 we:

- + strengthened our governance
- + developed and refined our business systems, processes, protocols and tools
- + promoted organisational excellence and cultural change
- + consolidated a safe, enabling and environmentally best-in-class workplace.

Providing a safe, enabling and environmentally best-in-class workspace

Sustainability Victoria's Environmental Management System

As the Victorian Government's primary sustainability delivery agency, we're serious about our own environmental performance. Our Environmental Sustainability Policy commits us to an accredited Environmental Management System (ISO 14001), which we achieved for the third consecutive year.

We set targets to reduce our use of energy, water, waste, paper and transport while improving our sustainable procurement. Our performance against these objectives is set out in Appendix 4.

GreenLeaders

Our GreenLeader Team helped implement our Environmental Management System (EMS). GreenLeaders provided tours of our office fit-out to local businesses, government and community groups, and advised on environmental initiatives and the benefits of having a green team. In 2009–10 we extended our work in this area to provide outreach services to government and private sector organisations.

Key EMS outcomes

In 2009–10 we maintained our best-practice performance based on the strategic review conducted by the Office of the Commissioner for Environmental Sustainability. We reduced air travel and the associated greenhouse emissions by 61 per cent compared with 2008–09. Office paper consumption was also reduced by 11 per cent, through technology changes and ongoing staff awareness campaigns. Energy and water consumption and waste generation all increased slightly compared with last year.

Sustainable procurement

Our achievements in 2009–10 include:

- + having a mandatory 10 per cent weighting towards environmental management criteria in all competitive procurements
- + applying our environmental management criteria to 55 competitive procurements
- + engaging a panel of caterers based on a broad range of environmental management factors.

In addition, we purchased:

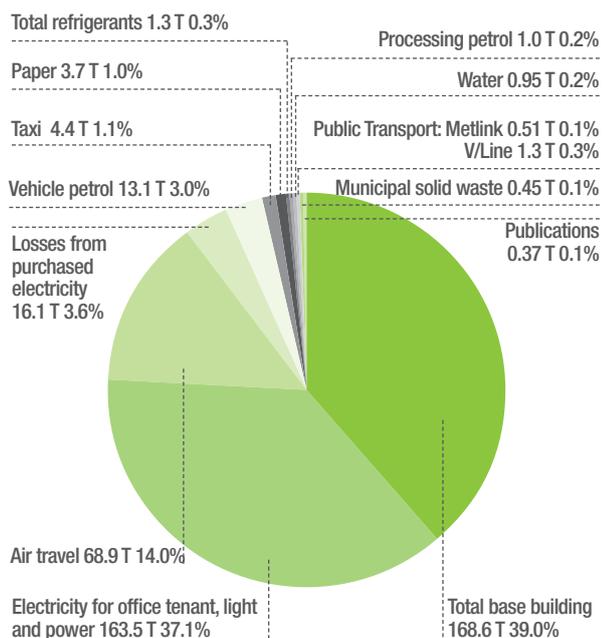
- + Hybrid Toyota Camry and Prius vehicles
- + 100 per cent GreenPower for all office light and power needs
- + Fair Trade coffee and tea
- + eco-preferred stationery
- + carbon offsets for remaining Scope Three emissions
- + public transport tickets for staff traveling to and from meetings.

Staff with at least six months' service can also access the Salary Advance Bicycle Purchase Policy which offers up to \$2,000 in salary advance to buy a bike for themselves or their family.

Offsetting emissions

We measured the greenhouse gas pollution generated from our daily activities – including office tenant light and power use, the emissions associated with the transmission and distribution of electricity, fleet vehicle petrol and emissions associated with the processing of petrol, kitchen and vehicle refrigerants, air, public transport and taxi travel, water use, waste to landfill, and publications. We purchase 100 per cent government-accredited Green Power for our office tenant light and power. Our fleet emissions will be offset by the Whole of Victorian Government Vehicle Fleet Offset tender, and we have committed to offsetting the additional of greenhouse gas pollution generated over the year, via a nominated carbon offset program for operational year 2009–10. The final carbon emissions offset purchase will be made for 276 tonnes of CO₂-e for the year.

Exhibit 3: Carbon Inventory 2009–10



T = Tonnes

Note: Electricity for office tenant light and power incorporated for full disclosure. We purchase 100 per cent GreenPower and Dept of Sustainability and Environment covers fleet emissions through carbon offset purchase. Remaining emissions to be offset through carbon-abatement project investment once emissions inventory verification process finalised.

Building our capability

Our success depends on attracting, engaging and retaining skilled employees. Being an employer of choice allowed us to compete for skilled candidates in a global economy. Our committed and performance-focused workforce helped us to deliver on our business commitments.

People and Culture

We place a high value on developing and retaining skilled employees and having a diverse workforce.

Our workforce includes a good balance of age, gender and education levels. Our employees' wide range of professional skills includes corporate planning, engineering, architecture, environmental science, information management, marketing and communications, public policy, business and accounting, education, finance, human resources and the arts.

Our culture change program was a key priority in 2009–10. This encompassed Executive, Management and Leadership Development programs, and will continue into 2010–11.

In 2009–10 we employed 137.8 Full-Time Equivalent (FTE) staff, compared with 134.4 FTE in 2008–09. Seven of the roles are attached to the new Climate Communities grants program and are located in regional and metropolitan Victoria.

See Appendix 5 for data on workforce composition and average salaries by gender and VPS classification.

Executive Officer data

An Executive Officer (EO) is defined as a person employed as a head or other executive under Part 3, Division 5 of the *Public Administration Act 2004*.

We employed six EOs in 2009–10. All executive positions are classified as ongoing, as they are responsible for ongoing functions or outputs.

Appendix 6 details Sustainability Victoria's EO positions by gender.

Public administration values and employment principles

Employees have access to union membership. Their employment terms and conditions are governed by the Victorian Public Service Agreement (except Executive Officers) and the VPS Code of Conduct. The VPS Agreement documents hours of work, competency levels, rates of pay and annual pay increases, leave requirements, and disciplinary and grievance procedures

Executive conditions are governed by the Government Sector Executive Remuneration Panel, as outlined in the State Services Authority's standard executive contract and handbook.

All employee concerns are dealt with promptly and fairly, consistent with the VPS merit and equity principles. Importantly, no days were lost to industrial action in 2009–10. Two formal written complaints were lodged.

We are committed to maintaining a workplace free of harassment, discrimination and bullying. Our people management systems and procedures ensure that we



consistently meet the merit and equity standards and principles embodied in the *Public Administration Act 2004*. A review of policies and procedures in 2009–10 will ensure that we maintain these standards and principles.

All employment decisions are based strictly on merit, including recruitment, remuneration and access to promotion, and training and development opportunities.

Our grievance procedures provide the means for employees to register complaints. There is also access to external protection under the provisions of the *Whistleblowers Protection Act 2001*.

Key Performance Indicators

In 2009–10 we recorded:

- + no days lost due to industrial action
- + two formal written complaints
- + no equal opportunity, bullying or harassment complaints
- + two days of lost time injury
- + no WorkCover claims
- + absenteeism (average days lost) of 6.65 days per employee
- + an average of 5.6 training days per employee
- + a reduction in staff turnover to 13.8 per cent (from 23.1 per cent in 2008–09).

Creating a safe workplace – OH&S

Sustainability Victoria is committed to ensuring a safe and risk-free work environment for all employees. We have implemented Comprehensive Occupational Health and Safety (OH&S) policies. The OH&S responsibilities of managers and employees are a key performance indicator in individual performance plans.

In 2009–10 we implemented a series of improvements to the Occupational Health and Safety Management System to ensure that we meet and exceed best practice principles as per the AS/NZS 4801:2001 standard. Our OH&S Working Group continued to implement the annual OH&S plan, incorporating monthly safety themes to improve proactive engagement around health and safety.

We reported our second Lost Time Injury this year, which resulted in two days of lost time for a minor incident. There were no WorkCover claims for the year.

We also promote general health and wellbeing. Employees regularly participate in the Wellbeing Program by utilising incentives such as flexible work hours, free and confidential professional counselling for work and personal issues, skin checks, flu vaccinations, and working parent wellbeing workshops.

Our OH&S Policy is set out in Appendix 7. Key 2009–10 OH&S outcomes are shown in Appendix 8.

Refining our business systems – organisational knowledge management

Performance monitoring framework

We commenced the development of a performance-monitoring framework to evaluate the environmental, social and economic benefits of our programs. A sub-committee of the Sustainability Victoria Board is guiding the framework. It will be a key component of ongoing evaluation and adaptive management that will strengthen our outcomes and the services we provide.

Knowledge strategy implementation

We implemented a knowledge-transfer process through a lessons-learned approach in 12 high-priority projects. We piloted strategic knowledge mapping across a number of Renewable Energy teams to determine staff knowledge and transfer expertise*. This uncovered a sizeable group with renewable energy knowledge that will influence workforce and succession planning.

We implemented a new enterprise-wide taxonomy in our content management system. It resulted in a consistent structure to organisational content.

Strategic research and knowledge capture

Based on priorities outlined in the 2009–10 Business Plan, three research reports were delivered:

1. *Beyond Compliance Uptake of Sustainable Construction in Housing*
2. *Emerging Industrial Technologies in the Food Processing Industry* study
3. *Guidelines for Auditing Kerbside Waste in Victoria*.

Records management

The development of a specific Retention and Disposal Authority was initiated for records not governed by the Public Records Office Victoria standard: PROS 07/01 General Retention and Disposal Authority for Records of Common Administrative Functions (2009).

Review of policies and procedures

We commissioned an external review of our policies and procedures. This review indicated areas for improvement to ensure that our policies and procedures are well-documented and controlled. We developed an implementation plan in response to the review.

* The Strategic Knowledge Mapping approach was conducted with a 3M consultant for a publication submitted to the Harvard Business Review



Improving our organisational information systems

The alignment of our business information systems with our business objectives resulted in a new set of enterprise architecture principles.

We upgraded and expanded our Enterprise Content Management system. We also developed new integration and reporting facilities.

We redeveloped and enhanced our Project Reporting Database.

We analysed the usage data of both current and historic websites, consolidating them to simplify access to content and increase efficiency across the organisation.

Strengthening governance

We continued to strengthen and streamline our governance and accountability processes in 2009–10.

In addition to external assurance reviews, the focus of internal audit has been to undertake efficiency and effectiveness reviews.

Sustainability Victoria is compliant with the Department of Treasury and Finance's Financial Management Compliance Framework.

Contracts, legal and procurement

We continued to streamline our contract and procurement processes, and provide ongoing internal legal advice. This gave increased support to project managers, achieving a readily available, cost-effective management of legal risk.

In 2009–10 contract numbers increased by 25 per cent, procurement numbers increased by 32 per cent, and contract and procurement turnaround times decreased.

We appointed Minter Ellison as external legal advisers.

We have taken a leadership role in terms of information policy, and have developed and implemented an Information Policy, to maximise the availability of our information and intellectual property and publish as much of our material under creative commons licenses as possible.

Part 14

Summary of Financial Performance

Financial performance and position summary (\$'000)*

	2010	2009	2008	2007	2006
Revenue from Government	37,104	53,512	21,559	16,047	16,427
Other revenue	28,199	25,198	26,875	24,483	19,197
Total income	65,303	78,710	48,434	40,530	35,624
Total expenses	60,947	78,905	43,797	38,591	39,624
Net result for the period	4,356	(195)	4,637	1,939	(4,000)
Net cash from operating activities	15,919	(13,658)	3,403	(1,183)	1,035
Total assets	37,970	37,073	33,189	27,796	26,256
Total liabilities	5,618	9,077	4,998	4,243	4,642

Significant Changes in Financial Performance and Position During the Year and Subsequent Events

Reductions in both revenue (\$13.4m) and expenditure (\$17.9m) were due largely to reduced activity in Solar Hot Water Rebate programs funded through the Expenditure Review Committee.

There have been no events subsequent to the balance date of 30 June 2010, which may significantly affect operations in subsequent years.

Major contracts

Sustainability Victoria did not enter into any contracts greater than \$10 million in value during the reporting period.

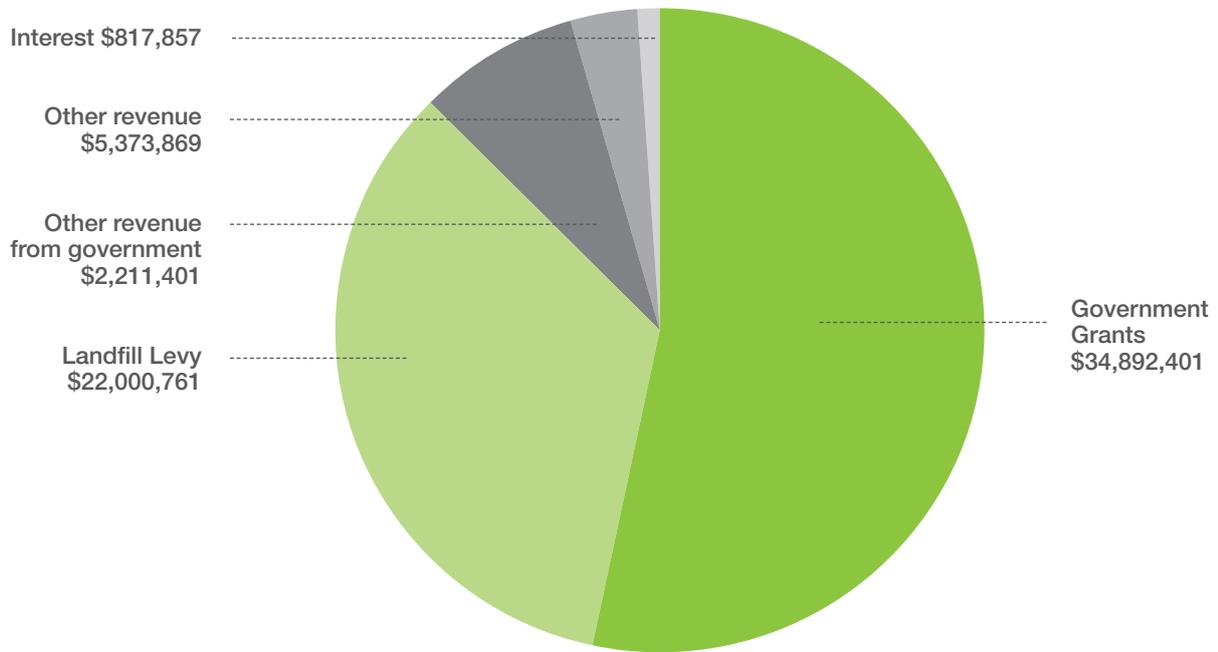
Information available on request

Information relevant to the headings listed in Financial Reporting Direction 22B of the *Financial Management Act (1994)* is held at Sustainability Victoria's office and is available on request, subject to the *Freedom of Information Act (1992)*.

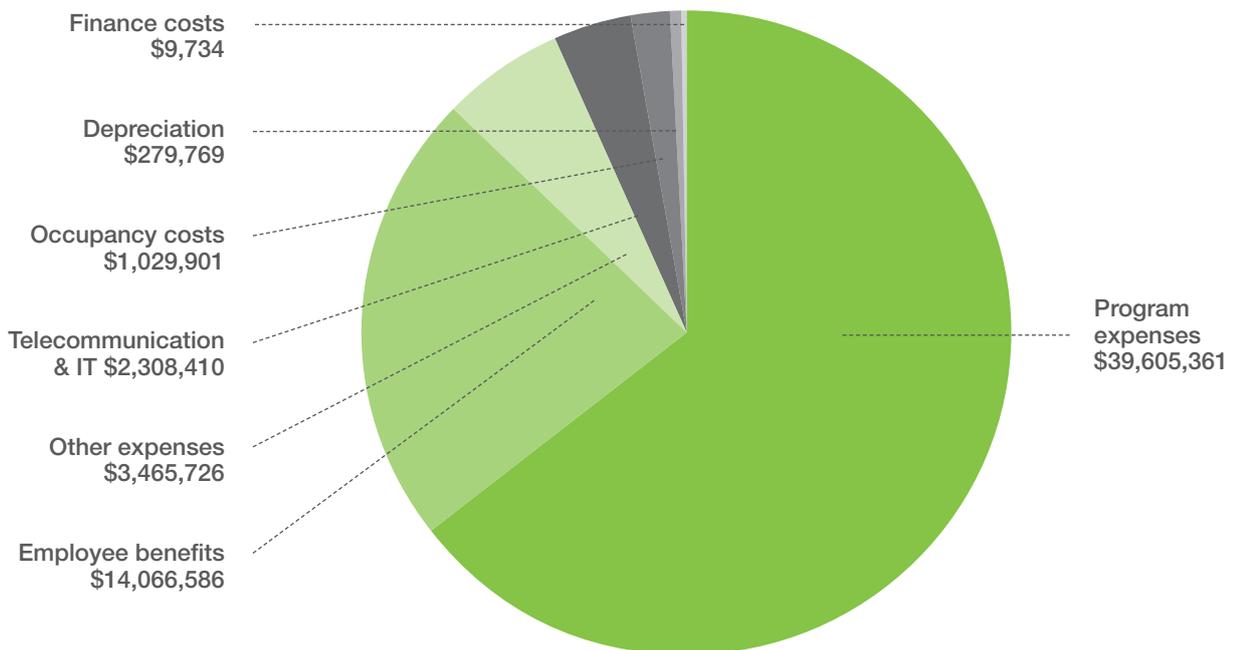
Please contact 1300 363 744 (Victoria only) or (03) 8626 8700 (within the rest of Australia) or visit our website at www.sustainability.vic.gov.au



Sustainability Victoria Revenue 2010



Sustainability Victoria Expenses 2010



Consultancy engagements in excess of \$100,000

Consultant	Particulars of consultancy	Total fees (\$)	Expenditure this year (\$)	Future commitments (\$)
Hyder Consulting Pty Ltd	Analysis of options to meet the 2013–14 Towards Zero Waste targets.	162,340	150,527	11,813
Wallis Consulting Group	Develop a targeted behaviour change strategy to increase householder recycling rates of recyclable packaging across metropolitan Melbourne.	126,615	107,002	19,613
Carry forward from previous year:				
Swinburne University of Technology	Develop training and accreditation for facility managers	195,840	48,340	–
The Social Research Centre	Community attitudes and behaviours research about environmental sustainability.	610,407	300,220	12,208
Waste Audit & Consultancy Services	Conduct a compositional waste audit of selected Victorian landfills.	288,940	178,412	–
Swinburne University of Technology	Laboratory testing of recycled crushed glass for road construction applications.	125,350	125,350	–
Hyder Consulting Pty Ltd	Analysis of market drivers and barriers to resource recovery in regional Victoria.	113,153	33,153	–

Consultancies

There were two consultancies costing in excess of \$100,000 for the year ended 30 June 2010.

There were 19 consultancies engaged during the year that cost less than \$100,000 each, at a total cost of \$527,811.



Part 15

Annual Financial Statements

Comprehensive Operating Statement For the financial year ended 30 June 2010

	Notes	2010 \$	2009 \$
Income from transactions			
Landfill levy	3	22,000,761	22,012,889
Government grants	3	34,892,401	51,369,550
Other income from government	3	2,211,401	2,142,164
Interest	3	817,857	1,202,868
Other income	3	5,373,869	1,771,269
Total income from transactions		65,296,289	78,498,740
Expenses from transactions			
Program expenses	4 (a)	(39,605,361)	(60,268,743)
Employee benefits	4 (b)	(14,066,586)	(12,715,392)
Depreciation	7	(279,769)	(289,672)
Occupancy costs		(1,029,901)	(967,732)
Telecommunication & IT		(2,308,410)	(1,578,375)
Finance costs		(9,734)	(10,112)
Other expenses		(3,465,726)	(3,000,876)
Total expenses from transactions		(60,765,487)	(78,830,902)
Net result from transactions (net operating balance)		4,530,802	(332,162)
Other economic flows included in net result			
Gain/(loss) on disposal of assets	4 (c)	6,813	(3,906)
Gain/(loss) arising from revaluation of LSL liability		(181,226)	(69,802)
Gain on sale of intangible assets		–	211,235
Total other economic flows included in net result		(174,413)	137,527
Comprehensive result		4,356,389	(194,635)

The above comprehensive operating statement should be read in conjunction with the accompanying notes

Balance Sheet As at 30 June 2010

	Notes	2010 \$	2009 \$
Assets			
Financial assets			
Cash & cash equivalents	5	19,820,921	4,138,342
Receivables	6	15,243,545	29,925,471
Total financial assets		35,064,466	34,063,813
Non-financial assets			
Property, plant & equipment	7	525,904	579,078
Prepayments	8	88,823	139,211
Intangibles	9	2,290,803	2,290,803
Total non-financial assets		2,905,530	3,009,092
Total assets		37,969,996	37,072,905
Liabilities			
Payables	10	3,210,012	7,027,155
Provisions	11	2,239,623	1,932,759
Unearned Revenue	13	38,652	–
Borrowings	16, 21	129,412	117,083
Total liabilities		5,617,699	9,076,997
Net assets		32,352,297	27,995,908
Equity			
Contributed capital		26,048,806	26,048,806
Accumulated surplus		6,303,491	1,947,102
Total equity		32,352,297	27,995,908

As at 30 June 2010, \$18.2 million was committed in contracts and payable upon the successful delivery of milestones in 2010-11 and beyond.

The above balance sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity For the financial year ended 30 June 2010

	Notes	Equity at 1 July 2009	Changes due to		Equity at 30 June 2010
			Total comprehensive result	Transactions with owner in its capacity as owner	
2010					
Accumulated surplus (deficit)		1,947,102	4,356,389	–	6,303,491
Contributed capital		26,048,806	–	–	26,048,806
Total equity at the end of the financial year		27,995,908	4,356,389	–	32,352,297
2009					
Accumulated surplus (deficit)		2,141,737	(194,635)	–	1,947,102
Contributed capital		26,048,806	–	–	26,048,806
Total equity at the end of the financial year		28,190,543	(194,635)	–	27,995,908

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Cash Flow Statement

For the financial year ended 30 June 2010

	Notes	2010 \$	2009 \$
Cash flows from operating activities			
Receipts from government grants		52,170,026	33,456,150
Receipts from government – other		1,890,653	2,335,012
Receipts from landfill levy		21,005,392	23,028,644
Receipts from clients		6,037,049	1,658,043
Interest received		739,862	1,303,830
Goods and Services Tax received from the ATO		4,799,634	3,467,084
Payments to program recipients		(44,336,209)	(60,197,241)
Payments to suppliers and employees		(24,001,896)	(17,142,594)
Goods and Services Tax paid to the ATO		(2,385,521)	(1,567,456)
Net cash flows (used in)/from operating activities	14	15,918,990	(13,658,528)
Cash flows from investing activities			
Payments for property, plant and equipment	7	(260,470)	(244,988)
Proceeds from disposal of property, plant and equipment		21,464	1,008
Proceeds from sale of intangibles		–	471,500
Net cash flows (used in)/ from investing activities		(239,006)	227,520
Cash flows from finance activities			
Proceeds from borrowings		2,595	–
Repayments from borrowings		–	(57,241)
Net cash flows (used in)/from finance activities		2,595	(57,241)
Net increase/(decrease) in cash & cash equivalents		15,682,579	(13,488,249)
Cash & cash equivalents at the beginning of the financial year		4,138,342	17,626,591
Cash & cash equivalents at the end of the financial year	5	19,820,921	4,138,342

The above cash flow statement should be read in conjunction with the accompanying notes

Part 16

Notes to the Financial Statements

Notes to the Financial Statements for the period ended 30 June 2010

Note 1 Summary of Significant Accounting Policies

1.1 General

Statement of Compliance

This general-purpose financial report has been prepared on an accrual and going concern basis in Australian dollars, in accordance with the *Financial Management Act 1994*, applicable Australian Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group Interpretations.

Basis of Preparation

The financial report has been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

Comparative Amounts

The accounting policies set out below have been applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is recorded.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2010 and the comparative information presented for the year ended 30 June 2009. No amounts have been reclassified.

Rounding of Amounts

Amounts in this financial report are expressed to the nearest dollar.

1.2 Revenue Recognition

Government appropriations, grants, and contributions are recognised as revenue when Sustainability Victoria obtains control over the assets comprising these receipts. Control over granted assets is normally obtained upon their receipt or upon earlier notification that a grant has been secured, and assets are valued at their fair value at the date of transfer.

Revenue from the Landfill Levy is accrued as it is earned and brought to account in the period to which it relates, based on actual receipts during the year and estimates obtained from the Environment Protection Authority.

1.3 Income Tax

Sustainability Victoria and its predecessor bodies are income tax exempt as per Section 23(d) of the *Income Tax Assessment Act 1936*.

1.4 Goods and Services Tax

Revenues, expenses and assets are recognised net of GST except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In this case it is recognised as part of the cost of acquisition of an asset or part of the expense. Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet. Cash flows arising from operating activities are presented on a gross basis. The GST component of cash flows arising from investment or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flow.

1.5 Program Expenses

Expenditure incurred for each of the various operating areas of Sustainability Victoria has been disclosed in Note 4(a) and includes grants, rebates, advertising campaigns and sponsorships. Grants that form part of program expenditure are accrued on the basis of the percentage of the contract performed as at the reporting date, with the unperformed component of the contract disclosed as Commitments at Note 17 of this report.

1.6 Other economic flows included in the result

(a) Gain or (loss) on disposal of non-financial assets

Any gain or loss on the sale of non-financial assets is recognised at the date that control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at that time.

(b) Long service leave

Gain or (loss) on the revaluation of the present value of the long service leave liability were effected by changes in the bond interest rates.

1.7 Cash & Cash Equivalents

Cash & cash equivalents comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short term cash commitments rather than for investment purposes, and which are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value.

1.8 Receivables

Current receivables are carried at normal amounts due. Non-current receivables are measured at amortised cost using the effective interest method.

1.9 Property, Plant and Equipment

Items with a cost or value in excess of \$1,000 and a useful life of more than one year are recognised as assets. Property, plant and equipment held by Sustainability Victoria is measured at fair value.

In accordance with applicable Australian Accounting Standards, all assets are assessed annually for useful life and indications of impairment, and where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the comprehensive operating statement.

Depreciation is provided on all non-current assets on a straight line basis so as to write off the net cost of each asset over its expected useful life, in accordance with applicable Australian Accounting Standards. The estimated useful lives and depreciation methods are reviewed at the end of each reporting period. Depreciation rates used are listed below:

Office Furniture & Equipment	10% – 20%
Plant and Equipment	20% – 25%
Computer Equipment	25% – 33.3%
Motor Vehicles	15% – 20%
Leasehold Improvements	20%

1.10 Leased Assets

Financial leases

Leases of property, plant and equipment, where Sustainability Victoria has substantially all the risks and rewards incidental to ownership, are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in interest bearing liabilities. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the operating statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under a finance lease are depreciated over the shorter of the asset's useful life and the lease term.

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the operating statement on a straight-line basis over the period of the lease, in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

1.11 Intangible Assets

Intangible assets represent identifiable non-monetary assets without physical substance. Intangible assets are initially recognised at fair value. Cost incurred subsequent to initial acquisition is capitalised when it is expected that additional future economic benefits will flow to Sustainability Victoria.

Intangible assets with indefinite useful lives are not amortised. The useful life of intangible assets that are not being amortised, are reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. In addition, Sustainability Victoria tests all intangible assets with indefinite useful lives for impairment by comparing their recoverable amount with their carrying amount annually, and whenever there is an indication that the asset may be impaired, the excess of the carrying amount over the recoverable amount is recognised as an impairment loss.

1.12 Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to Sustainability Victoria.

1.13 Employee Benefits

(i) *Wages and salaries, annual leave and sick leave*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date, are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Those liabilities that are not expected to be settled within 12 months are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled, using the remuneration rate expected to apply at the time of settlement.

(ii) *Long Service leave*

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current liability – unconditional LSL is disclosed in the notes to the financial statements as a current liability even where Sustainability Victoria does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement, should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- present value – component that Sustainability Victoria does not expect to settle within 12 months; and
- nominal value – component that Sustainability Victoria expects to settle within 12 months.

Non-current liability – conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value. Gain or loss following revaluation of the present value of non-current LSL liability due to changes in bond interest rates is recognised as another economic flow.

(iii) *Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. Sustainability Victoria recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

(iv) *Superannuation*

The amount recognised in the comprehensive operating statement in relation to employer contributions for members of defined benefit superannuation plans is simply the employer contributions that are paid or payable to these plans during the reporting period. The level of these contributions will vary depending upon the relevant rules of each plan, and is based upon actuarial advice.

The Department of Treasury and Finance (DTF), in its Annual Financial Statements, recognises on behalf of the State as the sponsoring employer the net defined benefit cost related to the members of these plans. Refer to DTF's Annual Financial Statements for more detailed disclosures in relation to these plans.

1.14 Equity

Contributions by owners

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners.

1.15 AASs issued that are not yet effective

Certain new AASs have been published that are not mandatory for the 30 June 2010 reporting period. DTF assesses the impact of these new standards and has advised on their applicability and early adoption where applicable.

As at 30 June 2010, the following standards and interpretations applicable to Sustainability Victoria had been issued but were not mandatory for the financial year ending 30 June 2010. Sustainability Victoria has not yet adopted these standards as mandatory.

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning	Impact on authority financial statements
AASB 2009-5 Further amendments to Australian accounting standards arising from the annual improvements project [AASB 5, 8, 101, 107, 117, 118, 136 and 139]	Some amendments will result in accounting changes for presentation, recognition or measurement purposes, while other amendments will relate to terminology and editorial changes.	1 Jan 2010	Terminology and editorial changes. Impact minor.
Erratum General Terminology changes	Editorial amendments to a range of Australian Accounting Standards and Interpretations	1 Jan 2010	Terminology and editorial changes. Impact minor.
AASB 2009-13 Amendments to Australian Accounting Standards arising from interpretation 19 [AASB 1]	Consequential amendment to AASB 1 arising from publication of Interpretation 19.	1 Jul 2010	Authorities do not extinguish financial liabilities with equity instruments, therefore requirements of Interpretation 19 and related amendments have no impact.
AASB 124 Related party disclosures (Dec 2009)	Government related entities have been granted partial exemption with certain disclosure requirements.	1 Jan 2011	Preliminary assessment suggests that impact is insignificant. However, the Authority is still assessing the detailed impact and whether to early adopt.
AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a minimum funding requirement [AASB Interpretation 14]	Amendment to Interpretation 14 arising from the issuance of Prepayments of a minimum funding requirement	1 Jan 2011	Expected to have no significant impact.
AASB 9 Financial instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: recognition and measurement (AASB 139 Financial Instruments: recognition and measurement).	1 Jan 2013	Detail of impact is still being assessed
AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12]	This gives effect to consequential changes arising from the issuance of AASB 9.	1 Jan 2013	Detail of Impact is still being assessed.

1.16 Sustainability Fund

Sustainability Victoria is the Secretariat of the Sustainability Fund, which is entitled to a percentage share of Landfill Levy receipts collected and managed by the Environment Protection Authority. Sustainability Victoria periodically invoices the Environment Protection Authority for Sustainability Fund grant payments made or about to be paid with all transactions (except Sustainability Victoria's management fee) processed through the Balance Sheet.

Grant payments made were \$16,976,359 (2009: \$12,589,776).

2 Financial Risk Management Objectives and Policies

The Sustainability Victoria Board (Responsible Body) has ultimate responsibility for ensuring that in achieving business objectives, Sustainability Victoria manages risks appropriately. The Risk Management Framework has been developed to ensure best practice in organisational risk management and alignment to the principles of the Risk Management Standard AS/NZS 4360:2004 and the Victorian Government Risk Management Framework.

Sustainability Victoria does not have exposure to any loans and/or interest bearing liabilities except for finance leases disclosed in Notes 16 and 21.

Financial assets and financial liabilities are disclosed in Note 21 – Financial Instruments, and are valued at amortised cost (including transaction costs that are directly attributable to the acquisition or the issue of the financial asset or liability).

2.1 Market Risk (Interest Rate Risk)

Sustainability Victoria's exposure to market risk is solely through interest rate risk. There is no exposure to foreign exchange risk or other price risks.

	Carrying Amount \$	Interest Rate Risk			
		-0.5%		+0.5%	
		Result \$	Equity \$	Result \$	Equity \$
30 June 2010					
Financial Assets					
Cash and Cash Equivalents	19,820,921	(99,105)	(99,105)	99,105	99,105
30 June 2009					
Financial Assets					
Cash and Cash Equivalents	4,138,342	(20,692)	(20,692)	20,692	20,692

2.2 Liquidity Risk

Liquidity risk arises when Sustainability Victoria is unable to meet its financial obligations as they fall due. Sustainability Victoria operates under the Government Fair Payments policy of settling financial obligations within 30 days. Ongoing thirteen months cash flow forecasts are prepared to manage risk through monitoring future cash flow requirements to ensure adequate holding of high quality liquid assets.

Sustainability Victoria exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from liquidation of available cash deposits at call and/or maturing short-term deposits.

2.3 Credit Risk

Credit risk arises from the financial assets of Sustainability Victoria, which comprise cash and cash equivalents, trade and other receivables.

Credit risk associated with Sustainability Victoria financial assets is minimal because the main debtors are Victorian government entities and no credit facilities are provided to non-government clients.

3 Income from transactions

Income/revenue by source	2010 \$	2009 \$
Landfill Levy	22,000,761	22,012,889
Government Grants		
State Government departments and agencies: Annual Appropriation	6,979,401	6,902,550
Environmental Sustainability Action Statement Department of Sustainability and Environment Sustainability Fund	1,900,000 5,085,000	2,186,000 3,916,000
Expenditure Review Committee Initiatives Funding	20,928,000	38,365,000
Total Government Grants	34,892,401	51,369,550
Other Income from Government		
Australian Government – Renewable Remote Power Generation Program	152,644	138,683
E2WG Central Fund – National Framework for Energy Efficiency Program	328,950	229,929
Sustainability Fund – Administration Fee	731,460	753,387
Victorian Property Fund	200,000	250,000
Bushfire Affected Households	98,400	–
Resource Smart Victorian Government	216,060	95,165
Resource Smart Schools	85,000	75,000
Non-Metro Regional Waste Gap Funding	220,500	210,000
Review of Regional Waste Management Groups	–	230,000
Greenlight Report	178,387	160,000
Total income from Government	2,211,401	2,142,164
Interest	817,857	1,202,868
Other income		
FirstRate Accreditation (inc. Software)	321,599	344,437
Sale of Victorian Energy Efficiency Certificates (VEECs) Program contributions	4,149,502 902,768	– 1,426,832
Total other income	5,373,869	1,771,269
Total Income from transactions	65,296,289	78,498,740

4 (a) Program Expenses

	2010 \$	2009 \$
Sustainable Environs	4,120,123	3,611,605
Sustainable Living [#]	19,968,609	41,214,120
Sustainable Production	12,218,066	12,317,705
Strategic Opportunities & Finance	267,915	469,806
Communications & Marketing	3,030,648	2,655,507
Total Program Expenses	39,605,361	60,268,743

The 2009–10 figure reflects a reduction in expenditure on Solar Hot Water Program of approximately \$20m.

4 (b) Employee Benefits

	2010 \$	2009 \$
Salaries, Wages & Allowances	12,038,120	10,829,584
Employer Superannuation	1,059,641	930,653
On-Costs	968,825	955,155
Total Employee Benefits	14,066,586	12,715,392

4 (c) Net Profit/(Loss) on disposal of assets

	2010 \$	2009 \$
Property, Plant & Equipment	6,813	(3,906)
Total Net Profit/Loss	6,813	(3,906)

5 Cash and Cash Equivalents

	2010 \$	2009 \$
Short Term Deposits	19,630,377	3,920,377
Cash at Bank	188,844	216,265
Cash on Hand	1,700	1,700
Total	19,820,921	4,138,342

6 Receivables

	2010 \$	2009 \$
Contractual		
Accrued Interest	114,888	36,893
DEWHA – Net Trust funds receivable	–	509,456
Other Debtors	27,165	22,475
Trade Debtors	2,316,909	202,940
Total Contractual	2,458,962	771,764
Statutory		
Accrued Landfill Levy	10,839,956	9,844,587
Trade Debtors	1,535,875	18,305,000
GST Receivable	408,752	1,004,120
Total Statutory	12,784,583	29,153,707
Total receivables	15,243,545	29,925,471

7 Property, Plant & Equipment

	2010 \$	2009 \$
Office Furniture & Equipment		
At Fair Value	421,698	423,072
Less: Accumulated Depreciation	(303,971)	(272,127)
	117,727	150,945
Computer Equipment		
At Fair Value	784,827	862,867
Less: Accumulated Depreciation	(505,230)	(565,469)
	279,597	297,398
Motor Vehicles – Owned		
At Fair Value	–	35,274
Less: Accumulated Depreciation	–	(19,239)
	–	16,035
Motor Vehicles – Leased		
At Fair Value	208,895	173,262
Less: Accumulated Depreciation	(80,315)	(58,562)
	128,580	114,700
Summary		
At Fair Value	1,415,420	1,494,475
Less: Accumulated Depreciation	(889,516)	(915,397)
	525,904	579,078

Reconciliations

	Office Furniture & Equipment	Computer Equipment	Motor Vehicles Owned	Motor Vehicles Leased	Total
Carrying Amount 2010	\$	\$	\$	\$	\$
Opening Balance	150,945	297,398	16,035	114,700	579,078
Additions	18,028	172,139	–	70,303	260,470
Depreciation	(51,246)	(189,208)	(2,117)	(37,198)	(279,769)
Disposals	–	(732)	(13,918)	(19,225)	(33,875)
Closing Balance	117,727	279,597	–	128,580	525,904
Carrying Amount 2009	\$	\$	\$	\$	\$
Opening Balance	147,207	314,010	21,327	161,932	644,476
Additions	55,078	189,910	–	–	244,988
Depreciation	(51,340)	(201,609)	(5,292)	(31,431)	(289,672)
Disposals	–	(4,913)	–	(15,801)	(20,714)
Closing Balance	150,945	297,398	16,035	114,700	579,078

8 Prepayments

	2010 \$	2009 \$
Prepaid Expenses	88,823	139,211

9 Intangibles

Intangibles are valued at cost and reviewed each period for impairment.

	2010 \$	2009 \$
Renewable Energy Certificates		
Opening Balance as at 1 July	2,290,803	2,551,068
Disposals	–	(260,265)
Closing Balance as at 30 June	2,290,803	2,290,803

10 Payables

	2010 \$	2009 \$
Contractual		
Creditors – Sustainability Fund	–	1,234,379
Trade Creditors	104,066	1,292,685
Accrued Expenses	3,085,059	4,412,726
	3,189,125	6,939,790
Statutory		
Trade Creditors	–	–
Accrued Expenses	20,887	87,365
	20,887	87,365
Total payables	3,210,012	7,027,155

11 Provisions

	2010 \$	2009 \$
Current		
Annual leave and unconditional long service leave entitlements, representing seven years of continuous services: Short-term employee benefits that fall due within 12 months after the end of the period, measured at nominal value:		
Annual Leave	796,304	689,216
Long Service Leave	481,425	419,514
Provisions related to employee benefit on-costs	219,550	192,172
Long-term employee benefits that do not fall due within 12 months after the end of the period, measured at present value:		
Long Service Leave	365,176	301,356
Provisions related to employee benefit on-costs	62,193	52,556
Total	1,924,648	1,654,814
Non-Current		
Conditional Long Service Leave	269,138	236,670
Provisions related to employee benefit on-costs	45,837	41,275
Total	314,975	277,945
Total Provisions	2,239,623	1,932,759

12 Superannuation

Contributions to the defined benefit and accumulation funds incurred and reported in the Comprehensive Operating Statement, as follows:

	2010 \$	2009 \$
Emergency Services and State Super Fund	50,098	48,969
VicSuper	606,951	548,250
Colonial First State Super Fund	41,677	35,535
Vision Super	27,509	35,126
Australian Super	35,375	28,019
UniSuper	26,744	20,678
Various other accumulation funds	271,287	214,076
	1,059,641	930,653

Superannuation contributions outstanding at 30 June 2010 were \$Nil (2009 \$Nil).

There are no loans by the superannuation funds to Sustainability Victoria.

13 Unearned Revenue

	2010 \$	2009 \$
Program contributions billed in advance	38,652	–

14 Reconciliation of Net Cash Inflow/(Outflow) from Operating Activities to Net (Deficit)/Surplus

	2010 \$	2009 \$
Net surplus/(deficit) for the year	4,356,389	(194,635)
Depreciation	279,769	289,672
Write-down of assets	19,224	15,800
Finance Lease costs	9,734	10,112
(Gain)/Loss on disposal of assets	(6,813)	3,906
Gain on sale of intangible assets	–	(211,235)
Increase in employee entitlements	306,864	204,201
Decrease/(Increase) in receivables	14,681,926	(17,462,438)
Decrease in prepayments	50,388	110,789
(Decrease)/Increase in payables	(3,817,143)	3,575,300
Increase in unearned revenue	38,652	–
Net cash inflow/(outflow) from operating activities	15,918,990	(13,658,528)

15 Operating Lease Commitments

Lease payments for operating leases for office accommodation, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

The following commitments have been contracted for by Sustainability Victoria:

	2010 \$	2009 \$
(i) not later than one year	800,074	763,581
(ii) later than one year but not later than five years	3,507,103	3,372,219
(iii) later than five years	6,598,189	7,527,557
Total	10,905,366	11,663,357

16 Finance Lease Commitments

A lease asset and liability are established at the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the interest expense.

The following commitments have been contracted for by Sustainability Victoria:

	2010 \$	2009 \$
(i) not later than one year	84,398	89,296
(ii) later than one year but not later than five years	52,580	36,003
Minimum lease payment	136,978	125,299
Less: Future interest charge	7,566	8,216
Total	129,412	117,083
Represented by:		
Current Liability	80,458	81,622
Non-Current Liability	48,954	35,461
Total	129,412	117,083

17 Commitments for Program Expenditure

Financial program commitments entered into and approved by Sustainability Victoria as at the reporting date, not included in the Balance Sheet and to be carried forward into the 2010–11 financial year and beyond, are as follows:

	2010 \$	2009 \$
(i) not later than one year	14,700,912	13,855,353
(ii) later than one year but not later than five years	3,524,344	9,522,510
Total Program Commitments	18,225,256	23,377,863

18 Responsible Person-Related Disclosures

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period:

Board Members:	Meetings Held	Meetings Attended
1 July 2009 to 30 June 2010		
Mike Waller, Chair	11	11
Cheryl Batagol, Deputy Chair	11	9
Mick Bourke	11	8
Tanya Ha	11	10
Carolyn Lloyd	11	8
Mike Hill	11	11
Tony Marxsen	11	10
Nicholas Gruen	11	8
Suzanne Evans (from December 2009)	5	5

Accountable Officer: Anita Roper, Chief Executive Officer

The remuneration of the Minister for Environment and Climate Change, Gavin Jennings MLC, is reported in the financial statements of the Department of Premier and Cabinet.

19 Remuneration

Remuneration of Responsible Persons

Remuneration received or receivable by Responsible Officers and Accountable Officers under their relevant band was:

	Total Remuneration 2010	Base Remuneration 2010	Total Remuneration 2009	Base Remuneration 2009
Income Band	No.	No.	No.	No.
0 – \$9,999	8	8	9	9
\$20,000 – \$29,999	1	1	1	1
\$260,000 – \$269,999	0	0	1	1
\$280,000 – \$289,999	0	1	0	0
\$300,000 – \$309,999	1	0	0	0
Total numbers	10	10	11	11
Total amount	\$402,642	\$376,547	\$351,131	\$351,131

Remuneration of Executives

The number of Executive Officers, other than Ministers, Responsible Officers and Accountable Officers and their total remuneration during the reporting period are shown in the table below. Base remuneration is exclusive of bonus payments, long service leave payments, redundancy payments and retirement benefits.

Several factors have affected total remuneration payable to executives over the year, including payments for long service leave entitlements and performance bonuses received in accordance with the terms of individual employment contracts.

	Total Remuneration 2010	Base Remuneration 2010	Total Remuneration 2009	Base Remuneration 2009
Income Band	No.	No.	No.	No.
\$100,000 – \$109,999	0	1	0	0
\$140,000 – \$149,999	1	2	1	2
\$150,000 – \$159,999	1	1	1	0
\$160,000 – \$169,999	1	0	0	0
\$170,000 – \$179,999	0	0	0	1
\$180,000 – \$189,999	1	0	0	1
\$190,000 – \$199,999	0	1	0	0
\$200,000 – \$209,999	0	0	1	0
\$210,000 – \$219,999	0	0	1	0
\$220,000 – \$229,999	1	0	0	0
Total numbers	5	5	4	4
Total amount	\$866,046	\$749,670	\$712,360	\$655,316

20 Auditor's Remuneration

Amounts paid or payable to the Victorian Auditor-General's Office for the financial audit of the accounts :

	2010 \$	2009 \$
Audit Fee	23,600	21,450

21 Financial Instruments

(a) Terms, Conditions and Accounting Policies

Sustainability Victoria's accounting policies, including the terms and conditions of each class of financial asset and financial liability, recognised at balance date, are as follows:

Recognised Financial Instruments	Accounting Policies	Terms and Conditions
Financial Assets		
Cash Assets	Cash assets include cash on hand, cash at bank, deposits at call and short-term fixed deposits which are readily convertible to cash and are subject to insignificant risk of changes to money values. Surplus funds that are not required to meet the day-to-day obligations of Sustainability Victoria are placed with Treasury Corporation Victoria. Interest on the funds is brought to account and reported when earned.	Cash on hand, cash at bank and funds at call are used to meet the day-to-day obligations of Sustainability Victoria as required
Receivables	Trade receivables are carried at normal amounts due. A provision is recognised when collection of the full amount is no longer probable.	Credit sales are 30 days terms

Recognised Financial Instruments	Accounting Policies	Terms and Conditions
Financial Liabilities		
Payables	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to Sustainability Victoria.	Trade liabilities are settled on Government 30-day terms
Finance leases	Finance lease liabilities are recognised for amounts to be paid in the future for motor vehicle lease contracts	Finance leases are settled by monthly direct bank debit over the period of the lease

(b) Interest rate risk including exposure

Sustainability Victoria's exposure to interest rate risk and ageing analysis of financial assets and financial liabilities, recognised at balance date, are as follows:

	Floating interest rate	Fixed interest rate maturing less than 1 year	Fixed interest rate maturing 1–5 years	Non-interest bearing	Total carrying amount as per Balance Sheet	Weighted average effective interest rate
	\$	\$	\$	\$	\$	%
As at 30 June 2010						
Financial Assets						
Cash Assets	188,844	19,630,377	–	1,700	19,820,921	4.61
Receivables	–	–	–	2,458,962	2,458,962	
Total Financial Assets	188,844	19,630,377	–	2,460,662	22,279,883	
Financial Liabilities						
Payables	–	–	–	3,189,125	3,189,125	
Unearned Revenue	–	–	–	38,652	38,652	
Finance Leases	–	80,458	48,954	–	129,412	7.15
Total Financial Liabilities	–	80,458	48,954	3,227,777	3,357,189	
As at 30 June 2009						
Financial Assets						
Cash Assets	636,642	3,500,000	–	1,700	4,138,342	3.08
Receivables	–	–	–	771,764	771,764	
Total Financial Assets	636,642	3,500,000	–	773,464	4,910,106	
Financial Liabilities						
Payables	–	–	–	6,939,790	6,939,790	
Finance Leases	–	81,622	35,461	–	117,083	7.5
Total Financial Liabilities	–	81,622	35,461	6,939,790	7,056,873	

(c) Ageing analysis of contractual receivables

	Carrying amount	Not past due and not impaired	Past due but not impaired		
			Less than 1 month	1–3 months	3 months – 1 year
2010					
(i) Receivables*					
Trade debtors	2,316,909		2,125,775	180,134	11,000
Other debtors	27,165		1,362	15,680	10,123
Investment and other contractual financial assets:					
Accrued interest income	114,888	114,888			
Total	2,458,962	114,888	2,127,137	195,814	21,123
2009					
(i) Receivables*					
Net trust funds receivable from the Commonwealth – (DEWHA)	509,456	509,456			
Trade debtors	202,940	127,430	34,540	40,970	
Other debtors	22,475			12,623	9,852
Investment and other contractual financial assets:					
Accrued interest income	36,893	36,893			
Total	771,764	673,779	34,540	53,593	9,852

Note: * The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input credit recoverable).

(d) Maturity analysis of contractual financial liabilities

	Carrying amount	Not past due and not impaired	Past due but not impaired		
			Less than 1 month	1–3 months	3 months – 1 year
2010					
(i) Payables#					
Trade Creditors	104,066	104,066	104,066		
Accrued expenses	3,085,059	3,085,059	3,085,059		
Total	3,189,125	3,189,125	3,189,125		
2009					
(i) Payables#					
Creditors – Sustainability Fund	1,234,379	1,234,379	1,234,379		
Trade Creditors	1,292,685	1,292,685	1,292,685		
Accrued expenses	4,412,726	4,412,726	4,412,726		
Total	6,939,790	6,939,790	6,939,790		

Note: # The carrying amounts disclosed exclude statutory amounts (e.g. GST payables).

22 Contingent Assets/Liabilities

Sustainability Victoria had no contingent assets or liabilities as at the reporting date.

23 Department of Climate Change and Energy Efficiency – Renewable Remote Power Generation (RRPGP) and Photovoltaic (PV) funds held in trust for rebate programs

Sustainability Victoria acts as trustee/administrator on behalf of the Commonwealth for the above mentioned rebate programs. Receipts and payments for the Commonwealth rebate programs are excluded from the Comprehensive Operating Statement.

	RRPGP \$	PV \$	Total \$
Opening Balance 1 July 2009	1,375,731	(866,275)	509,456
Add: 08/09 unpaid invoices	(1,683,368)	–	(1,683,368)
Add: Receipts	(5,314,990)	–	(5,314,990)
Less: Payments for rebates	5,586,280	866,275	6,452,555
Closing Balance 30 June 2010	(36,347)	–	(36,347)

24 Events Occurring after reporting date

No significant events have occurred since 30 June 2010 which will have a material impact on the information disclosed in the financial statements.

25 Related Party Transactions

The nature and terms and conditions of the project grants, consulting services and sponsorships between Sustainability Victoria and the Related Parties (\$285,165) (2009: \$1,796,600) were at arms-length and were the same as for all other grant recipients, consultants and sponsorship recipients. There were no other related party transactions during the course of the financial year.

Board Member	Entity	\$
Mike Hill	Moreland Energy Foundation Limited	262,212
Mike Hill	Eco-Buy Ltd	2,000
Tanya Ha	Keep Australian Beautiful National Association	17,136
Mick Bourke	Country Fire Authority	3,817
Total		285,165

26 Glossary of Terms

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Comprehensive result

Total comprehensive result is the change in equity for the period other than changes arising from transactions with owners. It is the aggregate of net result and other non-owner changes in equity.

Employee benefits expenses

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments and superannuation contributions.

Financial asset

A financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual right:
 - to receive cash or another financial asset from another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.



Financial statements

Depending on the context of the sentence where the term 'financial statements' is used, it may include only the main financial statements (i.e. comprehensive operating statement, balance sheet, cash flow statements, and statement of changes in equity); or it may also be used to replace the old term 'financial report' under the revised AASB 101 (Sept 2007), which means it may include the main financial statements and the notes.

Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Interest expense

Costs incurred in connection with the borrowing of funds' Interest expenses include interest on bank overdrafts and short term and long term borrowings, amortisation of discounts or premiums relating to borrowings, interest component of finance leases repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

Interest revenue

Interest revenue includes interest received on bank term deposits, interest from investments, and other interest received.

Net acquisition of non-financial assets (from transactions)

Purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write-offs, impairment write downs and revaluations.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner changes in equity'.

Net result from transactions/net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Non-financial assets

Non-financial assets are all assets that are not 'financial assets'.

Other economic flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. It includes gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; actuarial gains and losses arising from defined benefit superannuation plans; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal. In simple terms, other economic flows are changes arising from market re-measurements.

Payables

Includes short and long-term trade debt and accounts payable, grants and interest payable.

Receivables

Includes short and long-term trade credit and accounts receivable, grants, taxes and interest receivable.

Transactions

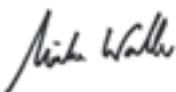
Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

Sustainability Victoria**Statement by Chairperson and Accountable Officer**

We certify that the attached Financial Statements for Sustainability Victoria have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Cash Flow Statement and Statement of Changes in Equity, presents fairly the financial transactions during the year ended 30 June 2010 and the financial position of Sustainability Victoria as at 30 June 2010.

At the date of signing, we are not aware of any circumstances which would render any particulars in the Financial Statements to be misleading or inaccurate.



Mike Waller
Chairman
Sustainability Victoria

Melbourne
16/08/10



Anita Roper
Chief Executive Officer
Sustainability Victoria

Melbourne
16/08/10



VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Sustainability Victoria

The Financial Report

The accompanying financial report for the year ended 30 June 2010 of Sustainability Victoria which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the statement by chairperson and accountable officer has been audited.

The Board Members Responsibility for the Financial Report

The Board Members of Sustainability Victoria are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the financial reporting requirements of the *Financial Management Act 1994*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Board Members, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

VAGO

Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report published in both the annual report and on the website of Sustainability Victoria for the year ended 30 June 2010. The Board Members of Sustainability Victoria are responsible for the integrity of the website. I have not been engaged to report on the integrity of the website. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the Sustainability Victoria website.

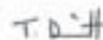
Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Sustainability Victoria as at 30 June 2010 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
17 August 2010

for 
D D R Pearson
Auditor-General

Part 17

Legislative compliance

The 2009–10 Annual Report of Sustainability Victoria is prepared in accordance with all relevant Victorian legislation.

Building Act

Sustainability Victoria did not undertake any building works that fall within the provisions of the *Building Act 1993*. All of our premises are leased.

Community inclusiveness

We are committed to delivering services that support and strengthen local communities. This includes embracing diversity by supporting and advocating for indigenous communities, young Victorians, women, and culturally and linguistically diverse communities.

Sustainability Victoria provides sustainability information in languages other than English. Telephone (free call) 1300 363 744 or email info@sustainability.vic.gov.au for more information.

Freedom of Information Act

The *Victorian Freedom of Information Act 1982* gives individuals the right to request information. We received two such requests during the year, with full access granted in each case.

Freedom of Information requests can be made to the Freedom of Information Officer:

Mr Derek Jones
Sustainability Victoria
Level 28
50 Lonsdale Street
Melbourne, Victoria 3000

All applicants must include the \$23.40 application fee. Copies of information on our Freedom of Information process and charges other than the application fee for requested material can be obtained from us by calling (03) 8626 8700 or visiting www.sustainability.vic.gov.au

The following information is available on request, subject to the *Victorian Freedom of Information Act 1982*:

- + a statement declaring that all pecuniary interests have been duly completed by relevant officers
- + details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- + details of publications produced by the entity about itself, and how these can be obtained
- + details of changes in prices, fees, charges, rates and levies charged by the entity
- + details of any major external reviews carried out on the entity
- + details of major research and development activities undertaken by the entity
- + details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- + details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services
- + details of assessments and measures to improve OH&S
- + a general statement on industrial relations and details of time lost through industrial accidents and disputes
- + a list of major committees, their purpose and achievements.

Information Privacy Act

Sustainability Victoria collects and uses customer information in accordance with our Information Privacy Policy and the *Information Privacy Act 2000*. No complaints were received in 2009–10 for breaches of privacy.

A copy of our Information Privacy Policy is available from Sustainability Victoria on telephone (03) 8626 8700 or from our website at www.sustainability.vic.gov.au

National Competition Policy

Sustainability Victoria complied with the legislative requirements and principles agreed to under National Competition Policy. Competitive neutrality seeks to enable fair competition between government and private sector businesses. Any advantages or disadvantages that government businesses may experience, simply as a result of government ownership, should be neutralised. Sustainability Victoria continues to implement and apply this principle in its business undertakings.

Victorian Industry Participation Policy

In October 2003, the Victorian Parliament passed the *Victorian Industry Participation Policy (VIPP) Act 2003*, which requires public bodies and departments to report on the implementation of the Victorian Industry Participation Policy. Departments and public bodies are required to apply the policy in all tenders over \$3 million in metropolitan Melbourne and \$1 million in regional Victoria.

During 2009–10, Sustainability Victoria did not commence or complete any new contracts to which the VIPP applied.

Whistleblowers Protection Act

The *Whistleblowers Protection Act 2001* aims to encourage and aid the making of allegations of improper conduct against staff of Victorian government authorities. Sustainability Victoria is committed to the aims and objectives of the Act, and recognises the value of transparency and accountability in its administrative and management practices. Improper conduct by staff is not tolerated, nor actions that involve reprisals against those who come forward to disclose such conduct.

In 2009–10 no disclosures were reported in accordance with the Act.

Disclosures of improper conduct or detrimental action by Sustainability Victoria or its employees may be made to the Protected Disclosure Officer:

Ms Jan Trehwella
Sustainability Victoria
Level 28
50 Lonsdale Street
Melbourne, Victoria 3000
Telephone (03) 8626 8700
Facsimile (03) 9663 1007
Email: jan.trehwella@sustainability.vic.gov.au

A disclosure about an improper conduct or detrimental activity by Sustainability Victoria or its employees may also be made directly to The Ombudsman Victoria:

Mr George Brouwer
Level 9
459 Collins Street
Melbourne, Victoria 3000
Telephone: (03) 9613 6222
Toll free: 1800 806 314
Email: ombudvic@ombudsman.vic.gov.au

A copy of Sustainability Victoria's Whistleblower Protection Procedures can be obtained by contacting Sustainability Victoria on (03) 8626 8700 or from our website at www.sustainability.vic.gov.au

Legislative Compliance Index

The 2009–10 Annual Report of the Sustainability Victoria is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the authorities' compliance with statutory disclosure requirements.

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	<i>Whistleblowers Protection Act 2001</i>	91
	<i>Victorian Industry Participation Policy Act 2003</i>	91
	<i>Financial Management Act 1994</i>	71
	<i>Multicultural Victoria Act 2004</i>	62

Appendix 1

Chairman's risk attestation

<p>Level 20 Urban Workshop 50 Lonsdale Street Melbourne Victoria 3000 Australia</p>	<p>Telephone 61 3 9626 6700 Facsimile 61 3 9663 1007 www.sustainability.vic.gov.au ABN 62 019 654 967</p>	
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Sustainability Victoria

Risk Attestation

I, Mike Waller certify that Sustainability Victoria has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures.

The Audit and Risk Committee verifies this assurance and that the risk profile of Sustainability Victoria has been critically reviewed within the last 12 months.



Mike Waller
Chairman
Sustainability Victoria

Melbourne
16 August 2010





Appendix 2

Greenhouse gas abatement verification statement



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INDEPENDENT VERIFICATION STATEMENT

To the Board of Directors, the Executive, and Stakeholders of Sustainability Victoria:

Sustainability Victoria commissioned Net Balance Management Group Pty Ltd (Net Balance) to provide independent verification of the greenhouse gas abatement claims presented within Sustainability Victoria's 2009-2010 Annual Report. Sustainability Victoria was responsible for the preparation of the Annual Report and this statement represents the verification provider's independent opinion. Net Balance's responsibility in performing our verification activities is to the Board and Executive of Sustainability Victoria alone and in accordance with the terms of reference agreed with them. Other stakeholders should perform their own due diligence before taking any action as a result of this statement.

Verification Objectives

The objective of the verification process is to provide Sustainability Victoria's Board and Executive, as well as its stakeholders, with an independent opinion on the accuracy of the greenhouse gas abatements presented within the Annual Report. This is achieved through a review of the underlying systems, information and calculations supporting the greenhouse gas abatement claims presented.

Verification Scope and Limitations

The verification scope covered greenhouse gas abatement claims contained within the Annual Report, with the following limitations:

- No verification was undertaken of associated energy or waste savings.
- Greenhouse gas abatements achieved by award winners were outside the scope of the verification.
- Greenhouse gas abatement targets were sourced from the 2009-2010 Business Plan and therefore may not reflect precisely the same projects and abatement calculation assumptions as were used in calculating actual greenhouse gas abatements.

Verification Methodology

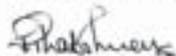
The verification engagement was undertaken during July 2010 and involved:

- a review of greenhouse gas abatement claims contained within the Annual Report
- sighting relevant supporting evidence to substantiate the greenhouse gas abatement claims made within the Annual Report
- a series of interviews with key personnel responsible for collating and writing various parts of the Annual Report in order to substantiate the veracity of selected claims.

Our Opinion

Net Balance has assessed the methodologies used to calculate greenhouse gas abatement claims against Sustainability Victoria's "Draft Guidelines for Calculating Greenhouse Gas Abatements". Net Balance recommends that Sustainability Victoria continues to update its calculation methodologies to reflect these guidelines as well as current emission factors, and that the organisation works towards consistent reporting of abatement projects. Notwithstanding, Net Balance is satisfied that the greenhouse gas abatement claims made within the Annual Report are a fair and accurate representation of the organisation's performance during the period. Any errors identified during the verification process were corrected prior to the Annual Report being published.

On behalf of the verification team
 28 July 2010
 Melbourne, Australia



Terence Jayaretnam
 Director, Net Balance & Lead CSAP (IRCA UK)

Appendix 3

Premier's Sustainability Award Winners 2009–10

Premier's Recognition Award and Small Business Award – Vega Press

Vega Press is Australia's first business to gain international certification for greenhouse gas verification from SGS Australia (ISO 14064-1:2006). Vega purchases carbon offsets to calculate and offset all operational greenhouse gas emissions and has installed systems to minimise water and energy usage. Closed-loop water-recycling units on printing presses and efficient digital plate processing equipment have reduced water consumption by over 50 per cent. Light-Eco energy-efficient lighting and Power Factor Correction systems save up to 20 per cent on energy bills. Vega's printing process waste is recycled. Since mid-2005 Vega has reduced waste sent to landfill by more than 50 per cent.

Community Award – Joint Winners: FareShare and SecondBite

FareShare's aim is to save food from landfill and turn it into free meals for people in need. Food waste sent to landfill impacts greatly on the environment, often resulting in methane production, a greenhouse gas 21 times more potent than CO₂. In 2009 FareShare saved 400 tonnes of food from landfill and distributed over a million meals to over 100 Melbourne charities. FareShare also co-founded Feed Melbourne, a campaign to raise money for local charities so they can receive and store the fresh food. FareShare works closely with Woolworths and collects, on average, 700 kg of fresh meat, fruit and vegetables each day from up to 26 supermarkets.

SecondBite collects top-quality fresh food that would otherwise go to waste and redistributes it to the homeless, the disadvantaged or those having trouble finding food. In 2009 they rescued over 700 tonnes of food from landfill, preventing 630 tonnes of CO₂ from entering the atmosphere. SecondBite's food donor network in Melbourne is expanding, with Woolworths, ALDI and Costco joining the program. More than 350 volunteers help SecondBite redistribute fresh food. The organisation also works with local governments, Social Ventures Australia and other not-for-profit organisations to develop sustainable, long-term solutions for people facing food shortages.

Tertiary Education Award – Monash Sustainability Institute

The Monash Sustainability Institute's Green Steps Internship program takes action for a sustainable future. A five-day training program provides students from all academic fields with green skills rarely taught in traditional university courses so they can encourage sustainable practices when joining the workforce. Green Steps students undertake an internship in an organisation to help advance environmental sustainability. Celebrating its eleventh year, this award-winning program has trained over 500 participants and partnered with over 350 organisations across Australia. The program has helped businesses become more sustainable by achieving, on average, a 30 to 50 per cent reduction of waste to landfill; more than 10 per cent reduction in water and paper consumption, and around \$5,000 to \$10,000 in savings per year.

Local Government Award – Nillumbik Shire Council

Nillumbik Shire Council has started environmentally, economically and socially sustainable policies and projects to assist the recovery of natural resources affected by severe bush fires. The Council has worked with local Landcare groups, Recovery Committees and landowners, providing training, support and equipment for land rehabilitation. Enhancing and maintaining biodiversity was key to the social and emotional recovery. Nillumbik Shire Council engaged a botanist to help landowners interested in establishing a biodiversity-monitoring program on their property to record changes in post-fire vegetation. The Council also offered free sustainable house-design assessments to affected landowners to examine their design, material selection, appliances, water and energy use. The Council's Natural Environment Recovery Working Group regularly holds community information sessions and field days to implement the programs.

State Government Award – Department of Justice

Department of Justice has built climate change considerations into its environmental management system (EMS). Its eight Victorian regions have implemented annual Regional Environmental Action Plans (REAPs) to ensure environmental initiatives are appropriate for all operational services. All REAPs are aligned with the department's EMS, aiming to reduce energy and water consumption, waste, paper use and transport-related greenhouse gas emissions. Justice facilities have reduced water use in prisons, courts and offices by installing flow restrictors and rainwater harvesting tanks at some locations for toilet flushing and laundries, and by educating staff and prisoners in sustainable practices. The department has also implemented a paper-reduction strategy and established greenhouses for horticultural prison food production.

Products or Services Award – Geocycle SBF

Geocycle SBF has created a Superblender machine to process hazardous waste. This recovers energy from Prescribed Industrial Waste through highly specialised equipment exclusive to Australia. The plant comprises an integrated system for shredding drums, containers and other solids, blending the wastes into a uniform high-viscosity fuel, and recovering washed container metal for recycling. The hazardous wastes processed by Geocycle are generally hydrocarbon-based with significant energy content. In landfill, many of these wastes decompose over several years releasing greenhouse gases. Recovering and substituting this waste for coal in a direct-fired kiln means the equivalent energy content of coal is replaced.

Built Environment Award – Mirvac

Mirvac's Harmony 9 is Australia's first zero carbon 9-star prototype home. With a benchmark 9.2-star energy rating, Harmony 9 hardly needs energy to heat or cool. The home offers various sustainable initiatives like use of low-toxic and recycled materials, a recycled water system, renewable energy generation, smart metering and the highest-rated appliances for water and energy use. After one year, Harmony 9 makes major savings compared to a conventional home by reducing greenhouse gas emission by 12 tonnes, saving 125,000 litres of mains water and up to \$1,200 on energy bills.

Large Business Award – GPT Group Victoria

The GPT Group has interests in more than 600,000 sqm of leasable space, with more than 2,000 tenants in and around Melbourne alone. Across its property assets in Victoria, GPT reduced waste sent to landfill by 22 per cent in 2008 compared with a 2005 baseline. It also achieved a recycling rate of 40 per cent, reduced water consumption by 10 per cent and cut energy use by 24 per cent. The office and industrial/business park properties use 25 per cent GreenPower, reducing greenhouse gas emissions by 10,000 tonnes in 2008. GPT partners with customers to reduce the ecological footprint of the base building and its tenancy fit-outs. Since June 2009, all new GPT retail tenants have signed green leases requiring minimum performance standards for water and energy fixtures and fittings.

Appendix 4

Office-based environmental impacts

Our performance against our key objectives is shown in the following table¹.

Environmental Aspect	Description	Unit of Measure	2009–10	2008–09	2007–08	2006–07	2005–06
Energy ²	Use per THC ³	Megajoules per THC	3,174	3,108	3,119	n/a	n/a
	Use per FTE ⁴	Megajoules per FTE	3,416	3,344	3,344	6,721	6,799
	Use per square metre of office space ^{2a}	Megajoules per m ²	249	230	242	432.7	370
	Total use ⁵	Megajoules	482,567	448,046	408,600	764,240	741,722
	Total associated GHG emissions	Tonnes of CO ₂ equivalent	0	0	0	0	0
	Total Green Power ^{2b}	%	100	100	100	100	100
Paper ⁶	Use per THC	Reams per THC	5.27	6.1	6.1	n/a	n/a
	Use per FTE	Reams per FTE ^{6a}	5.66	6.5	6.5	5.7	9.0
	Total use	Reams	780	873	793	651	980
Waste ⁷	Organics	Total kg to processors	1,886	1,736	1,495	n/a	n/a
	Recyclable materials	Total kg to processors	5,349	5,204	3,845	n/a	n/a
	Waste material	Total kg to landfill	449	271	593	n/a	n/a
	Generated per THC	Kilograms per THC	51.8	50	45.3	n/a	n/a
	Generated per FTE	Kilograms per FTE ^{7a}	55.8	54	48.6	46.6	84
	Total recycled	Percentage ^{7b}	94	96	90	85	94
Water ⁸	Consumption per THC	Kilolitres per THC	5.56	5.17	10.94	n/a	n/a
	Consumption per FTE	Kilolitres per FTE	5.98	5.55	11.20	n/a	n/a
	Consumption per unit of Office Space	Kilolitres per m ²	0.41	0.38	0.83	n/a	n/a
	Total potable water consumption ^{8a}	Kilolitres	407 ⁹	257	482	n/a	n/a
	Recycled water floor only ¹⁰	kilolitres	417	487	764	n/a	n/a

Notes:

- SV had an average of over 500 clients/guest visitors per month (or approx 23 a day) from Jan-end June 2010.
- Includes electricity use directly in Sustainability Victoria's office-based activities.
- 2a. Target – reach 254 MJ/m² of electricity use by 30 June 2010. Final figure does not include last 9 days of financial year as billing was not available at the time of reporting. Internal electricity tracking system significantly lower at 234.4 MJ/m².
- 2b. Target – maintain 100 per cent GreenPower purchase.
- THC = Average Total Head Count for the year to 30 June 2010 which includes contractors employed at Sustainability Victoria. Our contractors work on-site, using the same resources as employees at Sustainability Victoria.
- FTE is average Full Time Equivalent staff for the year to 30 June 2009.
- Origin billing received to date of reporting deadline. Real time monitoring system equated to 457,383 MJ. Does not include base building energy use; this is reported below (see Greenhouse Gas Emissions) in carbon emissions inventory which incorporates apportioned Gas (281 GJ) and Electricity (113,242 kWh).
- One ream is equivalent to 500 sheets of A4 office paper. All paper figures rounded to the nearest tenth. Unlike government reporting requirement the figure is also an average over the course of a year rather than as at 30 June.
- 6a. Target – to reach 6.0 reams of paper consumed per person per year by 30 June 2010.
- Waste figures will be based on averages of one-week-a-month measurement throughout 2009–10 within a 5 per cent variability range. Increase is due to inclusion of secure paper bin weights supplied by service provider – not included in previous.
- 7a. Target – reduce total waste per employee by 48 per cent of 05/06 quantity to 44kg by 30 June 2010. Missed target as increased measurements have provided greater accuracy in reporting results: 1 week x 12 months a year for rubbish, co-mingling, cardboard and paper and organics; on an as needs basis for 'other plastics', secure paper bins and Green Collect.
- 7b. Target – increase rate of recycling by another 2 per cent to 97 per cent by 30 June 2010.
- Figures include black-water treatment throughput but not base building services apportioned cooling tower top-up (unobtainable at the time of reporting. Previous year data updated to reflect 80/20 rule of black-water treatment run time thus the increase from 2008/09 to 2009/10.

Environmental Aspect	Description	Unit of Measure	2009–10	2008–09	2007–08	2006–07	2005–06
Transportation ¹¹	Energy consumption per THC	Gigajoules per THC	1.32	1.3	1.46	n/a	n/a
	Energy consumption per FTE	Gigajoules per FTE ^{11a}	1.42	1.4	1.57	2.82	3.78
	Total energy consumption	Gigajoules	195.07	188	191.4	320.31	412
	Total associated GHG emissions	Kilograms of CO ₂ equivalent	13,052	12,547	13,840	22,229	32,000
	GHG emissions/1,000 km travelled	Kilograms of CO ₂ equivalent	104.5	104.3	124.6	118.7	154.7
	Travel associated with agency operations per THC	Kilometres per THC	843	868	848	n/a	n/a
	Travel associated with agency operations per FTE	Kilometres per FTE	907	933	909.3	1,647.3	1,895
	Total travel associated with agency operations	Kilometres	124,977	125,074	111,117	187,315	206,792
	Employees regularly using public transport, cycling or walking to and from work	Percentage ^{11b}	93	96	93	90.4	91.7
	Employees regularly using more sustainable modes to commute	Percentage ^{11c}	31.8	21.8	25	NA	NA
Greenhouse Gas Emissions ¹²	Total GHG emissions associated with energy use	Kilograms of CO ₂ equivalent	0	0	0	0	0
	Total GHG emissions associated with vehicle fleet	Kilograms of CO ₂ equivalent	13,052	12,547	13,840	24,728	n/a
	Total GHG emissions associated with air travel	Kilograms of CO ₂ equivalent	68,856	176,525	67,574	68,632	n/a
	Total GHG emissions associated with waste production	Kilograms of CO ₂ equivalent	449	271	429	816	n/a
	Total GHG emissions associated with offsets purchased ¹³	Kilograms of CO ₂ equivalent	276,496 (incl. 10% buffer)	398,560 (incl. 10% buffer)	313,000 (incl. 10% buffer)	402,009	n/a
	Total GHG emissions associated with scope of operational activities ¹⁴	Kilograms of CO ₂ equivalent ^{14a}	251,360	362,327	283,809	287,357 (excl. 10% buffer) 316,093 (incl. 10% buffer)	n/a

8a. Target to be within 5 per cent of 08/09 values for potable water use per m2 and per FTE and for the same metrics across blackwater. Not met – 10 and 13 per cent difference respectively on totals per FTE and m².

9. Increase in 2009/10 potable use due to increased blackwater treatment downtime.

10. Our tenancy utilises recycled water for toilet flushing. The values here reflect how much total recycled water is circulated through the system throughout the year. Potable water (at least 20 per cent) is excluded here and added to the potable water values.

11. Only petrol hybrid passenger vehicles are used by Sustainability Victoria: Fleet reduced from eight to six from 2006–07 to 2007–08, and from six to five in 2008–09. In 2009–10, Sustainability Victoria maintained an average of six fleet vehicles.

11a. Reduce fleet fuel consumption per employee by 35 per cent of 05/06 consumption to 2.46 GJs/FTE by 30/06/10.

11b. Target – Maintain the percentage of employees regularly using sustainable modes to and from work from July 2008 at 93 per cent by July 2010.

11c. Maintain the percentage of employees regularly using more sustainable modes of transport, cycling and walking and working from home at 25 per cent by Jul–10.

12. Reported GHG emissions for energy is base building apportioned only (including gas); purchased office tenant light and power is 100 per cent GreenPower. Also includes refrigerants, paper, Taxi and Public Transport as well as waste, water, air travel and publications.

13. The operational aspects included in the scope of activities for purchasing carbon offsets are: apportioned base building electricity and gas, office tenant light and power, kitchen and vehicle refrigerants, waste to landfill, air travel, public transport and taxi travel for work-based activities, paper and publications consumption and base building apportioned water consumption. Each year a new scope 3 item is added as part of our Carbon Accountability strategy.

14. Alternative strategy to Carbon Neutrality signed off by Executive to pursue means to Carbon Accountability. This is a process of including new scope 3 items each year until the science to carbon neutrality is determined. The process also includes advising stakeholders on their own scope 1 and 2 impacts and the cost to offset them.

14a. Our emissions total has decreased from 2008/09 in large part to a significant decrease in air travel in 2009/10. This figure does not include office tenant light and power emissions nor vehicle fleet as we purchase 100 per cent GreenPower and the latter is covered through the Department of Sustainability and Environment's whole of Victorian Government Fleet Offset Emissions Program.

Appendix 5

Workforce data staffing trends⁽ⁱ⁾

	2010	2009	2008	2007	2006	
	138	134	121	114	100	
June 2009 – June 2010						
	Ongoing Employees ⁽ⁱⁱ⁾				Fixed term and casual employees	
	Employees (headcount)	Full time (headcount)	Part time (headcount)	FTE ⁽ⁱⁱ⁾	FTE ⁽ⁱⁱ⁾	
June 2010	113	99	14	108	30	
June 2009	111	99	12	107	27	
	2010			2009		
	Ongoing ⁽ⁱⁱ⁾		Fixed term & casual employees	Ongoing ⁽ⁱⁱ⁾		Fixed term & casual employees
	Employees (headcount)	FTE ⁽ⁱⁱ⁾	FTE ⁽ⁱⁱ⁾	Employees (headcount)	FTE ⁽ⁱⁱ⁾	FTE ⁽ⁱⁱ⁾
Gender						
Male	48	47	10	48	47	12
Female	65	61	20	63	60	15
Total Age						
Under 25	0	0	0	2	2	2
25-34	32	31	15	34	34	15
35-44	35	33	7	31	28	4
45-54	29	28	7	28	28	6
55-64	16	15	1	16	15	0
Over 64	1	1	0	0	0	0
Total Classification						
VPS 1	0	0	0	0	0	0
VPS 2	1	1	0	2	2	1
VPS 3	12	11	2	11	10	8
VPS 4	26	25	14	30	29	9
VPS 5	39	37	13	37	35	7
VPS 6	29	28	1	25	25	2
STS	1	1	0	0	0	0
Executive	5	5	0	6	6	0
Total	113	108	30	111	107	27

Notes:

(i) Ongoing employees includes people engaged on an open-ended contract of employment and executives engaged on a standard executive contract who were active in the last full pay period of June.

(ii) FTE means full time staff equivalent.

Further notes:

All figures reflect employment levels during the last full pay period in June of each year.

Excluded are those on leave without pay or absent on secondment, external contractors/consultants, and temporary staff employed by employment agencies.

Figures shown in Workforce data staffing trends are FTEs as opposed to Headcount which has been reported in previous years.

Appendix 6

EO Data

Breakdown of executive officers into gender

Class	Ongoing				Vacancies No.
	Male		Female		
	No.	Var	No.	Var	
EO-1	0	0	1	0	0
EO-2	0	-1	1	0	1
EO-3	2	0	1	0	0
Total	2	-1	3	0	1

Appendix 7

OH&S Policy

Sustainability Victoria's vision is for Victorians to use resources sustainably to support a thriving community and economy. Our purpose is to be a catalyst for sustainable growth and development in Victoria. We bring together the knowledge and capabilities of people, organisations and communities to deliver integrated social, economic and environmental outcomes.

Our vision and purpose can only be achieved through our people. Their health and safety is critical to our success. Sustainability Victoria:

- + acknowledges that the health, safety and welfare of our employees and stakeholders is of prime importance and should not be impaired or prejudiced by our operations
- + recognises that the responsibilities for occupational health and safety (OH&S) lie with all our staff, and that a personal commitment is essential to establish and maintain a healthy and safe working environment.

Sustainability Victoria will strive to provide working environments that are as safe and risk-free as practicable by:

- + maintaining a risk management process and ensuring its consistency with the nature of workplace activities and the scale of health and safety risks
- + complying with relevant health and safety legislation and other requirements placed on us or to which we subscribe
- + establishing measurable objectives and targets for health and safety to ensure continuous improvement aimed at elimination of work related illness and injury
- + provision of appropriate health and safety training to all employees
- + consulting with employees to ensure that all are included in the decision-making processes impacting on workplace health and safety
- + disseminating health and safety information to all employees, contractors, labour hire employees and visitors to the workplace

- + implementing health and safety policy effectively
- + Implementing policy provisions consistently in all areas of business activity and on all sites where business activities are undertaken.

Sustainability Victoria employees will at all times:

- + take reasonable care for their own health and safety, and that of others who may be affected by their actions (or lack of actions) at work
- + co-operate with our efforts to meet our responsibilities by following the systems and procedures of work necessary for safe and healthy operations
- + participate in all appropriate training
- + report hazards, risks, incidents and OH&S concerns to their manager or OH&S representative.

Sustainability Victoria recognises that these policy objectives can best be achieved through effective consultation, communication and co-operation between all employees.

Appendix 8

Performance against OH&S management measures

Performance against OHS management measures

Measure	KPI	2007-08	2008-09	2009-10
Incidents	No. of incidents	7	16	13
	Rate per 100 FTE	5.98	11.9	9.43
	Average time lost per occurrence	0	1 day	2 days
Claims	No. of standard claims ⁽ⁱ⁾	0	0	0
Management commitment	Evidence of OHS policy statement, OHS objectives, regular reporting to senior management of OHS, and OHS plans	completed	completed	completed
Risk management	Percentage of internal audits/inspections conducted as planned	91%	92%	100%

(i) Data sourced from Victorian WorkCover Authority (VWA).

Acronyms used in this report

AuSSI	Australian Sustainable Schools Initiative	LTI	Lost Time Injury
CBD	Central Business District	MAV	Municipal Association of Victoria
CEO	Chief Executive Officer	MEPS	Minimum Energy Performance Standards
CERES	Centre for Education and Research in Environment Strategies	MWVG	Metropolitan Waste Management Group
CSIRO	Commonwealth Scientific and Industrial Research Organisation	NAB	National Australia Bank
COAG	Council of Australian Governments	OH&S	Occupational Health and Safety
DHS	Department of Human Services	PACIA	Plastics and Chemicals Industries Association
DIIRD	Department of Innovation, Industry and Regional Development	PPR	Public Place Recycling
DPCD	Department of Planning and Community Development	RESF	Renewable Energy Support Fund
DPI	Department of Primary Industries	SECV	State Electricity Commission Victoria
DSE	Department of Sustainability and Environment	SME	Small to Medium Enterprise
DTF	Department of Treasury and Finance	SUT	Swinburne University of Technology
EMS	Environmental Management System	TAC	Transport Accident Commission
EPA	Environmental Protection Authority (Victoria)	TAFE	Tertiary and Further Education
ESAS	Environmental Sustainability Action Statement	TZW	Towards Zero Waste
GHG	Greenhouse Gas	UK	United Kingdom
HR	Human Resources	VECCI	Victorian Employer's Chamber of Commerce and Industry
HVAC	Heating, Ventilation and Air Conditioning	VEETS	Victorian Energy Efficiency Target Scheme
ICI	ICI Australia Limited	VIPP	Victorian Industry Participation Policy
ICT	Information Communications and Technology	VLGA	Victorian Local Governance Association
		ZEN	Zero Emission Neighbourhoods

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For further information visit
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