



Annual Report 2013–14
Investing in Victoria's future



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By Sustainability Victoria

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Part 1 Foreword from the Chair and CEO

Our three-year Strategic Plan 2012–15, SV2015, established a strong and renewed foundation for SV, focusing on two priority areas – integrated waste management and resource efficiency. These areas combine economic value with improved liveability for Victorians.

In year one of SV2015, 2012–13, we improved our governance and our approach to engaging our stakeholders, with a particular focus in regional Victoria. We also commenced and continued evidence-based programs designed to contribute tangible benefits for Victorians. In year two of SV2015, 2013–14, we continued these programs, improving waste and resource recovery infrastructure and achieving tangible energy and materials savings for Victorian businesses, schools and homes.

In 2013, the Victorian Government released its 30-year vision for an integrated statewide waste and resource recovery system, *Getting full value: the Victorian Waste and Resource Recovery Policy*. The Hon. Ryan Smith MP, Minister for Environment and Climate Change, also commissioned a Ministerial Advisory Committee on Waste and Resource Recovery Governance Reform. The committee advised on the optimal institutional and governance arrangements needed to implement the policy. Its recommendations and the government's response strengthened our role in waste management and resource recovery and reinforced our important contribution to helping Victorians use energy more efficiently. We welcome and are committed to this next wave of reform.

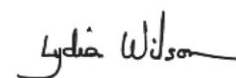
In 2014, the committee's recommendations enabled us to extend the scope of, and deliver a roadmap for, future infrastructure development in the waste and resource recovery sector. In September 2013, we released a draft Statewide Waste and Resource Recovery Infrastructure Plan (draft SWRRIP). We are proud of achieving this Victorian-first initiative and of the government's endorsement of our work to date.

Our work in waste management, resource recovery and resource efficiency also delivered tangible contributions to the priorities of *Getting full value* in 2013–14 (see 'Our achievements in 2013–14', on page 3). Our ongoing commitment to our stakeholders across Victoria was reflected in responses to our 2013 stakeholder survey. Respondents rated our overall performance as better than the previous year, with recognition that we are a more focused organisation. They also recognised our efforts to improve engagement in regional Victoria, including via our staff based in regional centres.

Our people and leadership are a key capability. We are proud of demonstrable improvements in our organisational culture, which focus us more on achieving our SV2015 commitments and embracing the resource recovery reforms that we are central to delivering.

We look forward to the coming year in which we will realise our commitments in SV2015, deliver the Minister for Environment and Climate Change's statement of expectations, work closely with local government and our portfolio partners to achieve resource recovery reform and develop our strategic plan for beyond SV2015.

As Chair and CEO we are proud to present this Annual Report 2013–14 as the official record of a year of notable achievements and opportunities for Sustainability Victoria.



Lydia Wilson
Chair



Stan Krpan
Chief Executive Officer

\$2.4m

committed to second-round
funding for the New Recycling
(DINR) program

Our achievements in 2013–14

Our work in waste, resource recovery and resource efficiency also delivered tangible contributions to the priorities of *Getting full value* in 2013–14. The Driving Investment for New Recycling program, announced in 2012–13, entered its second round of funding. The second round committed \$2.4 million to seven innovative projects to help recover and create value from waste we generate. We estimate these projects will lead to an increase in processing capacity of 187,000 tonnes by June 2016.

We continued to work with businesses in 2013–14, with encouraging signs from our Smarter Resources, Smarter Business program, designed to help businesses save materials and/or energy. Sixty-one businesses were successful in our second round of investment and are expected to save a combined \$2.1 million per annum on completion of efficiency measures. Twenty-five commercial office buildings from across Victoria were also accepted into this program to improve their energy efficiency. We look forward to their results in the year ahead.

We also worked to expand markets for priority recycled materials and products. Our partnership with VicRoads to support the use of recycled brick in road base was particularly successful. It was an example of working with a key partner to generate demand for recycled materials and is an effective model on which we will build. We also focused our efforts on recycled organics materials, such as compost. We invested in field trials to understand the benefits of recycled compost and, with Compost Victoria, promoted its value.

In 2013–14, we continued to engage school students across Victoria to learn about sustainability and implement practical measures to save energy, reduce waste and recycle. Our ResourceSmart Schools program (formerly ResourceSmart AuSSI Vic) currently reaches more than 400,000 students. We exceeded the government's commitment to expand the program by 400 schools and did so a year earlier than scheduled. By the end of 2013–14, more than 1,000 schools participated. We also launched an online system for schools to track their progress, identify savings and learn more. This program is particularly important to us because it reflects our commitment to lifelong learning about sustainability.

In 2013–14, we continued to offer value to all Victorians. Our Smarter Households program supported householders to reduce their energy use and associated costs while improving the comfort of their homes. We provided information and advice to 45,000 households through the internet and to 110,000 households in store when purchasing new appliances. We were also pleased to continue to support householders safely dispose of household chemicals and products, such as paint and batteries, and to maximise their recycling efforts at home.

Throughout 2013–14, we worked closely with councils, community groups and the Environment Protection Authority to reduce litter and illegal dumping. We provided training, tools and guides for council staff and invested \$815,000 in public place recycling infrastructure. We also continued to deliver Keep Australia Beautiful Victoria programs that involved more than 1,200 individuals and 25 groups who volunteered to keep their communities clean.



Lydia Wilson
Chair



Stan Krpan
Chief Executive Officer

Part 2 About Sustainability Victoria

Our vision

To maximise value from resources to support a liveable and prosperous Victoria.

Sustainability Victoria (SV) is a Victorian Government Statutory Authority established under the *Sustainability Victoria Act 2005* (Vic).

The responsible minister for the period from 1 July 2013 to 30 June 2014 was the Hon. Ryan Smith MP, Minister for Environment and Climate Change.

SV helps households, businesses and groups within the broader community adopt more sustainable practices to ensure a healthy environment, community and economy, now and for the future.

We do this by providing practical programs, investment and support in two priority areas: integrated waste management and resource efficiency.

Objectives, functions and powers

Our objectives are to facilitate and promote environmental sustainability in the use of resources.

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

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

Our purpose

To drive integrated waste management and resource efficiency in Victoria.

We achieve our purpose by implementing government policies, priorities and initiatives through targeted programs with a measurable impact in integrated waste management and resource efficiency (materials and energy).

We provide statewide leadership in waste management and implement key aspects of the Victorian waste policy *Getting full value: the Victorian Waste and Resource Recovery Policy*.

We work closely with the Hon. Ryan Smith MP, Minister for Environment and Climate Change, to ensure our programs deliver government policies, priorities and initiatives.

We collaborate with agencies in the environment portfolio, including the Department of Environment and Primary Industries (DEPI), the Environment Protection Authority Victoria (EPA), the Metropolitan Waste and Resource Recovery Group (MWRRG) and regional waste and resource recovery groups (RWRRGs), to reduce waste and increase resource recovery.

We aim to improve materials and energy efficiency in selected sectors. We work closely with the Department of State Development, Business and Innovation (DSDBI) to help achieve Victorian Government priorities such as reducing pressures on the costs of living and of doing business.

Our strategic plan, SV2015

Our three-year strategic plan 2012–15, *SV2015*, outlined a practical contribution to a liveable and prosperous Victoria. It sought to help businesses and households use resources more efficiently and to view waste as a resource by developing markets for waste products and materials.

2013–14 represented year two of *SV2015*, a year of delivery and a year in which SV's role in waste and resource recovery was strengthened. In 2013, a Ministerial Advisory Committee on Waste and Resource Recovery Governance Reform was established to advise on the optimal institutional and governance arrangements needed to implement *Getting full value*. The committee's recommendations and subsequent government response in August 2013 strengthened SV's leadership role in waste and resource recovery and reinforced the important contribution we make in helping Victorians use energy efficiently.

Our role in resource recovery reform

SV's role in resource recovery reform has been recognised through changes to our legislative responsibilities and a statement of expectations from our minister. These changes and expectations mean that we will:

- lead the development of a statewide waste and resource recovery infrastructure plan by January 2015
- lead the facilitation of statewide waste and resource recovery market development through the development of a market development strategy and initiatives to stimulate new and existing markets to recover resources
- attract and support investment in a diversified portfolio of waste and resource recovery infrastructure
- lead the development and coordination of a streamlined statewide community and business waste education strategy and supporting initiatives
- develop guidelines and tools to support waste and resource recovery groups in their obligations to facilitate joint procurement of waste and resource recovery services and infrastructure across local government
- lead the development and implementation of a data management governance framework to improve consistency, accuracy and timeliness of waste data.

Fulfilling these responsibilities will require prioritising our core work in waste and resource recovery and close collaboration and engagement with waste and resource recovery groups, local government, other government departments and industry.

2013–14 was also an opportunity to review our progress, to ensure our strategic direction remained relevant and to ensure we were on track to deliver our commitments by mid-2015. The review contributed to refreshing our strategic direction to align with the goals of *Getting full value*, and associated resource recovery reform, and government priorities relating to energy efficiency. The review also highlighted the need to more clearly refine the outcomes and measures of success for *SV2015* to accommodate our strengthened role in waste and resource recovery. Greater clarity will help our stakeholders, provide clear guidance to our staff and adhere to our values of transparency and accountability. Our refined outcomes and measures of success influenced our investment in programs for 2014–15 and are represented in our 2014–15 Business Plan.

Table 1 outlines the outcomes to which we committed in *SV2015* and the 2013–14 priorities and initiatives that contributed to those outcomes. Our performance, during 2013–14, in delivering the priorities and initiatives is presented in Part 4 of this report.

SV2015 also set an agenda to transform SV into an efficient and evidence-based organisation, with strong governance, that puts engagement with our partners and stakeholders at the heart of our operations. In 2013–14, we continued to build on the organisational capabilities needed to deliver our strategy:

- statewide engagement
- evidence-based investment and outcomes
- people and leadership
- governance and coordination.

In 2013–14, SV also continued to administer the Sustainability Fund. Our progress building our organisational capabilities and performance administering the Sustainability Fund are presented in Part 4 of this report.

This annual report reflects on the second year of our three-year strategy and the steps we have taken to achieve our strategic priorities.

Part 2 About Sustainability Victoria

Table 1: Summary of SV outcomes and initiatives in 2013–14

SV priorities	SV2015 outcome	SV initiatives	Reach
Helping Victorians avoid waste	Reduced littering behaviour and litter	1. Litter Strategy	Local Government Authorities to local residents Keep Australia Beautiful Victoria
	Increased uptake of waste minimisation practices in targeted sectors for maximum gain	2. Beyond Waste fund	Business Local government to local residents
Helping Victorians use less energy and use materials more efficiently	Increased energy efficiency in targeted sectors: → selected commercial buildings → households	1. Commercial office buildings	Business
		2. Household energy efficiency information and advice (including advice on home renovations)	Retailers to households and direct to households
		3. Influencing purchasing decisions (Smarter Choice and rebates)	Retailers to households
	Increased energy and materials efficiencies in targeted sectors → schools → small- to medium-sized businesses	1. ResourceSmart Schools (formerly ResourceSmart AuSSI Vic) 2. Smarter Resources, Smarter Business	Schools and early-childhood centres Small- to medium-sized businesses
Ensuring that Victoria has the infrastructure to manage waste recovery and recycling	Improved standard of infrastructure and its development (including development of the draft Statewide Waste and Resource Recovery Infrastructure Plan, [SWRRIP])	1. Developing and strengthening infrastructure (Driving Investment in New Recycling, Resource Recovery Infrastructure, Building Victoria's Organic Recovery)	Local Government Authorities Waste and resource recovery industry
		2. Improving the standard of infrastructure (transfer stations and landfills)	Local Government Authorities
Getting waste sorted and recycled	Increased recovery of priority products and materials that contribute weight, that pose a risk and/or are a valuable resource	1. Improving household recycling practices (Get it Right on Bin Night)	Households with support from regional waste management groups and Local Government Authorities
		2. Increased source separation and recycling	Waste and resource recovery industry and Local Government Authorities
		3. Increased organics recovery	Waste and resource recovery industry and Local Government Authorities
		4. Priority products intervention (including Detox Your Home)	Waste and resource recovery industry and Local Government Authorities
Facilitating market development	New or expanded markets for recycled products and materials that pose a risk and/or are a valuable resource	1. Market development (organics) 2. Market development (recycled materials development, e.g. timber, tyres)	Waste and resource recovery industry
Providing strategic support to the environment portfolio	Deliver waste strategy, planning and support to waste management groups	1. Support for regional waste management groups 2. Waste baseline data and evidence reports	Regional waste management groups

Our stakeholders

SV2015 recognised the importance of engaging with our stakeholders across the state to contribute jointly to a liveable and prosperous Victoria. Our strategy committed us to improving access to our programs and services statewide and to engaging with regional and metropolitan stakeholders to improve how these programs are delivered.

Our board, executive and staff recognise, appreciate and thank all the partners and stakeholders who work with us to improve Victoria's liveability. The stakeholder groups with which we engage to deliver SV2015 include:

- government departments and agencies, both state and Commonwealth
- metropolitan and regional waste management groups

- local governments
- peak business and industry councils and associations
- the commercial building sector
- the construction sector
- waste management resource recovery industry
- primary and secondary schools and early childhood centres
- retailers and service providers.

In 2013–14, we continued to build our statewide engagement capability and strive to give our stakeholders a positive and responsive customer-focused experience. Our performance working with our stakeholders in 2013–14 is presented in Part 4 of this report.

Part 3 Our board and executive team

Our board

The *Sustainability Victoria Act 2005* (Vic) allows for between seven and nine non-executive members to be appointed to the SV board by the Hon. Ryan Smith, Minister for Environment and Climate Change. In appointing members to oversee SV's strategy and functions, the minister must give regard to their skills, experience and knowledge.

Prior to 1 April 2014, the Sustainability Victoria Act required the Ministers administering the *Water Act 1989* (Vic) and the *Environment Protection Act 1970* (Vic) each to nominate one member of the board. In response to recommendations of the Ministerial Advisory Committee on Waste and Resource Recovery Governance Reform, the Act was amended on 1 April 2014 and these requirements were removed.

The Sustainability Victoria Act now requires the board to have two members who have skills, experience or knowledge relating to waste management within local government and two members who have skills, experience or knowledge relating to the waste industry. These changes will be implemented in early 2014–15.

Throughout 2013–14, the SV board had seven non-executive members, including a Chair and Deputy Chair.

Role of the board

To meet its responsibility for good governance and effective leadership, the board:

- sets our strategic direction, objectives and performance targets
- selects the Chief Executive Officer (CEO)
- monitors operational and financial performance
- oversees compliance with laws, regulations and other obligations
- sets and monitors internal controls to manage risks
- ensures good conduct and stakeholder relationships
- manages and monitors board and committee conduct and performance.

Board members

Dr Gillian Sparkes was the Chair of the SV board until her appointment as Victoria's Commissioner for Environmental Sustainability, which required her to step down as Chair at the end of June 2014. Since her commencement as the SV Chair in 2011, Gillian led the review of SV's strategic direction at the request of the minister and oversaw the transformation of SV. We thank and congratulate Gillian and wish her all the best in the new role.

We also farewelled Mike Hill, our Deputy Chair, in February 2014. Mike served on the board since SV's inception in 2005. Mike had a long-term association with resource recovery and sustainability organisations for more than 20 years, and SV benefited greatly from his knowledge and experience.

In February 2014, we welcomed Lydia Wilson to the board as Deputy Chair. With Gillian's departure at the end of June 2014, Lydia was appointed the new Chair. Ross McCann, a board member since April 2011, was appointed Deputy Chair. We also welcomed Arron Wood's appointment to the SV board on 1 July 2014.

Cheryl Batagol, Suzanne Evans, Tony Hinton and Ron Lovett continued as board members throughout 2013–14.

See Appendix 1 for more information about board members and details of the operations of the board and its committees.

Our executive team

Throughout 2013–14, the executive team comprised the CEO, supported by four directors, an executive manager and manager, each of whom is accountable for key organisational functions, program delivery and line management.

Our executive team as at 30 June 2014 is represented in the figure overleaf.

Part 3 Our board and executive team



Part 4 Our performance

In this section we report on our organisational performance for 2013–14, using a comprehensive set of indicators. Part 4, moreover, describes the results of our programs and discusses how they contributed to the outcomes that we set out to achieve in *SV2015*. Also shown, here, is the progress that we've made in maintaining and improving our organisational capabilities.

Sustainability Victoria's organisational indicators

To assess and report on our performance in 2013–14, we monitored:

- trends in waste generation, disposal and recovery across Victoria
- the energy and materials outcomes we achieved for Victorians
- how well we worked with partners and stakeholders, and
- how well we managed our business.

Across Victoria in 2012–13:

- 11.41 million tonnes of waste was generated, which equates to 1,988 kilograms per capita.
- 3.38 million tonnes of waste went to landfill, which equates to 588 kilograms per capita.
- 8.03 million tonnes of resources were recovered, which equates to 1,400 kilograms per capita.
- Garbage collection and disposal from households cost \$208 per tonne.
- The kerbside recovery of recyclables cost is approximately \$111 per tonne.

Results of our performance for 2013–14 are reported in on pages 10–11.



Sustainability Victoria's organisational indicators

Tracking how well we manage our business

Monthly organisational spending and delivery

- 84% of projects were reported as on track to deliver outcomes on schedule and 74% were reported as on track to deliver on budget, as of 30 June 2014

Progress with our four core capabilities:

- statewide engagement
- evidence-based decision making and outcomes
- people and leadership
- governance and coordination

Progress was made in all four core capabilities in 2013–14. In the most recent Organisation Culture Inventory (OCI) survey of our staff:

- 40% of SV staff thought that, to a great extent, SV had strong evidence-based decision making (22% in 2012–13)
- 68% of SV staff thought that, to a great extent, the correct governance processes and principles were in place (59% in 2012–13)
- staff reported an increase in our constructive behavioural styles (see Trends in organisational culture indicator below)
- The stocktake of stakeholder views assessed SV's performance on statewide engagement capability (see 'Our organisational capabilities' section of this report for more detail)

Trends in organisational culture

- In the most recent Organisation Culture Inventory (OCI) survey, staff indicated progress towards a preferred culture, including an increase in our constructive behavioural styles to the 43rd percentile score (up from the 27th percentile in 2012–13)

Establishment of a project management office

- A project management office was established and all priority projects have implemented the new project management framework in 2013–14

Reduction in internal red tape

- A number of initiatives were implemented with positive results in 2013–14, including a review of delegation levels, process improvements in contracting and redevelopment of our intranet

84%

of projects reported
on track to deliver
outcomes on schedule

68%

of respondents thought that the
correct governance processes
and principles were in place

155k

Victorian households received energy efficiency information from SV

Tracking how well we work with our partners and stakeholders

Investment (SV and leverage) in waste facility development

- SV invested \$1.3 million in waste facility development in 2013–14, matched by at least \$1.7 million of co-contributions

Number of new schools participating in the ResourceSmart AuSSi Vic program (400 by June 2015)

- 193 new schools signed up to the ResourceSmart Schools program in 2013–14, bringing the total to 407 by June 2014 and exceeding the target of 400 a year early

Number of small to medium enterprises to receive support to improve energy and materials use

- 310 small to medium enterprises received support through the Smarter Resources, Smarter Business – Energy and Materials Program in 2013–14. SV had contracts in place to reach a total of 1,045 businesses

Annual stocktake of stakeholder views

- 67% of stakeholder respondents rated Sustainability Victoria as 'Excellent' or 'Good' during their last interaction with us in 2013 (up from 55% in 2012)

Number of households to receive information on energy efficiency

- SV provided information on energy efficiency to an estimated 110,000 people interested in purchasing a household appliance and 45,000 people who visited the SV internet site in 2013–14

Case studies of market development for products that would otherwise be wasted

- See the case study 'Paving the way to better recycling' in this report

Distribution of the Sustainability Fund to stakeholders

- 100% of the total reforecast Sustainability Fund budget was distributed, as of 30 June 2014

\$1.3m

invested in waste facility development

Tracking outcomes for Victorians

Increased processing capacity of waste recovery infrastructure as a result of SV's work (tonnes)

- The commissioning of SV-supported projects increased the processing capacity of waste recovery infrastructure in Victoria by 15,100 tonnes per annum in 2013–14

Energy and money saved as a result of SV interventions (gigajoules and dollars)

- SV interventions resulted in small to medium enterprises, rebate recipients and purchasers of energy efficiency appliances saving 41,000 gigajoules of energy and \$2.1 million in energy costs in 2013–14

Percentage change in littering behaviour

- The September 2013 Victorian Litter Report reported an 18.8% increase in the CCAT (litter prevention performance) score from the baseline established in 2003. The target was 25%

Increased recovery of household waste chemicals, batteries, paint and other harmful products

- 1,100 tonnes of household chemicals, batteries and compact fluorescent lamps (CFLs) were collected in 2013–14

15.1 k tonnes

increase in annual waste recovery processing capacity

Our programs

The results of our programs in 2013–14 and the manner in which they contributed to outcomes we resolved to achieve in *SV2015* are reported under the following themes:

1. Helping Victorians avoid waste
2. Helping Victorians use less energy and use materials more efficiently
3. Ensuring that Victoria has the infrastructure to manage waste recovery and recycling
4. Getting waste sorted and recycled
5. Facilitating market development
6. Providing strategic support to the environment portfolio.

Under each theme is a description of the theme, the outcome to be achieved over the three-year life of *SV2015*, a measure of success and the associated 2013–14 results, and a description of our key achievements in 2013–14.

Victoria has the lowest litter count in Australia

↓ 38%

less than the national average

1. Helping Victorians avoid waste

Our two *SV2015* outcomes in this area are about reduced littering behaviour and litter across the state, and the increased uptake of waste minimisation practices by businesses and homes. Throughout 2013–14, our work was directed by the *Victorian Litter Strategy 2012–14 Love Your Victoria* and *Getting full value*.

Litter and illegal dumping can affect the enjoyment of public spaces and community pride, cause environmental degradation, be costly to manage and result in a loss of resources for reuse and recycling. *The Victorian Litter Strategy 2012–14* highlighted an increase in the amount and range of waste items being illegally dumped in parklands, at charitable recyclers and in public places.

Reducing waste offers economic and environmental benefits. The true cost of waste is more than the price of disposal. For business, it includes the costs associated with staff time, energy and materials consumption, and other costs associated with storage and handling. For households, it represents the loss incurred by wasted food, other consumables and clothing.

Litter

The *Victorian Litter Strategy 2012–14* focussed SV and our partners on three core elements of litter prevention: education, infrastructure and enforcement. In 2013–14, our role was to:

- monitor litter across the state, including completing the littering behaviour target
- provide tools and training for councils to help them reduce litter and illegal dumping
- provide public place recycling grants for infrastructure
- deliver Keep Australia Beautiful Victoria programs that actively engaged the community in litter management and recognised their achievements.

SV2015 outcome	Our measure of success	Our result for 2013–14
Reduced littering behaviour and litter	Increase in Victoria's positive littering behaviours as measured by the Cleaner Community Assessment Tool (CCAT) as a percentage increase (from 2003 levels)	Victoria improved its overall CCAT score by 18.8% from 2003 levels (target = 25%)*

* In 2003, Victoria set itself a target of achieving a 25% reduction in littering behaviour by 2014, compared to 2003 levels. Over that time we've seen a significant improvement in littering behaviour measured using a standardised tool (CCAT), with results in September 2013 revealing an 18.8% improvement compared to 2003. Despite the final result falling short of the ambitious 25% target, Victoria has the lowest litter count in Australia – 38% less than the national average, according to the most recent (2012–13) Keep Australia Beautiful National Litter Index.

Key achievements in 2013–14

In 2013–14, we updated our Public Place Recycling Toolkit to be used by any organisation seeking to implement or improve its public place recycling system. In conjunction with the Victorian Litter Action Alliance, we also released a Local Litter Measurement Toolkit and trained 105 staff from 30 councils and 12 regional waste management groups (now known as regional waste and resource recovery groups), across metropolitan and regional Victoria, to use the toolkit. The toolkit was designed for councils and land managers to inform the management of litter and illegal dumping, evaluate litter and illegal dumping, conduct cost–benefit analysis to improve litter prevention projects and prepare business cases to bid for funding.

We also developed resources to help reduce illegal dumping. We produced a Best Practice Guide for Managing Litter and Illegal Dumping at Clothing Bins to assist groups that host or manage approximately 1,350 (as at 2012) clothing bins across Victoria. The guide was based on research and consultation with bin operators, land owners and key stakeholders. It provides best-practice design, siting and management of clothing bins to minimise incidents of litter and illegal dumping and to reduce the time and costs associated with clean-up.

Throughout 2013–14, we awarded 22 Public Place Recycling Infrastructure Grants, valued at \$815,000, to 17 councils and four regional waste and resource recovery groups. These projects will improve public place recycling infrastructure by installing 320 new bins and refurbishing 123 existing bins across regional Victoria.

In 2013–14, our Keep Australia Beautiful Victoria Stationeers program, Adopt a Roadside program and KABV Awards engaged many volunteers, groups and communities across Victoria. The Stationeers program supported more than 350 people to volunteer an estimated 31,000 hours to improve the look and feel of 51 railway stations across Victoria. The Adopt a Roadside program supported approximately 900 people in 118 volunteer groups to collect an estimated 60 tonnes of rubbish from 540 kilometres of roadside. Our KABV Awards recognised and celebrated the different ways in which Victorian communities protect and enhance their environment and communities. Community groups, schools, individuals and councils were awarded 13 Tidy Towns – Sustainability Communities Awards in regional cities and 12 Sustainable Cities Awards in metro and satellites cities.

Waste minimisation practices

We focus our waste minimisation efforts in the business sector and in the home, where there are opportunities to use fewer resources and potentially save money. In 2013–14, we set out to:

- work with selected businesses to identify waste minimisation opportunities
- deliver the Beyond Waste program to show businesses how to reduce their waste and learn from this and other waste reduction programs
- use a framework for reducing waste to target programs for maximum return, focusing first on food waste
- commence delivery of a program to reduce food waste in targeted households.

SV2015 outcome	Our measure of success	Our result for 2013–14
Increased uptake of waste minimisation practices in targeted sectors for maximum gain	A measure of success was not set in our 2013–14 Business Plan	See page 14 for the results of our work in 2013–14

\$815
THOUSAND

awarded for 22 Public Place Recycling Infrastructure Grants to 17 councils and four regional waste and resource recovery groups.



Part 4 Our performance

Key achievements in 2013–14

Through our Smarter Resources, Smarter Business program, we assisted 310 small- to medium-sized businesses to improve resource efficiency. Results include confirmed annual savings of \$192,000, achieved through a combination of materials efficiency projects.

We also worked with businesses through our Beyond Waste program. We helped them to minimise their generation of waste and thereby to reduce the amount of operational waste sent to landfill. The program targeted businesses in the commercial and industrial, and construction and demolition sectors. It is estimated that the construction and demolition sector alone sends approximately 850,000 tonnes of waste to landfill each year, the bulk of which is concrete, bricks, asphalt and timber. There is considerable potential to reduce this waste by lowering material usage, reusing some materials and recycling more. Such efforts may, in turn, deliver financial benefits to the businesses concerned.

Since July 2012, our Beyond Waste program has invested \$1.35 million in nine projects that assisted more than 100 businesses. Examples include Burbank's Zero Waste Home (see 'Homing in on zero waste', opposite page); the Geelong Manufacturing Council, which ran the Greenlight Project – a capacity-raising program consisting of 10 workshops, each focusing on a different element of business sustainability; and the Plenty Food Group, which developed a food waste tool that will assist food manufacturers to reduce solid waste from their operations.

SV also developed a waste minimisation framework that identified food waste as a priority. Food waste is generated by a number of sectors, including Victorian households. We began development of a program to raise awareness of household food waste and provide simple tips for households to reduce food waste. This is in line with *Getting full value*, which commits to providing households with the information and support that they need to reduce waste. The campaign will launch in 2014–15.

\$1.35m

invested in nine Beyond Waste projects that assisted more than 100 businesses

\$192k

annual savings achieved for small- to medium-sized businesses through a combination of materials efficiency projects

SHOWCASE



Homing in on zero waste

The Burbank Zero Waste Home was a project funded by SV to reduce the amount of waste generated during a house construction through redesign and improved practices. The project aimed to reduce the amount of waste by 80%, with the remaining waste to be recycled, meaning that the entire process would produce zero waste to landfill. The project was a joint initiative of Burbank, RMIT and the Housing Industry Australia (HIA).

It is estimated that each house built in Victoria generates 5.8 tonnes of landfill. The construction and demolition sector is responsible for 44% of Victoria's waste, generating more than 4 million tonnes of waste each year. Although much of this waste is recovered, reducing the amount generated in the first place has greater economic and environmental benefits.

Reducing the amount of waste generated by the building sector has been an important focus for SV. Burbank's Zero Waste Home is one of nine projects that received funding as part of the Beyond Waste Fund.

Construction began in August of 2013, and the house was opened to the public as a display home in March 2014. The project was a huge success, generating 72% less construction waste and reducing the amount of waste sent to landfill by 99%.



target
zero waste
home
coming soon

by building this home using
innovative construction
processes we expect
to reduce waste
sent to landfill by
at least
80%



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What was delivered

Key findings from the project were subsequently incorporated into Burbank's business model and operational practices, including:

- reducing plaster waste by using a square set finish for plaster work
- reusing leftover steel mesh for slab reinforcement at other sites
- recycling the jumbo bags used to deliver sand, by reusing them to sort material for recycling
- reducing brick waste significantly by using half-brick in window sills
- using concrete bricks, which results in few or no rejects.

Home buyers can now look through the Target Zero Waste display home to view and select options for their own home that are more efficient and produce less waste.

Part 4 Our performance

2. Helping Victorians use less energy and use materials more efficiently

Our two *SV2015* outcomes in this area are about saving energy or saving both energy and materials, depending on the sector with which we work. Those sectors include households, commercial office buildings, businesses and schools.

The average Victorian household spends more than \$2,800 on energy bills every year. By understanding where that money goes, Victorians can make simple and effective changes to reduce their energy costs while increasing the comfort of their home.

In Victoria, commercial buildings are a significant consumer of energy (~10% of total energy consumption) and producer of greenhouse gas emissions. Many premium and A-Grade building owners have realised the business and environmental benefits of more energy-efficient buildings. Victoria has an estimated 20,000 commercial office buildings that are considered non-premium or non-A-Grade. These buildings represent one of the greatest opportunities for the industry to achieve energy-efficiency improvements, deliver cost savings and boost industry productivity.

With the costs of materials and energy rising, so too is the cost of doing business. This in turn impacts on the financial sustainability of businesses across Victoria. Using materials and energy more efficiently can reduce costs and boost productivity. Our work to date shows that the implementation of achievable and practical material and energy efficiency measures can deliver a return on that investment in less than two years for materials and less than four years for energy.

Schools can likewise benefit from implementing achievable and practical measures. Providing schools with a framework for sustainability education as well as access to curriculum modules in energy, waste, water, and biodiversity means that students, staff and the broader community can adopt a more sustainable approach to everyday living.

Saving energy

We provide practical advice to householders on how to save energy and money when buying new appliances and retrofitting or renovating their homes. We distribute this information, based on market and technical research, through various channels, including web-based resources, local councils, building intermediaries and our partners in appliance, lighting and hardware retail stores.

We also provide owners of non-premium office buildings with funding to identify opportunities to improve energy efficiency, to tune services and operations that optimise building performance and to monitor and evaluate performance following tuning.

In 2013–14, we committed to:

- informing 10,000 Victorian householders on ways to use energy efficiently
- informing and assisting householders making appliance-purchase and renovation decisions to choose energy-efficient options
- advising and supporting 20 owners of non-premium-grade commercial office buildings to improve the energy efficiency of office buildings and building operations
- helping develop a tool for benchmarking waste minimisation practices in commercial office buildings
- completing contracts and exiting the Smart Energy Zones and Solar Hub programs.

SV2015 outcome	Our measure of success	Our result for 2013–14
Increased energy efficiency in targeted sectors: selected commercial office buildings and households	Reduction in energy consumption by households and commercial office building owners engaged in SV programs (in gigajoules)	Households saved 28,000 gigajoules of energy The program to help commercial office building owners save energy was launched in 2013–14. The results of the program will be known in the coming year.

Key achievements in 2013–14

Our target in 2013–14 was to inform 10,000 Victorian householders on ways to use energy efficiently. We far exceeded that target, having provided information and advice to 45,000 householders over the internet and an additional 110,000 through our Smarter Choice program. We also conducted a technical research program in partnership with 29 households in 2013–14 in an effort to better demonstrate the cost benefits and practicalities of household energy-efficiency initiatives.

We developed and upgraded our website content to cover all aspects of household energy efficiency – this has been accessed by approximately 45,000 users – and published the first of a series of online videos supporting energy efficiency. In June 2014, we launched Winter Wise, a new statewide campaign to help Victorians reduce their energy costs, and released the Victorian Household Energy Report, which provides practical energy-efficiency information and advice to households.

We informed and assisted householders making appliance-purchase and renovation decisions to choose energy-efficient options, through Smarter Choice, Smarter Renovations and Rebates. In addition, we developed a robust method for measuring the reach and influence of the Smarter Choice program. We know, moreover, that 50,000 appliance-purchase decisions were influenced by our program in 2013–14 (see 'Fostering a Smarter approach', overleaf). Victoria is the national leader in the take-up of energy-efficient appliances, with 49% of appliances purchased being energy efficient.

In 2013–14, we researched the Victorian renovation market to inform a Home Renovation Strategy, which subsequently informed our Smarter Renovations program. The program provides information and advice to Victorians planning a renovation. Our Smarter Renovations website content went live in January 2014 and more than 9,300 users have visited the pages since. We also built a web-based tool, Smarter Renovations Planner, to provide the householder with a customised check list on the savings to be made from incorporating energy-efficiency measures into their renovation.

The Energy Efficient Office Building program was launched to advise and support owners of non-premium-grade commercial office buildings. To date, 25 office buildings have been accepted into the program, with 15 located outside the Melbourne central business district, including one each located in Bendigo, Geelong, Morwell and Traralgon. The results of the program will be known in the coming year.

In line with our commitment to help develop a tool for benchmarking waste minimisation practices in commercial office buildings, we managed a review of the National Australian Built Environment Rating System (NABERS) Waste Tool. The review is with the national NABERS Steering Committee for consideration.

Our Smart Energy Zones and Solar Hubs programs were completed in 2013–14. The Smart Energy Zones project, designed to facilitate energy supply and demand infrastructure for precincts across Victoria, delivered 2.7 megawatts of energy from local cleaner technologies such as cogeneration. The energy is shared, meaning greater energy efficiency and reduced costs. Groups that benefited from the program were the City of Boroondara, City of Manningham, Places Victoria and the Moreland Solar City project.

49
PER CENT

of appliances purchased being
energy efficient in Victoria,
compared to 46% nationally.



SHOWCASE



Fostering a Smarter approach

Sustainability Victoria's Smarter Choice retail program works in partnership with appliance, hardware, lighting and home-entertainment retailers across the state to influence Victorian consumers to purchase energy- and water-efficient products. This helps consumers ease the impact of increasing living costs by saving money on their energy and water bills.

The average Victorian household spends almost \$2,800 each year on energy to run its household. Research has shown that when householders start to think about purchasing a new appliance, the question of energy and water efficiency plays a significant role in the purchasing decision.

The average household can save around \$400 each year by purchasing higher-efficiency appliances. A household purchasing an energy-efficient product typically saves up to 30% on its running costs with every extra 'efficiency star'.

Smarter Choice operates in 526 stores, where more than one million Victorians purchase appliance, hardware, lighting and home-entertainment products each year. Our retail partners include Beacon Lighting, Betta Home Living, Bunnings, Camberwell Electrics, David Jones, E&S Trading, Harvey Norman, Home Timber & Hardware, JB Hi-Fi, Mitre 10, Myer, The Good Guys, Thrifty-Link Hardware and leading independent retailers.

The success of the retail program since it commenced in 2007 has led other states to launch similar programs. The program also provides a presence in 118 Member of Parliament offices, local government offices and Sustainability Fund sites such as Eco Living Centres.



What was delivered

- 131 retail stores joined the Smarter Choice program in 2013–14.
- The program's suite of energy-efficiency information material was updated and expanded across more products.
- Face-to-face training sessions were conducted with 8,122 retail staff, and an online training tool and an online running cost calculator were developed.
- In the 12 months to June 2014, more than 570,000 white goods were sold in Victoria, of which 49% were energy-efficient products, compared with 43% to June 2013 and 37.3% to June 2012.

Saving both energy and materials

We support small- to medium-sized businesses to improve their energy and materials efficiency and boost productivity by providing grants to fund capital works and conduct resource assessments.

We support participating Victorian ResourceSmart schools to minimise waste, save energy and water, promote biodiversity and reduce greenhouse gas emissions. This leads to reduced operating costs while giving students the opportunity to learn about sustainability in a tangible and realistic environment. We:

- support schools on their sustainability journey and help them track their progress using an online system
- deliver sustainability certification and an awards program to recognise achievements
- provide practical support for schools and communities to live and work more sustainably and to support other schools and environmental partners along the way.

In 2013–14, we committed to:

- releasing new grant rounds under the Smarter Resources, Smarter Business program, encouraging over 80 medium-sized businesses to improve their energy and materials efficiency. Also, more than 350 businesses will be accessing resource-efficiency information and advice through business channels.
- assisting the 50 more schools that enrolled in the ResourceSmart Schools (formerly ResourceSmart AuSSI Vic) program, making a total of 254 new schools by December 2013. It is noteworthy that 297 schools (40% of all participating schools) are completing extra modules and gaining one or more stars on the five-star scale.

SV2015 outcome	Our measure of success	Our result for 2013–14
Increased energy and materials efficiency of targeted sectors in schools and small- to medium-sized enterprises	Reduction in energy consumption (in gigajoules) Dollars saved through materials efficiency in small- to medium-sized businesses and schools engaged in SV programs	At the time of reporting, the energy saved by ResourceSmart schools in 2013–14 is being compiled. It will be reported during 2014–15. Small- to medium-sized enterprises saved 8,900 gigajoules of energy Small- to medium-sized businesses saved \$192,000 through materials efficiency

Key achievements in 2013–14

Through our Smarter Resources, Smarter Business program, we released one new capital grant round to help 61 businesses implement projects with funding support of \$1.7 million to improve energy and materials efficiency and boost productivity. On completion of these activities, the participating businesses will save an estimated \$2.1 million per annum. The grants were provided to a wide range of projects to be implemented in manufacturing, retail, agriculture, tourism and aged-care businesses. Of the 61 projects announced, 17 (28%) were materials-efficiency projects and 44 (72%) energy-efficiency projects. A third capital grant round was offered during 2013–14 with results to be released in 2014–15.

Resource-assessments grants worth a total of \$0.95 million were awarded to 120 businesses, with 67 (56%) businesses located in metropolitan Melbourne and 53 (44%) in regional Victoria. Forty-seven (39%) were materials-efficiency assessments and 73 (61%) were energy-efficiency assessments. Through the grants, businesses identified significant opportunities to cut materials and/or energy costs, with an average payback of less than two years for materials-efficiency and 4 years for energy-efficiency actions.

We also published new case studies to highlight the benefits of identifying and implementing resource-efficiency opportunities.

We worked with industry associations, such as the Ai Group and VECCI, to build business knowledge and skills in resource efficiency. In addition, grants to eight industry associations to support businesses in their sector or region were announced. The projects offer businesses a combination of tailored advice, workshops, training and site visits.

In 2013–14, the ResourceSmart Schools program exceeded the government's commitment of 400 new schools by June 2015. We recruited 407 new schools. Since June 2012, 154 schools have progressed to a higher star rating and over 300 ResourceSmart modules have been completed (see 'Encouraging lifelong learning about sustainability', overleaf). We now have 26 five-star ResourceSmart schools that over the life of their involvement in our program have saved 7.8 million kilowatt hours of electricity (equating to more than \$1 million) and 15 million tonnes of greenhouse gas emissions. Across all resources, these schools have saved more than \$4.4 million.

To ensure the program is delivered consistently across Victoria, we provided training to schools and to our existing and 29 new facilitators and assessors. New online training built knowledge of the framework and the certification system. Schools can be confident that the 'five stars' counts as five stars wherever you go.

We also piloted the program with nine early-childhood centres throughout the state – with centres completing some actions – and started establishing a baseline of energy, water and waste data. Our evaluation to date reveals that the ResourceSmart Schools framework can be adapted for this sector to help embed sustainability and that the sector is enthusiastic about participating.

In 2013–14, we launched a new online data system for schools to capture savings in usage of resources and the associated dollar savings. We will continue to develop this tool to determine as accurately as possible the savings for each school on an annual and calendar-year basis.

SHOWCASE



Encouraging lifelong learning about sustainability

ResourceSmart Schools is a joint initiative of Sustainability Victoria and the Department of Education and Early Childhood Development (DEECD). It provides schools with a framework for sustainability education as well as access to curriculum modules in energy, waste, water and biodiversity. The program encourages schools and the broader community to adopt a more sustainable approach to everyday living. More than 1,000 schools are now participating.

Between 2008 and 2013, participating schools reduced their energy consumption by 160,968 gigajoules and saved over \$5.2 million through implementation of energy-efficient measures. This equated to a reduction in greenhouse gas emissions of 76,268 tonnes (of carbon-dioxide equivalent – CO₂e).

The program continues to grow, with 193 new schools signed up in 2013–14. This brings the total to 407 new schools by June 2014 and exceeds the government target of 400, 12 months ahead of schedule. The program reaches more than 400,000 students, equating to approximately 15% of the Victorian population.

Financial assistance to new schools joining the program is provided by DEECD, with up to \$10,000 available per school to assist with purchasing energy-efficient or sustainable infrastructure, undertaking energy audits and funding other energy-saving activities.

Schools are now able to track their progress and identify savings through a new purpose-built system, ResourceSmart online, launched in 2014 by Sustainability Victoria. Training for this system was conducted with educators and consortia at 30 locations across Victoria.

Schools can also participate in a 'Reward and Recognition' program that recognises standout performers by way of Sustainability Certification and the annual ResourceSmart Schools Awards. The 2014 Awards include a new early childhood category open to all early childhood services, to highlight the great work that is happening at this level.



ResourceSmart Schools



Sustainability
Victoria



What was delivered

- 43 schools improved their star ratings in 2013–14.
- Ten new schools were certified as five star, bringing the total number to 26.
- Early childhood centres were included for the first time, through a pilot program involving nine centres.
- Twenty-nine ResourceSmart Schools facilitators and assessors graduated from the accredited facilitation and assessment courses, which build the capability of practitioners to facilitate and assess sustainability in schools.

3. Ensuring that Victoria has the infrastructure to manage waste recovery and recycling

The state's waste and resource recovery infrastructure needs to cope with the volumes and types of materials received, while meeting the required standards for the waste facilities to reduce potential impact to the environment, public health and amenity. The standard of the infrastructure needs to allow for the generation of recovered products that meet the requirements of the market.

By increasing the volume of resources recovered from the waste system, SV supports the goals and strategic directions of *Getting full value*. We strive to facilitate a Victorian waste and resource recovery system that maximises the economic value of waste and reduces the environmental and public health risks of waste.

SV achieves this by fostering investment in a diversified portfolio of infrastructure that can manage the mix and volumes of waste materials. We continue to support investment in infrastructure by the resource recovery industry to increase the amount and types of resources recovered.

Our programs, Driving Investment for New Recycling Fund (see 'Getting waste sorted at SITA', overleaf) and Building Victoria's Organics Recovery Fund, support private sector investment to increase the state's resource-recovery capacity.

We support local government to construct facilities to meet best-practice environmental guidelines and to establish a more efficient transfer station network. We also support rural and regional local government investment in these facilities that will more effectively manage the mix and volumes of recoverable materials and waste.

In 2013–14, we committed to:

- work with industry to deliver infrastructure that better enables the sector to recover valuable material from the commercial and industrial sector
- provide funds to transfer-station spokes based on priority needs, particularly in regional Victoria
- build on evidence in the draft Statewide Waste and Resource Recovery Infrastructure Plan (SWRRIP) to identify infrastructure investment.

SV2015 outcome	Our measure of success	Our result for 2013–14
Improved standard of infrastructure and its development	Increased processing capacity to recover valuable material	The commissioning of SV-supported projects increased the processing capacity of waste recovery infrastructure in Victoria by 15,100 tonnes per annum

Key achievements in 2013–14

In 2013–14, SV developed Victoria's draft Statewide Waste and Resource Recovery Infrastructure Plan (SWRRIP). It is a key initiative under the Victorian Government's waste and resource recovery policy *Getting full value*, which sets a vision for Victoria to have an integrated, statewide waste management and resource recovery system. The draft SWRRIP maps Victoria's current waste and resource recovery infrastructure and highlights changes needed to cope with the expected increase in waste and recoverable resources over the next 30 years. It ensures that local needs are identified and integrated into planning for Victoria's waste and resource recovery needs and guides future investment in waste and resource recovery infrastructure.

In 2013–14, we worked with industry to deliver infrastructure that better enables recovery of valuable material from the commercial and industrial (C&I) sector. Specifically, SV invested \$651,000 in waste-facility development, which was matched by \$1.58 million of co-contributions.

Through the Resource Recovery Infrastructure program we sought to support private sector investment to significantly increase the state's resource recovery capacity. Two organisations were shortlisted and supported to develop detailed business cases, but both withdrew their applications before the assessment process was completed.

We now have a greater understanding of transfer station and rural landfill infrastructure, such as the need to upgrade existing transfer stations and to replace closing rural landfills with transfer stations where practical. The Rural and Regional Transfer Station Upgrade Fund of \$2.9 million was announced for upgrades of existing transfer station facilities. Applications were received from rural and regional local governments across the state, which has resulted in 31 local government facilities being allocated support for upgrades towards best practice.

A Rural and Regional Landfill Support Program (RRLSP) of \$3.85 million was announced and \$600,000 made available to support East Gippsland Shire Council and Glenelg Shire Council to develop transfer station/resource recovery facilities at closing landfills. East Gippsland will be closing five landfills (Mallacoota, Benambra, Gelantipy, Bonang and Bendoc), while Glenelg will close two (Dartmoor and Nelson). The funding supports councils to close landfills that are either environmentally or financially unsustainable. Developing new facilities to collect and transfer the waste at these sites will improve the environmental outcomes, ensuring that waste goes to best-practice landfills. It will also provide improved resource recovery facilities to local communities, reducing the amount of waste that will go to landfill.

We also continued to deliver the \$3.5 million Transition Support to Improve Rural Landfill Infrastructure program, which focuses on supporting the installation of landfill liners. First announced in July 2012, it is assisting in the purchase and installation of geomembrane liners at 14 landfills to best-practice standards. In 2013–14, one new landfill liner at the Anglesea landfill was installed.

SHOWCASE

Getting waste sorted at SITA



In May 2014, SITA Australia officially launched a Commercial and Industrial (C&I) Materials Recovery Facility at its transfer facility in Corio. We contributed funding for this facility through our Driving Investment for New Recycling (DINR) program.

The aim of DINR is to support the installation of new infrastructure or upgrade existing infrastructure that will improve the collection, sorting and treatment of commercial and industrial waste. In SITA Australia's case, our funding supported the installation of a purpose-built machine that sorts mixed waste from commercial and industrial generators, such as building sites, schools, public drop-off spots and commercial buildings. The new facility will accept timber, cardboard, plastics, steel, aluminium cans, bricks, soils and concrete to recycle and reuse in other products.

Before this new sorting equipment was installed, SITA was operating a basic on-floor sorting process, with landfill diversion rates of commercial and industrial waste around 4%. The upgrade should see landfill diversion rates increase to approximately 30% and increase the quality of feedstock and materials that can be transformed into viable recycled products. It will also bring the Corio site up to a similar standard of processing efficiency as other SITA Australia resource recovery sites across Australia.

The waste recovered as a result of this equipment upgrade will also feed local businesses in the Barwon region, such as Green Care Mulching and SKM Recycling in South Geelong, GT Recycling in Moolap and Independent Metal Recyclers in North Geelong.

This partnership is a great example of how strong connections between government and business can deliver progressive waste and resource recovery solutions.



What was delivered

- We provided \$265,000 in funding through the DINR program, to which SITA Australia committed a significant co-investment of \$800,000.
- This funding enables the purchase and installation of screening and sorting equipment, comprising a feed hopper, over-belt magnet for the removal of ferrous metals, trommel screens, picking conveyor and compaction equipment.
- Based on current rates, the equipment upgrade could equate to more than 60,000 tonnes of C&I waste diverted from landfill over the next 10 years.

4. Getting waste sorted and recycled

In seeking to improve Victoria's economic prosperity, a key objective of *Getting full value* is to increase efficiency through the economical use of resources. This includes recovering and recycling valuable resources from the waste stream, where economically viable. Benefits include reduction in the usage of raw material, which positively affects the environment and economy; the generation of jobs and investment in Victoria; and reduction in the amount of valuable waste being buried in landfill.

Collecting these valuable resources from the waste stream doesn't happen by itself. In some instances, valuable resources are sorted by businesses and households generating the waste – for example, many businesses use a paper and cardboard receptacle for specific collection. Businesses and households may use a transfer station where materials can be separated for collection and recycling. Mixed recyclables can also be sorted at a specialist facility. Once sorted, materials can be reprocessed to create new materials that can be reintroduced into the economy.

A particularly challenging area is the recovery of organic (garden and food) material. In 2011–12, approximately 2.25 million tonnes of organic waste was generated in Victoria, of which about 1.27 million tonnes (~56%) ended up in landfill.¹ There are various risks associated with the management of organics, including the generation of offensive odour and dust, potential impacts on ground and surface water, land contamination and attraction of vermin. *Getting full value* identified the impact of organic waste as a key concern – noting, in particular, the environmental and amenity impacts and the lost economic value associated with organic waste. The policy commits SV to '... partner with local government and industry to develop and implement an organics strategy that prioritises action to reduce the environmental and public health impacts of food and garden waste' (Action 7.2.1).

For non-organic products and materials, we continue to boost collections services for households, particularly for those items posing a threat to health or the environment, such as paint, batteries, tyres and toxic household products. This includes increasing the number of drop-off sites for paint, batteries and compact fluorescent lamps (CFLs), and implementing an annual schedule of Detox Your Home collection days for household chemicals. We also continue to ensure that householders are recycling correctly through the Get it Right on Bin Night campaign.

We remain focused on community involvement in our programs, through partnership with industry and local government, to deliver product stewardship schemes and direct services to households.

In 2013–14, we committed to:

- run programs to collect and recycle products that pose a threat to health or the environment, and double the number of sites across Victoria to collect household waste chemicals
- inform and educate the public about kerbside recycling, and develop a statewide education strategy for waste minimisation and recycling
- commence a grants program in the commercial and industrial sector to improve sorting and separating waste materials
- support upgrades to kerbside bin infrastructure to recover organic waste
- develop a statewide organics strategy, a key action under *Getting full value*.

SV2015 outcome	Our measure of success	Our result for 2013–14
Increased recovery of priority products and materials that contribute weight, that pose a risk and/or are a valuable resource	The volume/weight of household waste chemicals and priority products, such as paint (in kilograms)	1,100 tonnes of household chemicals, batteries, paint and other harmful products were collected through SV programs

Key achievements in 2013–14

Organics

On 15 March 2012, as part of the *Conserve, Invest and Save strategy*, the Minister for Environment and Climate Change announced the Building Victoria's Organics Recovery Fund – \$2.5 million to increase the recovery of organics in regional Victoria. This included targeted funding of \$2 million to facilitate new or improved organics collection and processing systems and infrastructure in Geelong, Bendigo, Ballarat and provincial centres in the Gippsland region. The funding aimed to recover 32,000 tonnes in total (8,000 tonnes each) of municipal organic waste. Contracts were finalised with Geelong, Bendigo and Ballarat to the value of \$1.5 million during the year.

The remaining \$500,000 was allocated to smaller-scale organics recovery projects. In March 2013, SV awarded four grants to the Corangamite Shire, East Gippsland Shire, Mildura Rural City Council and Southern Grampians Shire to trial a range of smaller-scale interventions designed to increase the localised recovery of organic materials. An example is the trial of an optional combined kitchen waste and garden waste collection service for householders. SV's contribution was \$288,000, with the councils' contribution totalling \$620,000. The results of the projects are being assessed.

¹ Victorian Government, draft Statewide Waste and Resource Recovery Infrastructure Plan for Victoria, pp. 2014–43.

Part 4 Our performance

In 2013–14, we began development of a Victorian Organics Resource Recovery Strategy, a key action in *Getting full value*. In collaboration with the EPA and regional waste management groups (now known as regional waste and resource recovery groups), we facilitated engagement sessions across the state. Using the collective knowledge and expertise of local governments, the waste industry, business and the community, we identified the barriers to, and opportunities for, increased recovery and recycling of organic waste to inform the development of the Victorian organic waste and resource recovery strategy.

We also supported the establishment or expansion of organics recovery systems through programs that required education activities at a local level and new kerbside collection infrastructure. We continued to deliver support (valued at \$275,000) to Wodonga Council to develop an education and engagement campaign for Wodonga and Indigo Shire Councils' new organics kerbside collection service. We began delivery of support (valued at \$550,000) to the Goulburn Valley Regional Waste Management Group for the introduction and expansion of organics kerbside collection services for Greater Shepparton City, Moira Shire, Mitchell Shire, Strathbogie Shire and Campaspe Shire Councils.

Commercial and industrial waste

In 2013–14, we delivered a grants program in the commercial and industrial sector to improve the sorting and separation of waste materials in commercial precincts, businesses and retail operations. So far, the grants have funded eight projects with a value of \$600,000. The projects will be delivered during 2014–15.

We also released a best-practice guide, *Best-practice Waste and Recycling Contracts for Business*, designed to assist businesses identify the most suitable waste and recycling service and contract arrangement, encouraging increased source separation and recovery. Over 150 copies of the guide were downloaded from SV's website and almost 400 hard copies were distributed via a range of forums, including the Melbourne Waste Wise network and Small Business Victoria workshops.

As part of leading work on a national paint product stewardship scheme, SV undertook an international study of paint stewardship schemes and continued to lead the development of the scheme, working in partnership with the national Waste Paint Implementation Working Group, retailers and the paint industry.

In April 2014, we started an end-of-life tyres project to maximise the value of used tyres and avoid unsafe stockpiling. We will continue to focus on developing a market for used tyres and safe stockpile management.

Residual municipal waste

We made considerable progress with our programs to collect and recycle products, like batteries, tyres and paint, that pose a threat to health or the environment. Batteryback is operating in 35 retail locations and is supported by the 12 permanent drop-off sites and 10 regional trial battery collection locations. In 2013–14, we collected 34,000 kilograms of batteries. The 12 permanent drop-off sites also support the collection of paint and compact fluorescent lamps. The Detox Your Home mobile service was improved in 2013–14 and supported the collection of highly toxic household chemicals.

The National Television and Computer Recycling Scheme continued to provide householders and small businesses with access to free recycling services for televisions, computers, printers and computer products (see 'A popular local TV program', opposite).

Our campaign, Get it Right on Bin Night, to inform residents of what can and can't be recycled expanded in 2013–14 from the metropolitan area to the whole state. It focused on keeping recyclables out of plastic bags and recycling from the bathroom and laundry. It was delivered centrally and complemented by activities led by regional waste management groups (now known as regional waste and resource recovery groups) with every local government in the state participating in some way. The campaign reached one in five Victorians with the message to 'keep recycling out of plastic bags' well received. Pre and post campaign bin audits recorded a 46% and 45% reduction in plastic bags in recycling bins in metropolitan and non-metropolitan areas, respectively.

\$600
THOUSAND

delivered in grants program
in the commercial and industrial
sector to improve the sorting and
separation of waste materials in
commercial precincts, businesses
and retail operations.

So far, the grants have funded
eight projects and will be delivered
during 2014–15.



SHOWCASE



A popular local TV program

The switchover to digital television took place in December 2013, meaning that old analogue televisions were rendered obsolete in the absence of a set-top box. The Television Infrastructure Recovery (TVIR) funding package sought to increase recovery of old TVs in metropolitan Melbourne during the switchover.

The National TV and Computer Recycling Scheme, the first scheme established under the *Product Stewardship Act 2011* (Cth), requires liable parties (importers and manufacturers) to engage an endorsed company to collect and recycle a target number of TVs and computers on their behalf. Most of these collection locations are at local government-owned transfer stations.

However, some local government sites did not meet the current Australian standard for TV and computer storage and handling, and therefore could not participate in the national scheme.

The objective of TVIR was to support the Victorian Government's commitment to partnering with industry and local government in order to participate in national product stewardship under *Getting full value*. It specifically targeted councils who required appropriate infrastructure or infrastructure upgrading.



We'd like to thank Sustainability Victoria for their understanding and advice to us on this project. We are pleased to advise that the service is being well used by the public already.



Ian Barnes, Assistant Manager Sustainability, Engineering and Environmental Services Department, City of Whitehorse



What was delivered

- Seven grants totalling \$95,000 were provided to councils for the upgrade of their transfer stations.
- Seven TV and computer 'sheds' were built to the National TV and Computer Recycling Scheme's Australian standard.
- The number of drop-off sites in Melbourne increased from 14 to 21 over the year.
- The recovery rate of TVs and computers increased – for example, the Yarra Ranges' grant for two sites collected 1,033 tonnes of e-waste over the year.

5. Facilitating market development

Strong demand for recovered materials and the products made from them is fundamental to the successful recovery of materials. It is also the most efficient way of diverting waste from landfills.

Where there is a role for government, we work on addressing both the supply and demand constraints hampering the development of Victoria's waste-materials markets. This includes raising awareness of product potential to increase demand, improving the quality and quantity of waste materials processed, and addressing information barriers. A variety of waste materials have been identified as priorities for market development, based on their market potential within Victoria, environmental impact and residual value. These are: organics, timber, glass, tyres and bricks.

In 2013–14, we committed to:

- support long-term field trials using compost application in agricultural markets
- keep supporting an organics Market and Industry Development Officer to work with Compost Victoria members to encourage organic products uptake
- help the organics processing industry achieve best-practice contamination management by funding infrastructure upgrades and uptake of product standards
- release a guide for organics field trials to build a consistent evidence base on compost products benefits
- bring together key stakeholders in the market to act on barriers to uptake of products from glass fines (like glass sand pipe in bedding and road-base applications)
- help industry start innovative projects that increase the uptake of recycled timber and tyres.

SV2015 outcome	Our measure of success	Our result for 2013–14
New or expanded markets for recycled products and materials that pose a risk and/or are a valuable resource	We will continue foundational work up to 2015 to support industry changes in the following five to 10 years. It is therefore not possible to measure this outcome within the life of SV2015. Instead, we will undertake an annual evidence-based account of how we will contribute or have contributed to this outcome	See next column for the results of our work in 2013–14

Key achievements in 2013–14

In 2013–14, we continued to support long-term field trials of compost application in cropping agriculture. This ongoing project began in 2012 and is due to be completed in 2016. Year two of the field trials began with the spreading of a compost product on maize and sorghum crops at two sites near Lake Boga and Kerang. Crop yields will be reported after harvesting. Anecdotal feedback suggests that the compost product improved water retention and that plants were healthy with reasonable yield.

We also supported an organics Market and Industry Development Officer (MIDO), who works with Compost Victoria (CV) members to encourage the uptake of organic products. Our funding of the MIDO role allowed us to help plan the activities and direction of the MIDO and CV. The MIDO established 13 new fields trials in 2013–14 to complement the seven trials carried over from 2012–13. The MIDO also contributed to SV research projects, partnered with Westernport Catchment Landcare Network for a funding application to conduct subsurface compost injection trials, and delivered numerous communication activities.

We have a role in helping the organics processing industry achieve best-practice contamination management by funding infrastructure upgrades and uptake of product standards. However, given the development of the Victorian Organics Strategy, actions were deferred to 2014–15.

One of our significant achievements in 2013–14 was our partnership with VicRoads, Swinburne University and the Municipal Association of Victoria (MAV) to support the uptake of recycled brick in road-base applications. This project forms part of our commitment to bringing together key stakeholders in the market to act on barriers to uptake of products from recycled brick. SV's role in 2013–14 was to fund the research to increase the allowable limits of recycled crushed brick in cement-treated crushed concrete applications and develop a business case to be promoted to local councils.

In 2013–14, we also helped industry to start innovative projects that increase the uptake of recycled timber and tyres. These included the Timber Recycling Fund, a \$517,000 grant initiative that supports the consolidation and processing of waste timber from the commercial, industrial, construction and demolition sectors for use in recycled timber products. SV is currently finalising arrangements with the preferred applicants and will announce the successful projects later in 2014.

SV also started the end-of-life tyres project by undertaking market research into the current and potential opportunities for recycled tyres, which will be used to inform future initiatives.

SHOWCASE

Paving the way to better recycling



In partnership with VicRoads, Swinburne University and the Municipal Association of Victoria (MAV), we are supporting specification development and promotion of the use of recycled glass and brick in pavement construction.

A false perception exists that pavement-construction products made from recycled materials, such as crushed brick and glass, are inferior both in quality and in performance to products made from virgin aggregate. This perception acts as a barrier to councils procuring these materials for pavement construction and maintenance.

VicRoads is a national leader in the use of recycled materials in pavement construction. It follows a robust process of laboratory testing and trials to assess the performance of recycled materials before permitting their inclusion in their pavement-construction specifications.

In 2013–14, we funded research into the engineering properties of recycled crushed brick when used as a supplementary material in pavement construction. This research provided VicRoads with the information necessary to increase the use of recycled crushed brick in their pavement specifications. This partnership approach is continuing into 2014–15, when we will fund laboratory testing of recycled crushed glass in the same application.



The support that has been provided by SV for materials testing provides critical information and confidence for VicRoads to progress the use of recycled materials in pavement construction.



Graeme Newman, Quarry Materials Specialist, VicRoads



What was delivered

- We provided funding for laboratory testing of the engineering properties of crushed brick as a supplementary material in cement treated crushed concrete pavement applications (used in high traffic volume roads).
- The results provided VicRoads with the necessary information to amend their specification, allowing for up to 15% crushed brick to be incorporated into cement treated crushed concrete mixes.
- This inclusion in the specification opens up a potential market of 90,000 tonnes of recycled crushed brick per annum.
- We also completed a business case for councils to use local recycled materials as a supplement in pavement construction, based on the criteria of quality, price and availability.

6. Providing strategic support to the environment portfolio

SV delivers waste strategy, statewide waste planning and strategic support to Victoria's network of regional waste management groups (now known as regional waste and resource recovery groups). We draw on our practical experiences and expertise gained from delivering programs in integrated waste management and resource efficiency to support others in developing government policy, initiatives, projects and reforms.

In 2013–14, our strategic support for our portfolio partners included assisting them to implement *Getting full value*, the associated reforms from the Government's response to the Ministerial Advisory Committee's (MAC) report on Waste and Resource Recovery Governance Reform, and supporting the regional waste management groups to deliver their business plans.

In 2013–14, we committed to:

- work with portfolio partners to deliver effective waste management in line with *Getting full value*
- support the implementation of MAC recommendations
- provide \$1.5 million to regional waste management groups to support delivery of their business plans, in line with *Getting full value* and the draft SWRRIP

SV2015 outcome	Our measure of success	Our result for 2013–14
Deliver waste strategy, statewide planning and support to waste management groups	A measure of success was not set in our 2013–14 Business Plan	See next column for the results of our work in 2013–14

Key achievements in 2013–14

The MAC recommendations and subsequent reforms represented a significant area of activity for SV in 2013–14. To implement these reforms, we redirected resources to create a new Resource Recovery Reform team to prepare ourselves for our key new responsibilities, effectively positioning ourselves to become the lead agency on:

- waste and resource recovery infrastructure planning – this will primarily be achieved through the publication and implementation of the draft Statewide Waste and Resource Recovery Infrastructure Plan and assisting the new regional waste and resource recovery groups develop their regional waste and resource recovery implementation plans.
- market development strategies and initiatives to stimulate new and existing markets for recovered resources
- waste and resource recovery infrastructure investment of diversified waste and resource recovery infrastructure projects
- collaborative procurement to support regional waste and resource recovery groups and local councils to facilitate an increase in collaborative procurement of waste and resource recovery services and infrastructure
- community and business education strategies and initiatives
- waste data governance to improve the accuracy, timeliness and quality of waste data.

In addition to preparing the organisation to meet its new waste and resource recovery responsibilities introduced by these reforms, we worked with our portfolio partners to implement the broader institutional and governance reforms introduced by the MAC report in August 2013. In conjunction with the Department of Environment and Primary Industries, we provided advice and practical support to implement the reforms and assisted the regional waste management groups through their transition to the new waste and resource recovery groups.

The draft Statewide Waste and Resource Recovery Infrastructure Plan represented a significant part of our work with portfolio partners in 2013–14. We released a draft of the plan this year, for extensive consultation and review, and expect to release the final plan in early 2014–15.

On behalf of the Victorian Government, we administered a total of \$1.5 million from the Sustainability Fund to regional waste management groups (now known as regional waste and resource recovery groups) to support delivery of their business plans, in line with *Getting full value* and the draft SWRRIP. Each group received \$125,000, as part of a \$250,000 allocation over two years. The groups used the funding for upgrades to infrastructure (transfer stations), delivery of SV statewide education programs such as Get it Right on Bin Night and Garage Sale Trail, increased recovery of organics and upgrades to kerbside collection systems.

Our organisational capabilities

To ensure high business-practice standards and maximise planned *SV2015* outcomes, we have continued to address our key capabilities, including:

- statewide engagement
- evidence-based decision making
- people and culture
- governance and portfolio coordination.

Outcomes and activities for each of our capabilities are outlined below.

1. Statewide engagement

SV2015 recognised that to achieve integrated waste management and resource efficiency outcomes for Victoria, we need to collaborate and engage in effective ways with our stakeholders, clients and audiences. Our success is underpinned by appreciating our stakeholder needs, by giving our customers easy access to what we do and by ensuring that the experience of SV is constructive and valued.

Our staff, based in Ballarat, Bendigo, Geelong, Seymour, Traralgon and Melbourne work with key stakeholders to better understand their needs and to help shape SV's existing and future programs. We are improving the capability of our staff to ensure that we provide value to our stakeholders through the delivery of our programs.

Our approach to stakeholder engagement is based on the International Association of Public Participation (IAP2) Spectrum, which outlines 'inform, consult, involve, collaborate, and empower' as stages within an engagement approach. We actively promote a culture that has an engagement focus that is more than merely informing our key stakeholders.

In 2013–14, we committed to:

- keep improving access to SV products and services in metropolitan, regional and rural Victoria – including SV@ Your Doorstep (webinar) and other means of overcoming the barriers of distance. These initiatives accord with the Victorian Government's policy, *Thinking Regional and Rural*
- internal implementation of our Engagement Framework, designed to strengthen a culture of engagement across all business areas.

SV2015 outcome	Our measure of success	Our result for 2013–14
To improve the way we engage with our stakeholders, clients and audiences to deliver better waste and resource efficiency outcomes	Improvement in stakeholder perceptions of whether we deliver our promises, understand needs and issues and are easy to access and communicate with	See 'Listening to our stakeholders', overleaf

Part 4 Our performance

Key achievements in 2013–14

We improved access to our products and services across Victoria through the SV@ Your Doorstep webinar series and other initiatives designed to overcome the barriers of distance. These actions accord with the Victorian Government's *Thinking Regional and Rural* policy. Our new website was launched this year, helping businesses and communities to better understand what we do and how we can support them.

We engaged with the Municipal Association of Victoria (MAV), together with local councils and the Waste Industry Alliance, to ensure our current programs and new waste management responsibilities are being informed by our key stakeholders.

We also recognised and rewarded leadership in sustainability and celebrated the contribution that businesses, institutions, communities and individuals make to a more liveable and sustainable Victoria. We held the 11th Premier's Sustainability Awards, where nine of the 61 entries were recognised for their achievements.

Over the last 12 months we trialled a new Stakeholder Relationship Management System, which has captured over 1,200 regional contacts and demonstrated that 60% of our regional interactions have led to meaningful outcomes. Our internal customer service delivery and engagement has been strengthened, with over 50% of staff undergoing engagement training. A review of our Customer Service Charter has seen the introduction of a 48-hour response time.

In 2013–14, our stakeholders noted a measured improvement in their experience with us. Sixty-seven per cent of respondents to our stakeholder survey rated SV as 'excellent' or 'good' during their last interaction with us. This was a 12% improvement from the previous year. The results also highlighted that our consultation and engagement has improved and that, in particular, the Strategic Coordinators in the regions are seen by many as adding real value.

While improvements have been made, stakeholders also told us that there is still more to be done in this area. In response to this, we are continuing to build on our engagement approach by improving consultation, statewide engagement and supporting opportunities for greater collaboration.

Listening to our stakeholders

In late 2013, we conducted online research with our stakeholders across Victoria. Participants included waste management groups, local government staff, Victorian Government department staff, related businesses and not-for-profit organisations.

Our stakeholders told us that we are doing well:

- Our overall performance findings were more positive in 2013, with 67% of respondents rating SV as 'excellent' or 'good' during their last interaction with us (versus 55% in 2012).
- Our consultation and engagement have improved, with the Regional Facilitators noted for their effectiveness as channels for stakeholder liaison.

They also told us that we can do better:

- While improvements have been made, respondents said that there is still more to be done in this area.
- At times we are not listening enough to our regional stakeholders or engaging as effectively as we could be.
- We could work more in partnership with community and businesses, and do so by avoiding a 'top-down' mindset.

In response to this, we are working to build on our engagement approach by improving consultation and regional engagement, and supporting opportunities for greater collaboration.

We are improving consultation and engagement by:

- working with regional waste management groups in waste and resource recovery reform
- finding ways to use our Customer Service Charter to improve responsiveness.

We are supporting greater regional engagement by:

- visiting regional areas with our CEO and having open conversations with key stakeholders in those areas
- developing a local government engagement framework that will support our program managers to engage with regional stakeholders in more targeted ways.

We are improving opportunities for collaboration by:

- changing our business planning process to include stakeholder consultation and to develop partnerships up-front rather than communicating a 'done deal'
- providing staff training to support greater stakeholder engagement in program development and delivery.

2. Evidence-based investment and outcomes

SV2015 identified the need to enhance the use of evidence to make informed and transparent decisions, whilst also demonstrating our achievements.

As with all government entities, it is essential that we make a valued contribution to Victoria, using – as effectively as we can – the resources available to us. Our programs support government policy, and in many instances seek to achieve results in a challenging and complex environment. The comprehensive design of our evidence-based programs, and their effective delivery, are essential to the achievement of our strategic outcomes.

We use a theory of change framework to identify how our programs will achieve a desired outcome, collating evidence to substantiate these results throughout the duration of an initiative's life. We monitor indicators across our business to track our progress in achieving our desired outcomes.

In 2013–14, we committed to:

- complete a stocktake of SV2015 based on *Getting full value*, the draft SWRRIP, Ministerial Advisory Committee recommendations, our recent resource-efficiency research and any necessary improvements to enhance outcome delivery
- improve reporting capability and indicators, using contribution analysis and performance stories to highlight our successes
- develop a research strategy to ensure efficient and effective allocation of resources to project research activities.

Key achievements in 2013–14

We reviewed our progress towards the achievement of the strategic outcomes of SV2015. The review was based on evidence of our delivery and included consideration of *Getting full value*, the draft SWRRIP, the Ministerial Advisory Committee on Waste and Resource Recovery Governance Reform recommendations and our recent resource-efficiency research. This was an important step in determining what we need to address in the final year of the strategy. It clarified what has been achieved to date and gave us a clear understanding of what changes were required to support our success.

We also improved our reporting capability and indicators, using contribution analysis and illustrating our progress by way of performance stories. We also commenced development of a research strategy to allocate resources efficiently and effectively to in-project research activities.

SV2015 outcome	Our measure of success	Our result for 2013–14
To build an evidence-based culture that informs our investments in integrated waste management and resource efficiency, and that demonstrates the outcomes of those investments	Improvement in our staff's perception that SV is an evidence-based organisation	40% of respondents thought that, to a great extent, SV had strong evidence-based decision making (up from 22% in 2012–13)

Part 4 Our performance

3. People and leadership

SV is focused on ensuring that we are an accountable, transparent government organisation, and that we are flexible in our approach. We recognise that maintaining and building the capabilities, skills, expertise and knowledge of our people will help us deliver on our *SV2015* commitments. We are committed to the development and retention of a motivated, capable and diverse workforce.

Our people must be supported by leaders who communicate clear performance expectations that produce high-quality outcomes. We strive for a supportive workplace that values staff effort, nurtures talent and is committed to health, safety and wellbeing.

We do this by investing in the development of our leadership group to ensure that they have the self-awareness, knowledge and capability to lead their people to achieve.

We measure our organisational culture to determine the areas on which we need to place additional focus and to highlight those areas whose successes deserve celebration.

We support our people through robust performance and development planning, supported by our capability framework, to ensure they are fully utilised and are maximising their potential.

In 2013–14, we committed to:

- support leaders to take strong action to shift our organisational culture towards an even stronger constructive culture
- increase our people's awareness and capability in health, safety and wellbeing through best-practice approaches, training and support
- work directly with leaders to develop strategies to manage talent and succession.

<i>SV2015</i> outcome	Our measure of success	Our result for 2013–14
To focus on transforming ourselves to ensure that we are an accountable government organisation and that we are transparent and flexible in our approach	Improvement in our staff's perception that SV's culture is achievement focused and constructive	Staff indicate progress towards a preferred culture, including an increase in our constructive behavioural styles from the 27th percentile score in 2012–13 to the 43rd percentile score in 2013–14

Key achievements in 2013–14

We continue to build on the cultural shift that we initiated in the first year of *SV2015*. Our investment in leadership started to yield results in 2013–14, as shown by our improvements in organisational culture and the delivery of our strategic outcomes.

Our leadership team achieved a transformational shift in their Organisational Culture Index (OCI) results, with a 15 percentile increase overall in constructive styles, a 61 percentile decrease in passive/defensive styles and a 45 percentile decrease in aggressive/defensive styles. For the first time since commencing the OCI survey in 2009, the organisation had a constructive style in our top three styles (Humanistic Encouraging).

4. Governance and coordination

This capability enables us to undertake our business effectively, efficiently and ethically, to make sound decisions, manage risk appropriately, comply with Victorian Government standards and deliver our outcomes successfully.

We remain focused on consolidating governance and risk management across our business activities, making the most of our strategic decision making, and increasing operational efficiencies.

In 2013–14, we committed to:

- establishing a Project Management Office to support effective project management and delivery
- ensuring responsive internal processes
- commencing the delivery of our Information Systems Strategy.

SV2015 outcome	Our measure of success	Our result for 2013–14
To provide high standards of governance, accountability and performance while delivering coordinated programs within our portfolio	Staff perceive that we have the right governance in place to enable ethical standards, sound decisions and successful business outcome	68% of respondents thought that, to a great extent, the correct governance processes and principles were in place (up from 59% in 2012–13)

Key achievements in 2013–14

We have finalised the implementation of all the recommendations from the Review of Sustainability Victoria's Strategic Direction 2011, and are confident that this has given us the governance and focus to enable us successfully to undertake our strategic direction.

We continue to monitor and review our internal processes to improve responsiveness and effectiveness, and to ensure the efficiency of our external service delivery.

A significant achievement this year has been the establishment of our Project Management Office to support effective project management and delivery. As a result, there is now greater oversight of, and consistency in, the way we manage projects.

We also started delivering our Information Systems Strategy and the reform of our information systems. This has improved internal and external communication, collaboration and efficiency. It has also given us a much better understanding of our data, which, in turn, is helping us to make better decisions now and, we expect, will continue to do so into the future.

Part 5 Summary of financial performance

Financial performance and position summary (\$'000)

	2014	2013	2012	2011	2010
Revenue from government	15,440	20,076	20,979	16,910	37,104
Other revenue	20,034	33,451	26,777	26,726	28,199
Total income	35,661*	53,527*	47,756	43,636	65,303
Total expenses	44,514*	41,752	43,706	52,749	60,947
Net result for the period	(8,853)	11,775	4,050	(9,113)	4,356
Net cash flow from operating activities	(10,449)	13,607	4,281	(107)	15,919
Total assets	36,439	48,073	32,769	28,794	37,970
Total liabilities	6,228	9,009	5,480	5,555	5,618

*Total income and expenses adjusted to include other economic flows in net result as disclosed separately in Part 6 – Comprehensive Operating Statement.

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

Revenue reduced in 2013–14, due to a reduction in direct funding from government which resulted in a reduced landfill levy distribution via the Environment Protection (Distribution of Landfill Levy) Regulations 2013. Expenditure increased as a result of the sale of Renewable Energy Certificates (\$2.68 million) with the proceeds forwarded to the Department of Environment and Primary Industries (DEPI). This transfer was treated as a grant to DEPI. There was an increase in outwardly facing program expenditure in 2013–14 funded through the utilisation of cash reserves.

Revenue is expected to reduce further in 2014–15, with the impact built into SV's forward budgets. Sustainability Victoria will continue to deliver its three-year strategic plan (SV2015) in 2014–15. There have been no other events subsequent to the balance date of 30 June 2014, which may significantly affect operations in subsequent years.

Major contracts

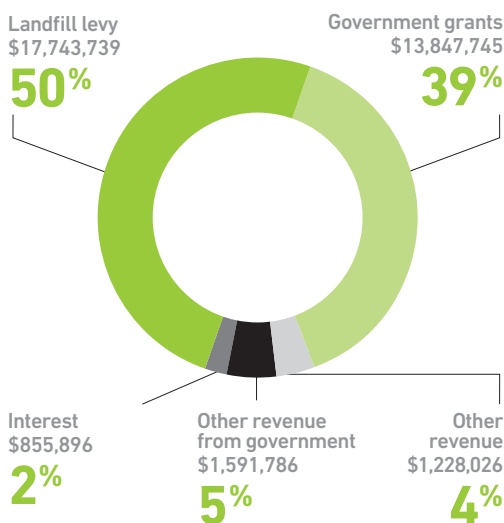
Sustainability Victoria did not enter into any contracts greater than \$10 million in value during the reporting period.

Information available on request

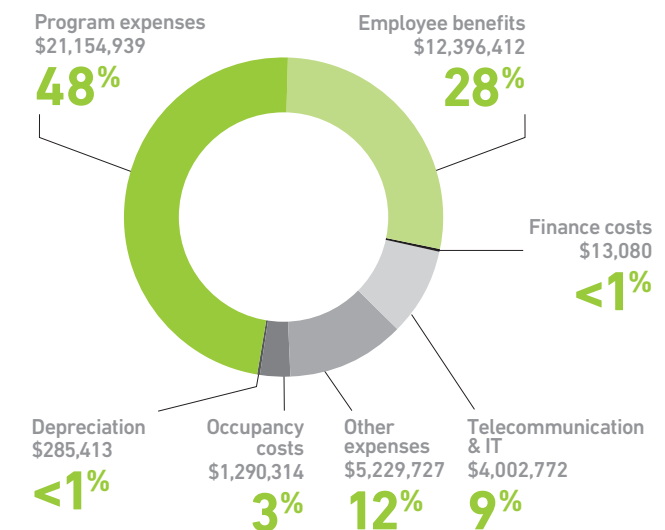
Information relevant to the headings listed in Financial Reporting Direction 22B of the *Financial Management Act 1994* (Vic) is held at Sustainability Victoria's office and is available on request, subject to the *Freedom of Information Act 1992* (Vic).

Please contact 1300 363 744 (Victoria only) or (03) 8626 8700 (within the rest of Australia).

Sustainability Victoria Revenue 2014



Sustainability Victoria Expenditure 2014



Details of consultancies (valued at \$10,000 or greater)

In 2013–14, there were 50 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2013–14 in relation to these consultancies is \$1.40 million (excluding GST). Details of individual consultancies are outlined below:

ID	Consultancy Name	Description	Start Date	End Date	Total Approved Fees (\$)	Expenditure 2013–14 (\$)	Future Expenditure (\$)
1	7591 Pitt & Sherry (Operations) Pty Ltd	To analyse all energy data (LPG, electricity, gas billing data) provided by participating ResourceSmart AuSSI Vic schools (RSAV schools).	14/08/13	8/11/13	11,960	11,960	0
2	7505 Dr. John Mayne	Provide advice to the Strategy and Planning team on their evaluation plan 'SV2015 Stocktake' and deliver a report on the evaluation plan.	19/07/13	20/12/13	12,000	11,557	0
3	7512 Net Balance Management Group Pty Ltd	Review of the Environmental Office Based Performance report in 2012–13, including energy, paper, waste, water and transport data and emissions included within the GHG inventory and provide a Verification Statement.	23/07/13	7/08/13	12,925	12,925	0
4	7848 CH2M Hill Australia Pty Ltd	Provide a report summarising the known barriers and potential market failures to the uptake of Industrial Ecology (IE) in Victoria and recommendations on the potential role for the Victorian Government in supporting the uptake of IE.	24/01/14	29/01/14	12,968	12,968	0
5	7602 The Red Agency Pty Ltd	To develop an integrated communications strategy, which identifies the communications synergies between the different programs in the households' portfolio, and will inform future tactical and creative development.	20/08/13	26/09/13	14,700	14,700	14,700
6	7790 SLR Consulting Ltd	Review of the 'End of Waste' criteria currently applied to products and materials in the EU and provide recommendations regarding the potential benefit of such an approach in Victoria.	4/12/13	2/05/14	15,000	14,844	0
7	7271 Tony Isaacs Consulting Pty Ltd	Advice on the functioning, history and other building physics issues relevant to the maintenance and support of FirstRate5.	16/01/13	28/06/15	15,000	1,200	8,400
8	7626 Morar Consulting Pty Ltd	To conduct an online survey that measures our brand profile and our interaction with stakeholders. The process of these activities, you will assist us to understand the best metrics to use to measure brand attribute association (focused, knowledgeable, credible, helpful, practical and energetic). Level of stakeholder trust on our ability to deliver and the congruence between our words and actions.	8/10/13	30/10/13	15,000	15,000	0
9	7629 Nolan Consulting Pty Ltd	Provide advice and support on the development of the Victorian Organics Strategy to ensure the development of the Victorian Organics Strategy is reviewed by an independent expert to ensure that the resulting strategy provides the relevant clarity and direction required to actively influence the reduction of organics going to landfill and provides sufficient guidance for investment in the market.	1/10/13	27/06/14	15,000	4,725	10,275
10	7880 Data Agility Pty Ltd	To support the PMF, a technical solution is required to integrate project planning, scheduling, budgeting and reporting, and to capture risks, issues, change control and lessons learnt. To apply business analysis skills to identify the business requirements for the technical support of the PMF, and to document these in a logical manner.	12/02/14	28/03/14	15,000	10,500	0
11	7731 Anstra Associates Pty Ltd as trustee for Plat	Accredited facilitator to put together a strong business case to be submitted with a BERC bid for the continuation of the Detox Your Home program.	28/10/13	13/11/13	16,500	16,500	0
12	7324 Metropolitan Waste Management Group	Review of the Salvation Army and St Vincent de Paul's waste management approach for their stores and document appropriate checklist and contract specification guidance for use by the charitable sector.	2/04/13	29/04/13	18,182	4,182	0

Part 5 Summary of financial performance

ID	Consultancy Name	Description	Start Date	End Date	Total Approved Fees (\$)	Expenditure 2013-14 (\$)	Future Expenditure (\$)
13 7822	Data Agility Pty Ltd	Develop a strategy to consolidate, cleanse, store and structure the Purchaser's current waste datasets and draft SWRRIP-dependent datasets to enable integration with other internal and external datasets.	20/12/13	31/12/14	19,500	19,500	0
14 8090	Gippsland Regional Waste Management Group	Undertake a preliminary assessment of options to expand the current garden organics kerbside collection service operating within the Baw Baw Shire and the Latrobe City, to include food organics.	6/05/14	8/05/14	20,000	20,000	0
15 8105	East Gippsland Food Cluster Incorporated	To develop a business case detailing the recovery and processing of Commercial and Industrial (C&I) organics for the East Gippsland Food Cluster (EGFC) at East Gippsland Water (EGW) along with East Gippsland Shire Council household food scraps.	22/05/14	26/11/14	20,000	5,000	15,000
16 7323	RSM Bird Cameron	Probity advice in relation to tenders for the Detox your Home program.	27/02/13	31/07/13	20,815	3,150	13,760
17 8176	Price Waterhouse	To provide high-level figures relating to waste and resource recovery in Victoria for inclusion in the draft SWRRIP.	19/06/14	30/07/14	21,215	0	21,215
18 7482	Equilibrium OMG Pty Ltd	To develop Best Practice Guidelines for local government, industry and charities outlining best practice standards for placement and management of donation bins.	28/06/13	30/08/13	22,420	5,420	0
19 7818	Jacobs Group (Australia) Pty Ltd	To undertake a scan of existing waste measurement, monitoring, benchmarking and incentive schemes used globally in the commercial built environment. To highlight details of such schemes locally and internationally that specifically focus on waste management in operational buildings.	20/12/13	14/02/14	22,640	22,640	0
20 7835	Deloitte Access Economics Pty Ltd	To review the business case for a new cost recovery model for FirstRate5.	3/02/14	13/02/14	22,727	22,727	0
21 7784	Net Balance Management Group Pty Ltd	To develop a business case that outlines the future impacts of virgin resource shortages for pavement construction.	5/12/13	31/01/14	23,150	23,150	0
22 7886	Inglis Consulting Pty Ltd	To conduct an assessment of 'Finance' and 'Waste and Resource Recovery Strategy' teams with the objective of ensuring the teams' structures, skills and capabilities are aligned with their key responsibilities and objectives.	26/02/14	4/04/14	24,360	20,160	0
23 7459	Colmar Brunton Pty Ltd	To undertake a pre and post campaign evaluation for the Get it Right on Bin Night campaign.	1/07/13	30/08/13	24,990	24,990	0
24 8165	KPMG	To provide advice on the various reporting formats available for and to assist with our 2014 annual report.	17/06/14	11/07/14	25,000	0	25,000
25 7480	Michael Desmond Ritchie	To undertake a peer review of the tender submissions and evaluation process.	20/06/13	19/07/13	25,000	13,920	0
26 7972	Waste Audit & Consultancy Services	To assist in the collection of accurate data to monitor the performance of the Smarter Resources, Smarter Business (SRSB) Recycling program. This included the development of a data management framework, the collection of primary data and the verification of secondary data. The information collected through the project will allow SV and its project partners to develop robust case studies and business models from projects being funded by the SRSB program.	15/04/14	1/06/15	27,388	8,388	19,000
27 8030	Rawtec Pty Ltd	To research governance and funding models employed by Compost Victoria (CV) and similar industry associations.	7/04/14	23/05/14	37,138	24,759	12,379
28 7202	Dynamic Sustainability Trust	Advice on the development and outputs of activities relating to organics undertaken by SV in 2012-14.	12/10/12	30/06/14	40,000	12,251	0
29 7625	Clear Horizon Consulting Pty Ltd	To deliver the SV2015 stocktake through provision of research and analysis which responds to Key Evaluation Questions in SV's SV2015 stocktake.	17/09/13	11/12/13	41,850	38,600	0

ID	Consultancy Name	Description	Start Date	End Date	Total Approved Fees (\$)	Expenditure 2013-14 (\$)	Future Expenditure (\$)
30 7596	Helen Jennings	To evaluate the education for sustainability early years frameworks – Seedlings and ResourceSmart AuSSI Vic by identifying achievements and provide recommendations for improvement.	19/08/13	1/07/14	42,000	42,000	0
31 7450	SMS Management & Technology Limited	To assess up to 30 existing project plans with the objective of improving the quality and completeness of available documentation.	17/06/13	12/09/13	42,100	42,100	0
32 7373	Blue Environment Pty Ltd	To develop a process flow chart(s) based on the foundation information provided by Recycled Organics Unit (ROU) to illustrate effective practices for physical, chemical and biological contamination management and adherence to relevant standards associated with different processing technologies and feedstocks and undertake research and develop a benchmarking criteria/scorcard.	12/04/13	30/09/13	45,000	20,552	0
33 7892	Roberts Evaluation Pty Ltd	To undertake research into government agencies and other organisations that use regional evidence and examples of related decision making processes and reports. Includes desktop research, recommendations for up to two trials and evaluation of up to two trials.	3/03/14	30/09/15	49,275	32,468	16,807
34 7516	Royce Vic Pty Ltd	To undertake desktop and social research and attend stakeholder consultation forums to understand the degree of support expected by key stakeholders in harnessing commercial opportunities outlined in the draft SWRRIP.	17/07/13	30/06/14	49,300	49,300	0
35 7974	Monash University	To undertake research to examine the impact of the ResourceSmart AuSSI Vic framework among participating schools.	3/04/14	14/10/14	57,236	19,079	38,157
36 7779	KPMG	To review the business cases submitted to the Resource Recovery Infrastructure Fund over the period 10 December 2013 to 20 December 2013 and provide an expert assessment of the robustness and comprehensiveness of the financial and economic analyses contained in the business cases.	4/12/13	15/01/14	58,760	39,940	0
37 7538	Hyder Consulting Pty Ltd	To conduct a review of current waste contracts for commercial businesses, and provide an overview of current waste services available for commercial businesses, develop best-practice guides and case studies.	25/07/13	31/10/13	59,576	59,576	0
38 7540	SMEC Australia Pty Limited	To undertake a review of Transfer Stations (TS) and Resource Recovery Centre (RRC) infrastructure in rural and regional Victoria.	25/07/13	15/10/13	64,570	64,570	0
39 7708	Exemplary Investments Pty Ltd	To develop heating and cooling data, and measure cost, comfort and financial gains for a range of energy efficiency measures to four (4) renovation case studies.	28/10/13	14/03/14	65,082	57,082	8,000
40 7440	Net Balance Management Group Pty Ltd	To undertake detailed market analysis for a range of recyclable materials that considers, for each of the materials in Victoria: the current size, value, participants, product types and structure of the market, current government policy affecting the market, the potential size of the market and opportunities for interventions to address market barriers or develop opportunities.	7/06/13	30/09/13	77,700	77,700	0
41 7894	DJR Environmental Pty Ltd	To undertake research and conduct a situational analysis of trends (local and international) relating to the generation, collection, processing, products and markets for organic waste and complete a SWOT analysis of the organic waste stream.	26/02/14	20/06/14	82,795	48,720	34,075

Part 5 Summary of financial performance

ID	Consultancy Name	Description	Start Date	End Date	Total Approved Fees (\$)	Expenditure 2013–14 (\$)	Future Expenditure (\$)
42 7691	Databuild Research and Solutions Ltd.	To conduct a study that will provide an understanding of the economic and environmental opportunities that industrial ecology (IE) presents to Victoria and of the barriers that are presently impeding the uptake of IE. A review of interventions that have attempted to encourage the uptake of IE within Victoria, interstate and internationally; and recommendations on the potential role for the Victorian Government in supporting the uptake of IE.	21/10/13	27/12/13	85,825	85,825	0
43 7269	Chart Group Pty Ltd	Provision of expert consulting services as a member of the Information Systems Strategy Group (ISSG).	9/01/13	30/06/14	89,000	5,192	72,106
44 8089	Hyder Consulting Pty Ltd	To produce four Business Cases engaging targeted commercial/industrial organic waste producing operations. The Business Cases will reduce the transaction costs and make transparent the full costs and benefits associated with investment in organic waste treatment infrastructure.	5/05/14	31/07/14	89,520	20,480	69,040
45 8149	Hyder Consulting Pty Ltd	To undertake an assessment of current data available and data requirements related to waste management, resource recovery and litter. This will include consultation with stakeholders to determine the current status of datasets and data requirements, as well as providing an assessment of gaps, duplication, and improved data processes.	11/06/14	30/11/14	98,065	15,600	82,465
46 7420	RMCG	To undertake detailed market analysis within the recycled organics (compost and mulch).	21/05/13	8/11/13	105,909	55,909	0
47 7297	Siegfried Engleitner	To collect, categorise and analyse existing information relating to field trials, both demonstration and scientific; develop an accessible repository of this information; provide the recycled organics industry and Sustainability Victoria with a practical guide to planning and implementing field trials.	1/03/13	15/11/13	122,400	46,000	0
48 7425	Data Agility Pty Ltd	To provide data mapping and architectural services that will align with the board-endorsed Information Systems Strategy (SVISS).	28/05/13	24/08/13	128,000	84,800	0
49 7140	Royal Melbourne Institute of Technology	To conduct a review of the previous Life Cycle Assessment (LCA) and provide an updated LCA report of domestic kerbside recyclables in Victoria that details the benefits of kerbside recycling.	18/09/12	16/09/13	131,850	4,300	0
50 7755	Hyder Consulting Pty Ltd	To utilise existing data and literature, stakeholder consultation and quantitative analysis to describe current markets (for raw materials and/or products produced from those materials), and to identify opportunities and barriers to enhancing markets for the following materials: Tyres/tyre derived products, Shredder floc, Flexible plastics, Refuse derived fuels/process engineered fuels from mixed waste streams.	5/12/13	19/05/14	136,339	136,339	0

Details of consultancies under \$10,000

In 2013–14, there were eight consultancies engaged during the year, where the total fees payable to the consultants was less than \$10,000. The total expenditure incurred during 2013–14 in relation to these consultancies was \$32,268 (excluding GST).

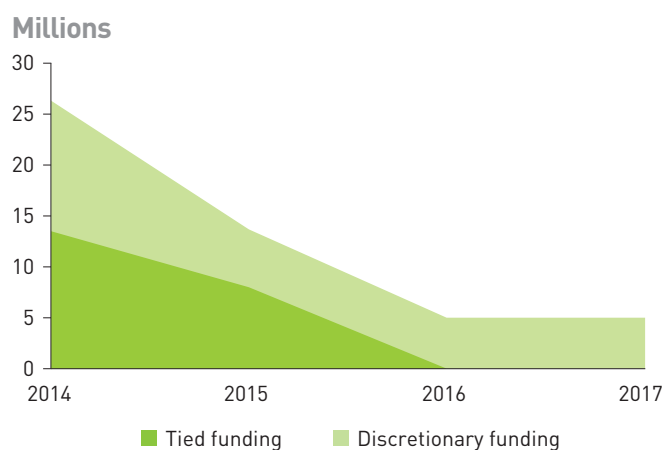
Sustainability Victoria Forward Projections

Budgets, Contracts and Cash	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Budget/Forecast expenditure	42,154	37,388	24,433
Contracted Commitments	15,740	3,930	82
Forecast Cash Reserves	15,121	5,200	5,200

SV maintains a minimum cash buffer of \$5.2m to ensure the organisation is able to meet its financial commitments. With confirmed revenue reducing in the coming years, SV's business planning applies reserves to projects (down to the \$5.2m buffer) and is projected to be expended on Government priorities, by 30 June 2016.

Forecast Cash Reserves

Forecast reserves 2014-2017



Tied funding is funding received from government, or third parties, for the implementation of specific projects. Other funding includes SV's landfill levy distribution, with investment decisions made by SV management and the SV board.

Part 6 Annual financial statements

Comprehensive Operating Statement for the financial year ended 30 June 2014

	Notes	2014 \$	2013 \$
Income from transactions			
Landfill levy	3	17,743,739	24,075,636
Government grants ⁽ⁱ⁾	3	13,847,745	17,281,413
Other income from government	3	1,591,786	2,795,000
Interest	3	855,896	1,017,076
Other income ⁽ⁱⁱ⁾	3	1,228,026	8,192,635
Total income from transactions		35,267,192	53,361,760
Expenses from transactions			
Program expenses	4 (a)	(21,154,939)	(18,934,744)
Employee benefits	4 (b)	(12,396,412)	(12,463,144)
Depreciation	7	(285,413)	(202,012)
Occupancy costs		(1,290,314)	(1,196,832)
Telecommunication & IT	4 (c)	(4,022,772)	(2,538,880)
Finance costs		(13,080)	(11,504)
Other expenses ⁽ⁱⁱⁱ⁾	4 (d)	(5,229,727)	(6,405,081)
Total expenses from transactions		(44,392,657)	(41,752,197)
Net result from transactions (net operating balance)		(9,125,465)	11,609,563
Other economic flows included in net result			
Gain on disposal of assets	4 (e)	1,823	3,426
Gain on disposal of assets held for sale	10	391,737	–
Gain/(loss) arising from revaluation of employee benefits	1.6 (b)	(120,751)	161,516
Total other economic flows included in net result		272,809	164,942
Net result		(8,852,656)	11,774,505
Comprehensive result		(8,852,656)	11,774,505

The comprehensive operating statement should be read in conjunction with the notes to the financial statements.

Notes:

(i) A review of the 2013 financial statements has resulted in 'Government grants' increasing from \$13.78 million to \$17.28 million, and 'Other income' increasing from \$7.39 million to \$8.19 million to reflect change of accounting treatment where offsetting revenue is no longer applied when funding has been returned to the Department of Environment and Primary Industries. Refer to Note 3 – Income from Transactions.

(ii) A review of the 2013 financial statements has resulted in 'Other expenses' increasing from \$2.11 million to \$6.41 million to reflect change of accounting treatment where expenditure is now recognised when funding has been returned to the Department of Environment and Primary Industries. Refer to Note 4(d) – Other expenses.

Balance Sheet
As at 30 June 2014

	Notes	2014 \$	2013 \$
Assets			
Financial assets			
Cash & cash equivalents	5	28,458,778	36,633,167
Receivables ⁽ⁱ⁾	6	7,107,407	8,419,858
Total financial assets		35,566,185	45,053,025
Non-financial assets			
Property, plant & equipment	7	678,357	631,282
Prepayments	8	194,831	97,448
Intangibles	9	–	–
Non-financial assets classified as held for sale	10	–	2,290,803
Total non-financial assets		873,188	3,019,533
Total assets		36,439,373	48,072,558
Liabilities			
Payables ⁽ⁱ⁾	11	3,468,262	6,572,694
Provisions	12	2,544,153	2,256,705
Borrowings	13	215,967	179,512
Total liabilities		6,228,382	9,008,911
Net assets		30,210,991	39,063,647
Equity			
Contributed capital		26,048,806	26,048,806
Accumulated surplus		4,162,185	13,014,841
Total equity		30,210,991	39,063,647
Commitments for expenditure	18		
Contingent assets and contingent liabilities	25		

As at 30 June 2014, \$21.73 million was committed in contracts and payable upon the successful delivery of milestones in 2014–15 and beyond – see Note 18.

The balance sheet should be read in conjunction with the notes to the financial statements.

Notes:

(i) A review of the 2013 financial statements has resulted in 'Receivables' increasing from \$8.29 million to \$8.42 million, and 'Payables' increasing from \$6.44 million to \$6.57 million to recognise GST receivable on all accrued grants, program and operational expenditure as at 30 June 2013. Refer to Note 6 – Receivables, and Note 11 – Payables.

Part 6 Annual financial statements

Statement of Changes in Equity for the financial year ended 30 June 2014

	Notes	Accumulated Surplus/(Deficit)	Contributions by Owner	Total
Balance at 1 July 2012		1,240,336	26,048,806	27,289,142
Net result for the year		11,774,505	–	11,774,505
Other comprehensive income for the year		–	–	–
Balance at 30 June 2013		13,014,841	26,048,806	39,063,647
Net result for the year		(8,852,656)	–	(8,852,656)
Other comprehensive income for the year		–	–	–
Balance at 30 June 2014		4,162,185	26,048,806	30,210,991

The statement of changes in equity should be read in conjunction with the notes to the financial statements.

Cash Flow Statement for the financial year ended 30 June 2014

	Notes	2014 \$	2013 \$
Cash flows from operating activities			
Receipts from government grants		14,331,136	16,972,022
Receipts from government – other		1,618,627	2,921,968
Receipts from landfill levy		19,326,714	24,240,039
Other receipts		1,169,208	8,388,466
Interest received		828,222	971,246
Goods and Services Tax recovered from the ATO		3,603,350	759,207
Net Receipt from EPA for the Sustainability Fund		–	550,000
Payments to program recipients		(21,477,456)	(21,496,342)
Payments to suppliers and employees		(29,848,301)	(19,699,269)
Net cash flows from operating activities	15	(10,448,500)	13,607,337
Cash flows from investing activities			
Payments for property, plant and equipment	7	(433,986)	(376,449)
Proceeds from disposal of property, plant and equipment		2,182	4,227
Proceeds from sale of assets held for sale		2,682,540	–
Net cash flows used in investing activities		2,250,736	(372,222)
Cash flows from finance activities			
Proceeds from finance leases		23,375	–
Repayment of finance leases		–	(24,148)
Net cash flows used in finance activities		23,375	(24,148)
Net increase in cash & cash equivalents		(8,174,389)	13,210,967
Cash & cash equivalents at the beginning of the financial year		36,633,167	23,422,200
Cash & cash equivalents at the end of the financial year	5	28,458,778	36,633,167

The above cash flow statement should be read in conjunction with the notes to the financial statements.

Part 7 Notes to the financial statements

Notes to the Financial Statements for the period ended 30 June 2014

Note 1 Summary of Significant Accounting Policies

1.1 General

Statement of Compliance

These general-purpose financial statements have been prepared on an accrual and going concern basis in Australian dollars, in accordance with the *Financial Management Act 1994* (Vic), applicable Australian Accounting Standards which include Interpretations, issued by the Australian Accounting Standards Board. In particular, they are presented in a manner consistent with the requirements of the *AASB 1049 Whole of Government and General Government Sector Financial Reporting*.

Going Concern

Although the financial performance in 2013–14 was impacted by both a reduction in revenue, with a reduction in Appropriation from Government (\$5.13 million), reduced landfill levy distribution (\$6.33m) in accordance with the *Environment Protection (Distribution of Landfill Levy) Regulations 2013* and increased expenditure as a result of budget savings (\$2.68 million) transferred to the Department of Environment and Primary Industries (DEPI), SV's financial position remains strong.

SV maintains a minimum cash buffer of \$5.20 million to ensure the organisation is able to meet its financial commitments. With confirmed revenue reducing in the coming years, SV's business planning applies reserves to projects (down to the \$5.20 million buffer) which is expected to be expended on Government priorities by 30 June 2016.

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.

Scope and Presentation of Financial Statements

Comprehensive Operating Statement

Income and expenses in the net result are classified according to whether or not they arise from 'transactions' or 'other economic flows'. This classification is consistent with the whole of government reporting format and is allowed under *AASB 101 Presentation of Financial Statements*.

'Transactions' and 'other economic flows' are defined by the *Australian System of Government Finance Statistics: Concepts, Sources and Methods 2005 and Amendments to Australian System of Government Finance Statistics, 2005 (ABS Catalogue No. 5514.0)*.

Balance Sheet

Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets.

Current and non-current assets and liabilities (those expected to be recovered or settled beyond 12 months) are disclosed in the notes, where relevant.

Cash Flow Statement

Cash flows are classified according to whether or not they arise from operating activities, investing activities, or financing activities. This classification is consistent with requirements under *AASB 107 Statement of Cash Flows*.

Statement of Changes in Equity

The statement of changes in equity presents reconciliations of non-owner and owner changes in equity from opening balances at the beginning of the reporting period to the closing balances at the end of the reporting period. It also shows separately changes due to amounts recognised in the 'Comprehensive result' and amounts related to 'Transactions with owner in its capacity as owner'.

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 2014 and the comparative information presented for the year ended 30 June 2013.

The 2013 comparative amounts for Income (Note 3) and Other Expenses (Note 4d) have been restated due to change of accounting treatment where additional expenditure has been recognised, and revenue adjusted to reflect the \$4.3 million budget savings forwarded to the Department of Environment and Primary Industries. No impact has occurred on the net result as shown below:

Impact on Income and Expenses

	2013 Previously Reported \$	Adjustments \$	2013 Restated \$
Government grants	13,781,413	3,500,000	17,281,413
Other income	7,392,635	800,000	8,192,635
Other expenses	(2,105,081)	(4,300,000)	(6,405,081)
Total	19,068,967	–	19,068,967

The 2013 comparative amounts for Receivables (Note 6) and Payables (Note 11) have been restated due to GST receivable now being recognised for all accrued expenditure and grants irrespective of an invoice being received as at 30 June 2013. No impact has occurred on the net assets or equity as shown below:

Impact on Assets and Liabilities

	2013 Previously Reported \$	Adjustments \$	2013 Restated \$
Statutory			
GST receivable	691,266	128,635	819,901
Accrued GST	–	(128,635)	(128,635)
Total	691,266	–	691,266

Part 7 Notes to the financial statements

Accounting Estimates

In the application of AASs, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment, and
- actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates.

Consistent with *AASB 13 Fair Value Measurement*, the Entity determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment, biological assets, investment properties and financial instruments and for non-recurring fair value measurements such as non-financial physical assets held for sale, in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Sustainability Victoria has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Sustainability Victoria determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In addition, Sustainability Victoria monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

Rounding of Amounts

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

Changes in Accounting Policies

Subsequent to the 2012–13 reporting period, the following new and revised Standards have been adopted in the current period with their financial impact detailed as below.

AASB 13 Fair Value Measurement

AASB 13 establishes a single source of guidance for all fair value measurements. AASB 13 does not change when an Entity is required to use fair value, but rather provides guidance on how to measure fair value under Australian Accounting Standards when fair value is required or permitted. Sustainability Victoria has considered the specific requirements relating to highest and best use, valuation premise and principal (or most advantageous) market. The methods, assumptions, processes and procedures for determining fair value were revisited and adjusted where applicable. In light of AASB 13, Sustainability Victoria has reviewed the fair value principles as well as its current valuation methodologies in assessing the fair value, and the assessment has not materially changed the fair values recognised.

However, AASB 13 has predominantly impacted the disclosures of Sustainability Victoria. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards, including *AASB 7 Financial Instruments: Disclosures*.

The disclosure requirements of AASB 13 apply prospectively and need not be applied in comparative information before first application. Consequently, the 2012–13 comparatives of these disclosures have not been provided, except for financial instruments, of which the fair value disclosures are required under *AASB 7 Financial Instruments: Disclosures*.

AASB 119 Employee benefits

In 2013–14, Sustainability Victoria has applied *AASB 119 Employee benefits* (September 2011, as amended) and the related consequential amendments for the first time.

The revised AASB 119 changes the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligation and plan assets. As the current accounting policy is for the Department of Treasury and Finance to recognise and disclose the state's defined benefit liabilities in its financial statements, changes in defined benefit obligations and plan assets will have limited impact on Sustainability Victoria.

The revised standard also changes the definition of short-term employee benefits. These were previously benefits that were expected to be settled within 12 months after the end of the reporting period in which the employees render the related service; however, short-term employee benefits are now defined as benefits expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. As a result, accrued annual leave balances that were previously classified by Sustainability Victoria as short-term employee benefits no longer meet this definition and are now classified as long-term employee benefits.

This has resulted in a change of measurement for the annual leave provision from an undiscounted to discounted basis.

Comparative amounts for 2012–13 and the related amounts as at 1 July 2012 have been restated in accordance with the relevant transitional provisions set out in AASB 119. The impact is as follows:

Impact on Comprehensive Result			2012-13
			\$
Decrease in employee expense			7,248
Impact on Liabilities and Equity			
	As at 1 Jul 12 as previously reported	AASB 119 adjustments	As at 1 Jul 12 restated
	\$	\$	\$
Current Employee Benefit Provision – Annual Leave	826,346	(6,786)	819,560
Current Employee Benefit Provision – On Costs*	147,782	(1,191)	146,591
Total Current Annual Leave and On-Costs Provision*	974,128	(7,977)	966,151
Accumulated surplus	1,240,336	7,977	1,248,313

*Provision excludes those costs related to Long Service Leave.

Impact on Liabilities and Equity			
	As at 30 Jun 13 as previously reported	AASB 119 adjustments	As at 30 Jun 13 restated
	\$	\$	\$
Current Employee Benefit Provision – Annual Leave	767,935	(6,306)	761,629
Current Employee Benefit Provision – On Costs*	116,857	(942)	115,915
Total Current Annual Leave and On-Costs Provision*	884,792	(7,248)	877,544
Accumulated surplus	13,007,593	7,248	13,014,841

*Provision excludes those costs related to Long Service Leave.

1.2 Revenue Recognition

Government grants and program contributions are recognised as income 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 the accrual amount defined in the *Environment Protection (Distribution of Landfill Levy) Regulations 2013*.

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* (Cth).

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 Taxation 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 that are recoverable from, or payable to the ATO, are presented as operating cash flow. Commitments are disclosed at their nominal value and inclusive of GST payable.

1.5 Program Expenses

Expenditure incurred for each of the 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 taken to account on the basis of the percentage of the contract performed as at the reporting date, with the unperformed component of the contract included as part of Note 18 of this report.

1.6 Other Economic Flows

(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) Other gains/(losses) from other economic flows

Other gains/(losses) from other economic flows include the gains or losses from the revaluation of the present value of the long service leave liability due to changes in 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 a known amount of cash and are subject to an insignificant risk of changes in value.

1.8 Receivables

Receivables consist of contractual receivables, which include mainly debtors in relation to goods and services, accrued investment income and statutory receivables, which include predominantly amounts owing from the Victorian Government and GST input tax credits recoverable. Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments.

Part 7 Notes to the financial statements

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 for the current and prior year are listed below.

Office furniture and equipment	10%–20%
Computer equipment	33.3%
Motor vehicles	17%–22%

1.10 Leased Assets

Finance 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 finite useful lives are amortised for the current and prior years on a straight-line basis over 3 to 5 years.

Intangible assets with indefinite useful lives are not amortised. The useful life of intangible assets that are not being amortised is 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 Non-Financial Assets Classified as Held-for-Sale

Non-financial assets classified as held-for-sale are measured at the lower of carrying amount and fair value, and are not subject to depreciation.

Non-financial assets, disposal groups and related liabilities are treated as current and classified as held-for-sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale is expected to be completed within 12 months from the date of classification.

1.13 Payables

Payables consist of contractual payables, such as accounts payable, and accrued expenses. Accounts payable represent liabilities for goods and services provided to Sustainability Victoria prior to the end of the financial year that are unpaid, and arise when Sustainability Victoria becomes obliged to make future payments in respect of the purchase of those goods and services; and statutory payables, such as good and services tax and fringe benefits tax payables.

1.14 Employee Benefits

(a) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits annual leave and accumulating sick leave, are all recognised in the provision for employee benefits as 'current liabilities', where Sustainability Victoria does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries, annual leave and sick leave are measured at:

- undiscounted value – component that Sustainability Victoria expects to wholly settle within 12 months; or
- present value – component that Sustainability Victoria does not expect to wholly settle within 12 months.

(b) 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.

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.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an other economic flow (refer to Note 1.6(b) – other gains/(losses) from other economic flows).

(c) 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.

(d) Superannuation

The amount recognised in the comprehensive operating statement is the employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period.

The Department of Treasury and Finance (DTF) in their annual financial statements, disclose on behalf of the state as the sponsoring employer, the net defined benefit cost related to the members of these plans as an administered liability. Refer to DTF's annual financial statements for more detailed disclosures in relation to these plans.

1.15 Equity

Contributions by owners

Additions to net assets that 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.

1.16 AASs issued that are not yet effective

Certain new AASs have been published that are not mandatory for the 30 June 2014 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 2014, the relevant standard and interpretation applicable to Sustainability Victoria related to the introduction of AASB 9 that had been issued but were not mandatory for the financial year ending 30 June 2014. Sustainability Victoria has not early adopted this standard.

Part 7 Notes to the financial statements

Standard/Interpretation	Summary	Applicable for annual reporting periods	Impact on authority financial statements
<i>AASB 9 Financial instruments</i>	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 (<i>AASB 139 Financial Instruments: Recognition and Measurement</i>).	Beginning 1 Jan 2017	The preliminary assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.
<i>AASB 2010-7 Amendments to Australian Accounting Standards</i> arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 and 1038, and Interpretations 2, 5, 10, 12, 19 & 127]	These consequential amendments are in relation to the introduction of AASB 9.	Beginning 1 Jan 2017	No significant impact is expected from these consequential amendments on entity reporting.

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 17 and 24.

Financial assets and financial liabilities are disclosed in Note 24 – 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.

		Interest rate risk			
		-0.5%		+0.5%	
	Carrying amount \$	Result \$	Equity \$	Result \$	Equity \$
30 June 2014					
Financial assets					
Cash and cash equivalents	28,458,778	(142,294)	(142,294)	142,294	142,294
30 June 2013					
Financial assets					
Cash and cash equivalents	36,633,167	(183,166)	(183,166)	183,166	183,166

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 13 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 period's 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	2014 \$	2013 \$
Landfill Levy	17,743,739	24,075,636
Government Grants		
State Government departments and agencies:		
Annual appropriation*	–	5,131,413
Sustainability Fund grants to Sustainability Victoria	12,847,745	12,150,000
Government Initiatives Funding	1,000,000	–
Total Government Grants	13,847,745	17,281,413
Other Income from Government		
Commercial Office Buildings	–	100,000
Illegal Dumping	100,000	–
Increased Separation & Recycling	–	5,000
Litter Strategy	775,000	1,725,000
Product Stewardship	–	15,000
Sustainability Fund – management fee	650,000	800,000
Victorian Litter Report and Local Litter Tool for Local Governments	–	150,000
Victorian Property Fund	66,786	–
Total Other Income from Government	1,591,786	2,795,000
Interest	855,896	1,017,076
Other Income		
FirstRate Certificates and Accreditation	199,319	42,477
Refund from Australian Taxation Office*	–	4,785,249
Australian Packaging Covenant	–	2,615,165
Program contributions	1,028,707	749,744
Total Other Income	1,228,026	8,192,635
Total Income from Transactions	35,267,192	53,361,760

* A review of the 2013 financial statements has resulted in a \$4.3 million increase to income, to reflect change of accounting treatment to recognise expenditure instead of offsetting revenue after forwarding budget savings to the Department of Environment and Primary Industries. Refer to Note 4(d) – Other Expenses.

4 (a) Program Expenses

	2014 \$	2013 \$
Integrated Waste Management	11,740,281	9,457,006
Resource Efficiency	5,359,060	4,739,666
Engagement (includes all Litter and Schools Programs)	4,055,598	4,738,072
Total Program Expenses	21,154,939	18,934,744

4 (b) Employee Benefits

	2014 \$	2013 \$
Salaries, Wages and Allowances	10,495,040	10,498,538
Employer Superannuation	952,746	919,510
On-Costs	948,626	1,045,096
Total Employee Benefits	12,396,412	12,463,144

4 (c) Telecommunication & IT

	2014 \$	2013 \$
Telecommunication & IT Costs not itemised in Operating Statement	2,918,429	2,538,880
AuSSI Vic Data Management System	568,964	–
FirstRate 5 – House Energy Rating Program	535,379	–
Total Other Expenses	4,022,772	2,538,880

4 (d) Other Expenses

	2014 \$	2013 \$
Other Operational Costs not itemised in Operating Statement	2,547,187	2,105,081
Budget Savings*	2,682,540	4,300,000
Total Other Expenses	5,229,727	6,405,081

* A review of the 2013 financial statements has resulted in a \$4.3 million increase to expenditure, to reflect change of accounting treatment to recognise expenditure instead of offsetting revenue after forwarding budget savings to the Department of Environment and Primary Industries. Refer to Note 3 – Income from Transactions.

Part 7 Notes to the financial statements

4 (e) Net Profit on Disposal of Assets

	2014 \$	2013 \$
Property, Plant & Equipment	1,823	3,426
Total Net Profit	1,823	3,426

5 Cash and Cash Equivalents

	2014 \$	2013 \$
Cash at Bank	157,178	631,467
Cash on Hand	1,600	1,700
Short-Term Deposits	28,300,000	36,000,000
Total Cash and Cash Equivalents*	28,458,778	36,633,167

* Of the \$28,458,778 cash and short-term deposits held by Sustainability Victoria as at 30 June 2014, \$11,464,466 (excluding GST) represents funds received from government tied to the delivery of specific projects that was unspent at 30 June 2014. Of the balance, \$11,379,033 (excluding GST) is fully contracted in projects funded from recurrent revenue and surpluses or other funds.

Refer to Note 18 – Committed Expenditure.

6 Receivables

Current Receivables	2014 \$	2013 \$
Contractual		
Trade Debtors	67,700	84,888
Other Debtors	15,233	17,914
Amounts owing from Victorian Government	1,207,000	1,398,327
Accrued Interest	107,593	79,919
Total Contractual*	1,397,526	1,581,048
Statutory		
Accrued Landfill Levy	4,435,935	6,018,909
GST Receivable	1,273,946	819,901
Total Statutory	5,709,881	6,838,810
Total Current Receivables	7,107,407	8,419,858

* Refer to Note 24 (b) & (c) – Financial Instruments for the nature and extent of risks, and ageing analysis of contractual receivables.

7 Property, plant and equipment

	2014 \$	2013 \$
Office Furniture and Equipment		
At Fair Value	578,117	549,465
Less: Accumulated Depreciation	(461,876)	(464,886)
	116,241	84,579
Computer Equipment		
At Fair Value	1,095,180	985,344
Less: Accumulated Depreciation	(746,766)	(618,223)
	348,414	367,121
Motor Vehicles – Leased		
At Fair Value	246,983	370,645
Less: Accumulated Depreciation	(33,281)	(191,063)
	213,702	179,582
Summary	678,357	631,282

Movements:

	Office Furniture & Equipment \$	Computer Equipment \$	Motor Vehicles Leased \$	Total \$
Carrying Amount 2014				
Opening Balance	84,579	367,121	179,582	631,282
Additions	69,583	175,022	189,381	433,986
Depreciation	(37,562)	(193,729)	(54,122)	(285,413)
Disposals	(359)	–	(101,139)	(101,498)
Closing Balance	116,241	348,414	213,702	678,357
Carrying Amount 2013				
Opening Balance	85,500	209,103	190,013	484,616
Additions	42,857	275,990	57,602	376,449
Depreciation	(43,778)	(117,171)	(41,063)	(202,012)
Disposals	–	(801)	(26,970)	(27,771)
Closing Balance	84,579	367,121	179,582	631,282

Fair value measurement for property, plant and equipment as at 30 June 2014

	Carrying Amount as at 30 June 2014 \$	Fair value measurement at end of reporting period using:		
		Level 1 ⁽ⁱ⁾ \$	Level 2 ⁽ⁱ⁾ \$	Level 3 ⁽ⁱ⁾ \$
Office Furniture and Equipment	116,241	–	–	116,241
Computer Equipment	348,414	–	–	348,414
Motor Vehicles – Leased	213,702	–	–	213,702
Total Property, Plant and Equipment	678,357	–	–	678,357

(i) Classified in accordance with the fair value hierarchy, see Note 1 – Accounting estimates.

There have been no transfers between levels during the period.

Office Furniture and Equipment

Office furniture and equipment is held at fair value. When office furniture and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2014.

Part 7 Notes to the financial statements

For all assets measured at fair value, the current use is considered the highest and best use.

Computer Equipment

Computer equipment is held at fair value. When computer equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2014.

For all assets measured at fair value, the current use is considered the highest and best use.

Motor Vehicles – Leased

Leased motor vehicles are valued using the depreciated replacement cost method. Sustainability Victoria acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers at DTF who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Reconciliation of Level 3 Fair Value

	Office Furniture & Equipment \$	Computer Equipment \$	Motor Vehicles Leased \$
Opening Balance	84,579	367,121	179,582
Purchases (sales)	69,224	175,022	88,242
Transfers in/(out) of Level 3	–	–	–
Gains or losses recognised in net result			
Depreciations	(37,562)	(193,729)	(54,122)
Impairment Loss	–	–	–
Subtotal	(37,562)	(193,729)	(54,122)
Gains or losses recognised in other economic flows – other comprehensive income			
Revaluation	–	–	–
Subtotal	–	–	–
Closing Balance	116,241	348,414	213,702
Unrealised gains/(losses) on non-financial assets	–	–	–

Description of Significant Unobservable Inputs to Level 3 Valuations

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Office Furniture & Equipment	Depreciated Replacement Cost	Cost per unit	\$1,062–\$79,100 per unit (\$11,399 per unit)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life	5–10 Years (7 Years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Computer Equipment	Depreciated Replacement Cost	Cost per unit	\$1,021–\$39,248 per unit (\$2,868 per unit)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life	3 Years (3 Years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Motor Vehicles Leased	Depreciated Replacement Cost	Cost per unit	\$26,784–\$30,577 per unit (\$28,807 per unit)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life	5–6 Years (5 Years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

8 Prepayments

	2014 \$	2013 \$
Prepaid Rent	93,483	97,448
Prepaid Insurance	101,348	–
Total Prepaid Expenses	194,831	97,448

9 Intangibles

Intangibles subsequent to initial recognition are recognised at cost, and reviewed each period for impairment.

Renewable Energy Certificates	2014 \$	2013 \$
Opening Balance as at 1 July	–	2,290,803
Transferred to Non-Financial Assets Held-for-Sale	–	(2,290,803)
Closing Balance as at 30 June	–	–

10 Non-Financial Assets Held-for-Sale

Non-financial assets classified as held-for-sale are measured at the lower of carrying amount and fair value.

Renewable Energy Certificates	2014 \$	2013 \$
Opening Balance as at 1 July	2,290,803	–
Transferred from Intangibles	–	2,290,803
Disposals	(2,290,803)	–
Closing Balance as at 30 June	–	2,290,803

11 Payables

Contractual	2014 \$	2013 \$
Trade Creditors	571,710	258,980
Termination Payments Payable	–	53,509
Accrued Project Grants	2,326,739	899,681
Accrued Expenses	208,525	328,522
Amounts payable to Department of Environment and Primary Industries	–	4,300,000
Amounts payable to other government and agencies	–	580,533
	3,106,974	6,421,225
Statutory		
GST Payable	305,505	128,635
FBT Payable	19,983	15,145
Other Taxes Payable	35,800	7,689
	361,288	151,469
Total Payables	3,468,262	6,572,694

*Refer to Note 24 (b) & (d) – Financial Instruments for nature and extent of risks, and ageing analysis of contractual payables.

Part 7 Notes to the financial statements

12 Provisions

Current Provisions	2014 \$	2013 \$
Employee Benefits (Note 12(a)) ⁽ⁱ⁾		
Annual Leave (Note 12(a));		
Unconditional and expected to settle within 12 months ⁽ⁱⁱ⁾	606,655	601,542
Unconditional and expected to settle after 12 months ⁽ⁱⁱ⁾	313,146	160,087
Long Service Leave (Note 12(a));		
Unconditional and expected to settle within 12 months ⁽ⁱⁱ⁾	672,007	581,851
Unconditional and expected to settle after 12 months ⁽ⁱⁱ⁾	299,860	303,191
	1,891,668	1,646,671
Provisions for on-costs (Note 12(a) and Note 12(b)):		
Unconditional and expected to settle within 12 months ⁽ⁱⁱ⁾	187,717	182,969
Unconditional and expected to settle after 12 months ⁽ⁱⁱ⁾	90,216	71,297
	277,933	254,266
Total Current Provisions	2,169,601	1,900,937
Non-current Provisions		
Employee Benefits (Note 12(a)) ⁽ⁱ⁾	323,465	307,672
On-costs (Note 12(a) and Note 12(b)):	51,087	48,096
Total Non-Current Provisions	374,552	355,768
Total Provisions	2,544,153	2,256,705

(i) Employee benefits consist of annual leave and long service leave accrued by employees. On-costs such as payroll tax and workers' compensation insurance are not employee benefits and are reflected as a separate provision.

(ii) Amounts are measured at present values.

a Employee Benefits and On-Costs⁽ⁱ⁾

Current Employee Benefits	2014 \$	2013 \$
Annual Leave	919,801	761,629
Long Service Leave	971,867	885,042
	1,891,668	1,646,671
Non-Current Employee Benefits		
Long Service Leave	323,465	307,672
Total Employee Benefits	2,215,133	1,954,343
Current On-costs	277,933	254,266
Non-Current On-costs	51,087	48,096
Total On-costs	329,020	302,362
Total Employee Benefits and On-Costs	2,544,153	2,256,705

(i) Employee benefits consist of annual leave and long service leave accrued by employees. On-costs such as payroll tax and workers' compensation insurance are not employee benefits and are reflected as a separate provision.

b Movement in On-costs

	2014 \$
Opening Balance	302,362
Additional provisions recognised	179,203
Additions due to transfer in	3,902
Reductions arising from payments/other sacrifices of future economic benefit	(147,939)
Reductions resulting from re-measurement or settlement without cost	(1,688)
Unwind of discount and effect of changes in the discount rate	54
Reductions due to transfer out	(6,874)
Closing Balance	329,020
Current	277,933
Non-Current	51,087
Total On-Costs	329,020

13 Borrowings⁽ⁱ⁾

	2014 \$	2013 \$
Current Borrowings		
Lease Liabilities	44,291	133,655
Total Current Borrowings	44,291	133,655
Non-Current Borrowings		
Lease Liabilities	171,676	45,857
Total Non-Current Borrowings	171,676	45,857
Total Borrowings	215,967	179,512

(i) Refer to Note 24(b) – Financial instruments for the nature and extent of risks, and maturity analysis of borrowings.

14 Superannuation

Contributions to the defined benefit and accumulation funds incurred and reported in the Comprehensive Operating Statement, and the employer superannuation rates for the current and prior years are as follows:

	2014 \$	2013 \$	2014 % Rate	2013 % Rate
Defined benefit fund				
Emergency Services and State Super Fund	41,205	32,897	17.30	17.60
Accumulation funds				
Australian Ethical Super Fund	30,772	23,244	9.25	9.00
Australian Super	52,364	42,201	9.25	9.00
Hostplus	22,641	27,835	9.25	9.00
Kinetic Super	30,650	15,381	9.25	9.00
UniSuper	35,922	36,186	9.25	9.00
VicSuper	517,694	537,501	9.25	9.00
Vision Super	66,889	53,640	9.25	9.00
Various other accumulation funds	154,609	150,625	9.25	9.00
Total	952,746	919,510		

Superannuation contributions outstanding at 30 June 2014 were \$4,488 (2013: \$4,119).

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

15 Reconciliation of Net Cash Flows from Operating Activities to Net Result

	2014 \$	2013 \$
Net surplus/(deficit) for the year	(8,852,656)	11,774,505
Depreciation	285,413	202,012
Write down of assets	101,139	26,970
Finance lease costs	13,080	11,504
Gain on disposal of assets	(1,823)	(3,426)
Gain on sale of assets held for sale	(391,737)	–
Increase/(Decrease) in employee entitlements	287,448	(258,100)
Decrease in intangibles	–	2,290,803
Increase in non-financial assets held-for-sale	–	(2,290,803)
(Decrease)/Increase in payables	(3,104,432)	3,799,699
Increase in prepayments	(97,383)	(3,705)
Decrease/(Increase) in receivables	1,312,451	(1,942,122)
Net Cash Inflow from Operating Activities	(10,448,500)	13,607,337

16 Operating Lease Commitments

Lease payments for the CBD office accommodation located at Level 28/50 Lonsdale Street is classified as an operating lease, where substantially all the risks and benefits remain with the lessor and are charged as expenses in the periods in which they are incurred. No other operating leases existed at 30 June 2014.

The following commitments have been contracted for by Sustainability Victoria.

	2014 \$	2013 \$
(i) not later than one year	1,021,914	982,610
(ii) later than one year but not later than five years	4,513,102	4,339,521
(iii) later than five years	2,753,260	3,948,755
Total	8,288,276	9,270,886

Part 7 Notes to the financial statements

17 Finance Lease Commitments

A lease asset and liability are established at the present value of minimum lease payments for all motor vehicles leased through VicFleet. 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.

	Minimum future lease payments		Present value of minimum future lease payments	
	2014 \$	2013 \$	2014 \$	2013 \$
(i) not longer than one year	56,344	138,197	44,291	133,655
(ii) longer than one year and not longer than five years	182,915	50,313	171,676	45,857
Minimum future lease payment	239,259	188,510	215,967	179,512
Less: future finance charges	23,292	8,998	–	–
Present value of minimum lease payments	215,967	179,512	215,967	179,512
Included in the financial statements as:				
Current borrowings lease liabilities (Note 13)	–	–	44,291	133,655
Non-current borrowings lease liabilities (Note 13)	–	–	171,676	45,857
Total	–	–	215,967	179,512

18 Committed Expenditure

Financial commitments entered into through 406 contracts by Sustainability Victoria as at the reporting date (229 at 30 June 2013), not included in the Balance Sheet and to be carried forward into the 2014–15 financial year and beyond, are as follows:

	2014 \$	2013 \$
(i) not later than one year – Tied funding	8,706,724	4,630,913
(ii) not later than one year – Other funding	8,607,649	6,088,191
(iii) later than one year but not later than five years – Tied funding	503,552	1,395,020
(iv) later than one year but not later than five years – Other funding	3,909,288	2,802,429
Total Commitments	21,727,213	14,916,553

19 Sustainability Fund

The Sustainability Fund (SF) account forms part of the Environmental Protection Fund, which is managed by the Environment Protection Authority (EPA). EPA credits the SF account with all landfill levy revenue remaining after distributions, to itself, Waste Management Groups and Sustainability Victoria, in accordance with the Environment Protection (Distribution of Landfill Levy) Regulations 2013. Funds in the SF account were allocated by the Premier and the Minister for Environment and Climate Change to projects aimed at best practices in waste management and fostering environmentally sustainable use of resources.

The SF Secretariat, managed by Sustainability Victoria (SV), oversees the management of these projects and receives a management fee for doing so. Except for the management fees, SV accounts for payments to grant recipients and reimbursements from the EPA relating to these projects via its balance sheet.

Payments made to funding recipients totalled \$41,091,802 (2013: \$35,576,269).

Reconciliation of Sustainability Fund Account:

	Total \$
Opening balance 1 July 2013	170,551,134
Share of landfill levies received by the Sustainability Fund	118,423,984
Amounts received from EPA to be paid to funding recipients	(41,091,802)
Secretariat costs incurred by Sustainability Victoria	(650,000)
Closing Balance 30 June 2014	247,233,316
Opening balance 1 July 2012	118,321,147
Share of landfill levies received by the Sustainability Fund	88,606,256
Amounts received from EPA to be paid to funding recipients	(35,576,269)
Secretariat costs incurred by Sustainability Victoria	(800,000)
Closing Balance 30 June 2013	170,551,134

20 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 2013 to 30 June 2014		
Dr Gillian Sparkes, Chair (July 2013 to June 2014)	8	8
Mike Hill, Deputy Chair (July 2013 to February 2014)	5	5
Lydia Wilson, Deputy Chair (from March 2014)	4	3
Cheryl Batagol	8	4
Suzanne Evans	8	8
Tony Hinton	8	7
Ron Lovett	8	8
Ross McCann	8	6

Accountable Officer: Stan Krpan, Chief Executive Officer

The remuneration of the Minister for Environment and Climate Change, Hon. Ryan Smith, is reported in the financial statements of the Department of Premier and Cabinet.

Part 7 Notes to the financial statements

21 Related Party Transactions

The nature and terms and conditions of approved project grants, consulting services, rental agreements and sponsorships between Sustainability Victoria and the Related Parties totalled \$64,848 paid and payable (2013: \$167,342). All transactions with related parties were conducted at arm's length and were the same as for all other grant recipients, consultants, rental agreements and sponsorship recipients. No other related party transactions occurred during the reporting period.

Board member	Role	Details	\$
Suzanne Evans	Risk and Audit Committee Member for the Department of Environment and Primary Industries	Accommodation Licence and Business Services Agreement for 5 Regional Office Locations	64,848
Total			64,848

22 Remuneration

Remuneration of Responsible Persons

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

	Total remuneration 2014 No.	Base remuneration 2014 No.	Total remuneration 2013 No.	Base remuneration 2013 No.
Income band				
0–\$9,999	8	8	7	7
\$270,000–\$279,999	0	1	0	1
\$290,000–\$299,999	0	0	1	0
\$300,000–\$309,999	1	0	0	0
Total numbers	9	9	8	8
Total amount	\$369,179	\$339,300	\$349,248	\$329,555

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.

No contractors were engaged to undertake significant management responsibilities during the reporting period.

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 2014 No.	Base remuneration 2014 No.	Total remuneration 2013 No.	Base remuneration 2013 No.
Income band				
\$110,000–\$119,999	0	0	0	1
\$120,000–\$129,999	0	0	1	0
\$140,000–\$149,999	0	0	1	1
\$150,000–\$159,999	0	0	1	1
\$160,000–\$169,999	2	2	0	0
\$180,000–\$189,999	1	1	0	0
\$190,000–\$199,999	0	0	0	1
\$200,000–\$209,999	0	1	1	0
\$220,000–\$229,999	1	0	0	0
Total numbers	4	4	4	4
Total annualised employee equivalents (AEE)	4.0	4.0	4.0	4.0
Total amount	\$753,674	\$735,224	\$630,432	\$613,122

23 Auditor's Remuneration

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

	2014 \$	2013 \$
Audit fee	25,600	25,575

24 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 that 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-day terms.
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:

As at 30 June 2014

	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
	\$	\$	\$	\$	\$	%
Financial Assets						
Cash Assets	157,178	28,300,000	–	1,600	28,458,778	2.64
Receivables	–	–	–	1,397,526	1,397,526	
Total Financial Assets	157,178	28,300,000	–	1,399,126	29,856,304	
Financial Liabilities						
Payables	–	–	–	3,106,974	3,106,974	
Finance leases	–	44,291	171,676	–	215,967	6.18
Total Financial Liabilities	–	44,291	171,676	3,106,974	3,322,941	

Part 7 Notes to the financial statements

As at 30 June 2013

	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
	\$	\$	\$	\$	\$	%
Financial Assets						
Cash Assets	631,467	36,000,000	–	1,700	36,633,167	2.80
Receivables	–	–	–	1,581,048	1,581,048	
Total Financial Assets	631,467	36,000,000	–	1,582,748	38,214,215	
Financial Liabilities						
Payables	–	–	–	6,421,225	6,421,225	
Finance Leases	–	133,655	45,857	–	179,512	6.62
Total Financial Liabilities	–	133,655	45,857	6,421,225	6,600,737	

(c) Ageing Analysis of Contractual Receivables

2014	Carrying amount	Not past due and not impaired	Past due but not impaired		3 months–1 year
			Less than 1 month	1–3 months	
	\$	\$	\$	\$	\$
Receivables					
Trade Debtors	67,700	62,700	5,000	–	–
Other Debtors	15,233	–	3,246	4,848	7,139
Amounts owing from Victorian Government	1,207,000	1,207,000	–	–	–
Investment and Other Contractual Financial Assets:					
Accrued Interest Income	107,593	107,593	–	–	–
Total	1,397,526	1,377,293	8,246	4,848	7,139
2013					
Receivables					
Trade Debtors	84,888	68,388	16,500	–	–
Other Debtors	17,914	–	3,289	5,295	9,330
Amounts owing from Victorian Government	1,398,327	1,398,327	–	–	–
Investment and Other Contractual Financial Assets:					
Accrued Interest Income	79,919	79,919	–	–	–
Total	1,581,048	1,546,634	19,789	5,295	9,330

(d) Maturity Analysis of Contractual Payables

2014	Carrying amount	Nominal amount	Maturity dates		
			Less than 1 month	1–3 months	3 months–1 year
	\$	\$	\$	\$	\$
Payables:					
Trade Creditors	571,710	571,710	571,710	–	–
Termination Payments Payable	–	–	–	–	–
Accrued Project Grants	2,326,739	2,326,739	2,326,739	–	–
Accrued Expenses	208,525	208,525	208,525	–	–
Amounts Payable to DEPI	–	–	–	–	–
Amounts Payable to other government and agencies	–	–	–	–	–
Total	3,106,974	3,106,974	3,106,974	–	–
2013					
Payables:					
Trade Creditors	258,980	258,980	258,980	–	–
Termination Payments Payable	53,509	53,509	53,509	–	–
Accrued Project Grants	899,681	899,681	899,681	–	–
Accrued Expenses	328,522	328,522	328,522	–	–
Amounts Payable to DEPI	4,300,000	4,300,000	4,300,000	–	–
Amounts Payable to other government and agencies	580,533	580,533	580,533	–	–
Total	6,421,225	6,421,225	6,421,225	–	–

(e) Fair Value

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- Level 1: the fair value of financial instruments with standard terms and conditions and traded in active liquid markets is determined with reference to quoted market prices;
- Level 2: the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3: the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

Sustainability Victoria considers that the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

The following table shows that the fair values of most of the contractual financial assets and liabilities are the same as the carrying amounts.

Part 7 Notes to the financial statements

Comparison between Carrying Amount and Fair Value

	Carrying amount 2014	Fair value 2014	Carrying amount 2013	Fair value 2013
	\$	\$	\$	\$
Contractual Financial Assets				
Cash Assets	28,458,778	28,458,778	36,633,167	36,633,167
Receivables⁽ⁱ⁾				
Trade Debtors	67,700	67,700	84,888	84,888
Other Debtors	15,233	15,233	17,914	17,914
Amounts owing from Victorian Government	1,207,000	1,207,000	1,398,327	1,398,327
Investment and Other Contractual Financial Assets				
Accrued Interest Income	107,593	107,593	79,919	79,919
Total Contractual Financial Assets	29,856,304	29,856,304	38,214,215	38,214,215
Contractual Financial Liabilities				
Payables⁽ⁱ⁾				
Trade Creditors	571,710	571,710	258,980	258,980
Termination Payments Payable	–	–	53,509	53,509
Accrued Project Grants	2,326,739	2,326,739	899,681	899,681
Accrued Expenses	208,525	208,525	328,522	328,522
Amount Payable to DEPI	–	–	4,300,000	4,300,000
Amount Payable to other government and agencies	–	–	580,533	580,533
Other Contractual Financial Liabilities				
Finance Leases	215,967	215,967	179,512	179,512
Total Contractual Financial Liabilities	3,322,941	3,322,941	6,600,737	6,600,737

(i) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government, GST input tax credit recoverable, and GST payables).

25 Contingent Assets/Liabilities

Sustainability Victoria had no contingent assets or liabilities as at the reporting date (2013: \$Nil).

26 Events Occurring after reporting date

Effective 1st July 2014, *The Environment Protection and Sustainability Victoria Amendment Act 2014* (Vic) amends the *Sustainability Victoria Act 2005* (Vic). The Act has passed both the Legislative Assembly and Legislative Council and received Royal Assent on 1st April 2014. The Act sets out to:

- (i) insert a new function for SV to prepare the State Plan and assist in the preparation of Regional Plans;
- (ii) change the functions and membership of SV;
- (iii) change the method for calculating the landfill levy, provides for indexation of the levy and changes the distribution method of levy monies;
- (iv) transfer the management of the Sustainability Fund to DEPI.

27 Glossary of Terms

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.

Commitments

Commitments relate to operating contracted commitments.

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:
 - (i) to receive cash or another financial asset from another entity; or
 - (ii) 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:
 - (i) 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
 - (ii) 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 lease 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.

Part 7 Notes to the financial statements

Sustainability Victoria

Statement by Chairperson, Accountable Officer and Chief Financial 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 Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity and Cash Flow Statement, presents fairly the financial transactions during the year ended 30 June 2014 and the financial position of Sustainability Victoria as at 30 June 2014.

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.

We authorise the attached financial statements for issue on 19 August 2014.



Ross McCann

Deputy Chair

Sustainability Victoria



Stan Krpan

Chief Executive Officer

Sustainability Victoria



Derek Jones

Chief Financial Officer

Sustainability Victoria

Melbourne

19/08/2014

Melbourne

19/08/2014

Melbourne

19/08/2014



Victorian Auditor-General's Office

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Melbourne VIC 3000
Telephone 61 3 8601 7000
Facsimile 61 3 8601 7010
Email comments@audit.vic.gov.au
Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Sustainability Victoria

The Financial Report

The accompanying financial report for the year ended 30 June 2014 of Sustainability Victoria which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by chairperson, accountable officer and chief finance 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, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Board Members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about 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.

Auditing in the Public Interest

Independent Auditor's Report (continued)

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.


Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Sustainability Victoria as at 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of Sustainability Victoria for the year ended 30 June 2014 included both in Sustainability Victoria's annual report and on the website. The Board Members of Sustainability Victoria are responsible for the integrity of Sustainability Victoria's website. I have not been engaged to report on the integrity of Sustainability Victoria's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE
27 August 2014


John Doyle
Auditor-General

Part 8 Legislative compliance

The 2013–14 Annual Report of Sustainability Victoria is prepared in accordance with all relevant Victorian legislation.

Building Act

We do not own or control any government buildings and consequently are exempt from notifying our compliance with the building and maintenance provisions of the *Building Act 1993* (Vic).

Freedom of Information Act

The *Freedom of Information Act 1982* (Vic) gives the public a right of access to documents held by Sustainability Victoria. For the 12 months ending 30 June 2014, we received one request, for which full access was granted. To access documents, you must write to the Freedom of Information Officer. Your request should:

- be in writing
- identify as clearly as possible which document is requested
- be accompanied by the \$26.50 application fee, which may be waived in certain circumstances.

Requests for documents possessed by us should be addressed to:

Mr Derek Jones
Sustainability Victoria
Level 28
50 Lonsdale Street
Melbourne Victoria 3000
Telephone (03) 8626 8700
Facsimile (03) 9663 1007
Email derek.jones@sustainability.vic.gov.au

Requests can also be lodged online at www.foi.vic.gov.au. Access charges may also apply once documents have been processed and a decision on access is made; for example, photocopying and search and retrieval charges.

Further information regarding Freedom of Information can be found at www.foi.vic.gov.au. The following information is available from the Freedom of Information Officer, subject to the Freedom of Information Act:

- a statement declaring that all pecuniary interests have been duly completed by all relevant officers
- details of shares held by senior officers as nominee, or held beneficially in a statutory authority or subsidiary
- details of publications we have produced about our activities, and how you can obtain these. In particular, note that you can subscribe to our email newsletters and alerts, KABV newsletter and Schools News via our website <http://www.sustainability.vic.gov.au/www/html/3620-subscribe.asp>
- details of changes in prices, fees, charges, rates and levies charged by us
- details of any major external reviews of our operations
- details of major research and development activities undertaken by us

- details of overseas visits, including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities we have undertaken to develop community awareness of us and our services
- details of assessments and measures undertaken to improve the occupational health and safety of employees
- a general statement on industrial relations, and details of time lost through industrial accidents and disputes
- a list of major committees, their purposes and achievements.

Information Privacy Act

We collect and use customer information according to our Information Privacy Policy and the *Information Privacy Act 2000* (Vic). In 2013–14, we received no complaints for breaches of privacy. You can get a copy of our Privacy Statement by phoning (03) 8626 8700, by emailing privacy@sustainability.vic.gov.au or by visiting our website at www.sustainability.vic.gov.au.

National Competition Policy

Under the National Competition Policy, the guiding legislative principle is that legislation, including future legislative proposals, should not restrict competition unless it can be demonstrated that:

- the benefits of the restriction to the community as a whole outweigh the costs and
- the objectives of the legislation can only be achieved by restricting competition.

We continue to comply with the requirements of the National Competition Policy.

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete, with the private sector, any advantage arising solely from their government ownership be removed if they are not in the public interest. Government businesses are required to cost and price these services as if they were privately owned and thus be fully cost reflective. Competitive neutrality policy provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

Victorian Industry Participation Policy

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

During 2013–14, Sustainability Victoria did not commence or complete any contracts relevant to VIPP.

Part 8 Legislative compliance

Compliance with the Protected Disclosure Act 2012

The *Protected Disclosure Act 2012* (Vic) (PD Act) enables people to make disclosures about improper conduct by public officers and public bodies. The Act aims to ensure openness and accountability by encouraging people to make disclosures and protecting them when they do.

What is a 'protected disclosure'?

A protected disclosure is a complaint of corrupt or improper conduct by a public officer or a public body. Sustainability Victoria is a 'public body' for the purposes of the Act.

What is 'improper or corrupt conduct'?

Improper or corrupt conduct involves substantial:

- mismanagement of public resources; or
- risk to public health or safety or the environment; or
- corruption.

The conduct must be criminal in nature or a matter for which an officer could be dismissed.

How do I make a protected disclosure?

You can make a protected disclosure about Sustainability Victoria or its board members, officers or employees by contacting IBAC on the contact details provided below. Please note that Sustainability Victoria is not able to receive protected disclosures.

How can I access Sustainability Victoria's procedures for the protection of persons from detrimental action?

Sustainability Victoria has established procedures for the protection of persons from detrimental action in reprisal for making a protected disclosure about Sustainability Victoria or its employees. You can access Sustainability Victoria's procedures on its website at www.sustainability.vic.gov.au.

Contacts

Independent Broad-Based Anti-Corruption Commission (IBAC) Victoria
Address: Level 1, North Tower, 459 Collins Street, Melbourne
Victoria 3000

Mail: IBAC, GPO Box 24234, Melbourne Victoria 3001

Internet: www.ibac.vic.gov.au

Phone: 1300 735 135

Email: see the website above for the secure email disclosure process, which also provides for anonymous disclosures.

Compliance with the Carers Recognition Act 2012

Sustainability Victoria has taken all practical measures to comply with its obligations under the Act. These include:

- Ensuring our staff have an awareness and understanding of the care relationship principles set out in the Act [e.g. developing and implementing a staff awareness strategy about the principles in the Act and what they mean for staff, induction and training programs offered by the organisation include discussion of the Act and the statement of principles therein]; and/or
- Considering the carer relationships principles set out in the Act when setting policies and providing services [e.g. reviewing our employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act].

Part 9 Disclosure index

The 2013–14 Annual Report of Sustainability Victoria is prepared in accordance with all relevant Victorian legislation and pronouncements. This index has been prepared to facilitate identification of SV's compliance with statutory disclosure requirements.

Legislation	Requirement	Page reference
Charter and purpose		
FRE22E	Manner of establishment and the relevant Ministers	4
FRE22E	Objectives, functions, powers and duties	4
FRE22E	Nature and range of services provided	4–6
Management and structure		
FRD22E	Organisational structure	7, 8
Financial and other information		
FRD10	Disclosure index	69, 70
FRD12A	Disclosure of major contracts	34
FRD15B	Executive Officer disclosures	58
FRD 22E, SD 4.2(k)	Operational and budgetary objectives and performance against objectives	4, 9
FRD22E	Employment and conduct principles	32
FRD22E	Occupational health and safety policy	84
FRD22E	Summary of the financial results for the past five years	34
FRD22E	Significant changes in financial position during the year	34
FRD22E	Major changes or factors affecting performance	34
FRD22E	Subsequent events	34
FRD22E	Application and operation of <i>Freedom of Information Act 1982</i> (Vic)	67
FRD22E	Compliance with building and maintenance provisions of <i>Building Act 1993</i> (Vic)	67
FRD22E	Statement on National Competition Policy	67
FRD22E	Application and operation of the <i>Protected Disclosure Act 2012</i> (Vic)	68
FRD22E	Details of consultancies over \$10,000	35–38
FRD22E	Details of consultancies under \$10,000	38
FRD22E	Statement of availability of other information	34
FRD24C	Reporting of office-based environmental data	78–80
FRD25B	Victorian Industry Participation Policy disclosures	67
FRD29	Workforce data disclosures	82
SD 4.5.5	Risk management compliance attestation	99
SD 4.5.5.1	Ministerial Standing Direction 4.5.5.1 compliance attestation	98
SD 4.2 (g)	Specific information requirements	4
SD 4.2 (j)	Sign-off requirements	64

Part 9 Disclosure index

Legislation	Requirement	Page reference
Financial statements required under Part 7 of FMA		
SD 4.2 (a)	Statement of changes in equity	42
SD 4.2 (b)	Operating statement	40
SD 4.2 (b)	Balance sheet	41
SD 4.2 (b)	Cash flow statement	42
Other requirements under Standing Directions 4.2		
SD 4.2 (c)	Compliance with Australian accounting standards and other authoritative pronouncements	43
SD 4.2 (c)	Compliance with Ministerial Directions	57
SD 4.2 (d)	Rounding of amounts	44
SD 4.2 (c)	Accountable officer's declaration	64
SD 4.2 (f)	Compliance with Model Financial Report	43
Other disclosures as required by FRDs in notes to the financial statements		
FRD11A	Disclosure of ex-gratia payments	n/a
FRD 21B	Disclosures of responsible persons, executive officers and other personnel	57, 58
FRD 103E	Non-current physical assets	46
FRD 106	Impairment of assets	46
FRD 109	Intangible assets	46
FRD 110	Cash flow statements	42
FRD 112D	Defined benefit superannuation obligations	47
FRD 114A	Financial instruments – general government entities and public non-financial corporations	48
FRD 119A	Transfers through contributed capital	42
FRD 120H	Accounting and reporting pronouncements applicable to the 2013–14 reporting period	47–48
Legislation		
<i>SV Act 1995 (Vic)</i>		4, 7, 71
<i>Environment Protection Act 1970 (Vic)</i>		7, 71, 72
<i>Environment Protection and Sustainability Victoria Amendment Act 2014 (Vic)</i>		62
<i>Freedom of Information Act 1982 (Vic)</i>		67
<i>Building Act 1983 (Vic)</i>		67
<i>Financial Management Act 1994 (Vic)</i>		43
<i>Victorian Industry Participation Policy Act 2003 (Vic)</i>		67
<i>Protected Disclosure Act 2012 (Vic)</i>		68

Part 10 Landfill levy

The following summary of the way the landfill levy is distributed to SV, EPA, the waste management groups and the Sustainability Fund provides a clearer understanding of where the levy is spent.

Landfill levy receipts and distribution

Victoria charges a levy on each tonne of waste that is disposed of in Victorian landfills. Levies apply to municipal and commercial wastes deposited at licensed facilities in Victoria. The *Environment Protection Act 1970* (Vic) restricts the way in which money derived from landfill levies can be spent. The following outlines how levy money is spent to address resource efficiency and environmental challenges for Victorians.

Revenue raised from landfill levies is held in the Environment Protection Fund. This fund is established under the *Environment Protection Act 1970* (section 70) and is managed by EPA Victoria. Money is directed from the Environment Protection Fund, in accordance with the Environmental Protection Distribution of Landfill Levy Regulations 2010, to the work of Victoria's environment portfolio agencies:

- the Environment Protection Authority (EPA) Victoria, which regulates to protect the state's environment, including waste and resource efficiency, and sets air, water and noise emission limits
- Sustainability Victoria, which implements waste and resource efficiency programs
- the Metropolitan Waste Management Group (now known as Metropolitan Waste and Resource Recovery Group), which coordinates waste management and resource efficiency systems within the Melbourne metropolitan area
- regional waste management groups (now known as regional waste and resource recovery groups), which coordinate waste management and resource efficiency systems within different regional areas of Victoria.

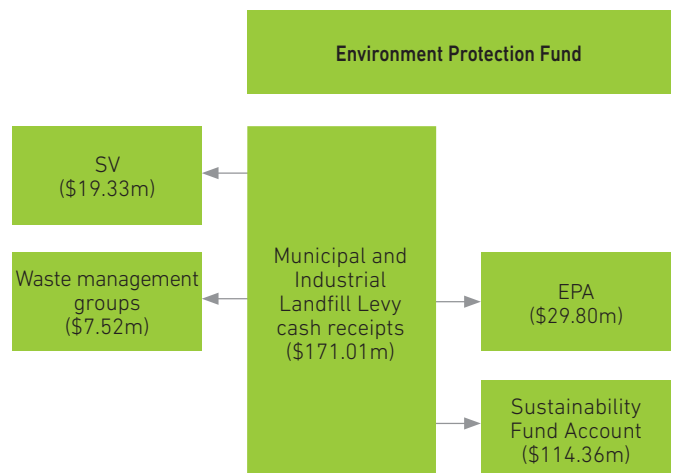
The remainder of the money is then transferred into the Sustainability Fund account, within the Environment Protection Fund, held by the EPA. Sustainability Victoria distributes the Sustainability Fund (see Part 11 of this report) in accordance with allocations approved by the Victorian Premier and Minister for Environment and Climate Change.

In 2013–14, the Environment Protection Fund distributed \$171.01 million from landfill levies. Sustainability Victoria received \$19.33 million, the EPA received \$29.80 million and waste management groups received \$7.52 million. The remaining funds, totalling \$114.36 million, were transferred to the Sustainability Fund account. Figure 1 summarises this distribution.

SV's use of landfill levy revenue

The *Sustainability Victoria Act 2005* (Vic) specifies our objectives and functions, and we outline our annual priorities in our annual business plan. To do our work, we receive revenue from a range of sources, including the landfill levy and other sources for specific programs and purposes. We detail our full income and expenditure statements in Part 6 (annual financial statements) of this report.

Figure 1: Landfill Levy Distributions 2013–14



Part 11 Sustainability Fund

The Sustainability Fund was established under the *Environment Protection Act 1970* (Vic) and is sourced from the Victorian Landfill Levy. The purpose of the fund is to support environmentally sustainable use of resources and best practice in waste management to help the state's social and economic development, and to support community action or innovation on climate adaptation.

The Sustainability Fund is helping Victorians use resources more efficiently and build environmental sustainability into our daily activities.

The Victorian Premier and Minister for Environment and Climate Change approve allocations in accordance with the purposes of the fund as prescribed by the *Environment Protection Act 1970* (Vic). In addition, the premier and minister may seek advice on programs from the Sustainability Fund Advisory Panel.

Sustainability Victoria's statutory obligations under the Environment Protection Act include managing the distribution of the premier and minister's allocations, initiating and delivering programs supported by the Sustainability Fund and supporting the Sustainability Fund Advisory Panel.

The advisory panel is appointed by the Minister for Environment and Climate Change. Its role is prescribed by the Environment Protection Act and includes providing recommendations for funding to the premier and minister, monitoring the progress of projects supported by the fund and providing general advice on the operation of the fund and other matters.

In 2013–14, we committed to:

- managing the Sustainability Fund in line with good governance principles
- distributing Sustainability Fund money in line with the premier and minister's current and new allocations
- monitoring the delivery of funded projects
- providing the Sustainability Fund Advisory Panel with secretarial services, including research, program development and delivery.

Key achievements in 2013–14

In 2013–14, we continued to manage the Sustainability Fund in line with good governance principles. We distributed Sustainability Fund money in line with the premier and minister's current and new allocations, monitored the performance of funded projects, and provided the Sustainability Fund Advisory Panel with secretarial services, including research, program development and delivery.

The government's response to the Ministerial Advisory Committee on Waste and Resource Recovery Governance Reform requires us to transfer administration of the Sustainability Fund to the Department of Environment and Primary Industries at the end of 2014–15. During 2013–14, we worked with the Department of Environment and Primary Industries and the Environment Protection Authority Victoria to prepare for these changes.

Sustainability Fund Advisory Panel

Members of the advisory panel and their attendance at meetings throughout 2013–14 are listed below.

Sustainability Fund Advisory Panel membership	Number of meetings	Attendance
Mick Murphy OAM (Chair)	6	6
Dr Sarah Ewing	6	5
Jan Boynton	6	5
Anne Dalton	6	4
Joanne Anderson	6	6

Appendix 1 Board members

Board members



Dr Gillian Sparkes, PhD, MBA
(Chair until June 30 2014)

Gillian has extensive experience leading organisations at board and business unit level in the private and public sectors. Her strategic vision and collaborative leadership style have delivered successful results for the organisations with which she has worked, and for shareholders and other key stakeholders. Gillian gained three decades of experience working in industries that interface with the environment and community, including in the manufacturing, waste management and water industries, before becoming a senior public servant. This has enabled her to be an effective collaborator, forging strong and productive partnerships between government, industry and community.

In June 2014, Gillian was appointed as Victoria's Commissioner for Environmental Sustainability.

Prior to her appointment as Commissioner, Gillian was the Chair of Sustainability Victoria and a VPS executive. Most recent executive roles were Executive Director, Strategy and External Affairs at the Victorian WorkCover Authority. Prior to that, Gillian was the Deputy Secretary Corporate and Business Services for the Department of Sustainability and Environment. Gillian is currently a member of the Board of ICN Victoria and served as a Director of South Gippsland Water for six years. Gillian holds a PhD in Applied Science (Chemistry) and an MBA, and is a graduate of the Australian Institute of Company Directors.



Lydia Wilson
(board member from
18 December 2013; Deputy Chair
from 1 March 2014; Chair from
1 July 2014)

Lydia is a leadership and management consultant. She has extensive experience as a senior executive, with a local government career spanning over 22 years – of which 13 were at Chief Executive Officer level. She has worked at five Victorian councils and was Chief Executive Officer at Manningham City Council, the City of Yarra and at the Shire of Macedon Ranges, following Director roles at the City of Maroondah and the former City of Collingwood.

Lydia is a graduate of the Australian Institute of Company Directors, a Fellow of the Australian Institute of Management and was a Fellow of Local Government Professionals. She has served on a number of boards over the past 20 years and is a current Board Member of the Lord Mayor's Charitable Foundation, Procurement Australia and Fronditha Care. She was appointed as Chairperson of the Victorian Government's Ministerial Advisory Committee on Waste and Resource Recovery Governance and completed this review in May 2013.



Ross McCann
(Deputy Chair from 1 July 2014)

Ross is currently Chairman of Qenos, the sole manufacturer of polyethylene in Australia. He was formerly Executive Chairman and Chief Executive Officer, Qenos.

Prior to his time at Qenos, Ross was a member of the Executive Committee of WMC Resources, with responsibility for major project management both within Australia and off shore. He began his career with ICI Australia and spent 25 years in management roles in operations, business development, project management and leading business units.

Ross is a former President of the Plastics & Chemicals Industry Association and was Director of the Australian Stem Cell Centre. Ross is the International Vice President of IChemE and was recently appointed to the board of WorkCover Victoria. He is also a member of the EPA advisory board.

In 2010, Ross was inducted into the Victorian Manufacturing Hall of Fame; he was also awarded the 2010 Chemeca Medal. Ross graduated from the University of New South Wales in Chemical Engineering (Hons).

Appendix 1 Board members



Mike Hill Deputy Chair (to 28 February 2014)

Mike has three decades of close involvement with local governments, including serving as a Councillor and Mayor in the municipalities of Brunswick and Moreland. He was the inaugural CEO of the Victorian Local Governance Association and later designed and served as Director of the Victorian Local Sustainability Accord.

Mike has been involved in all of Sustainability Victoria's predecessor organisations, stretching over a 25-year period. He also spent 10 years as foundation Chair of the Moreland Energy Foundation and was the inaugural Chair of ECO-Buy Limited, a Centre for Excellence in Environmental Purchasing. He is Chair of Natural Resources Conservation League and co-director of WestWyck, a company developing an eco-housing project on a former school site in Brunswick West.



Cheryl Batagol

Cheryl is the Chairman of the Environment Protection Authority (EPA) and is the Chair of the Co-operative Research Centre for Water Sensitive Cities. She is a former Chairman of Melbourne Water and board member of City West Water and Southern Rural Water.

Cheryl has 30 years' experience in the waste management industry, including commercial, industrial and trade waste management and treatment. Cheryl served as the former Chairperson of EcoRecycle Victoria from 2003 to 2005.



Suzanne Evans

Suzanne has 30 years' public sector experience in State Treasury, small-business development, agriculture and the water industry, both within the government public policy arena and with retail water corporations.

She is currently also a board member of Austin Health and BioRegional Australia, and a member of the accreditation committee of the Australian and New Zealand Osteopathic Council (ANZOC). Suzanne is an independent member of the Risk and Audit Committee of the Department of Environment and Primary Industries.

A partner in a horticultural business in central Victoria, Suzanne holds a Bachelor of Economics and is a fellow of the Australian Institute of Company Directors and of CPA Australia.



Ron Lovett MAICD

Ron has over 40 years' continuous involvement in the major infrastructure building and construction sectors, working both overseas and throughout Australia, and over 30 years' experience at senior management level in all aspects of project development and financing, including organisational, business leadership and strategic planning roles with Abigroup, one of Australia's largest infrastructure construction services contractors.

Ron also has extensive experience in executive elected position roles in not-for-profit and industry leadership organisations.



Tony Hinton

Tony is a consultant in economic policy and public policy issues. He has extensive public policy experience in Australia and overseas, with a wide-ranging mix of government, financial, commercial and diplomatic responsibilities.

From 2002 to 2007, Tony was a full-time Commissioner at the Productivity Commission, which is the Australian Government's principal review and advisory body on economic reform and regulation. Prior to that, he was Australia's Ambassador to the OECD in Paris, which followed on from a 27-year career in the Australian Treasury.

Appendix 1 Board members

Attendance at SV board meetings in 2013–14

Meetings were held in July, August, October and December 2013 and February, March, May and June 2014. Table 2 shows members' attendance at those meetings.

Table 2: SV board members

Board member	Meetings eligible to attend	Meetings attended
Gillian Sparkes (Chair)	8	8
Mike Hill (Deputy Chair until Feb 2014)	5	5
Cheryl Batagol	8	4
Ross McCann	8	6
Tony Hinton	8	7
Ron Lovett	8	8
Suzanne Evans (Chair)	8	8
Lydia Wilson (Deputy Chair from Feb 2014)	4	3

Audit, Risk and Finance Committee

The Audit, Risk and Finance Committee focuses on risk management, statutory and regulatory compliance, financial management and audit assurance.

In 2013–14, the committee reviewed and monitored:

- financial statements and notes to accounts for 2012–13
- internal audit plan for 2014
- ongoing development and implementation of the risk management framework
- contract management
- compliance with statutory obligations
- information technology general controls and vulnerability testing
- compliance with the Department of Treasury and Finance's Financial Management Compliance Framework at 30 June 2014
- risk attestation compliance at 30 June 2014

The Audit, Risk and Finance Committee comprised two board members in 2013–14: Suzanne Evans (Chair) and Ross McCann. Janice van Reyk and Rob Hogarth were external, independent members of the committee throughout 2013–14. Table 3 shows committee members' meeting attendance.

The Audit, Risk and Finance Committee satisfies the independence criteria according to the Minister for Finance's standing directions. See Appendix 9 for the Board Chair's risk attestation.

Table 3: Audit, Risk and Finance Committee members

Committee member	Meetings held during year	Meetings attended
Suzanne Evans (Chair)	6	6
Ross McCann	6	4
Janice van Reyk	6	6
Robert Hogarth	6	6

People and Culture Committee

The primary role of the People and Culture Committee is to assist the board in fulfilling its corporate governance responsibilities by:

- setting strategic direction and framework for the delivery of the People and Leadership corporate capability
- reviewing effectiveness of people strategies and policies
- ensuring appropriate monitoring and compliance is in place, with requisite reporting to the board.

In 2013–14, the committee:

- endorsed a new health, safety and wellbeing handbook for the organisation
- endorsed our long-term approach to culture measurement and improvement strategies
- endorsed the strategic workforce planning approach
- provided strategic oversight and input into the leadership development program
- reviewed and updated risks identified in the people strategic risk register
- monitored and analysed trends arising from quarterly People and Culture metrics.

The committee comprised two board members in 2013–14: Ron Lovett (Chair) and Cheryl Batagol, and one external member, Jeannette Lang. Table 4 shows committee members' meeting attendance.

Table 4: People and Culture Committee members

Committee member	Meetings held during appointment	Meetings attended
Ron Lovett, Chair	4	4
Cheryl Batagol	4	1
Jeannette Lang	4	4

Performance and Remuneration Committee

The primary role of the Performance and Remuneration Committee is to assist the board in fulfilling its corporate governance responsibilities through:

- Chief Executive Officer recruitment, selection, performance and succession
- executive performance and succession
- monitoring and compliance.

In 2013–14, the committee comprised three board members: Mike Hill (Chair), Gillian Sparkes and Ron Lovett. Table 5 shows committee members' meeting attendance. In 2014, Lydia Wilson replaced departing member Mike Hill as Chair of the Performance and Remuneration Committee.

Table 5: Performance and Remuneration Committee members

Committee member	Meetings held during appointment	Meetings attended
Gillian Sparkes	2	2
Mike Hill	1	1
Ron Lovett	2	2

Keep Australia Beautiful Victoria – Community Advisory Committee

The function of the Community Advisory Committee is to make recommendations and report to the board in relation to the operation of KABV during the term of the Transfer Agreement (the agreement by which KABV Inc. transferred the business and assets of KABV to SV in 2009). The committee is made up of two members directly nominated by KABV Inc., two members appointed by SV (including the Chair of the committee as appointed by the SV board) and two members appointed by SV from waste management groups (metro and regional).

CAC is made up of:
Ron Lovett (Chair, SV board member)
Vera Lubczenko (SV representative)
Kirsty Richards (KABV Inc.)
Dick Gross (KABV Inc.)
Matthew Peake (Gippsland Regional Waste and Resource Recovery Group)
Rob Millard (Metropolitan Regional Waste and Resource Recovery Group)

Mike Hill resigned as Chair of the committee at the February 2013 meeting.

Appendix 2 Our office-based environmental performance

In 2013–14, there was a significant reduction to our electricity use associated with light and power. This was attributed to the upgrade of energy-efficient information technology servers. Our natural gas use was also down compared to 2012–13. As a tenant in a multi-story building, SV does not have direct control over gas usage because natural gas is used in base building utilities and apportioned to SV. The reduction in 2013–14 may have related to climatic factors.

The quantity of waste SV generated in 2013–14 is estimated from direct measurement in the last quarter of 2013–14. It was not possible to compare the 2013–14 results to those of the previous year as our service provider in 2012–13 was unable to accurately weigh the waste we generated.

Paper use reduced significantly, from 6.7 reams per full time equivalent (FTE) staff member in 2012–13 to 5.8 reams per FTE in 2013–14, a result of our continued transition to a paperless office.

Impacts from vehicle transport saw no significant changes from the previous year, with a small reduction in total kilometres travelled. The stronger reduction in kilometres per total head count and FTE is due both to the slight reduction in total kilometres travelled and to an increase in staff numbers. Air travel increased compared to the previous year. This related to program delivery as well as to participation in the Victorian Government's trade missions to India and South East Asia. This contributed to an overall increase to our greenhouse gas emissions.

In 2013–14, emissions from staff commute to and from work increased reported emissions by 27%.

Our environmental performance (initiatives)

Action taken during the year to reduce our environmental impacts includes:

Waste management

Sustainability Victoria's current recycling rate reduced from 96% in 2011–12 to 93% in 2013–14 as a result of increased contamination of the comingled waste stream.

Several key initiatives undertaken to improve waste management included revised bin signage, 'Recyclable of the Week' and 'The Unknown Bin' campaigns, the intention of which was to reduce contaminated waste streams.

Sustainability Victoria reduced the amount of food containers disposed by employees through a vendor arrangement with local businesses, which allowed staff to reuse their containers.

Paper management

The use of the FollowMe Printing system allowed for greater flexibility with controlling waste and assisted with managing the impacts of paper consumption as reflected in the fall in paper use.

Transport

Sustainability Victoria continually encourages staff to engage in sustainable modes of transport through raising awareness with programs such as the Bug a Lugs and Ride to Work Day promotions.

Environmental Aspect ¹	Description	Unit of Measure	2009–10	2010–11	2011–12	2012–13	2013–14
Energy	Office tenant light and power (OTLP) use per THC ²	Megajoules per THC	3,174	3,064	3,608	4,600	3,760
	Office tenant light and power use per FTE ³	Megajoules per FTE	3,416	3,040	3,869	4,868	4,159
	Total Electricity use OTLP	Megajoules	470,688	474,930	494,311	501,358	473,733
	Use per square metre of office space	Megajoules per m ²	248	245	255	258	244
	Total Green Power	%	100%	100%	100%	100%	100%
	Base building apportioned electricity use	Megajoules	408,326	376,040	361,868	343,116	344,962
	Base building apportioned natural gas use ⁴	Megajoules	281,445	336,226	299,419	312,852	264,451
	Total GHG emissions associated with OTLP	Tonnes of CO ₂ -e	0	0	0	0	0
	Total GHG emissions associated with apportioned electricity use	Tonnes of CO ₂ -e	153	143	135	128	126
	Total GHG emissions associated with apportioned gas use	Tonnes of CO ₂ -e	16	18.6	16.5	17.3	15
Paper ⁵	Use per THC	Reams per THC	5.3	6.2	5.5	6.4	5.2
	Use per FTE	Reams per FTE	5.7	6.1	5.9	6.7	5.8
	Recycled content	Percentage total	95%	93%	97%	99%	94%
	Total use	Reams	780	955	759	693	655
	Paper GHG emissions	Tonnes of CO ₂ -e	4	4	3	2	2
Waste ⁶	Generated per THC	Kilograms per THC	51.8	56	57.6	N/A ⁷	57.0
	Generated per FTE	Kilograms per FTE	55.8	54.5	61.7	N/A ⁷	63.0
	Organics per FTE	Kilograms per FTE	13.7	12.9	10.1	8.0	13.9
	Recyclables per FTE	Kilograms per FTE	38.7	40.6	49.1	N/A ⁷	44.7
	Landfill per FTE	Kilograms per FTE	3.3	2	2.6	3.2	4.3
	Organics	Total kg to processor	1,886	2,016	1,286	827	1,589
	Recyclable materials	Total kg to processors	5,349	6,344	6,272	N/A ⁷	5,093
	Landfill	Total kg to landfill	449	360	329	329	494
	Total recycled (incl. organics)	Percentage	94%	96%	96%	N/A ⁷	93%
	Waste GHG emissions	Kilograms	449	368	362	395	593
Water ⁸	Total apportioned water consumption ⁹	Kilolitres	1021	939	777	874	1000.04
	Apportioned water consumption per THC	Kilolitres per THC	N/A	N/A	5.67	8.02	7.94
	Apportioned water consumption per FTE	Kilolitres per FTE	7.41	6.01	6.08	8.49	8.78
Transportation ¹⁰	Energy consumption per THC	Gigajoules per THC	1.32	1.24	2.32	4.58	4.11
	Energy consumption per FTE	Gigajoules per FTE	1.42	1.23	2.5	4.85	4.54
	Total energy consumption	Gigajoules	195.07	192.38	317.49	499.28	517.48
	Total vehicle travel by vehicle type ¹¹	Kilometres	124,977	90,050	167,426	239,469	236,808
	Total associated GHG emissions	Kilograms of CO ₂ -e	13,054	12,874	21,246	33,412	34,630
	GHG emissions/1,000 km travelled	Kilograms of CO ₂ -e	104.5	144	127	140	146
	Staff Travel associated with agency operations per THC	Kilometres per THC	843	1,801	1,222	2197	1879
	Staff Travel associated with agency operations per FTE	Kilometres per FTE	907	1,786	1,311	2325	2079
	Total air travel associated with agency operations	Kilometres	220,028	435,873	220,870	179,405	220,724
	Employees regularly using public transport, cycling or walking to and from work	Percentage	93.0%	88.0%	91.0%	90.3%	89.0%
	Employees regularly using more sustainable modes of transport ¹²	Percentage	32.8%	23.0%	28.0%	26.7%	28.8%

Appendix 2 Our office-based environmental performance

Environmental Aspect ¹	Description	Unit of Measure	2009–10	2010–11	2011–12	2012–13	2013–14
Greenhouse Gas Emissions ^{15,16,17,18}	Total GHG emissions associated with Scope 3 energy use ¹³	Kilograms of CO ₂ -e	0	19,789	20,596	20,890	19,739
	Total GHG emissions associated with vehicle fleet	Kilograms of CO ₂ -e	13,054	12,874	21,246	33,412	34,630
	Total GHG emissions associated with air travel ¹⁴	Kilograms of CO ₂ -e	54,244	113,082	57,388	44,250	75,830
	Total GHG emissions associated with waste disposal	Kilograms of CO ₂ -e	449	368	362	395	593
	Total GHG emissions from staff commute ¹⁹	Kilograms of CO ₂ -e	–	–	–	113,289	120,576
	Total GHG emissions associated with scope of operational activities ²⁰	Kilograms of CO ₂ -e	323,067	488,896	432,342	538,003	559,475

Notes:

- During the First half of FY 2013–14, SV had an average of 441 clients/guest visitors per month (or approximately 20 a day).
- THC = Average Total Head Count as of 30 June 2014, which includes contractors employed at Sustainability Victoria. Our contractors work on-site, using many of the same resources as our employees. Temporary agency employees are not included in THC.
- FTE = Full Time Equivalent staff as of 30 June 2014. Temporary agency employees are not included in FTE.
- Base building apportioned gas consumption is calculated from net lettable area. With SV occupying one floor, our apportioned value is 2.9%.
- One ream is equivalent to 500 sheets of A4 office paper. All paper figures rounded to the nearest tenth.
- Waste figures from one-week-a-month measurements taken throughout 2012–13, which is meant to be within ±10% accuracy. Based on verification advice, in FY2012–13 the GHG factor for waste to landfill was changed to the MSW factor from the C&I factor, resulting in an increase in reported emissions per kilogram.
- Due to issues with measurement of waste and recyclables, data is not available for FY 2012–13. The issue was correcting in Q3 of FY 2013–14. Data for FY 2013–14 is based on measurements taken during Q4 2013–14, which have been annualised.
- Sustainability Victoria has on-site water meters that measure potable and recycled water use within the tenancy. In FY 2013–14, tenancy water use totalled 509 kL of potable and 18 kL of recycled water. However, these figures are not used in water reporting because they exclude Sustainability Victoria's apportioned share of base building water use.
- Total water use figure calculated as an apportioned value (2.9%) based on Net Lettable Area occupied by Sustainability Victoria. Data is based on the 12 months to March 2014 as data is not yet available for Q4 of FY 2013–14. Figures for previous years have been backcast for consistency and comparability. The on-site blackwater treatment plant resumed operation in January 2014 after being offline during FY 2012–13 and the first half of FY 2013–14.
- As of June 2014, vehicle fleet entirely made up of Hybrid Camrys, including five regionally located. Figures exclude a limited amount of interstate/overseas travel and ferry travel.
- Value incorporates staff driving personal vehicles in some instances where fleet vehicles not accessible.
- More sustainable modes of commuting include: cycling, walking and working from home.
- The treatment of GreenPower changed in FY 2010–11, with GreenPower purchasing no longer considered abatement for Scope 3 emissions. While SV purchased 100% GreenPower, remaining Scope 3 associated emissions have been offset through the purchase of an accredited carbon offset product.
- Greenhouse estimations for years prior to FY 2010–11 have been adjusted based on updated formula. In this example, the Radiative Forcing Index has been decreased from 5 in 2010–11 to 1.9 for the RFI factor and 1.09 for Uplift Factor this year. Previous years have been updated using the same factors as in 2011–12.
- In environmental management system language, 'greenhouse gas emissions' is not an Environmental Aspect but rather an Environmental Impact. For convenience it has been left in the Environmental Aspect column for easier illustration.
- Greenhouse gas emission factors based on July 2013 National Greenhouse Accounts factors and EPA Victoria Greenhouse Gas Inventory Management Plan. Emissions from air travel are calculated using EPA Victoria Greenhouse Inventory management Plan, which references DEFRA methodology. Other factors are calculated using ATO, ABS, RACV and V-Line data.
- Emissions from publications are calculated using a methodology developed by The Gaia Partnership using the CO₂ counter technology.
- GHG emissions calculations for water and A/C refrigerant were updated in FY 2013–14. Water emissions changed due to a change in the emissions factor from 2.34 kg/kL to 1.36 kg/kL. If the old factor had been used, emissions from water would be 980 kg higher. Emissions from A/C refrigerant changed due to updated information on refrigerant type and quantity. If the updated data had been used in previous years, emissions in years prior to FY 2013–14 would be 365 kg lower.
- GHG emissions from staff commute to and from work were incorporated beginning in FY 2012–13.
- 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, taxi travel, fleet vehicles for work-based activities, paper and publications consumption, water consumption and staff commuting. A 10% buffer in the purchase of carbon offsets has been incorporated to cover any inaccuracies in calculating the components included within SVs greenhouse inventory boundary.

Appendix 2 Greenhouse gas inventory statement



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INDEPENDENT VERIFICATION STATEMENT Greenhouse Gas Inventory: 2013-14

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

Sustainability Victoria commissioned Net Balance Management Group Pty Ltd (Net Balance) to provide independent verification of the organisation's Greenhouse Gas (GHG) inventory for the period 1 July 2013 to 30 June 2014. Sustainability Victoria was responsible for the preparation of the GHG inventory 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 GHG inventory for the period 1 July 2013 to 30 June 2014, as presented in the organisation's 2013-14 Annual Report. This is achieved through a review of the underlying systems, information and calculations supporting the GHG inventory.

Verification scope and methodology

The verification scope covered Sustainability Victoria's complete GHG inventory, including Scope 1, 2 and 3 emissions, as presented in the 'Our office based environmental performance' section below of this Annual Report. As factors contributing to the inventory, total reported tonnes of GHG emissions related to energy, paper and waste associated with Sustainability Victoria's operations were also within the verification scope.

The verification engagement was undertaken during July and August 2014 against the requirements of the GHG Protocol and the ISO 14064 international standard series for the quantification, validation and verification of greenhouse gas emissions. The verification process involved:

- A review of the GHG inventory contained within the Annual report.
- Sighting calculation methodologies and re-performing calculations to substantiate the GHG inventory claims made within the Annual Report.
- An interview with key personnel responsible for calculating the GHG inventory in order to understand data sources, reliability of data, completeness of data and the basis of key assumptions used in reporting.
- Evaluation of supporting documentary evidence.

Our competency and independence

The verification process was carried out by a team of greenhouse and energy technical specialists. Net Balance was not responsible for the preparation of any part of the GHG inventory. Net Balance confirms that we are not aware of any issue that could impair our objectivity in relation to this engagement.

Our opinion

Based on the verification process and procedures conducted, there is no evidence that the GHG inventory claims made in Sustainability Victoria's Annual Report:

- are not materially correct and are not a fair representation of data and information, and
 - have not been prepared in accordance with accepted standards and practice.
- Any errors identified during the verification process were rectified prior to the Annual Report being published.

On behalf of the verification team
26 August 2014
Melbourne, Australia

Terence Jeyaretnam, FIEAust
Director, Net Balance, Lead CSAP (AccountAbility UK)

Appendix 3 Our workforce

In 2013–14, SV employed 110.7 full-time equivalent (FTE) staff, compared with 105.7 in 2012–13. See below for data on workforce composition, average salaries by gender and Victorian Public Service (VPS) classification.

Our workforce¹

	2014	2013	2012	2011	2010
	110.7	105.7	113	143	138

June 2013–June 2014

	Ongoing employees ¹			Fixed-term and casual employees	
	Employees (headcount)	Full-time (headcount)	Part-time (headcount)	FTE ²	FTE ²
June 2013	95	78	17	87.9	17.8
June 2014	95	70	25	88.80	21.90

	2014			2013		
	Ongoing ¹		Fixed-term and casual employees	Ongoing ¹		Fixed-term and casual employees
	Employees (headcount)	FTE ²	FTE ²	Employees (headcount)	FTE ²	FTE ²
Gender						
Male	42	41.8	6.90	40	39.4	6
Female	53	47	15.0	55	48.5	11.8
Total Age						
Under 25	0	0	0	0	0	0
25–34	15	14.8	10.0	20	19.8	5.8
35–44	42	37.8	9.90	36	31.3	8
45–54	23	21.8	1	22	20.8	1
55–64	14	13.4	1	15	14.4	3
Over 64	1	1	0	2	1.6	0
Total Classification						
VPS 1	0	0	0	0	0	0
VPS 2	0	0	0	0	0	0
VPS 3	3	3	1	5	5	2
VPS 4	33	29.6	10.0	33	29.2	2
VPS 5	38	35.8	8.90	38	34.7	10.8
VPS 6	16	15.40	2	14	14	3
STS	0	0	0	0	0	0
Executive	5	5	0	5	5	0
Total	90	88.80	21.90	95	87.9	17.8

Notes:

1. Ongoing employees includes people engaged in 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.
2. 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 4 Our executive officers

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

SV employed four EO's in 2013–14. Responsible for ongoing functions or outputs, all executive positions are classified as fixed term and ongoing.

Breakdown of executive officers into gender

Class	Ongoing				
	Male		Female		Vacancies
	Number	Variation ¹	Number	Variation ¹	Number
EO-1	0	0	0	0	0
EO-2	1	0	0	0	0
EO-3	2	0	2	0	0
Total	3	0	2	0	0

No Variation from previous reporting period.

In 2013-14 SV launched our Diversity Inclusion Plan which outlines priorities and activities for 2014-16 across the following areas:

- Diversity of thought
- Persons with a disability
- Indigenous Australians
- Gender in our workforce
- Culturally and linguistically diverse communities
- Young people
- Mature Aged Employees

In 2013-14 SV's Melbourne office facilities were upgraded allowing full disabled access to our building. SV information was made accessible to relevant stakeholders through a variety of formats where appropriate to ensure inclusive practices. We recruited diversity officers who will be provided with specialised training to provide support and advice to SV staff on diversity issues. We worked closely with our portfolio partners to promote and celebrate diversity through health safety and wellbeing themes, events and operational practices. Our leadership program and culture improvement strategies included a focus on diversity to ensure these issues are top of mind for SV staff.

Appendix 5 Health, safety and wellbeing statement

Health, Safety and Wellbeing Policy statement

Sustainability Victoria (SV) is an agency of the Victorian Government enacted to drive integrated waste management and resource efficiency in Victoria. Our people are fundamental to our success; we strive to integrate health, safety and wellbeing into all aspects of our activities to provide our employees with a positive, healthy and safe working environment.

Our board, CEO, directors and leaders are committed to providing and promoting a healthy workplace and safe systems of work.

Health, safety and wellbeing is an integral part of business within SV and is the responsibility of every employee. SV recognises that the involvement of everyone is essential in establishing and maintaining positive, healthy and safe working environments and procedures.

Sustainability Victoria is committed to ensuring that our employees leave the workplace in the same condition or better as when they arrived, with a focus on zero harm. SV will lead and engage our people with supportive, evidence-based health, safety and wellbeing programs by:

- establishing and supporting a trusting and encouraging culture where health, safety and wellbeing is a primary consideration in everything we do and how we do it;
- developing capabilities in first-class health, safety and wellbeing, giving employees the confidence and skills to proactively recognise and respond to health, safety and wellbeing issues and risks beyond the workplace and SV;
- complying with relevant health and safety legislation and other requirements placed upon Sustainability Victoria or to which we subscribe;
- promoting and maximising the importance of workplace wellbeing with recognition and practical intervention strategies to proactively respond to psychological health risks;
- ensuring consistency and effective risk management with the nature of workplace activities and scale of health, safety and wellbeing risks;
- establishing measurable objectives and targets for health, safety and wellbeing to ensure continuous improvement aimed at elimination of work-related illness and injury;
- providing appropriate health, safety and wellbeing training to all employees;
- consulting to ensure all employees are included in the decision-making processes impacting on health, safety and wellbeing;
- disseminating health, safety and wellbeing information to all employees, contractors, labour hire employees and visitors to the workplace;
- effectively implementing health, safety and wellbeing procedures at all SV work sites

All employees are required to:

- take reasonable care – of which they are capable for their own health, safety and wellbeing and that of others who may be affected by their actions (or lack of actions) at work;
- cooperate with Sustainability Victoria's efforts to meet its responsibilities by following the systems and procedures of work necessary for safe and healthy operations and participating in all appropriate training;
- support workplace wellbeing and mental health through raising risk factors or issues to emphasise a positive and safe work environment
- work safely and observe all OH&S procedures and safe work instructions
- report hazards, risks, incidents, near misses and OH&S concerns of which they are aware.

Sustainability Victoria recognises that these policy objectives can best be achieved through effective consultation, communication and cooperation between all employees, working together.

We will actively monitor and review our performance to ensure that we succeed in meeting our health, safety and wellbeing objectives, and as far as possible mitigate potential health, safety and wellbeing risk.

We encourage all employees to be aware and take care of their health, safety and wellbeing at SV and beyond.

Stan Krpan
Chief Executive Officer

Effective Date: March 2013

Appendix 6 Health, safety and wellbeing performance

In 2013–14, we recorded:

- no formal written complaints
- no equal opportunity, bullying or harassment complaints
- 1.4 days of lost time due to injury
- no worker's injury claims
- absenteeism (average days lost) of 7.6 days per employee
- an average of 23.6 training hours per employee
- a decrease in staff turnover to 13% (from 13.6% in 2012–13).

Performance against health, safety and wellbeing (HS&W) management measures

Measure	KPI	2013–14	2012–13	2011–12
Incidents	Number of incidents	5	13	8
	Rate per 100 FTE	6	7.10	7.20
	Average time lost per occurrence (days)	0	0.4	0
Claims	Number of standard claims ¹	0	2	0
Management commitment	Evidence of OH&S policy statement, OH&S objectives, regular reporting to senior management of OH&S, and OH&S plans.	Completed	Completed	Completed
Risk management	Percentage of internal audits/inspections conducted as planned.	100%	100%	100%

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

Appendix 7 Sustainability Fund allocations

Sustainability Fund allocations 2013–14

New commitments made from the Sustainability Fund

Organisation	Program	Funding support \$
Department of Environment and Primary Industries	Getting full value: Victoria's Waste and Resource Recovery Policy	12,000,000
Department of Environment and Primary Industries	Environmental Partnerships: Supporting Native Vegetation and Threatened Species	12,000,000
Department of Environment and Primary Industries	A Cleaner Yarra River and Port Phillip Bay	6,515,000
Department of Transport, Planning and Local Infrastructure	Local Government Reform Strategy	2,700,000
Environment Protection Authority Victoria	Bunting Road Brooklyn, Road Sealing Project	900,000

New allocations made under existing Sustainability Fund Support Programs

Overseen by the Department of Environment and Primary Industries

Funding Program: Victorian Adaptation and Sustainability Partnerships

Competitive Category

Organisation	Program	Funding support \$
Alpine Shire	Communities Adapting to Climate Change: Building resilience to overcome hazards	100,000
Boroondara City	Bushland and Urban Biodiversity Management in a Changing Climate P.II	73,000
Casey City	Local Government Climate Change – Financial Risk Adaptation Planning (FRAP) Process	200,000
Colac Otway Shire	Climate Resilient Communities Great South Coast – Phase Three Action Implementation	200,000
Colac Otway Shire	Climate Resilient Communities G21 Region – Phase Three Action Implementation	200,000
Darebin City	Adaptation Mechanisms for Vulnerable Low Income and Rental Households	85,000

Organisation	Program	Funding support \$
East Gippsland Shire	Climate Risk and Resilience Information Provision for Property Buyers	80,000
East Gippsland Shire	Concept design for Coastal Flooding Adaptation – Progress and Demonstrate Implementation	80,000
Greater Geelong City	Understanding Support Context for Embedding Climate Change Adaptation in Councils	200,000
Greater Geelong City	Heatwaves and Social Vulnerability	150,000
Greater Geelong City	Bellarine Peninsula and Corio Bay – Coastal Climate Change Risk Assessment	175,000
Hepburn Shire	Listening to the Land; Looking to the Future	200,000
Hume City	Heatwave Help for Hume Home Care Clients	100,000
Maroondah City	Climate Change Adaptation Roadmap for Decision Makers in Melbourne's East	100,000
Melbourne City	Assessing the Economic Value of Green Infrastructure	200,000
Moira Shire	Climate-Smart Agricultural Development in the Goulburn – Broken Region	200,000
Mornington Peninsula Shire	Are You Ready?	200,000
Port Phillip City	Plan for Port Phillip Bay – A Regional Coastal Adaptation Framework	200,000
South Gippsland Shire	Agricultural Resilience and Shared Climate Change Opportunities in Southern Gippsland	86,093
Southern Grampians Shire	Enabling Adaptation Action for Vulnerable Rural Persons	67,760
Wangaratta Rural City	Resilient Community Facilities	200,000
West Wimmera Shire	Building Resilience in Farming Communities and Agri-business	200,000
Whittlesea City	NAGA Climate Change Adaptation – Integrated Regional Vulnerability Assessment	150,000
Wyndham City	'How Well Are We Adapting'	200,000

New allocations made under existing Sustainability Fund Support Programs

Overseen by the Department of Environment and Primary Industries

Funding Program: Victorian Adaptation and Sustainability Partnerships

Non-Competitive Category

Organisation	Program	Funding support \$
Alpine Shire	REC-Less – Less Water, Less Often, More Resilient Open Spaces	80,000
Central Goldfields Shire	Resilient Community Assets	240,000
Colac Otway Shire	Embedding Climate Adaptation in Colac Otway Projects, Programmes and Processes	40,000
Corangamite Shire	Corangamite Shire Climate Risk Management Program	40,000
East Gippsland Shire	Integrating Climatic Impacts into Local Government Processes Across Gippsland	200,000
Glenelg Shire	Roadside Biodiversity Value Mapping for Bushfire Risk Roadsides	40,000
Golden Plains Shire	Building Adaptive Capacity on Roadsides	40,000
Indigo Shire	Climate Change Adaptation Action Plans	120,000
Moirra Shire	Virtual Renewable Power Stations	80,000
Moyne Shire	Moyne Shire Coastal Hazard Climate Change Adaptation Plan	40,000
Northern Grampians Shire	Supporting Change and Adaptation in Northern Grampians Shire	40,000
Queenscliffe Borough	Community Action on Climate Change in Queenscliff and Point Lonsdale	21,000
Southern Grampians Shire	Understanding and Adapting Land Use Capability Under a Changing Climate	40,000
Surf Coast Shire	Climate Risk and Adaptation Planning	80,000
Wangaratta Rural City	Place and Issue Based Community Capacity Building	40,000

New allocations made under existing Sustainability Fund Support Programs

Overseen by the Department of Environment and Primary Industries

Funding Program: A Cleaner Yarra River and Port Phillip Bay

Organisation	Program	Funding support \$
Peninsula Zero Waste (Mornington Peninsula Regional Waste Management Group)	A Clean Port Phillip Bay Foreshore is in Your Hands	7,000
City of Port Phillip and Port Phillip EcoCentre	Clean Beach Coalition	14,000
Bayside City Council	Review of Litter Impacts on Our Beaches and Adjacent Open Space Area	12,000
City of Kingston	Upstream to Outfall, Let's Take Out the Trash	9,000
Hobsons Bay City Council	Hobson Bay Cigarette Litter Reduction	5,000
Dolphin Research Institute (DRI)	I Sea I Care Marine Ambassadors Program	13,500
City of Melbourne	Litter Prevention Program	10,500
City of Yarra	Building Behaviour to Target Litter in Fitzroy	10,500
Manningham City Council	Getting Up Close with Your Local Waterways	13,300
City of Darebin	Spring Clean Preston	9,200

Appendix 7 Sustainability Fund allocations

New allocations made under existing Sustainability Fund Support Programs

Overseen by Department of Environment and Primary Industries

Funding Program: Communities for Nature

Grants Program – Round 3

Organisation	Program	Funding support \$
Latrobe Catchment Landcare Network	Protecting biodiversity of Gippsland Red Gum Grassy Woodland through community action	300,000
Newham & District Landcare Group	Progressing the Campaspe-Maribyrnong Headwaters Biolink	157,500
Meerlieu Reserves Committee	Bandi-link: Bandicoot, Orchid and River Link Recovery	278,080
Cornish Hill Committee of Management Inc.	Weed management, revegetation and enhanced community use of the Cornish Hill Historic Reserve, Daylesford	49,654
East Gippsland Landcare Network Inc.	The Care Groups taking practical action to enhance and protect our local environment	299,500
Surf Coast and Inland Plains Network	Bush to Beach Biolink Stage 4 – Enhancing Habitat Resilience and Connectivity on the Surf Coast and Inland Plains	294,650
Upper Campaspe Landcare Network	Campaspe River protection and enhancement, Ashbourne	57,800
Broken Boosey Conservation Management Network	Practical Parrot Action – Supporting the community to conserve the Turquoise Parrot in the Broken Boosey Conservation Management Network region	295,620
Upper Barwon Landcare Network	Enhancing and connecting biodiversity along the Barwon River corridor between Winchelsea and Inverleigh	150,000
Wurundjeri Tribe Land Compensation & Cultural Heritage Council Inc.	Enhancing the Yarra River and neighbouring native vegetation around a significant Aboriginal cultural site	189,050
Friends of Organ Pipes National Park	Planting the Pipes – A Junior Landcare Partnership	14,896
Friends of Organ Pipes National Park	Planting the Pipes – A Junior Landcare Partnership	15,380
Yelta Landcare Group Inc.	Yelta Landcare Group Prickly pear and African boxthorn control project	36,045
Manton & Stony Creeks Landcare Group	Red Hill Community Reserve	148,925
Euroa Arboretum Inc.	Enhancing and educating about Grassy Woodlands across north east Victoria	148,900
Longwood Plains Conservation Management Network	An integrated approach to habitat protection, enhancement and management for threatened species	151,571

Organisation	Program	Funding support \$
Friends of Merri Creek Inc.	Reflection and Rejuvenation at Merri Park: Summer Loving	159,598
Connecting Country (Mount Alexander Region) Inc.	Securing Threatened Woodland Birds in the Mount Alexander Shire – Stage 1	300,000
Weering Eurack Landcare Group	Community action to reduce threats to Lake Cundare	16,900
Harcourt Valley Landcare Group Inc.	Barkers Creek Clean-up Project – Phase 2	86,108
Campaspe River & Land Management Group (Campaspe River Friends)	Preservation of an endangered native shrub <i>Discaria Pubescens</i> and restoration of its immediate habitat to encourage natural regeneration	10,000
Lake Tyers Coast Action Inc.	Lake Tyers Beach Vegetation Health Assessment and Onground Action	9,510
Upper Goulburn Landcare Network	UGLN Woody Weed Control project	10,000
Brunswick Montessori Children's House Inc. Junior Landcare Group	Children's House External Learning Environment: Land Revegetation and Biodiversity Project	9,197
St Mary's Primary School	St Mary's New Block	9,000
Field and Game Australia Orbst Branch	Lake Watt Watt and Curlip fox control program	2,508
Friends of Bell Street Reserve	Environmental restoration of Riparian Forest at Bell Street Reserve	16,515
Frayne College	Frayne College Baranduda Community Nature Trail	10,000
Clematis Park Committee of Management Inc.	Clematis Park Weed Eradication	4,500
Point Smythe Co-operative Ltd	Point Smythe Co-operative Coast Banksia Woodland Restoration Project	4,693
Carlisle River Community Group	Carlisle River Reserve Rehabilitation Project	7,555
Notting Hill Community Association	Notting Hill revegetation project	9,528
Friends of Flinders Coastline Inc.	Coastal Flinders Restoration Project	19,284
Monbulk Landcare Group	Rehabilitation of #9 Holden Rd	10,000
Torquay Landcare	Ocean Acres Nature Reserve Understorey Revegetation	7,480
Garden and Grounds Committee in conjunction with the Sustainability Team	Remnant Reserve	4,000

Organisation	Program	Funding support \$
Corinella Foreshore Committee of Management Inc.	Pest Eradication on the Corinella Foreshore Reserve	13,800
Dargo Landcare Group Inc.	Four Creeks Care # 2	10,000
The Friends of the Marysville Walks	Narbethong Holly Control Project	10,000
Knox Park Primary School	Knox Park Primary School Tree Preservation and Revegetation	9,664
Mange Management Inc.	Humane treatment of sarcoptic mange for wombats in South Gippsland	14,114
Geelong Environment Council Inc. (G.E.C.)	Moorabool River restoration at Fyansford	9,955
Northern Bendigo Landcare Group	Northern Bendigo Landcare Group	8,200
Bittern Bushland Preservation Association	Enhancing the habitat of rare and endangered orchids in Crib Point	15,520
Friends of Chiltern Mt Pilot National Park Inc.	Restoration of habitat and mining relics in Rutherglen Natural Features Reserve	9,660
Harmers Haven Resident & Ratepayers Group (HHRRG) — Friends of Harmers Haven (FoHH)	Enhancing resilience and biodiversity of coastal flora and fauna at Harmers Haven	10,000
Southern Otway Landcare Network	Community-based seed collection in the Southern Otways	19,425
Strathewen Landcare Group	Strathewen Community Protection of Agriculture and Biodiversity Assets from Emerging Invasive Weeds	9,000
Friends of the Plenty River Walk	Restoration of the Plenty River Walk	20,000
Friends of Campbells Creek Landcare Group	Enhancing Campbells Creek	9,950
Langley Primary School	Habitat for Tuans	6,030
Treetops Scout Camp and Activity Centre – Management Committee	Treetops Revegetation and Weed Control	9,574
Batesford/ Fyansford/ Stonehaven Landcare Inc.	Restoration of The Dog Rocks Flora & Fauna Sanctuary	20,000
Woodleigh School, Minimbah campus	Bringing the classroom to the reserve	9,997
Far West Friends of the Hooded Plover	Hooded Plover Breeding Support Project	4,900

Organisation	Program	Funding support \$
Nulla Vale Pyalong West Landcare Group Inc.	Nulla Vale Indigenous Seed Orchard	13,284
Community Association of Halls Gap Inc. (previous name was Halls Gap Progress and Tourist Association Inc.)	Halls Gap Botanic Gardens Improvements	3,905
Wattle Flat Pootilla Landcare Group	Biodiversity Enhancement on the Upper Yarrowee River (Phase 4)	10,863
Landsborough Landcare Group	Landsborough weed control	9,621
Silverleaves Conservation Association Inc.	Protection and Enhancement of Coast Banksia Woodland and Hooded Plover Habitat at Silverleaves	9,940
Friends of the Royal Botanic Gardens Cranbourne	Habitat protection for the Southern Brown Bandicoot	20,000
Greta Valley Landcare Group	Bush, Birds & Boxes – A Community Engagement Project	13,370
Friends of Mt Lawson	Mt Lawson Kurrajongs Revegetation	9,950
The Snake Valley Land Protection Group	Recovering after gorse – Snake Valley fight to reclaim biodiversity	4,700
Wimmera River Improvement Committee	Burnt Creek Waterway Enhancement Project	10,000
Southern Otway Landcare Network	Sands Road Biolink and Dinosaur Cove Gravel Pit Remediation	15,900
Wodonga Local Sustainability Education Network	Creating sustainable ecosystems and stewardship in Wodonga's schools	20,000
St Thomas More Primary School	Exploring Environmental Education with St Thomas More Primary School	20,000
Tylden Landcare Group	Weed control; Propagation; Revegetation of Little Coliban River	20,000
Friends of Yarramie Reserve	Friends of Yarramie Reserve – Connecting with Community	20,000
Friends of the Maribyrnong Valley Incorporated	Maribyrnong Valley Parklands Serrated Tussock/Chilean Needle Grass Control Stage 3	8,800
Friends of Werribee River through Bacchus Marsh	Friends of Werribee River through Bacchus Marsh 2013–2015 project	9,970
Tambo Bluff Landcare Group (member group of the Farm Tree and Landcare Association Inc. A011936S)	Tambo Bluff Habitat Corridor	8,669

Appendix 7 Sustainability Fund allocations

Organisation	Program	Funding support \$
Port Campbell Public Purposes Reserve	Port Campbell Bio Links	17,950
Falls Creek Primary School	Falls Creek Primary School Alpine Bog Rehabilitation	10,000
Koonoomoo Improvement Group Inc.	Tornado Revegetation and Species Recovery	10,000
Bendigo South East College	Dam Weeds & Revegetation	10,000
Cowwarr Landcare Group	Revegetation along Rices Lane	4,420
Longlea and District Landcare Group	Longlea Recreation Reserve Revegetation Project	6,330
Western Port Secondary College Year 9 program	Year 9 Environmental Project	10,000
Axe Creek Landcare Group	Axe Creek Catchment and Landcare Nest Box Project	6,800
Friends of Tarra Bulga National Park Inc.	Mountain Ash Recovery in Tarra Bulga	7,831
Post Office Hill Action Group (POHAG)	Old Post Office Hill Restoration – The Next Stage	9,240
Moorabool Catchment Landcare Group	Controlling woody weeds in the upper Moorabool River catchment	9,990
Friends of Mt Worth State Park	Primary Schools Revegetation and Remnant Project	4,115
Woodleigh School Field Gnats and Friends of Brian Henderson Wildlife Reserve	Improving the Biodiversity of the Brian Henderson Wildlife Reserve	10,000
Upper Barwon Landcare Network	Birregurra Bush Garden	9,875
Newlands Arm Residents & Ratepayers Association Inc. (NARRA)	Newlands Arm Community Centre Revegetation Project	18,076
Flinders Christian Community College	FCCC Biodiversity Blitz	19,940
Toomuc Landcare	Fox control in the R.J. Chambers Flora and Fauna Reserve	8,250
Balnarring Foreshore & Parks Reserve Committee of Management Inc.	Restoration of Balnarring Beach	9,888
Tarragal Landcare	Terminating Threats to Trewalla	4,825

Organisation	Program	Funding support \$
Sedgwick Public Hall, Recreation & Conservation Reserve Committee of Management Inc.	Sedgwick Reserve Weed and Pest Control Project	3,800
Glenorchy Improvement Group	Wimmera River weed control & revegetation project	6,644
Balcombe Estuary Reserves Group Mt Martha Inc. or BERG Mt Martha	Upper Citation Woodland Restoration (Zone 12A) Mt Martha	9,742
Tyabb Primary School	Olivers Creek – Reconnect & Rescue	19,930
Burke Rd Billabong Committee of Management Inc.	Burke Road Billabong Reserve: Enhancing woodland habitat	9,250
Christmas Hills Landcare Group	Woody weed control to improve the habitat quality of remnant vegetation in Christmas Hills – Stage 4	9,185
Warrnambool Coastcare Landcare Group	Penguins and People – Protection and Improvement of the Thunder Point Coastal Reserve	16,760
Friends of Ralph Illidge Sanctuary Inc.	Ralph Illidge Sanctuary Blackberry and Ragwort Control Project	1,500
Nature Glenelg Trust	Reducing the impact of artificial drainage on Long Swamp, Discovery Bay Coastal Park	20,000
Marine Care Point Cooke	Assessing the effectiveness of removals of Undaria pinnatifida at Point Cooke Marine Sanctuary	4,649
Yinnar South Primary School	Growing for Our Future	2,000
Upper Hopkins Land Management Group	Increasing biodiversity on farmland in the Upper Hopkins	8,400
Colac Lions Club Incorporated International	Colac Lions Club Barongarook Creek and Wetlands Rehabilitation and Protection Project	10,000
Longwood East Landcare Group	Longwood Links: providing habitat for wildlife and close encounters for the community	13,209
Stanley Landcare Group	Demonstration Trial of the Eco Blade System for Woody Weed Control	9,870
Port Fairy to Warrnambool Rail Trail Committee Incorporated	Port Fairy Warrnambool Rail Trail Weed Control	9,000
Jan Juc Coast Action Group	Enhancing two state significant flora populations on the Jan Juc cliffs	9,000

Organisation	Program	Funding support \$
Friends of Werribee Gorge & Long Forest Mallee Inc.	Long Forest Rocky Chenopod Escarpment Enhancement	9,900
Nicholson River Landcare Inc.	Reduction of pest animal impacts on remnant vegetation through a program of rabbit monitoring, control and community education	14,922
Seaton Reserve Committee of Management	Habitat Preservation of Seaton Flora Reserve	7,870
Strathbogie Ranges Conservation Management Network	Saving Striped Legless Lizards in the Upper Goulburn Catchment	10,000
Eagle Point Paynesville Landcare Coastcare Group	Ah Yee Project – Blackberry Removal	2,973
Darebin Parklands Association	Revegetation of Mount Buffalo (south parklands) and Snake Grass area indigenous garden (north parklands)	3,560
Blackburn Creeklands Advisory Committee (BCAC)	Intensive Revegetation in the Blackburn Creeklands for Enhancing Biodiversity and Amenity	5,910

New allocations made under existing Sustainability Fund Support Programs

Overseen by Sustainability Victoria

Funding Program: Regional Waste Management Groups Support Package

Regional Waste Management Group (RWMG)	Program	Funding support \$
Barwon	Garage Sale Trail	42,500
Barwon	Get it Right on Bin Night (GIROBN) Support	82,500
Calder	Infrastructure Upgrades	125,000
Central Murray	Consistent Data Collection	15,000
Central Murray	Food Avoidance and Home Composting	15,000
Central Murray	Infrastructure Upgrades	55,000
Central Murray	Organics Solutions	40,000
Desert Fringe	Transfer Station Redesign	125,000
Gippsland	Gippsland Landfill & Transfer Station – Integrated Cost Modelling	100,000
Gippsland	Regional Landfill Rehabilitation Plan – Phase II – Cost Estimate	25,000
Goulburn Valley	Get it Right on Bin Night (GIROBN) Support	17,000
Goulburn Valley	Organics Biosecurity Investigation	27,000
Goulburn Valley	Goulburn Valley Resource Recovery Infrastructure Strategy	45,250
Goulburn Valley	Murrundindi and Mitchell Shire Organic Options Assessment	35,750
Grampians	Infrastructure Upgrades	35,000
Grampians	Kerbside Audits	40,000
Grampians	Regional Organics Project	22,000
Grampians	Get it Right on Bin Night (GIROBN) Smart Resources	28,000
Highlands	Garage Sale Trail	27,000
Highlands	Transfer Station Waste to Energy pilot project	98,000
Mildura	Consistent Data Project	17,000
Mildura	Scoping study for SME Waste Flows proposal	25,000

Appendix 7 Sustainability Fund allocations

Regional Waste Management Group (RWMG)	Program	Funding support \$
Mildura	Mildura Landfill Infrastructure Upgrades	83,000
Mornington Peninsula	Resource Recovery Centre Upgrades	90,000
Mornington Peninsula	Know Your Waste, Reduce Your Waste Program	35,000
North East	Implementation of Recommendations from Resource Recovery Centre Investigation	58,000
North East	Get it Right on Bin Night (GIROBN)	22,000
North East	North East Region Future Landfill Options Study	45,000
South West	Get it Right on Bin Night (GIROBN)	25,000
South West	Landfill Cost Recovery – Licenced Landfill Analysis	25,000
South West	Standard Signage – Regional Resource Recovery Centres	20,000
South West	Kerbside Audits	55,000

New allocations made under existing Sustainability Fund Support Programs

Overseen by Sustainability Victoria

Funding Program: Driving Investment for New Recycling (DINR) – Round 2

Organisation	Program	Funding support \$
Action Recovery and Recycling	Action Recovery and Recycling Brooklyn Material Recovery Facility	500,000
Alex Fraser Group	Increasing the Use of Recycled Glass in Civil Construction Materials	54,845
Sita Australia	SITA Geelong Heales Road Resource Recovery Facility	265,000
Tyrecycle	Tyrecycle Capacity Expansion Program (TCEP)	500,000
Visy Recycling	Coolaroo MRF – C&I Waste Project	500,000
Waste Converters	Upgrade of Waste Converters Recycling Facility	500,000
Western Composting Technology	WCT Contaminant Removal and Product Refinement	174,600

New allocations made under existing Sustainability Fund Support Programs

Overseen by Sustainability Victoria

Funding Program: Building Victoria's Organics Recovery

Organisation	Program	Funding support \$
Greater Geelong City Council	Establishment of an organics composting facility	500,000
Greater Bendigo City Council	Introduction of a kerbside organics collection service	500,000
Ballarat City Council	Introduction of a kerbside organics collection service	500,000

New allocations made under existing Sustainability Fund Support Programs

Overseen by Sustainability Victoria

Funding Program: Smarter Resources, Smarter Business

Resource Assessment Grants

Organisation	Program	Funding support \$
EP Robinson Pty Ltd	Materials Assessment – Feasibility	17,513
Healthe Care South Eastern Pty Ltd	Energy Assessment	9,000
Benchmark Hospital Group	Energy Assessment	6,250
Benchmark-Beleura Pty Ltd	Energy Assessment	4,500
Apex Building Products Pty Ltd	Energy Assessment	9,900
Sure Constructions (Vic) Pty Ltd	Materials Assessment	14,250
CM and RH Pfeiffer	Materials Assessment	12,000
Recycled Plastics Pipes Pty Ltd	Materials Assessment	15,000
Recycled Plastics Pipes Pty Ltd	Energy Assessment	7,400
Healthe Care Vaucluse Pty Ltd	Energy Assessment	9,000
E-Laundry Dry Cleaning	Energy Assessment	6,160
United Cold Storage	Energy Assessment	6,475
Underwater World Pty Ltd trading as Sea Life	Energy Assessment	9,000
Connecteast Pty Ltd	Energy Assessment – Feasibility	10,250
Corex Plastics (Australia) Pty Ltd	Materials Assessment	18,000
A.G. Brown Sawmill Pty Ltd	Energy Assessment	18,000
PL & JA Dennison Pty Ltd	Materials Assessment	17,543
Cooinda Village Inc.	Energy Assessment	6,200

Organisation	Program	Funding support \$
Stefano's Mildura Brewery Pty Ltd trustee for Stefano's Mildura Brewery Trust	Energy Assessment – Feasibility	6,520
Burra Foods Pty Ltd	Energy Assessment	9,000
Afcol Australia Limited	Materials Assessment	17,543
Maton Pty Ltd	Materials Assessment	18,000
Lipska Pty Ltd as trustee for Coldon Homes	Materials Assessment	14,925
The Temora Dell Unit Trust for Abbe Corrugates Pty Ltd	Energy Assessment	10,500
Tahbilk Pty Ltd	Energy Assessment	12,700
Henselite Australia Pty Ltd	Energy Assessment	6,350
Caronlab Australia Pty Ltd	Materials Assessment – Feasibility	14,482
Best Bottlers Pty Ltd	Energy Assessment	12,000
Juan Hui Li as the Trustee for the Juan Li Family Trust	Energy Assessment	4,950
Lakes Entrance Fisherman's Co-Operative Society Ltd	Materials Assessment	18,000
Vincent Painting Pty Ltd	Materials Assessment	15,000
Janagrom Nominees Pty Ltd	Energy Assessment	5,900
Procal Dairies Pty Ltd	Energy Assessment	4,450
Sale and District Greyhound Racing Club	Energy Assessment	6,301
G3 Network Services Pty Ltd	Materials Assessment	14,250
Roman Hall Pty Ltd	Materials Assessment – Feasibility	17,325
Narayan Pty Ltd	Energy Assessment	9,098
Dollar Sweet Company Pty Ltd	Materials Assessment	14,250
JC's Quality Foods Pty Ltd	Energy Assessment	5,100
C.H.T Australia Pty Ltd	Energy Assessment	6,562
Insulpak Pty Ltd	Materials Assessment – Feasibility	16,725
Tian Ai International Pty Ltd	Energy Assessment	5,200
BQ Design Pty Ltd	Materials Assessment	18,000

Organisation	Program	Funding support \$
Pronto E Fresco Pty Ltd	Materials Assessment	18,000
Tyre Crumb (Vic) Pty Ltd the trustee for Tyre Crumb Australia Discretionary Trust	Materials Assessment	14,250
Shepparton Retirement Villages Inc.	Energy Assessment	10,400
Croydon Plaster Mouldings Family Trust	Materials Assessment	18,000
Lite N' Easy (Victoria) Pty Ltd	Energy Assessment	6,319
Mister Cabinets Pty Ltd the Trustee for G Debetta Family Trust	Materials Assessment	12,00
Ceres Natural Foods Pty Ltd	Energy Assessment	8,000
Glass Recovery Services	Energy Assessment	5,800
Future Universal Waste Services Pty Ltd trading as SKM Recycling	Energy Assessment	7,700
Manton Group Pty Ltd	Energy Assessment	9,000
Shady-Brae Holdings Ltd and the Trustee for the Reilly Trust and Trustee for the Sumes Holding Trust	Energy Assessment	14,250
Vawdrey Manufacturing Pty Ltd	Energy Assessment	9,570
Axima Pty Ltd	Energy Assessment	6,976
San Carlo Homes for the Aged Ltd	Energy Assessment	6,825
CMTP Pty Ltd	Energy Assessment	7,480
Recycled Plastics Pipes Pty Ltd	Materials Assessment	11,700
Eternity Rutherglen Pty Ltd	Energy Assessment	8,000
Vermont Football Club	Energy Assessment	5,250
Campbells Wines Pty Ltd	Energy Assessment	12,000
Preshafood Ltd	Materials Assessment	9,811
Garden City Planters	Materials Assessment	18,000
Lions Village Licola Inc.	Energy Assessment	12,900

Appendix 7 Sustainability Fund allocations

Organisation	Program	Funding support \$
The Royal Agricultural Society of Victoria Ltd	Energy Assessment	9,964
The Trustee for Mildura Fruit Company Trust	Materials Assessment	9,000
Mobility Plus Wheelchairs Pty Ltd	Materials Assessment	18,000
Australian Lamb (Colac) Pty Ltd	Energy Assessment	15,000
Stilcon Holdings Pty Ltd	Energy Assessment	9,500
Lyndale Trading Co. Pty Ltd	Materials Assessment	18,000
Fuchs Lubricants (Australasia) Pty Ltd	Energy Assessment	7,500
Claytons (Aust) Pty Ltd	Energy Assessment	6,500
Malteurop Australia Pty Ltd	Energy Assessment	18,000
Ellapack Pty Ltd	Energy Assessment	6,500
R Radford and Son Pty Ltd	Energy Assessment	7,300
Caronlab Australia Pty Ltd	Energy Assessment	6,750
Composite Materials Engineering Pty Ltd	Materials Assessment	17,100
Morgan Technical Ceramics Australia Pty Ltd	Materials Assessment	18,000
MTM Pty Ltd	Materials Assessment	17,100
Flinders Banner Pty Ltd the Trustee for The Reddrop Family Trust	Energy Assessment	13,880
Montague Cold Storage Pty Ltd	Energy Assessment	16,977
Creswick Supermarket Pty Ltd the Trustee for the Creswick Unit Trust	Energy Assessment	5,750
D&K Golding Pty Ltd trading as Red Hill Brewery	Materials Assessment	8,063
Luss Industry Pty Ltd	Materials Assessment	18,000
Superate Pty Ltd	Energy Assessment	5,750
Complete Workwear Services Pty Ltd	Energy Assessment	5,820
Progress Industrial Spray Pty Ltd	Materials Assessment	18,000

Organisation	Program	Funding support \$
Tandana Pty Ltd as Trustee for Barwick Family trading as Austco Polar Cold Storage	Energy Assessment	9,000
GT & C Cummaudo & Sons Pty Ltd	Energy Assessment	6,650
Sancell Pty Ltd	Energy Assessment	18,000
Warners Nurseries Pty Ltd as trustee for Warner's Nurseries Unit Trust	Energy Assessment	4,350
Waterstore Products Pty Ltd	Materials Assessment	16,125
Mackay Consolidated Industries Pty Ltd	Materials Assessment	18,000
E & S Trading Co. Discounts Pty Ltd	Energy Assessment	7,395
Seascope Laboratories Pty Ltd	Materials Assessment	7,899
Yakult Australia Pty Ltd	Energy Assessment	7,022
Hybrid Electronics Australia Pty Ltd as Trustee for The Walter Berryman Trust	Materials Assessment	17,880
East Ivanhoe Grocers Pty Ltd	Energy Assessment	10,542
Welvic Australia Pty Ltd	Materials Assessment – Feasibility	6,420
Mainstream Aquaculture Pty Ltd	Materials Assessment – Feasibility	18,000
ITW Australia Pty Ltd trading as ITW Delta	Energy Assessment	5,477
Smash Enterprises Pty Ltd	Energy Assessment	4,868
Farm Pride Foods Ltd	Materials Assessment	14,198
Constantine Christopoulos and Joshem Pty Ltd	Materials Assessment	16,620
Red Earth Nominees Pty Ltd	Materials Assessment	5,175
Armstrong World Industries (Australia) Pty Ltd	Energy Assessment	6,465
Yackandandah Supermarkets Pty Ltd	Energy Assessment	5,000

Organisation	Program	Funding support \$
Mt Beauty Supermarkets Pty Ltd	Energy Assessment	4,815
Fagg's Geelong Pty Ltd	Energy Assessment	4,600
ICS Industries Pty Ltd	Energy Assessment	12,640

New allocations made under existing Sustainability Fund Support Programs

Overseen by Sustainability Victoria

Funding Program: Smarter Resources, Smarter Business

Capital Funding Round 2 grants

Material Efficiency Projects

Organisation	Program	Funding support \$
Stone Outdoors Pty Ltd	Improvement to processes to capture and reuse waste materials	50,000
HPC Bakers Pty Ltd	Upgrade of packaging equipment to improve packaging processes and materials use reduction	50,000
Egotrade Pty Ltd	Installation of automated recycling system to enable the reuse of solvents used in the printing process	50,000
Mackay Consolidated Industries Pty Ltd	Precision cutting equipment to improve cutting processes and reduce waste rubber	50,000
Denim 108 Pty Ltd Nobody Denim	Upgrade to equipment and processes to improve production quality	50,000
CMTP Pty Ltd	Installation of computerised cutting equipment and prototype product design simulation	50,000
Composite Materials Engineering Pty Ltd CME	Upgrade of production equipment resulting in less waste and improved product quality	50,000
Flowline Industries Pty Ltd	New equipment to enable reuse of waste plastic materials	37,077
Seascope Laboratories Pty Ltd Compco Pty Ltd	Upgrade of plastics manufacturing to improve product quality	50,000
Pacific NonWovens Pty Ltd as trustee for Pacific NonWovens Trust	Equipment to improve packaging processes, to reduce packaging materials usage	50,000
Welvic Australia Pty Ltd	Improvement in materials handling systems to reduce material losses and reuse waste materials	50,000

Organisation	Program	Funding support \$
Wandin Valley Farms	Protective cover for cherry orchard to prevent crop damage	50,000
MHG Plastic Industries (VIC) Pty Ltd	New equipment to enable reuse of waste plastic materials	9,530
Chelfco 210 Pty Ltd New Creation Print	New equipment technology to improve printing processes and efficiencies	45,659
Pemara Pty Ltd	Equipment to create more efficient printing processes, resulting in reduced waste materials	50,000
Bambra Press Pty Ltd	New equipment technology to improve printing processes and efficiencies	50,000
Cast Bonding Australia Pty Ltd	Installation of equipment and processes to reuse sand from the moulding process	50,000

Appendix 7 Sustainability Fund allocations

New allocations made under existing Sustainability Fund Support Programs

Overseen by Sustainability Victoria

Funding Program: Smarter Resources, Smarter Business

Capital Funding Round 2 grants

Energy Efficiency Projects

Organisation	Program	Funding support \$
Radio Frequency Systems Pty Ltd	Installation of lighting, sensors and variable speed controlled drive compressors	25,000
Tycab Australia Pty Ltd	Upgrade air compressor	25,000
Nightingale Brothers	Installation of variable speed drives and speed control	25,000
Twin City Truck Centre Pty Ltd	Installation of LED lighting and motion sensors	25,000
Extrusions Australia Pty Ltd	Installation of LED and efficient fluorescent lighting	25,000
The Trustee for Barwick Family Trust & The Trustee for the Stone Family Trust	Installation of variable speed controlled drive for refrigeration compressor	25,000
AUSTCO Polar Cold Storage		
R Radford and Son Pty Ltd	Installation of LED lighting	25,000
ALSCO Pty Ltd	Heat recovery system to heat hot water	3,316
East Ivanhoe Grocers Pty Ltd	Improvements to reduce overall site energy use and efficiencies to refrigeration and air conditioning systems	25,000
Ivanhoe FoodWorks		
Red Earth Nominees Pty Ltd at the John Goelet Trust	Installation of LED lighting and system improvements to compressed air supply	25,000
Taltarni Vineyards		
Southern Ocean Mariculture	Improve the efficiency of the seawater pumping systems	25,000
Sun Ace Australia Pty Ltd	Upgrade air compressor and installation of voltage optimiser	25,000
EMC Pacific Pty Ltd	Installation of new variable speed drive air compressor	9,760
Yakult Australia Pty Ltd	Installation of LED lighting	25,000
Rosebank Engineering Pty Ltd	Installation of LED lighting	25,000
Anatel Pty Ltd	Improve insulation of process pipeline to reduce heat loss	25,000
Betta Foods Australia		

Organisation	Program	Funding support \$
Delsor Pty Ltd	Upgrade freezer compressors	25,000
Mallee Food Distributors		
N & C Hargreaves Pty Ltd	Installation of LED lighting and daylight sensors	8,030
Hargreaves Joinery		
Echuca Benevolent Society Incorporated	Installation of LED lighting, with motion and sensors	13,298
Echuca Community for the Aged		
Aus Group Alliance Pty Ltd	Installation of induction high bay lighting	25,000
Morgan Technical Ceramics	Installation of control systems to cooling tower and lighting upgrade	12,759
Pinecrest Dairy Pty Ltd	Installation of a variable speed drive vacuum pump	11,210
Halcyon Proteins Pty Ltd	Installation of LED lighting	24,750
Beverage Solutions Australia Pty Ltd trading as Bress Wine, Cider & Produce	Insulation of chilled tanks to allow rapid chilling of juices and wine	19,800
Alpine Truss Pty Ltd	Installation of LED lighting	21,084
The Victoria Carpet Company Pty Ltd	New rinse water recirculation system	25,000
Monsbent Pty Ltd	Installation of induction lighting	25,000
D & R Henderson Pty Ltd		
Accurate Profile Roll Forming Pty Ltd	Installation of LED lighting	10,408
3fold Resources Pty Ltd	Installation of LED lighting	25,000
John Crane Australia	Installation of LED lighting	16,347
Farm Pride Foods Limited	Installation of best practice smart metering system	25,000
Farm Pride		
DABT Pty Ltd	Improvements to refrigeration system, including variable speed controlled drive refrigeration compressor	25,000
Inverloch Supermarket		
Milltech Pty Ltd	Installation of variable speed controlled drive air compressor	25,000
Milltech Martin Bright		
Merriwa Industries Pty Ltd	Installation of LED lighting	25,000
Superior Hardwoods		

Organisation	Program	Funding support \$
R. B. Sutherland Pty Ltd Roses Gap Recreation Centre	Installation of energy efficient generator, lighting and power management system	25,000
Radevski Coolstores Pty Ltd	Improvement to purge system for refrigeration lines and installation of LED lighting	25,000
Ballantyne Foods	Improvements to system for capture of steam condensate and return to the boiler	14,500
Green Taylor Partners	Installation of LED lighting	16,828
Micro Plastics Pty Ltd	Installation of LED lighting	14,588
Gallus Lane Pty Ltd	Improvements to ventilation system to reduce energy use	25,000
Sussex Taps Pty Ltd	Installation of LED lighting and motion sensors	8,108
Paperfreight Australia Pty Ltd	Installation of LED lighting and heating, ventilation and air conditioning improvements	10,396
Wangaratta Coachlines Pty Ltd	Installation of LED high bay lights	12,732

New allocations made under existing Sustainability Fund Support Programs

Overseen by Sustainability Victoria

Funding Program: ResourceSmart Schools
(prev. ResourceSmart AuSSI Vic)

Organisation	Program	Funding support \$
191 Victorian Schools	Energy Efficiency Grants*	10,000 per school

* Full details of the schools awarded grants can be found on the Department of Education website (www.education.vic.gov.au).

Appendix 8 Insurance attestation

Sustainability Victoria



Level 28
Urban Workshop
50 Lonsdale Street
Melbourne VIC 3000

sustainability.vic.gov.au
Twitter: @sustainvic
ABN 62 019 854 067

Insurance Attestation

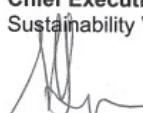
I, Stan Krpan, Chief Executive Officer of Sustainability Victoria certify that Sustainability Victoria has complied with Ministerial Direction 4.5.5.1 – Insurance.

As part of the annual insurance renewal process, Sustainability Victoria has:

- Determined the appropriate level of insurance in consultation with the VMIA based on Sustainability Victoria's risk profile; and
- Maintains a current register of all insurances.

Due to low deductibles, Sustainability Victoria does not record the value and basis for valuation of self-insured retained losses.

Stan Krpan
Chief Executive Officer
Sustainability Victoria


Melbourne
11 August 2014



Appendix 9 Risk attestation

Sustainability Victoria



Level 28
Urban Workshop
50 Lonsdale Street
Melbourne VIC 3000

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Risk Attestation

I, Ross McCann, certify that Sustainability Victoria has Risk management processes consistent with the Australian/New Zealand Risk Management Standard (*AS/NZS ISO 31000:2009 Standard*) and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures.

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

Sustainability Victoria is committed to the continual improvement of its Risk Management Culture and the embedding of risk management principles as a business enabler. It recognises there are still opportunities to embed risk management practices into its business as usual processes and will continue this process in 2014-15.

Ross McCann
Deputy Chair
Sustainability Victoria

Melbourne
8 August 2014



Appendix 10 Glossary of acronyms

Acronym	Description	Acronym	Description
BVOR	Building Victoria's Organics Recovery	PPR	Public Place Recycling
C&D	Construction and Demolition	PV	Photo-voltaic
C&I	Commercial and Industrial	RE	Resource Efficiency
CCAT	Cleaner Communities Assessment Tool	RMIT	Royal Melbourne Institute of Technology
CFL	Compact Fluorescent Lamp	RRLSP	Regional and Rural Landfill Support Package
CV	Compost Victoria	RWRRG	Regional Waste and Resource Recovery Group
DEECD	Department of Education and Early Childhood Development	SME	Small to Medium Enterprise
DEPI	Department of Environment and Primary Industries	SRSB	Smarter Resources, Smarter Business
DINR	Driving Investment in New Recycling	SV	Sustainability Victoria
DSDBI	Department of State Development, Business and Innovation	SV2015	Sustainability Victoria Strategic Plan
EPA	Environment Protection Authority Victoria	SWRRIP	Statewide Waste and Resource Recovery Infrastructure Plan
FRAP	Financial Risk Adaptation Planning	TCEP	Tyrecycle Capacity Expansion Program
FTE	Full-Time Equivalent	TVIR	Television Infrastructure Recovery
FY	Financial Year	TZW	Towards Zero Waste
G21	Geelong Regional Alliance	VECCI	Victorian Employers Chamber of Commerce and Industry
GFV	Getting Full Value	VLAA	Victorian Litter Action Alliance
GIROBN	Get it Right on Bin Night	VLS	Victorian Litter Strategy
GVCE	Goulburn Valley Community Energy	VWA	Victorian WorkCover Authority
HIA	Home Industry Association	WCT	Western Composting Technology
IAP2	International Association of Public Participation	WRR	Waste and Resource Recovery
IWM	Integrated Waste Management		
KABV	Keep Australia Beautiful Victoria		
MAC	Ministerial Advisory Committee		
MAV	Municipal Association of Victoria		
MIDO	Market and Industry Development Officer		
MRF	Material Recovery Facility		
MSW	Municipal Solid Waste		
MWRRG	Metropolitan Waste and Resource Recovery Group		
NABERS	National Australian Built Environment Rating System		
NAGA	Northern Alliance for Greenhouse Action		
NLI	National Litter Index		
OCI	Organisation Cultural Index		
OH&S	Occupational Health and Safety		
OTLP	Office Tenant Light and Power		

