

3.2. Sustainable Business Program Review

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ATTACHMENTS	Nil
CSP LINK	1. Our Living Environment 1.2 Environmentally sustainable community 4. Our Social Vitality 4.1 North Sydney is connected, inclusive, healthy and safe

PURPOSE:

This report provides an overview of Council's Sustainable Business Programs (CitySwitch, Better Business Partnership and Environmental Upgrade Agreements) and identifies opportunities to further assist North Sydney businesses on their sustainability journey.

EXECUTIVE SUMMARY:

- Sustainability is a core value of Council and is reflected in several of our strategic documents. These include the North Sydney Vision 2040 – Community Strategic Plan, which recognises climate change as a threat to the future of our community, and the North Sydney Environmental Sustainability Strategy 2030, that establishes clear targets in 7 areas including carbon footprint, water conservation, water quality, sustainable transport, urban ecology, resource recovery and community engagement.
- This report provides information on Council's Sustainable Business Programs and suggests opportunities to improve outcomes and increase their impact, as well as align the programs with targets set out in the North Sydney Environmental Sustainability Strategy 2030.

RECOMMENDATION:

- 1. THAT** the Sustainable Business Program report be received and noted.

Background

Council has been actively engaging businesses in implementing actions towards a more sustainable future since first piloting the 3CBD's Greenhouse program more than 20 years ago. Council currently has three programs to assist businesses regarding sustainability: CitySwitch, Better Business Partnership (BBP) and Environmental Upgrade Agreements (EUAs).

Report

Much has been achieved over the past 20 years to engage businesses in North Sydney on their sustainability journey, however Council's Sustainable Business Programs have further opportunities to assist businesses improve and increase their impact and engagement and align with the targets set out in Council's strategic documents. The North Sydney Environmental Sustainability Strategy 2030 states that Sustainability is one of Council's core values and establishes clear targets to reduce carbon emission, aiming to achieve 65% greenhouse gas reduction of 1996 community emissions levels before 2030 (Carbon Footprint Reduction target) as well as 90% of participants in Council's environmental sustainability engagement activities motivated and enabled to take actions to improve environmental sustainability outcomes before 2030 (Engagement in Sustainability target).

An overview of Council's business programs is provided below.

CitySwitch

CitySwitch is a national program, focused on office-based businesses that want to commit to net zero targets. North Sydney has been a member for more than 10 years, together with City of Sydney, Adelaide City Council and City of Melbourne. In September 2022, the CitySwitch Program revisited its objectives and strategic goals originally focussed on "Green Office" and, after doing a 12-month consultation with its signatories, relaunched the program with a broader and more strategic focus on "The Net Zero Pathway". This evolution was deemed necessary to meet the demands of the climate emergency and support business to decarbonise all aspects of their operations, as well as to become more aligned with Local, State and Federal carbon reduction goals. Figure 1 below is a graphical representation of the new pathway to net zero.

Your pathway to net zero

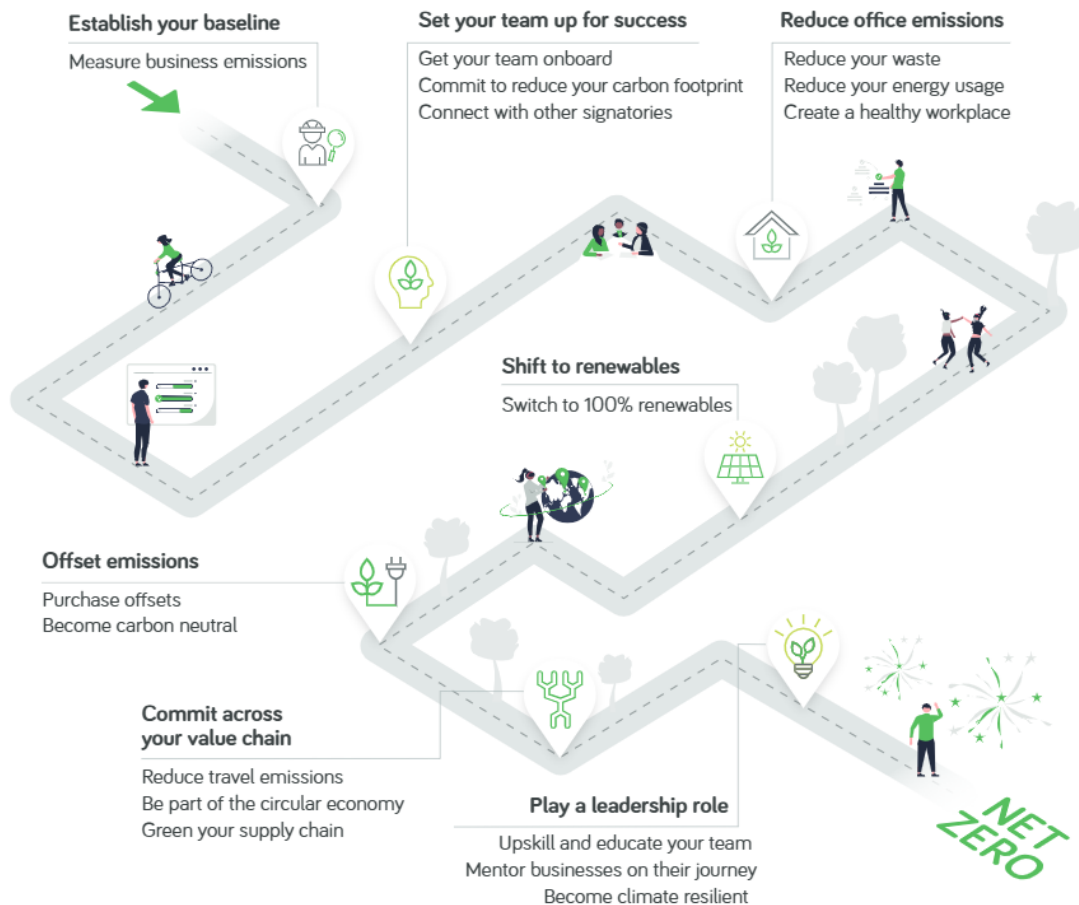


Figure 1. The Net Zero Pathway – CitySwitch

Out of the 543 national CitySwitch signatories, 29 businesses are in North Sydney, and from the 5 million square meters of NLA (Net Lettable Area) that is represented nationally by the program, 50,000 sqm NLA is currently represented by North Sydney. Figure 2 below represents the results from the CitySwitch Annual Report 2022, where signatories provided responses on their achievements regarding each milestone of the net zero pathway. CitySwitch signatories can also submit application for the Annual Awards, to celebrate their successes.

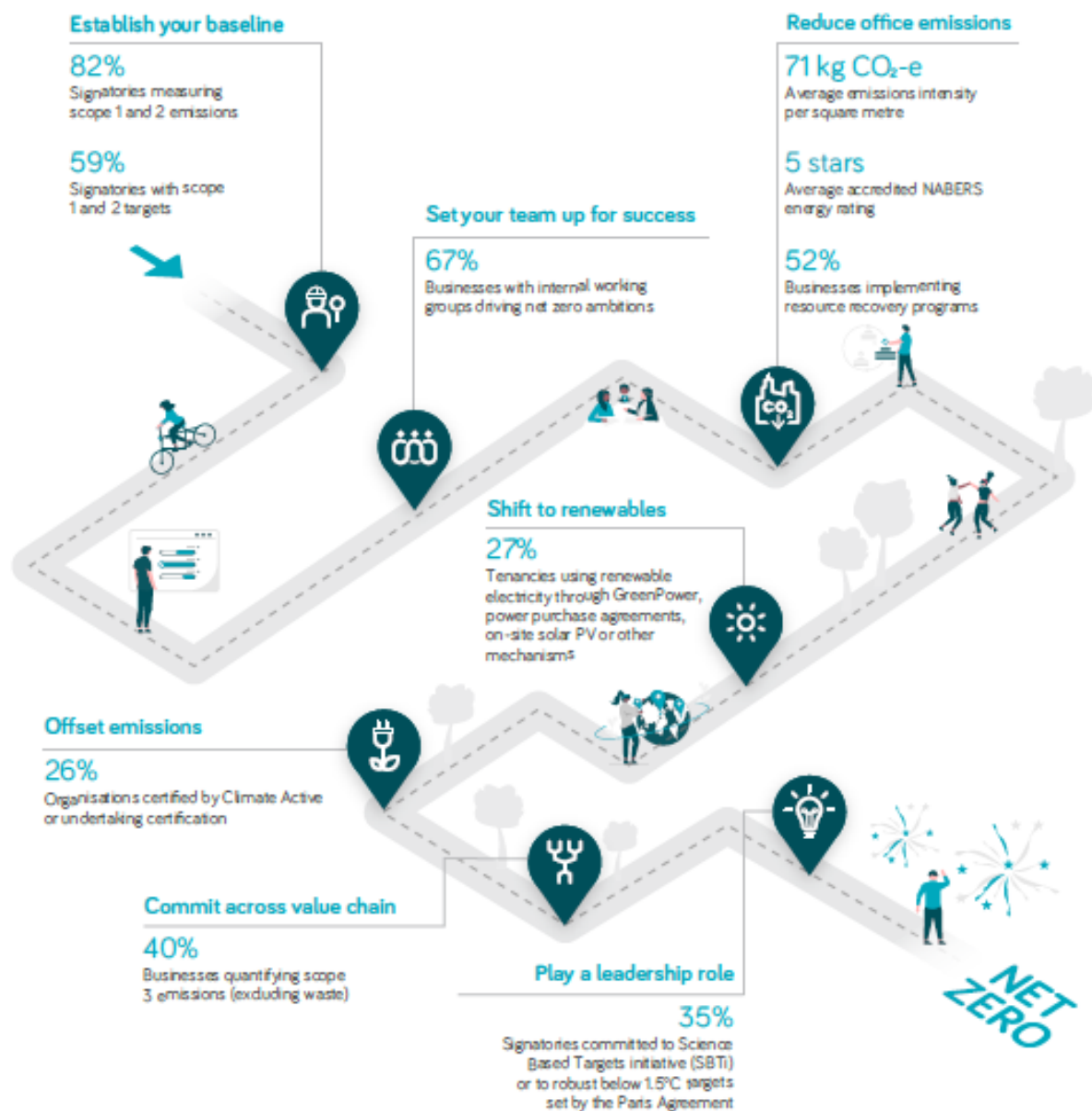


Figure 2. CitySwitch Annual Report 2022 – Monitoring how businesses achieve Net Zero Pathway

Better Business Partnership - BBP

Better Business Partnership (BBP) is a regional program developed in a partnership with Willoughby City Council and Ku-ring-gai Council, focussed on small businesses and assessment in 9 categories, including business health, waste, energy, water, transport, procurement, bye-bye plastic, community engagement and staff (see Figure 3). Businesses complete an online assessment tool, book an accreditation with the Program Manager who validates the information, develops a sustainability action plan, and provides a badge for all categories rated 51% or above on the assessment tool validation. Businesses get access to “Buy Better, Buy Local” campaign promotion and can apply to BBP Annual Awards for recognition of their achievements.



Figure 3. Better Business Partnership Certificate

Out of the 156 accredited active businesses within the three partner Councils, North Sydney currently has 54 accredited businesses, Willoughby City Council has 46 accredited businesses and Ku-ring-gai Council has 56 accredited businesses.

Environmental Upgrade Agreements (EUAs)

Environmental Upgrade Agreements (EUAs) are focused on building improvements that can deliver significant savings at existing non-residential buildings, not strata titled, where agreement is attached to the land. To date Council has not entered into an EUA with a building owner.

STRATEGIC ALIGNMENT OPPORTUNITIES

Council has the opportunity to strengthen the strategic alignment of these programs in a number of ways:

1. Sustainable Business Communication/Engagement Plan can be developed to identify messages and campaigns of importance and ways in which Council can measure and monitor their impact. This can include communicating to businesses what actions they need to implement, as we do currently, but also focusing on where to find grants, rebates, green financing, and other financial support. This plan should be aligned with the Corporate Planning and Engagement Team to integrate Business Economic Development Strategies such as having a “North Sydney Sustainable Business Gift Card” ([similar to the AT Parramatta Gift Card](#)), or developing Council’s sustainable procurement criteria prioritizing businesses that are part of BBP or CitySwitch.

2. The Better Business Partnership program can be reviewed and upgraded to assist small businesses in measuring baseline emissions and monitor their carbon reduction. Council must consider that small businesses have specific challenges, and many times are financially limited, and as such a rebates scheme could be implemented that focuses on enhancing net zero impact for items including installing solar panels, heat pump hot water and the electrification of commercial kitchens.

3. Environmental Upgrade Agreements, further investigation on why and how Council should maintain EUAs as an option must occur. The lack of uptake can be a result of the complexity of the system with three different parties involved, the commercial building owner, financial institution, and Council. This is in contrast to green financing options, where building owners can negotiate directly with the financial institution, also being able to have more options and flexibility within the agreement. It is proposed that Council develop a SWAT Analysis to understand current risks and opportunities for promoting EUAs, contacting other Council’s and current suppliers in the market.

Businesses are a very significant stakeholder for North Sydney Council and responsible for a large environmental impact in our community. Council cannot meet its targets without bringing our residential and business community together, towards the common goal of reducing environmental negative impacts and navigating the path to net zero emission.

Consultation requirements

Community engagement is not required.

Financial/Resource Implications

No additional funding required. Funding for existing programs and proposed rebates will come from existing funds in the Environmental Levy. There are no resource implications.

Legislation

There are no legislative requirements.