

A Handbook for

# Sustainable Development



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## **A Handbook for Sustainable Development**



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# A Handbook for Sustainable Development

A companion to BS 8900, *Guidance for managing sustainable development*

*David Jackman*



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by  
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## Foreword

### Sustainable development and standardization

The future for standards is changing. There will always be a need for precise product specifications to assist international trade but standard setters need to consider the pressing issues of the day and the wider function that standardization can play.

We have been working on a new style of standard, so-called ‘soft standards’, which aims to engage those who are not normally standards users, particularly including small- and medium-sized enterprises and community organizations. This breed of new standards offers a framework to stimulate interest, develop commitment and educate the user.

The emphasis is on providing enough structure and ‘space’ to allow organizations to learn for themselves and to embed new approaches or ways of working. This is moving a long way from tick box prescription, towards changing mindsets and, in itself, is more sustainable – getting into the DNA of organizations and wider society.

One of the most significant of the ‘big issues’ facing us today is the need for co-operation and direction in facing the global implications of climate change and diminishing resources. BS 8900, *Guidance for managing sustainable development* provides a road map to help all organizations work towards sustainable outcomes.

The new standard explores how principle-based standards can work, starting by focusing on outcomes. This book provides a companion to the standard, focusing on practical examples of how difficult issues involving values,

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principles and ethics can be addressed and changes implemented in organizations and businesses.

Standards of this type may also have an increasing role in bridging the gap between statutes or regulations and informal industry codes. This has growing importance, as over-regulation is recognized as counterproductive, so standards have value in facilitating deregulation, buttressing voluntary good practice and providing stakeholder reassurance.

Finally, 'softer' frameworks, encouraging greater engagement, may also have a role in developing local communities and even in strengthening and maturing our decision-making processes at all levels.

**Professor David Jackman**

The Ethics Foundation

Chair, Sustainable Development, British Standards Institution

*Easedale, September 2007*

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## Chapter 1: Introduction

There can be few subjects more important to all of us than sustainable development. It is the focus of our individual, corporate and common futures. Yet for many organizations, both public and private, this is a complex area, which can be off-putting and difficult to approach.

This Handbook is designed to make it easier for organizations of all types and sizes to understand and begin to come to terms with the implications of a sustainable future. It provides a route map to set out on a journey, or a framework to rationalize existing work. Every effort has been made to avoid confusing jargon and overly technical detail, although many will find that they are led down avenues which require further material.

The Handbook is a companion to the British Standard, *Guidance for managing sustainable development* (BS 8900), published in 2006. The format follows the structure of the British Standard, with case studies and examples inserted to illustrate good practice.

BS 8900 is a guidance standard and cannot be used to obtain certification. This is deliberate, to provide an overview which allows organizations to find their way into sustainable development and to navigate successfully. Subsequent, more specific standards, which can be used to obtain certification, are being produced, which will include coverage of:

- sustainable events management;
  - food and farming;
  - procurement;
  - measurement and reporting;
  - sustainable communities.
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This subject area is connected to social responsibility and international standards writing is underway with the intention of forming a social responsibility standard (ISO 26000). All of these subjects are co-ordinated in the UK by the BSI Committee for sustainable development (SDS/1). For further information on the committee's work, please contact Monika Green, committee manager at British Standards.

Copies of BS 8900:2006 are available from British Standards Institution at: 389 Chiswick High Road, London, W4 4AL, or at <http://www.bsi-global.com/en/My-BSI/My-Subscriptions/BSOL/Search/>.

### *References*

- BS 8900:2006, *Guidance for managing sustainable development*, London: British Standards Institution
- ISO/WD 26000, *Guidance on social responsibility*, Geneva: International Organization for Standardization
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## Chapter 2: Business case and main themes

### What is sustainable development?

Sustainable development is a direction of travel. It summarizes in one phrase an intention to progress in a way that can be continued, at least in theory, indefinitely. This implies that development, of whatever kind, does not limit future choices or irretrievably damage possible future resources.

The definition that BS 8900 uses is derived from the Brundtland Report (World Commission on Environment and Development, 1987) but sees a broader scope. It is:

*an enduring, balanced approach to economic activity, environmental responsibility and social progress.*

*(Source: BS 8900, 0.1)*

This definition makes two fundamental points: first, that sustainable development necessarily considers social, economic and environmental aspects together, and secondly, that options for the future should not be limited.

Sustainable development, however, has come to encompass a very broad and complex tapestry of integrated factors, including the social, economic and environmental, but also the political, ethical and technical. The important point is that it is a holistic approach which, at its heart, seeks to be inclusive and draw together a very wide range of differing factors, recognizing the voracity and significance of interactions in society, the economy and between man and his environment.

Sustainable development is essentially an approach to defining outcomes: where we want to be and what we want to achieve. It is a set of criteria or

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value judgements about what is important and what should be avoided. It is essentially a compass for travel, rather than a fixed point to reach.

It is important to say what sustainable development is not. Sustainable development is not a process or series of processes. Certainly, the outcome or outcomes of sustainable development may require new processes, or amendments to existing ones, but the mechanisms employed should not become a substitute for discussing the objectives. Process is not a substitute for purpose.

Sustainable development has become attached, misleadingly, to specific agendas – most notably environmental agendas – but it is important to be clear that sustainable development is not synonymous with ‘being green’. Environmental and social accounting and reporting mechanisms are examples of processes that support sustainable development, and form part of a wider whole.

## Is sustainable development insufficiently ambitious?

It could be argued that sustainable development is a somewhat limited objective. Apparently aiming to keep going could be seen as unambitious, seemingly neglecting or negating the human potential to innovate, adapt and overcome limitations. Clearly, technical developments push back, what may seem to be at one point in time, impassable boundaries. Sustainable development, if it is to be a useful concept, has to allow flexibility for dynamic change and improvements of this kind. It should be a guide to balancing risk management with seeking opportunities or nurturing innovation. The word ‘development’ is instructive; sustainable development is about progress not about preserving in aspic.

Sustainable development should not become an excuse for preserving the status quo, or conserving indefensible positions on the basis of a fear of change. Change and progress is inherent in the concept of sustainable development and it often requires the making of difficult choices.

Organizations need to set out their view of sustainable development.

The views of two large organizations, BT and Philips, are provided in Examples 1 and 2.

### Example 1 — BT

#### **How can we contribute to sustainable economic growth?**

For much of the last two decades our approach to sustainability has focused on reducing the negative social and environmental impacts of our business. We now want to adopt a more holistic approach and to extend our focus

from risks and impacts to look more closely at opportunities. We believe that ICT technology has great potential to contribute towards sustainability – by enabling economic growth that benefits society within environmental limits.

### **CSR Leadership Panel**

*“If BT can sell ICT and carbon reduction to their clients this will be a profound shift towards a more sustainable business model.*

*Elisabeth Laville, Founder & Director, Utopies”*

To ensure we embrace these opportunities we have launched a sustainable economic growth programme – a key strand of our CSR strategy. We will focus on integrating sustainability into our business development processes, creating new products and services with sustainability benefits and encouraging new business models. As one of the world’s largest companies, ranking 162nd in Fortune’s Global 500 we believe we can make an important contribution.

We have already started to identify new ways in which our technology and operations can have broader benefits for BT and society. For example, we are developing a Carbon Audit service to help customers understand the carbon footprint of their ICT systems and use technology to reduce their overall emissions.

### **Our sustainable economic growth programme in brief**

1. *Integrating sustainability into business development processes.* We will take account of sustainability factors in our product development processes.
2. *Identifying products and services with sustainability benefits.* For example, ICT solutions that enable home-working or better management of chronic disease.
3. *Exploring obsolescence in the ICT industry.* ICT has environmental drawbacks as well as benefits. For example, the relatively short life span for much ICT equipment contributes to wasted resources.
4. *Measuring our progress.* We will establish indicators to drive progress.

### **Contributing to the economy**

Our sustainable economic growth programme will build on strong foundations. We make a significant direct economic contribution by employing 106,204 people and buying goods and services worth billions of pounds a year.

As an ICT company we also have an indirect economic impact through our technology. The products and services provided by BT are used by others to raise their productivity and ability to compete.

**COMMENT: Andy Green**  
**CEO Group Strategy and Operations, BT**

We are committed to sustainable development because it matters to society and our customers. It reflects the ethos of our company and is a natural extension of our long history of engagement in environmental issues. We're convinced that economic growth is a good thing if it is achieved in a sustainable way that helps people worldwide to raise their standard of living.

Our industry has great potential to stimulate economic growth in a way that benefits society, reduces inequalities and prevents environmental degradation. Travel substitution is one example. By facilitating remote working, ICT can stimulate the growth of virtual global enterprises that bring people into the workforce and contribute to sustainable local communities. But this potential won't be realised automatically – it requires creative thinking.

We have had a positive response to this initiative internally – now we have to channel this energy and embed it into our product development process. This has to be part of our day-to-day business.

**COMMENT: Elisabeth Laville**  
**Founder & Director, Utopies**

BT's sustainable economic growth programme puts them among the leading companies in this area. Up to now most companies have focused on risk management and pollution prevention. Now the leaders are thinking about how to make a positive contribution through their everyday business activities.

I'm interested in their idea of a carbon audit service. If BT can sell ICT and carbon reduction to their clients this will be a profound shift towards a more sustainable business model.

We shouldn't assume that ICT solutions by themselves will always have a beneficial environmental impact. Installing a video conference system won't necessarily reduce business travel. You have to communicate intensively and create incentives for people to adopt sustainable solutions. I think BT understands these challenges.

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BT's programme is very relevant but it is in its early stages. I would like them to set targets and embed this work in their business. If they really see opportunities in this area they must make it part of their core business strategy and communicate it externally.

*(Source: BT, 2007)*

## Example 2 — Philips

### **How would you define sustainability at Philips?**

It's no different than our company mission – to improve the quality of people's lives through the timely introduction of meaningful innovations. Sustainability is an integral part of the way we do business. We are actually in a unique position because sustainability has always been in our DNA. Our company's founders never lost sight of their employees or the communities they came from. From the early days they provided pensions, sick pay and medical care. They built housing for employees in Eindhoven, and set up sporting and cultural activities. They also provided elementary and secondary schools, and a foundation to finance college scholarships for employees' children. I myself benefited from a Philips scholarship during my studies.

### **What does this mean today?**

Our company has changed a lot over the years, but as for sustainability, we are loyal to our roots. We still put people at the center of our activities. That's what our brand promise of "sense and simplicity" is all about – making technology easier to experience and designed around people, while still being advanced. We need new innovations to improve people's lives in advanced and new and emerging markets, including developing countries. We want to be a company that simplifies solutions for complex issues like sustainable development.

*(Source: Philips, 2007)*

## The role of standards in sustainable development

Sustainable development requires the involvement and commitment of a very wide range of groups, e.g. businesses (employers and employees), community

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groups, government, families, academics, non-governmental organizations (NGOs), and investors and shareholders in companies. The list is long. What is necessary for sustainable development to be successful is that these groups are engaged as much as possible.

Obviously, there are many ways of engagement taking place, and similarly numerous ways of encouraging and promoting engagement. A series of standards is just one tool for facilitating engagement and helping development move in a more co-ordinated direction.

Standards, such as BS 8900, provide a focus for many different interest groups to come together and agree upon specific ways forward. In this sense, standards are a framework for sustainable development, providing a road map and a degree of confidence in the overall direction taken.

## Stakeholders

The standard adopts the perspective of an organization, whether it be a commercial business, a non-profit organization or a community group, becoming involved in, and making its contribution to, sustainable development. This is a convenient position from which to consider all the aspects of sustainable development and a reasonable unit for achieving change. Clearly, however, it is not the only perspective or vehicle for change – as can be seen from proposed work on sustainable communities. It is also possible to conceive of change at the level of the household or individual, where some of the same principles might apply. However, BS 8900 is primarily focused on organizations and how they can contribute to and deliver effective development.

From this perspective there are a number of groups of people who can and do influence the actions of the organization and, similarly, there are possibly different groups of people who are affected by the actions that the organization takes. These groups who are the influence or who are impacted by an organization are generally termed ‘stakeholders’, in that they have a stake or interest in how the company performs and behaves.

## Identifying stakeholder groups

Clearly, some (like employees) have a large interest in how the company or organization acts, but others who may, for instance, be at steps removed as part of a long supply chain, may have both little influence on the workings of an organization and be only marginally affected by its decisions (assuming that they have many other customers, which of course may not be the case).

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Ultimately, everyone is a stakeholder of everyone else. Even in a supply chain the number of parties involved can be enormous, if each component and raw material is taken into account for a product, for example. The important skill is identifying where the breakpoint exists between stakeholders with a significant interest in a particular organization and those who are at the margin and can safely be not regarded as stakeholders of that particular organization.

## What makes BS 8900 so different?

In an area so integral to all that we do, sustainable development will always be much more effective if it is something that we want to do rather than feel required to attain. Therefore, at the heart of the approach set out in BS 8900, there is the overriding imperative to win hearts and minds and build commitment and competence, rather than focusing on setting a standard to achieve.

Clearly, one of the functions of standards is to set benchmarks which provide assurance to others. BS 8900 is concerned with building a relationship of trust and confidence between organizations and their stakeholders, which provides a foundation for such assurance, rather than focusing on the standard as a short cut to that verification.

The intention of the more specific standards to follow within the BS 8900 series is that they will provide a more conventional accreditation in specific areas where a technical level has been reached. However, within each of these standards the primary aim is to embed a sustainable mindset and commitment within the organization.

If sustainable development can be seen as a mindset or a way of thinking, then we need to consider ways of developing and encouraging such a way of thinking. If the standard tells the user exactly what to do and is quite prescriptive, the tendency of the user will be to do exactly as he or she is told. Then the standard becomes a checklist which is ticked off without a lot of thought or finesse from the organization or individuals applying it. This has significant downside. First, if individuals or organizations are accustomed to simply using checklists, they may not fully understand why they are doing something or how sustainable criteria could operate. Consequently, they may well produce a sound solution by applying a standard mechanically, but if they understood why and how it works, they might produce a solution which is even more suited to their needs and situation.

Secondly, change means that criteria set at one point in time may no longer be applicable as circumstances change. Therefore, a deeper understanding

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of the standard's concepts allows for ongoing evolution. BS 8900 strongly encourages development and evolution as the horizon moves forward – as it undoubtedly will in this rapidly developing area.

Thirdly, if organizations do not fully understand and internalize a sustainable way of thinking, then they are less likely to be fully committed to the concept and buy into its purpose and practice. Therefore, when greater pressures arise, such as commercial pressures, it is more likely that the sustainable elements will give way. For developments to be effective, a consistent and co-ordinated approach is required, to achieve change over a broad front.

Fourthly, a large number of people need to be informed and involved in sustainable activities if they are to be meaningful. It is more likely that a joined-up approach will be achieved and consistently applied if all the individuals concerned understand the purpose and direction of sustainable development rather than them simply following a checklist of details that may appear to be disconnected and, sometimes, irrelevant.

Finally, a culture of dependency can be built up (Jackman)<sup>1</sup> through increasing prescription, which not only discourages flexible thinking and initiative, but also reduces confidence in individuals and teams making their own decisions in new and pressured situations. As this confidence becomes further eroded, it is more difficult to rebuild the key skills of judgement and mature decision making. These skills are critical in the delivery of an effective and sustainable approach to sustainable development. BS 8900 seeks to develop and encourage this decision-making capability and confidence directly.

BS 8900 aims therefore to influence the culture of an organization and assist in developing a more mature approach generally, and, as part of that maturity, a deeper and wider engagement in sustainable development.

## Regulatory dividend

In financial services it has been important for regulators to try to bring about certain changes in behaviour and practice. Initially, the focus was on writing rules to cover every eventuality, inspecting firms and bringing in forceful actions against firms that breached the rules. Over the past five years, the Financial Services Authority (FSA) has switched its emphasis to trying to mould corporate and sector culture, emphasizing core outcomes and values. Figure 1 sets out different kinds of firm behaviour and the way in which a changing culture not

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1 Jackman D. *Does regulation make it worse*. Journal for Financial Regulation and Compliance., Vol 12 Number 2, pp 106–110, June 2004.

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only brings changes in performance, which can be as a result of internal changes rather than of external intervention, but also a different relationship with, and style of operation for, the regulator. This is the so-called regulatory dividend, which allows firms demonstrating an appropriate culture and clearly treating customers fairly to have a more mature relationship with the regulator, which can then deal with the firm in a more arm's length fashion. This is less costly for the firm and, overall, the regulator is able to reduce the burden of rules and enforcement, thus making regulation less costly and more sustainable. This has contributed to London becoming a more attractive place to do financial services business and may well have contributed to London outstripping New York as the leading international financial centre in recent years. So there is a real benefit, in commercial terms, to encouraging and developing a focus on values that brings together the differing stakeholder requirements (in this case, consumers and markets). This model might also be applicable to developing a sustainable development-oriented culture and assisting firms in reducing the need for regulation, and, where possible, helping to manage stakeholder involvement and pressure.

Figure 1 offers a model for the development of values and culture, and the nature of the relationships between firms, consumers and us. The model works in terms of individual firms, or a sector, or the industry as a whole. It is also not assumed that firms move in one direction consistently; they may slip back or develop at differing rates at different times. However, the model gives a direction and an ethical dimension for firms/sectors/the industry.

## **Sustainable development versus sustainability**

Sustainable development is a broad statement of outcome, including the sort of criteria that should be applied to selecting or maintaining new and existing activities. Sustainability is the ability to develop sustainably or to act sustainably. In relation to an organization, this ability therefore includes both the organization's competence in relation to sustainable development and its commitment to a sustainable path.

## **Business case**

It is not intended to set out sustainable development as an alternative route to economic prosperity. The two are not reached exclusively; indeed, the idea is to find a common path by which economic objectives can be achieved along with broader environmental and social outcomes.



(Source: FSA, 2002)

Figure 1 — Framework for the development of values

The aim is win-win: find the convergence between objectives of the traditional kind and broader sustainable development aims. The intention of BS 8900 is to plot that very path that draws together prosperity and sustainability.

The standard starts with a business case which aims to show in general terms that sustainable development is indeed business friendly. Beyond that, the standard argues that sustainable development is beneficial to business aims and, crucially, can enhance the bottom line.

It is recognized that boards or organizing committees of organizations will need to understand and be reassured about (in financial terms) adopting a widespread sustainable development approach. It is intended that BS 8900 will give some of the support necessary for building such a case. However, it is necessary to investigate the finer details for each particular case. Cases and some examples are provided within this Handbook to offer examples of successful sustainable development.

The main business benefits are:

1. marketing edge: increasingly, consumers are interested in the way in which products are manufactured, outsourced and distributed. There is also a growing awareness of the contribution consumers can make by buying sustainable products. Therefore, there is a marketing advantage from promoting the sustainable nature of products, services and, indeed, the organizations that provide them. The last point is important, because consumers may be interested in a specific product or may have an interest in how the organization behaves and is run more generally. This places a greater emphasis on the need to embed sustainability as a way of operating and thinking throughout the culture of an organization. There is no reliable data about the quantity of this 'ethical pound' (Jackman)<sup>2</sup> except in financial services where the level of ethical investing, particularly in sustainable funds, can be quantified (see UK Social Investment Forum (UKSIF), 2005<sup>3</sup>);
2. decision-making cohesion: sustainable development provides a framework for making decisions on a wide range of issues that take account of differing stakeholder perspectives and maintain a coherent direction. This is particularly important in an increasingly globalized economy where supply chains and distribution may be international in nature and highly complex. In this respect sustainable development can provide the backbone to strategic planning and implementation;

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2 Jackman D, Ethics Foundation 2007.

3 At December 31st 2005, the broad UK SRI market was over £560 billion pounds (€781 billion euros). This figure comes from the European SRI Study 2006 published by Eurosif – [http://www.eurosif.org/publications/sri\\_studies](http://www.eurosif.org/publications/sri_studies).

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3. building trust and confidence: engaging stakeholders on subjects that have direct relevance to them helps to build a foundation of trust and provides a call to partnership activities. Great emphasis has been placed in recent years on transparency and accountability. The approach adopted in BS 8900 is based not on the presumption of mistrust, but on the ambition of closer dialogue and clear lines of responsibility;
4. motivation and empowerment: addressing the subject which may touch employees, or potential recruits, in a way which financial and other considerations may not, can, if carried out genuinely and sufficiently, contribute much to employee motivation, loyalty and retention. Also, and this is increasingly of importance to large organizations, it may help in the recruitment of new staff, who may increasingly be making career choices on the basis of organizations' values and ethics;<sup>4</sup>
5. reducing the need for increased regulation: pre-emptive action (PMT) is action by organizations to demonstrate their wider responsibility and internal values. Coherence can forestall or obviate the need for regulation or increased regulation. A more mature approach to establishing sustainability, stakeholder engagement and commitment to sustainable development can be of use to persuade regulators to adopt a more arm's length approach (see Figure 1).

Beyond these business reasons there is of course a set of more personal motivations, which may be shared corporately, driven by a recognition of individuals' and corporations' responsibility to their surroundings and those around them. Increasingly, senior managers, and staff at all levels, are concerned about doing the right thing, rather than simply doing the thing right. An example of making a business case for sustainability is given in Example 3.

### Example 3 — Making a business case for sustainability: BT

[Extract from] An interview with BT's Chairman

#### **The business case for sustainability**

Jonathon Porritt, Founder Director of Forum for the Future and Chairman of BT's CSR Leadership Panel, spoke with Sir Christopher Bland for this report. This is an edited extract from their conversation...

*JP: If you look back over your time as Chairman, which of the many sustainable development actions by BT are you particularly proud of?*

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<sup>4</sup> Paraphrased from a speech given at a conference of the Association of Graduate Recruiters in 2006.



SCB: There are two. We have topped the Dow Jones Sustainability Index for six successive years among telecommunications companies. That is an external measure of sustainability I am really proud of. The second thing is that we negotiated what was then the world's biggest green energy contract in 2004 and we have just renewed that until 2010. That was a pioneering act at the time.

*JP: Where do you think the sustainable development agenda is going? Some business people see it as having been quite a steep curve and now plateauing; others think that it is a permanently rising curve in terms of expectation and legislation.*

SCB: I think it is a permanently rising curve in expectation, not necessarily legislation. Certainly, our customers and our staff expect more of the company today than they did 20 years ago. Ten years ago it was not that high up the agenda of most companies – now everyone knows what you are talking about. Not only that, but I think the days of paying lip service to it are over. Pressure to perform, both internally generated and external, will increase.

*JP: Do you think the BT Board sees this as a rising curve and is constantly thinking about its own role in the company? Do you think it is always looking to the next six months, the next year out?*

SCB: Yes, I think it is. Sustainable development is not the only thing that the Board thinks about and it is not on every single agenda, but it is high on its list of priorities.

I think the other thing that is happening is that there is a growing business imperative about sustainable development, for two reasons: customers expect it and companies that do not pay attention to what their customers expect will suffer. Secondly, there are business opportunities out there for BT which mean that we can both do good and be profitable. I think our work on teleconferencing is an example of where something that accelerates sustainable development is also one of our fastest growing businesses. That changes and accelerates the interest of even the most commercially minded of boards.

[From the same report:]

### **Is climate change a business risk or opportunity?**

Climate change is one of the biggest challenges of our age. We want to be part of the solution to climate change and aim to be a recognised leader



in this field. Climate change is a risk to our business but also presents numerous opportunities for us to strengthen our relationships with customers, employees and regulators. Our response to this issue will help determine our long-term business success.

### **Reducing our carbon footprint**

Communications technology can reduce carbon dioxide emissions. For example, by enabling easier remote working, phone and video conferencing that reduce the need to travel. However, we believe the technology's full potential is not yet being realised. We need to do more to provide our customers with new products and services that help them to reduce their CO<sub>2</sub> emissions.

BT currently uses over 0.7% of the UK's electricity consumption so reducing our own footprint is also important. We realise that our electricity consumption could increase as we upgrade our network and provide new services such as data management for our large customers. But there is a lot we can do to prevent this. This year we audited energy consumption at ten of our data centres to assess how we can boost energy efficiency. We have also identified unused and underused equipment and have decommissioned or consolidated around 3,000 servers. We expect this to save 23GWh of electricity per year resulting in significant cost savings and reducing CO<sub>2</sub> emissions by 3,300 tonnes.

We launched a new climate change programme this year to further reduce our own carbon footprint, and help employees, consumers and other businesses to cut carbon emissions by making better use of ICT.

*(Source: BT, 2007)*

## **Sustainable development and corporate social responsibility**

Is there a difference between sustainable development and corporate social responsibility (CSR)? It is difficult sometimes to draw a distinction between the two. However, sustainable development has come to mean a far broader cultural change, going beyond assisting external enterprises in the community.

Essentially, CSR represents an earlier step on the same road, with sustainable development representing the further development of the same basic ideas. CSR emphasizes, as the term suggests, the responsibility of businesses to their surrounding community and environment. It focuses on making some

contribution to broader growth, beyond the bottom line, and also includes alleviating some of the detrimental impacts of businesses' activities, where these are particularly obvious.

CSR has become widespread and almost expected of employers of significant size. Many make detailed reports, or partnership statements. In the case of smaller organizations – small- and medium-sized enterprises (SMEs) – often considerable efforts are made, disproportionate to their size, because they may feel more attached to their local community or are more aware of the importance of reputation and responsible action.

In the main, CSR has been very helpful for many local communities, but it is not a substitute for broader sustainable development and is best viewed as a stepping-stone or contributory factor to this development.

## The danger of tokenism

It does not take much to be cynical about organizations' motivations for adopting a sustainable approach. Most people accept that there may be a marketing reason, but employees and consumers are remarkably sensitive to a mismatch between stated intentions and behaviour in practice.

It is necessary to 'walk the talk' for consumers to recognize an organization as being sustainable, or for employees to feel a convergence between personal values and corporate values.

If an organization puts its head above the parapet and makes claims about sustainable achievements and yet these are all either unsubstantiated or insubstantial, then the progress towards, and buy in to, sustainable development is likely to be seriously undermined. Sustainability cannot be achieved through the regular PR channels; it has to be embedded throughout the organization. It may indeed be better for an organization to underplay promises and claims – a mission statement on the wall soon becomes empty words and empty words make for very poor PR.

One particularly important danger of tokenism is the sense that can easily develop in organizations that a few worthy exercises, or supporting a high-profile campaign, for example, can salve the conscience of the organization, and take away the responsibility and the need to do anything else. If you have a belief that you have ticked the sustainable development box, and do not need to worry about it any more, it is likely that you have not grasped its implications. Making a token gesture is almost worse than doing nothing at all, as box ticking may also contribute to the cynicism of observers or active stakeholders, thus diminishing their potential efforts.

So BS 8900 is about a genuine attempt to address the issues of sustainability, and eschews a superficial or mechanical ‘green wash’. Unfortunately, CSR has developed a reputation for smart marketing rather than securing long-term, widespread change. Sustainable development is attempting to move beyond this stage, and it is recognized that there is a fairly substantial need to convince those who have already become overly sceptical (see Example 4).

#### Example 4 — Going Beyond CSR: Becoming Values Led

There is scarcely a major business that doesn’t purport to be socially responsible. CSR reports and vision statements abound, but how much difference do they really make to corporate life? Not a lot according to many consumers. Eight people in ten *disagree* that “Directors of large companies can be trusted to tell the truth”,<sup>1</sup> and as trust goes hand in hand with standards in both public and corporate life, they ask for government regulation to protect them from being ripped off. Furthermore, over two thirds of people are disengaged from their work, with half of these being so disaffected that it has a significant effect on their productivity.<sup>2</sup>

Clearly CSR doesn’t always make fundamental changes to the way that a company is viewed, so what makes a company trustworthy, and what makes it a good place to work? In short, what makes a successful organisation?

#### **A wider definition of success**

Before answering this question, we need to ask ourselves what is ‘success’? Is it measured in pure financial terms – return on capital, shareholder returns or profit before tax – or is financial success just part of being a successful company? I suggest that financial success is just a pre-requisite for true success, that is success in creating meaningful employment, in providing useful services or products, in distributing wealth, alleviating poverty and enhancing the quality of life for all. That economic growth does not automatically lead to a corresponding increase in quality of life was highlighted by a study carried out by the New Economics Foundation. This concluded that whilst GDP had increased by over 80% over the last 30 years, an index of well-being has never re-gained the peak reached in 1976.<sup>3</sup>

Similarly, corporate success will include financial profitability, but it doesn’t end there. After all, it is pretty difficult to motivate employees with the principal aim of making money for someone else.

### **Shared purpose**

An organisation that really engages people will have a clear sense of purpose, which is understood and shared by its employees, customers and other stakeholders. This purpose will be expressed in the organisation's vision, and unlike mission statements on the wall, will be at the very heart of the organisation. Bolt on ethics just doesn't work – values need to be seen to be wholeheartedly embraced by the organisation. With such a degree of mistrust in corporate activity, organisations that add ethics as an optional extra will have any inconsistencies exposed. In contrast, organisations that take the time to develop and share a corporate ethic can not but help be distinguished by their distinctive approach.

### **Finding inspiration and vision**

So how do organisations find 'vision'? For many businesses it translates to operating in an 'ethical manner' whilst retaining the primary objective of making money for shareholders and the company. This is the essence of most CSR policies. Yet, to really achieve something of lasting value, the organisation needs to be inspired by a vision which transcends financial profitability. This is probably best explored by way of example.

Sometimes, businesses are prodded in to action by negative campaigning. B&Q is a case in point. The company was initially targeted by Friends of the Earth for its sale of wood products which were unsustainably sourced. In response, the company not only implemented a ground-breaking policy on ensuring that all wood products came from sources which had been verified as being sustainable, but it took a radical look at its whole reason for being. Kingfisher, the company which owns B&Q asked fundamental questions of itself such as whether it actually added value to local communities, encouraged unsustainable consumption, or in an unequal world, whether their global business was making the situation better or worse. The company continues to ask these questions and the answers inform everything the company does and has led the company to address twelve key issues and to examine the 'story' or life cycle of its products. In turn, this has resulted in a shift in values of other companies that have felt compelled to respond, and it has also given the company a *raison d'être* beyond profit alone.

Other companies change through inspiration from the top. The following chronicles the personal story of how Ray Anderson, Chairman of the largest carpet company in the world, became one of the leading proponents of achieving sustainability: "For the first twenty-one years of Interface's

existence, I never gave one thought to what we took from or did to the Earth, except to be sure we obeyed all laws and regulations. Frankly, I didn't have a vision, except "comply, comply, comply." I had heard statesmen advocate "sustainable development," but I had no idea what it meant. Then, through what seemed like pure serendipity, somebody sent me a book: Paul Hawken's *The Ecology of Commerce*. I read it, and it changed my life. It was an epiphany. I wasn't halfway through it before the vision I sought became clear, along with a powerful sense of urgency to do something. In 1994, I offered the task force a vision: to make Interface the first name in industrial ecology worldwide through actions, not words. I gave them a mission: to convert Interface to a restorative enterprise; first by reaching sustainability in our practices, and then becoming truly restorative – a company returning more than we take – by helping others reach sustainability. At Interface, we seek to become the first sustainable corporation in the world, and, following that, the first restorative company."

### **Creating space for vision**

If that's not inspiration, I don't know what is, but most of us get swept along, doing what we do without making the time to assess whether we're going in the right direction. If we're not going the right way it doesn't matter *how* we get there. Creating the space to shape and share the vision of the organisation is vital to ensure that the organisation knows where it is going, how it is going to get there and that this vision is understood and embraced throughout the organisation.

Team values are much talked about, but just how strong are the values which bind employees in an organisation? Are people really the firm's biggest asset or does the company actually put shareholders first? Having a clear vision which is shared throughout the company is key to its successful implementation. Employees then move from being paid workers to being evangelists for the company. Similarly, customers and the wider public can also become company evangelists, such is the power of a company which is led by its values.

Naturally this leads to increasing profits, but profit instead of being the sole driving force, becomes part of a much wider vision. In the words of Ray Anderson, "We'll be doing well by doing good. That's the vision. Is it a dream? Certainly, but it is a dream we share with our 7,500 associates, our vendors, and our customers. Everyone will have to dream this dream to make it a reality, but until then, we are committed to leading the way."

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1. Mori survey for the Financial Times, June 2003
2. Development Dimensions International, Spring 2004 research report
3. New Economics Foundation – ‘Chasing Progress’, March 2004

*(Source: Fleetwood J, Ethics Foundation, 2005)*

## **A journey not a destination**

Many standards are designed to secure a baseline of (often minimum) performance. This makes sense for consumer protection and to ensure that designed parts actually fit together. However, sustainable development is a complex cultural change, perceived as an ongoing process.

Therefore BS 8900 sets out a journey towards sustainable development rather than providing a destination. There cannot be a fixed point at which an organization becomes 100% sustainable. Most organizations will be successful in some areas and less so in others. Equally, they will progress at times very rapidly, and at others, more slowly. The standard needs to allow for this ongoing journey, which will differ for every organization.

So, rather than fix a line in the sand, BS 8900 sets out a path and indicates various stages along the path. It is the commitment and engagement of the organization that matters, not that it has reached a particular point. The more specific standards that follow will need to be more concrete about the point at which accreditation can be given. This will require the later standards in the BS 8900 series to offer specific requirements, to allow certifiers to determine whether an organization is ‘sufficiently sustainable’ to be certified. However, even here it must be recognized that sustainable development is an ongoing process, by its very nature.

As technology progresses and we become more competent in sustainable development, the horizon of what is possible and what is practical will shift, and so what currently looks like good practice may seem to be somewhat rudimentary in years to come. It is important that any standard allows for this continual shift, in its requirements.

BS 8900 also encourages organizations to take a lead, to be adventurous and to push what may now seem to be boundaries. Pioneering is almost a requirement at the current state of maturity of this area. It is also implied within the activity of vigorous and useful stakeholder engagement. With experience and learning it should be almost inevitable that progress can be achieved and

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that barriers can be broken. This is an inspiring and challenging prospect for all organizations, commercial and social enterprises.

## The structure of BS 8900

The standard is deliberately short and has five sections, of which three form the focus of the approach:

1. Scope
2. Terms and definitions
3. Principles of sustainable development
4. Putting sustainable development into practice
5. Sustainable development maturity matrix

The scope of the standard is deliberately broad to encompass organizations of any size, be they commercial or non-profit. The standard is also not sector specific or focused towards any particular type of organization. It can also be used by an organization's stakeholders.

BS 8900 contains a 'Terms and definitions' clause, but it has been drafted to avoid the use of jargon. This is because we relied on the terms we do use being explained in the text or having their normal usage.

In consequence, the best place to begin is by starting to define the sorts of sustainable outcomes the organization wishes to achieve. This is a very difficult subject and an organization will find that it is necessary to keep revisiting the outcomes as an iterative process.

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## Chapter 3: Where to start? Outcomes and principles

### Outcomes and principles – dealing with complexity

The essence of defining outcomes is to try to put into words the situation, products, service, environment or global picture you are trying to work towards. This is potentially a complex process. While it is necessary to be as concrete as possible in defining outcomes, in the early stages of sustainable development it is likely that an organization will have a fairly loose and incoherent review of what it is trying to achieve.

As a result, BS 8900 rapidly moves users on to establishing principles of sustainability. These are more general statements, rules of thumb, for example, which have two advantages:

1. they help you to define outcomes in higher-level terms that are more flexible and more widely understandable;
2. they help you to apply your strategy of sustainable development in practice by providing reference points for making decisions both at a corporate and at an individual level.

These principles may often start from widely held ethical principles, such as the desire to be honest, fair and responsible. However, in the focus on sustainable development, these are not enough. So the next stage is to define these principles in a way that starts to approach and grapple with what sustainability means in your context.

BS 8900 offers an example of how this ‘working towards’ principle might be facilitated, as shown in Table 1.

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Table 1 — Sample principles

Principles	Questions
<b>Inclusivity</b>	<ul style="list-style-type: none"> <li>• How do you identify those who could affect or be affected (stakeholders, see 4.2.1) by your decisions and actions?</li> <li>• How do stakeholders contribute their views, and on a continuing basis?</li> <li>• How do you help stakeholders understand the reasons for the organization's decisions and the implications of its actions?</li> <li>• How can you be sure that no groups or individuals are disadvantaged or are "kept in the dark"?</li> <li>• Are there interests beyond your immediate stakeholders which should be considered?</li> </ul>
<b>Integrity</b>	<ul style="list-style-type: none"> <li>• How do you try to deal with others with integrity?</li> <li>• How is diversity encouraged and developed?</li> <li>• How do you ensure bribery, abuse, oppression, and corruption are avoided?</li> <li>• How do you demonstrate that your decisions and actions are unbiased, and comply with relevant rights, legal obligations and regulations?</li> </ul>
<b>Stewardship</b>	<ul style="list-style-type: none"> <li>• How does this action affect quality of life?</li> <li>• Will organizational decisions lead to irreversible environmental (including biodiversity) or societal change or loss? If so, have alternatives been evaluated?</li> <li>• In any activity will the use of resources and its consequent impact be considered and monitored?</li> <li>• How are sustainable development management skills developed, shared, applied and recognized?</li> </ul>
<b>Transparency</b>	<ul style="list-style-type: none"> <li>• How do you make certain that relevant and reliable information is available in an accessible, low-cost and comparable way?</li> <li>• How are reasonable views or requests for further information considered and responded to?</li> <li>• How are significant interests, influences or beneficiaries recorded, communicated and managed?</li> <li>• How are decision makers identified and the reasons for decisions recorded and communicated, and to whom?</li> </ul>

(Source: BS 8900:2006)

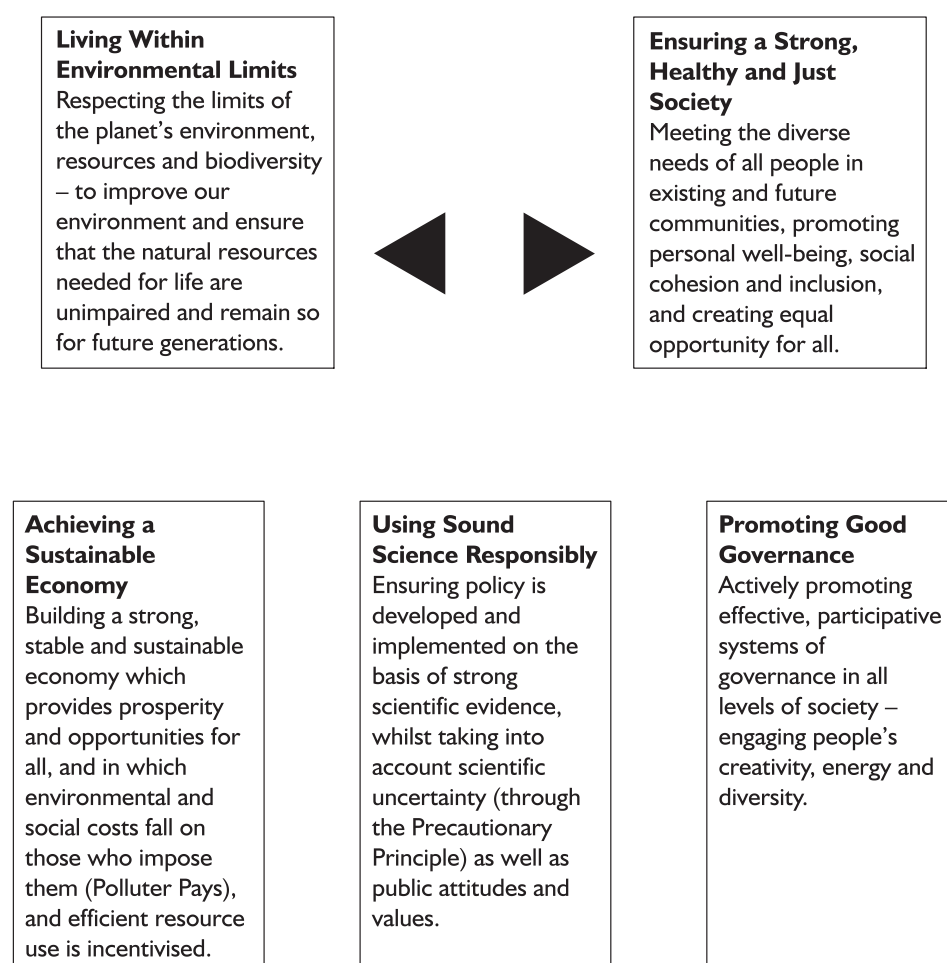
On the left of the table are broad ethical principles and on the right are questions that start to work out how these principles might translate into a more sustainable format and focus.

The process of challenge and debate will be necessary to a refined assessment of workable principles – the more contributions to this discussion, the more likely it is for a workable result to be achieved. Below are some examples

of how this might be achieved. From these principles an organization may then be better placed to define specific outcomes.

## National starting point

It may be useful to start from the UK Government's perspective on sustainable development principles, as set out in Figure 2. Examples of how organizations set out their sustainable development principles follow, with that of Co-operative Financial Services provided first, in Example 5.



(Source: UK Government sustainable development website)<sup>1</sup>

Figure 2 — Shared UK principles of sustainable development

<sup>1</sup> See <http://www.sustainable-development.gov.uk/what/principles.htm>.

## Example 5 — Co-operative Financial Services Sustainability Report 2005

### **Our purpose**

To be a growing, pioneering financial services business delivering benefits to customers, members and communities through commitment to value, fairness and social responsibility.

### **Our vision**

To be the UK's most admired financial services business.

measured by

- Profit generation to create a sustainable business
- Market leading colleague satisfaction
- Market leading customer satisfaction
- Market leading social responsibility approach
- Membership growth.

### **Our values**

As a Co-operative business, we believe in:

*social responsibility*

We are committed to leading the way on ethical, environmental and community issues.

*openness and honesty*

We work hard to earn credibility and trust from our customers and each other.

*being successful*

We work together to make sure that CFS is admired, profitable and sustainable.

*being customer focused*

We always aim to satisfy our customers and exceed their expectations where we can.

*making work fun*

We are proud of CFS and know we can contribute to making it a great place to work.

*(Source: Co-operative Financial Services, 2006)*

## Other examples of organizations' principles

These principles and outcomes may be expressed in policy or in high-level mission statements. For example, BP has been able to develop a high-level mission statement for its environmental approach,<sup>2</sup> which is shown in Example 6.

### Example 6 — BP's environmental mission statement

At the core of BP is an unshakable commitment to human progress. Our products and services contribute to a better quality of life; they provide the freedom to move and to heat. We believe this freedom is inseparable from the responsibility to produce and consume energy in ways that respect both human rights and natural environments.

#### **Environment**

Our goal is no damage to the environment; our challenge is to achieve this while continuing to deliver energy products that support growth and social development.

We work hard to minimise the environmental impact of our operations, by improving efficiency and investing in innovative technology.

For BP Fuel Cards the major environmental threats are spills during the filling process and on the road. Oil and fuel spills can damage the environment, local communities and our business, as well as our customers' business. In recent years we've made progress in tackling the risk of spills and in dealing with those rare occasions when spills have occurred. There will always be some risk that our products may leak or spill, but we believe we can minimise this by taking action to protect our road tankers and storage facilities, prepare well to deal with spills if they happen and learn from past experience to improve our performance in the future. We take a 'prevention is best' approach, but we also carry out regular oil and fuel spills exercises to make sure we're well prepared to deal with a number of different spills scenarios.

We also work continuously on developing new products and services that help fleet businesses reduce the impact of their operations on the environment, and at the same time increase their operational efficiency and effectiveness.

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<sup>2</sup> See <http://www.bp.com/genericsection.do?categoryId=4502958&contentId=50474>.

For BP, this has then led to a specific outcome expressed in concrete terms, as follows.

*The launch of targetneutral in the UK is another example of BP's long-term strategy of finding new and better ways to minimise the impact of road transport fuels on the environment.*

Targetneutral is a non-profit making initiative that gives UK drivers a simple, practical way to make their own, personal contribution to reducing, replacing and neutralising, the harmful CO<sub>2</sub> emissions their driving produces.

By logging on to [www.targetneutral.com](http://www.targetneutral.com), drivers can calculate how much CO<sub>2</sub> their car emits, find out how to reduce that figure and also learn more about global projects to minimise CO<sub>2</sub>. It is easy to participate, and involves a cash contribution to the programme, usually around £20 per year, depending on your vehicle, gas mileage and fuel consumption.

BP will also make a cash contribution, for every litre of BP fuel purchased (excluding fuel card purchases), by targetneutral members using their Nectar cards. And through the scheme, all of BP's UK fuel tankers will now be CO<sub>2</sub> neutral.

All the money raised, barring VAT and card/welcome costs, goes towards positive environmental projects that offset the harm CO<sub>2</sub> emissions produce, like three biomass energy plants, a wind farm in India and livestock operations in Mexico. The scheme is monitored and guided by an independent Advisory and Assurance Panel chaired by Sir Jonathon Porritt. Targetneutral gives drivers an easy, affordable way to play their part in balancing the equation.

Example 7, an extract from the Quarry Products Association's *Sustainable Development Report March 2006* (Quarry Products Association, 2006), shows how core values can be translated directly into outcomes and also set a direction for future aspirations.

### Example 7 — Core values to outcomes and aspirations

#### **Resource conservation**

##### **Core value**

We recognise our responsibility to make the most efficient use of all resources.

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**Performance indicators**

- Tonnage of aggregates produced and landed: 281 million tonnes GB
- Volume from land sources: 201 million tonnes of primary aggregates GB
- Volume from marine sources: 13 million tonnes GB
- Proportion from recycled & secondary sources: 24% in 2004
- Per capita production in GB: 4.8 tonnes (EU: 6.9 tonnes)
- Water use metered/charged consumption per tonne of total production: 0.036 cubic metres
- Energy use, CO<sub>2</sub> kg per tonne of total production: 9.98kg
- Aggregates sector share of UK carbon emissions: 0.6%

**Current position**

QPA members have a responsibility to maximise resource efficiency. This means that we need to get the most out of each tonne of mineral extracted whilst using the fewest possible resources in doing so. We have seen the use of secondary and recycled aggregates increase substantially in recent years, demonstrating the broad resource base of the industry and its ambition to divert previously used materials from disposal and back into use.

As indicated in the appendices to this report, the production of primary aggregates has “de-coupled” from construction output and economic growth, although there remains a relationship between these indicators. The use of total aggregates in Britain (4.8 tonnes pa per capita) is significantly lower than aggregates use in Europe (6.9 tonnes pa per capita in the EU), demonstrating the relatively high resource efficiency in the sector in Britain (the production basis of the GB aggregates statistics is a good proxy for GB consumption of aggregates.) In addition, the use of recycled and secondary materials in aggregates markets in Great Britain has increased significantly in recent years. We estimate the use of recycled and secondary materials in aggregates markets in Britain at 67 million tonnes in 2004, comprising 24 per cent of the aggregates market. This GB market share has more than doubled in the last 15 years, and the volume of recycled and secondary materials has risen consistently since the mid-1990s.

We also report here, for the first time, our energy and water data. It is clearly too early to establish a trend and we also need to improve the coverage of the data and monitor the quality of the data. In this first report, our information on energy use and carbon emissions is limited to the on-site use of energy excluding that used in the delivery of our products. Much more work is required in the area of measuring and reporting water use as we are active in many elements of the hydrological cycle and the interactions

are complicated. We report the consumption of metered or paid-for water, but not the total volume of water abstracted during quarry de-watering, nor the re-use of water used in processing.

In terms of energy use, we have identified the use of electricity, natural gas, gas oil, diesel, heavy fuel oil and recovered fuel oil and converted these volumes to an overall kgs of CO<sub>2</sub> per tonne of total QPA production.

The figure of 9.98kg of CO<sub>2</sub> includes the production of aggregates and value-added products such as asphalt and ready-mixed concrete, but does not include the use of energy in delivering our products to the market.

### ***Aspirations***

We aspire to ensure that all minerals are used appropriately and that we maximise the use of previously used materials. We would like to reduce our environmental footprint per tonne of material sold.

*(Source: Quarry Products Association, 2006)*

## **Conclusion**

BS 8900 suggests using different questions and approaches to find principles – one might call them criteria – to help:

- define sustainable outcomes; and
- apply an approach to sustainable development consistently across a wide range of situations, sectors and possibly internationally.

In other words, principles to assist you to decide whether an outcome, a decision, a course of action or an impact tends towards being sustainable or not. This is particularly important in embedding sustainable development in larger organizations.

## ***References***

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## Chapter 4: Identifying issues and stakeholder engagement

Of course, it is very difficult to define sustainable outcomes and principles in isolation. As any organization has impacts of varying sizes on those who work in the organization, around it and at arm's length, it cannot take a view of its sustainable nature without involving the perspectives of all stakeholder groups.

It is a common theme throughout BS 8900 that the closer the engagement of all stakeholder groups, the healthier and more robust a path to sustainability is likely to be.

Critical elements in developing any sustainable development model, therefore, are:

- identifying significant stakeholders;
- effectively engaging with stakeholders on an ongoing basis;
- identifying significant issues with stakeholders.

### Key issues

Core to the philosophy of effective stakeholder engagement is the need for broad and representative engagement to ensure that needs are accurately identified, actions explained and implications fully assessed. Again, BS 8900 avoids a formulaic approach and critically aims to build self-confidence and capability, driven by sound interests. This need, however, for effective and broad engagement continues and is not simply an upfront or one-off activity.

In identifying who might be significant stakeholders and who are not, it is important to calculate the degree of dependency and influence, either way,

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between the stakeholder and the organization. This may be a calculation not only of the likelihood of one influencing the other, but also the degree of impact one may have on the other. In risk management terms, this may be calculated in terms of possibility 'x' impact.

It is important that engagement continues throughout the process and is not a one-off effort at the beginning. This is part of the process of building and maintaining confidence (see Chapter 7).

There are a number of models for structuring your stakeholder engagement available on the market.

To be genuine and transparent, it is necessary to develop a relationship with your stakeholders which reflects your willingness to:

- listen and take account of the views expressed;
- explain why some input is acted upon and other input is not;
- educate stakeholders about your plans, opportunities and limitations;
- maintain an ongoing relationship.

This is potentially expensive and time-consuming, but is the foundation for effective sustainable development strategy and implementation. There is no easy answer; the most useful focus might be the values you espouse as an organization and your effectiveness in communicating and facilitating discussion. This may be a new set of skills for some management teams and may require specific training and development.

Reflecting on the previous section about the danger of tokenism, again, more damage can be done by apparently superficial engagement, resulting in greater cynicism and less potential engagement in the future.

The first stage of engagement is to focus on identifying key issues, before moving on to possible solutions and ways forward. It may not be immediately apparent what the issues might be, particularly as each stakeholder group will have a different perspective and set of priorities.

Many organizations identify their stakeholders by category, e.g. staff, NGOs and shareholders, but this may not be realistic as many individuals either may not fit into any category or may overlap into a number of different groups. In addition, if stakeholder input is confined within set groups it may result in polarized views becoming entrenched. At some point stakeholders need to see the perspective of others and assist in coming to a consensus, or at least agree on a best way forward. Consequently, BS 8900 suggests that trying to bring stakeholder views together at the earliest possible stage is advantageous.

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This may be best achieved through cross-stakeholder group discussions or through specific stakeholder education. It may be more effective, once stakeholders have been identified within criteria and groups, to then de-emphasize such categorization in seeking views, using it simply as a check in the background to ensure balanced and fair representation.

One important element of the standard is that it seeks to promote sustainable development thinking throughout an organization and, rather than using a great deal of detail, it offers a series of questions and criteria to help you, as a user, to work out your own sustainable development path and actions. Therefore, throughout this Handbook there are sets of questions to help you move forward in each of the key areas.

**You may wish to consider the following questions about your stakeholder engagement**

- How do you ensure that relevant information is accurate, honest and easily accessible to stakeholders?
- Is information offered in a low-cost, understandable and comparable way?
- Does the information you provide show benefits and costs in an unbiased and direct way?
- Do you ensure the consistent use of clear language: no jargon and no small print?
- How are you sensitive to the values, needs and interests of stakeholders?
- You always go out of your way to involve all relevant stakeholders – what does ‘out of your way’ mean in practice?
- Do you look for collaboration and consensus rather than finding reasons to ignore or excuses to exclude?
- Do you explain your reasons for your response/actions or lack of action?
- Is your engagement transparent and a matter of public record?

## Identifying key issues

Once you have identified your key stakeholders, it is then necessary to work with them to clarify and refine your principles and outcomes and, within that process, to identify the key issues for the stakeholders in question.

It is likely that different stakeholder groups will have different key issues they wish to emphasize.

Some of these types of questions are provided in Example 8.

### Example 8 — Questions stakeholders might ask

- **Employees**  
What steps have you taken to be an employer of choice? How do you develop your employees in terms of training? Do you exercise positive discrimination in your employment policies, and how do you implement an equal opportunities policy? What do you reward? Do employees feel valued and how do you strive to achieve this? How do you involve employees? In what ways are your terms of employment better than the norm? Why would anyone want to work for you?
- **Customers**  
Do your customers get the service that you have led them to expect? Do you seek to exceed their expectations? How do you educate customers about your values? Do you make the costs and conditions of your services/products clear? How do you demonstrate that you are worthy of your customers' trust?
- **Suppliers**  
Do you treat suppliers with respect and as an equal partner? Do you pay suppliers on time? How important are environmental or social welfare issues in your purchasing decisions? Do you seek to educate suppliers about your values?
- **Environment**  
Do you have an environmental management plan and how is this implemented? Have you measured your environmental footprint? What are your key environmental impacts and how have you addressed them?
- **Investors**  
Do you provide your investors with accurate, timely and representative information at all times? Do you pay your investors a fair return? Are all investors treated equally? Are investors paid on time?

(Source: Ethics Foundation, 2007)

Issues will be different for different sectors; as shown in Example 9.

## Example 9 — Key issues

- I. Manufacturing company
    - i. Energy

What efforts have you made to reduce your use of non-renewable energy in the manufacturing process, and have you sought to source renewable energy? Have you measured your carbon footprint?
    - ii. Supply chain

How do you ensure that your suppliers act sustainably? (That is, ensure fair working conditions and pay, and manage their environmental impact responsibly.)
    - iii. Transport

How have you minimized the transport of goods and the carbon footprint of that transport?
    - iv. Resources

How have you minimized your use of material resources and what steps have you taken to reuse and recycle products?
    - v. Product life and reliability

What systems do you have in place to ensure that products are long-lasting and reliable?
    - vi. Product use

How do your products benefit people? Can they be used in a harmful way and, if so, how do you deal with this?
  2. Retail company
    - i. Supply chain

How do you ensure that your suppliers act ethically? (That is, ensure fair working conditions and pay, and manage their environmental impact responsibly.) How do you work with them to improve standards?
    - ii. Transport

How have you minimized the transport of goods and the carbon footprint of that transport?
    - iii. Suppliers

Do you pay your suppliers a fair price for their goods? Do you pay them on time? In what ways do you help suppliers? Do you share risks with suppliers or do they take all of the risk? Do your contracts with suppliers reflect their commitment as well as yours?
-

- iv. Product sustainability  
Do you assess the environmental footprint of the products that you sell, and how do you build environmental sustainability and product durability in to product selection? Do you seek to educate your customers about the environmental impact of your products?
- v. Terms of sale  
Do you accept responsibility for the goods that you sell and is this reflected in your returns policy? How fair are your servicing/ insurance agreements?
- vi. Sales  
How are staff remunerated and incentivized? How are they trained to sell things that customers need rather than what will be most beneficial for them to sell?
- vii. Product purpose  
Are your products environmentally or socially harmful or are they beneficial? If they can be used in a harmful way, how do you mitigate that possibility?

The Co-operative movement has developed a strong approach to engaging stakeholders and defining their key issues, stakeholder group by stakeholder group. Case study 1 is drawn from the 2005 sustainability report of the Co-operative Financial Services group.

### Case study 1 — Co-op Financial Services

#### **Partners: developing relationships**

CFS has identified six groups, or Partners, upon whom its continued success is, to varying degrees, dependent. Through ongoing dialogue with Partners, CFS seeks to identify and confirm their priorities, and put in place measures to try and improve its performance in the areas that matter most to them. This section provides a summary that identifies who CFS' Partners are, what their stated priorities are in their relationship with CFS and how performance is measured in these priority areas. The summary also signposts areas of the Report where information of primary relevance to each Partner group can be found.

Unlike some organisations, CFS does not define 'The Environment' as a separate Partner. The relationship between business and the 'Natural World' is essentially non-negotiable (in contrast to the relationship with suppliers,

staff, etc.). The activities of CFS and its Partners are ultimately governed by Nature's limited capacity to generate resources and assimilate waste. For this reason, CFS assesses the degree to which value is delivered to each Partner in an ecologically sustainable (and socially responsible) manner.

## **[Groups and their issues]**

### **Shareholders**

*Who?* Co-operative Financial Services (CFS) is an Industrial and Provident Society and the holding company for CIS (Co-operative Insurance Society) and The Co-operative Bank. Although the Bank has approximately 2,500 preference shareholders who receive a half-yearly fixed dividend, CFS' sole equity shareholder is the Co-operative Group ([www.co-op.co.uk](http://www.co-op.co.uk)). The Co-operative Group is an Industrial and Provident Society, which is owned and democratically controlled by its members ([www.co-operative.co.uk/membership](http://www.co-operative.co.uk/membership)). The Group is the largest consumer co-operative in the UK, with sales of £7.4 billion in 2005. The Group employs over 68,000 people and trades with millions of customers across the UK every day through shops, travel agents, banking, insurance, pharmacies and funeral homes...

*What?* Issues of co-operation, ethics and sustainability are of real concern to the Co-operative Group, as detailed in its Corporate Social Responsibility Report 2005 ([www.co-op.co.uk](http://www.co-op.co.uk)). The Co-operative Group's vision is to be the world's most successful consumer co-operative business. It has the following aims:

- to strive for world class levels of business performance;
- to be open, responsible and rewarding, putting co-operative values and principles into everyday practice;
- to enhance the lives of its people, members, customers and the communities where it trades; and
- to work for the long-term success of the co-operative sector...

### **Customers**

*Who?* CIS and the Bank have approximately 6.5 million customers. At the end of 2005, CIS had approximately 4.4 million customers (2004: 4.8 million) and the Bank had approximately 2.1 million personal and corporate customers (2004: 2.3 million). At the end of 2005, CIS provided 6.6 million active policies (2004: 7.3 million) whilst account numbers at the Bank increased to 3.3 million personal (2004: 3.1 million) and 102,000 corporate and business (2004: 95,000). ...

*What?* Focus groups undertaken with CIS customers found that issues of 'relationship' are of primary importance (Source: Nunwood Consulting 2004). 2005 research indicates that the delivery of this priority has remained important, despite a background of significant change brought about by the CIS modernisation programme. Focus groups undertaken with Bank personal customers found that the issues of 'service', 'relationship' and 'ethics' are of primary importance (Source: BDRC Customer Research 2000). Focus groups undertaken with the Bank's corporate and business customers, found that 'service' and 'relationship' emerge as priority issues (Source: Dataquest Customer Research 2001). The aforementioned stakeholder dialogue continues to inform the development of indicators and customer satisfaction research. 200 telephone interviews were undertaken with each of the following groups of customers: (Bank personal) current account, credit card, affinity credit card, loan, savings and mortgage customers (Nunwood Consulting December 2005); (CIS) telephone interviews with (200 each of) motor insurance, home insurance, unit trust, life assurance and pensions customers (Nunwood Consulting December 2005). 700 telephone interviews were undertaken with corporate and business customers (Dataquest February 2006). Additionally, Nunwood Consulting conducted an e-survey with 500 *smile* customers in November 2005...

### **Staff**

*Who?* CIS and the Bank had 10,303 members of staff at the end of 2005 (2004: 12,938), of which 6,214 were contracted by CIS (2004: 8,791) and 4,089 were contracted by the Bank (2004: 4,147). These figures include 95 temporary staff, but exclude 189 staff on maternity/adoption leave and 97 staff on career break...

*What?* Qualitative research undertaken amongst Bank staff has indicated the following to be priority issues, in descending order of importance: 'salary package', 'personal development and career opportunities', 'relationships and working environment', 'job security' and 'co-operative culture and ethical conduct' (Source: Keeling Staff Research 2001). Given that CIS operates in the same sector as the Bank (financial services) and both have operations largely restricted to the UK and concentrated within the North West of England, these priorities have been translated into CFS-wide indicators and are considered to be generally applicable. In February 2006, an opinion survey was again undertaken across CFS. This ascertained staff satisfaction in the priority areas, and also looked at matters of well-being and work/life balance. 62% of staff completed survey returns (2005: 45%), with



reported data collated by HI Europe. 15% of staff work part-time (2004: 12%), ranging from 9% (2004: 7%) of CIS-contracted staff, to 24% (2004: 23%) of Bank-contracted staff...

### **Suppliers**

*Who?* Over 1,000 different businesses supplied CIS and the Bank with products and services in 2005 (where expenditure was more than £20,000). The type of relationship between the supplier and CIS and/or the Bank varies enormously, ranging from infrequent purchases to ongoing strategic partnerships...

*What?* Qualitative research undertaken amongst CIS and Bank suppliers in 2004 confirmed the following as priority issues, in descending order of importance: 'prompt payment', 'effective communication', 'fair treatment' and 'good relationships' (Source: Nunwood Consulting 2004). As a consequence, these areas continue to be regarded as priority indicators for suppliers. Quantitative research was conducted via telephone interviews with 35 CIS, 50 Bank and 72 suppliers who provided goods or services to both CIS and the Bank (equivalent to 15% of suppliers). These interviews sought to ascertain suppliers' satisfaction in the priority areas, and their opinions in connection with various aspects of ethics and sustainability...

### **Society**

*Who?* At the heart of CFS' Sustainable Development Policy lies a recognition of interdependence: the understanding that an organisation's activities rely for their success, and have an impact upon, the natural world and the six billion people who inhabit it. More specifically, with its main offices and service centres in Manchester, Skelmersdale, Stockport and Salford, CFS is very much in the heartland of Greater Manchester and the North West of England. Additionally, CFS managed more than 200 other premises across England, Scotland, Wales, Northern Ireland and the Channel Islands during 2005...

*What?* Determining, for CFS, a common set of priorities directly with society as a whole is next to impossible. Instead, the Bank has periodically balloted customers on a series of Ethical Policy issues since 1992. Customers are both numerous and represent a good cross-section of society. Additionally, the first ballot of CIS customers, which sought to determine their social, ethical and environmental priorities, and their overall support for a CIS Ethical Engagement Policy, took place in 2004. Over 44,000



customers responded to this consultation, which was preceded by three rounds of focus groups. The most recent ballot of Bank customers (2001) saw 64,000 customers respond. A detailed analysis of the 1998 Bank Ethical Policy Review is provided in the Bank's 1998 Partnership Report ([www.co-operativebank.co.uk/partnership1998](http://www.co-operativebank.co.uk/partnership1998)). In addition, CFS consults with a variety of external expert organisations, such as charities and campaigning groups, which enjoy a high level of public trust. CFS treats these organisations as proxy representatives of society...

### **Co-operative movement**

*Who?* The International Co-operative Alliance ([www.coop.org](http://www.coop.org)) defines a co-operative as 'an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise' (Manchester 1995). Co-operatives can be traced back to 1844, when harsh living conditions and inadequate consumer protection inspired 28 working men to develop a new approach to the supply of food and other goods, by setting up the Rochdale Equitable Pioneers Society. There are now more than 800 million individual co-operators worldwide. Co-operatives are involved in everything from food production and retailing, to banking, insurance, travel, housing, health, education and leisure. The values inherited from previous generations of co-operators are still highly applicable today; not least the belief that business has a purpose beyond profit. Like the rest of the Co-operative Group, CFS is conscious of its responsibilities to past and future generations of co-operators, and strives to keep alive the values passed down...

*What?* In response to the recommendations of the Co-operative Commission ([www.co-opcommission.org.uk](http://www.co-opcommission.org.uk)), which concluded in 2001, a working group was established by Co-operatives<sup>UK</sup> to devise and promote indicators of co-operative and social performance. During 2004, Co-operatives<sup>UK</sup> launched a basket of ten indicators ([www.co-opunion.coop](http://www.co-opunion.coop)). This followed consultation during 2003 with the membership of Co-operatives<sup>UK</sup> (some 900 co-operatives of all shapes and sizes), of whom more than 50 responded to an Exposure Draft of 16 indicators. The indicators are considered to cover all seven of the Co-operative Principles, and are promoted as a robust starting point for sustainability accounting and reporting amongst co-operatives of all sizes. CFS' reporting encompasses, in full, the seven social indicators and, in part, the member indicators relating to education and economic involvement. It does not encompass the indicator relating to member democratic participation, as CFS is not under direct

member control. CFS' reference to the work of Co-operatives<sup>UK</sup> supersedes previous use of the reporting framework of Euro Co-op ([www.eurocoop.org](http://www.eurocoop.org)), which was also based around the seven Co-operative Principles.

*(Source: Co-operative Financial Services, 2006)*

Of course, at some point these different viewpoints need to be combined as organizations, having listened to a range of stakeholder groups, set out the issues in an integrated list. Case study 2 covers a very extensive list, which may act as a checklist for some organizations to help start off their thinking.

## Case study 2 — Marks and Spencer

[The following issues are grouped by subject and do not imply a priority order.]

### **Making our operations more efficient**

1. Carbon neutral –  
Aiming to make all our UK and Republic of Ireland operations (stores, offices, warehouses, business travel and logistics) carbon neutral.
2. Energy efficiency (stores) –  
Reducing the amount of energy we use in our stores by 25% per square foot of floor space.
3. Energy efficiency (warehouses and offices) –  
Achieving a 20% improvement in fuel efficiency and energy use in our warehouses and offices.
4. Business travel –  
Introducing a new 'green' business travel policy to reduce CO<sub>2</sub> emissions caused by our travel.
5. Company cars –  
Introducing a 'green' company car policy to reduce average CO<sub>2</sub> emissions.
6. BRE-EAM –  
Targeting all new stores to achieve Building Research Establishments Environmental Assessment Methodology (BRE-EAM) 'excellent' rating and all other stores to be assessed against BRE-EAM rating system.

7. Green electricity –  
Sourcing or generating 100% 'green' (renewable) electricity for M&S stores, offices and distribution centres in the UK and Republic of Ireland.
8. Anaerobic digestion –  
Working in partnership to build and operate anaerobic digestion facilities to generate renewable electricity.
9. Green stores –  
Opening 'green' concept stores in Pollok, Galashiels and Bournemouth in 2007.
10. On-site renewables –  
Having 20% on-site energy generation from renewables in all new builds where practicable.
11. Bio-diesel –  
Conducting trials and move towards the use of 50% bio-diesel in our lorries as sustainable sources become available.
12. Green transport –  
Introducing innovative new transport technologies and set further targets as these become proven.
13. EURO engines –  
Progressively converting delivery fleets to cleaner EURO IV and V standard engines.
14. Carbon offsetting –  
Working with the Government and environmental groups to develop an acceptable approach to using carbon offsets where no other method of reducing CO<sub>2</sub> emissions is available.
15. Refrigerants –  
Continuing to replace HCFC gases and help to develop better alternatives than HFCs for use in our refrigeration and air-conditioning systems.

#### **Helping reduce emissions in our supply chain**

16. UK and Republic of Ireland –  
Sourcing as much food as possible from the UK and Republic of Ireland.
  17. Seasonal food –  
Launching five Research and Development projects to extend UK growing seasons and develop new varieties that reduce the need for imports.
-

18. Supplier logistics –  
Working with our suppliers to understand how we can improve the efficiency of their deliveries to our distribution centres, including increasing the use of rail transport.
19. Food ‘carbon footprint’ –  
Working with the Carbon Trust we will identify carbon ‘hot spots’ in our food supply chain in 2007 and set targets to reduce CO<sub>2</sub> emissions.
20. Reducing air freight –  
Investigating and minimising our use of air freight whilst balancing the need to trade with developing countries and provide nutritional choice.
21. Supplier Exchange (climate) –  
Mobilising our key suppliers via our Supplier Exchange to significantly reduce their CO<sub>2</sub> emissions.
22. Green factories –  
Supporting the development of ‘green’ factories with our suppliers.
23. Agricultural carbon balance –  
Undertaking research to understand the carbon balance associated with the production of agricultural raw materials.

#### **Helping our customers to address climate change**

24. Labelling air freighted food –  
Labelling all air freighted food products within 12 months.
25. Carbon labelling –  
Supporting the work of the Carbon Trust to develop a carbon labelling scheme for consumer products and services.
26. Low carbon products –  
Developing and selling products with a lower carbon impact.
27. Footprint Campaign –  
Launching campaigns with the WWF and National Federation of Women’s Institutes – to help our customers and employees understand their ‘carbon footprint’ and how to reduce it.
28. The Climate Group Campaign –  
Working with the Climate Group on a major educational campaign in 2007 encouraging people to wash clothes at 30 degrees to cut energy use and CO<sub>2</sub> emissions.

29. Public transport and cycling –  
Progressively introducing facilities to encourage the use of public transport and cycling for both customers and employees where appropriate.

#### **Reducing waste from our stores, offices and distribution centres**

30. No operational waste to landfill –  
Aiming to ensure that M&S operations in the UK and Republic of Ireland (stores, offices and warehouses) will send no waste to landfill.
31. Food waste (reduction) –  
Setting targets over the next 12 months to reduce food waste from our stores and distribution centres.
32. Food waste (alternative disposal) –  
Sending all remaining food waste to some form of recycling including composting and anaerobic digestion.
33. Construction waste –  
Sending no waste to landfill from M&S store construction programmes.
34. Construction and fit-out materials –  
Working with WRAP (Waste and Resources Action Programme) to increase the amount of recycled materials used in the construction and 'fit-out' of our stores.
35. Café Closed-Loop –  
Trialling closed-loop recycling for packaging in Café Revives over the next 12 months.
36. Consumables –  
Improving our use of recycled and recyclable materials in consumable items used in our stores and offices.

#### **Reducing packaging and ensuring that it's easy to recycle**

37. Packaging (reduction) –  
Reducing the weight of non-glass packaging by 25%.
38. Packaging (sustainable raw materials) –  
Increasing the amount of packaging made from more sustainable raw materials such as recycled materials and Forest Stewardship Council wood pulp.

39. Packaging (recycling and composting) –  
Ensuring that all packaging can be easily recycled or composted, accepting that in some case[s] this may require the use of heavier materials.
40. Packaging (WRAP logos) –  
Labelling all our packaging with the WRAP and Recycle Now symbols.
41. Packaging (Courtauld Commitment) –  
Continuing to work with WRAP in order to achieve the targets to reduce packaging and food waste contained in the Courtauld Commitment between 2008–2010.

### **Reducing waste from our products and making them easy to recycle**

42. Bin bags –  
Launching a range of bin bags made from recycled polythene collected from M&S distribution centres.
43. Clothing hangers –  
Extending hanger recycling with a customer awareness campaign to build on the 50 million we currently recycle and re-use each year.
44. Customer recycling services –  
Introducing a range of recycling services for our customers including a project for used clothing.

### **Reducing our use of carrier bags**

45. Carrier bags (reduction) –  
Reducing carrier bag use by 33% by 2010 including launching a 'No to Bags' campaign.
46. Carrier bags (recycled plastic) –  
Making our remaining carrier bags out of recycled polythene by 2008/09.
47. Carrier bag agreement –  
Working with Department for the Environment, Food and Rural Affairs (DEFRA), the British Retail Consortium and Waste & Resources Action Programme to reduce the overall environmental impact of carrier bags by (at least) 25% by the end of 2008.

## Farming

48. Sustainable farming –  
Producing our fruit, vegetables, salads and meat to independent environmental standards and developing a set of sustainable farming measurements to demonstrate the environmental benefits of these standards.
  49. Organic food –  
Tripling our sales of organic food in the UK and Republic of Ireland.
  50. Pesticides (phase out) –  
Phasing out a further 19 pesticides used in fruit, vegetable and salad production by the start of 2010 in addition to the 60 we have already banned.
  51. Pesticides (post-harvest) –  
Eliminating the post-harvest usage of pesticides on our fruit, vegetables and salads.
  52. Pesticides (Network) –  
Launching a Pesticide Residue Reduction Network with our suppliers.
  53. Non-GM –  
Maintaining our non-GM food policy.
  54. Sustainable textiles –  
Reducing the environmental impact of the textiles we sell by trialling new fibres such as bamboo, renewable plastics and new ways of producing fibres such as organic cotton, linen and wool.
  55. Cotton –  
Launching a sustainability strategy covering all our cotton including approaches such as 'Fairtrade', organic and the international cotton industry 'Better Cotton Initiative' by 2008.
  56. Food commodities –  
Working with key stakeholder groups, including the 'Roundtable for Sustainable Palm Oil' and the 'Roundtable for Sustainable Soy' to set acceptable standards. Set targets for our usage once these standards become available.
-

**Harvesting natural materials**

## 57. Wood –

Making sure all the wood we use is FSC certified (or where FSC is not available, an equivalent independent standard) or is recycled.

## 58. Fish –

Ensuring all the fish (fresh and processed) we sell is Marine Stewardship Council (MSC) certified or, where MSC is not available, another equivalent independent standard.

**Man-made materials**

## 59. Dye-houses –

Further improving our auditing system for dye-houses to ensure compliance with our sector leading environmental and health and safety standards.

## 60. Polyester –

Using recycled plastic (e.g. used bottles) to make polyester, rather than using oil. Make ranges of men's, women's and children's polyester fleeces from recycled plastic within a year. Extend to other polyester ranges such as trousers, suits and furniture 'fill' by 2012.

**Animal welfare**

## 61. Clothing standards –

Improving traceability in our non-food supply chains for animal-derived raw materials and work with animal welfare groups to develop sourcing policies on animal welfare for leather and wool.

## 62. Fixed cut off date for animal testing –

Launching a fixed cut off date commitment for all our beauty products.

## 63. Free range –

Converting all our fresh turkey, geese, duck and pork products to free range.

## 64. 'Oakham chicken' –

Further improve stocking densities for our welfare award winning 'Oakham chicken'.



**Water use**

65. Water efficiency (stores and offices) –  
Reducing our store and office mains water usage by 20%.
66. Water efficiency (suppliers) –  
Working with our suppliers to improve the efficiency of water use during the production of raw materials and products.

**Store construction and equipment**

67. Stores (raw materials) –  
Setting sustainable raw material standards for store construction and equipment.

**Supply chain standards**

68. Unannounced assessments –  
Introducing random checking of our suppliers to ensure they are working to our Global Sourcing Principles at all times.
  69. In-country resources –  
Increasing the number of people based in the countries of production to follow up concerns identified by our assessment system within 12 months.
  70. Ethical Trading Initiative standards –  
Working with our suppliers within the Supplier Exchange to share best practices on issues such as working hours and living wages.
  71. Ethical trading assessments –  
Extending the scope of our ethical trading assessments to include other parts of our supply chains e.g. laundries, embroidery operations and goods not for resale.
  72. Confidential complaints –  
Trialling a confidential worker complaints mechanism for workers in 2007/08.
  73. Product information –  
Introducing an enhanced web-based system that further improves the information we have about factories and raw material suppliers within three years.
-

**Responsible buying**

- 74. Supplier ranking –  
Introducing a benchmarking system for clothing and home suppliers (e.g. gold, silver, bronze) covering ethical trading and participation in our Supplier Exchange initiatives by the start of 2008.
- 75. Buying guidelines –  
Further developing our responsible buying guidelines and integrating them into our buying processes.
- 76. Small suppliers –  
Increasing our use of small and small local suppliers by improving the understanding of our buying teams of the different needs of small producers.

**Support for UK farmers**

- 77. Buying Pledges –  
Extending our Milk Buying Pledge, that offers a guaranteed set price, to other types of food in consultation with our farmers.
- 78. Linking customers and producers –  
Connecting our customers to our suppliers by developing a website providing information on how and where UK foods are produced.
- 79. Regional food sourcing –  
Doubling the amount of food we source regionally and improve the information we provide to customers.

**'Fairtrade'**

- 80. 'Fairtrade' food –  
Continuing to expand our ranges of 'Fairtrade' food including converting all our jams, conserves, and bagged sugar to 'Fairtrade' and offering more 'Fairtrade' fruit, wine and other products.
- 81. 'Fairtrade' clothing –  
Converting 20 million clothing garments including £5 plain t-shirts, women's strappy vests and oxford shirts to 'Fairtrade' cotton – equal to 10% of all M&S cotton use.

**Support for suppliers**

82. Supplier Exchange –  
Launching a Supplier Exchange to drive best practices, stimulate innovation and help suppliers secure funds to develop more sustainable production techniques and invest in their workforces and local communities.
83. Supplier Community Investment –  
Working with our suppliers via our Supplier Exchange to help them invest to improve livelihoods in vulnerable communities.

**Employee involvement**

84. 'Marks & Start' –  
Continuing to help disadvantaged groups like the disabled and homeless get into jobs via work placements in our stores, offices and suppliers factories.
85. Plan A Champions –  
Appointing and training Plan A Champions in all our stores and offices.

**Engaging customers**

86. Customer campaigns –  
Developing and launching initiatives on environmental and international community issues.
87. Breakthrough Breast Cancer –  
Maintaining our campaigns with Breakthrough Breast Cancer.

**Engaging franchise partners**

88. Franchise Exchange –  
Launching a website for our franchise partners to inform them about Plan A and the activities that they could undertake in their own businesses.

**Providing healthier foods**

89. 'Eat Well' –  
Increasing the amount of... nutritionally-balanced food we sell from 30% of our food to 50%.
-

90. Labelling –  
Introducing the use of nutritional traffic lights to relevant food products.
91. Children's sweets –  
Removing children's sweets from till points.
92. Natural colours –  
Using only natural colours in our children's sweets and cakes by the start of 2008.
93. Salt –  
Making further reductions to the amount of salt in our foods by working to M&S targets, many of which go beyond those set by the FSA.
94. Omega 3 (salmon) –  
Ensuring all our fresh salmon meets our new... standards (enriched with Omega-3) during 2007/08.
95. Natural enrichment –  
Developing agricultural projects to provide naturally-enriched foods.
96. Nutritional enrichment –  
Developing nutritionally-enriched product choices within selected ranges.

#### **Encouraging healthier lifestyles**

97. Healthy Eating Advisers –  
Introducing 1,500 Healthy Eating Advisers in our stores and extend this training to our food section employees by the start of 2010.
98. Health campaigns –  
Launching at least two major health initiatives for our employees and customers.
99. Diet and Health information –  
Evaluating the most effective means of providing expert Diet and Health information to customers including: trialling in-store Nutritionists and the provision of a Nutrition customer care line.
100. Lifestyle information –  
Providing improved health and lifestyle information to our employees and customers.

*(Source: Marks and Spencer Group plc, 2007)*

BS 8900 suggests general criteria for identifying key issues, but the more specific related standards, that are being developed as standards which can be used to obtain certification, are more detailed. Example 10 provides an extract from the British Standard on sustainable events (BS 8901:2006, *Specification for a sustainable event management system with guidance for use*), regarding key issue identification.

### Example 10 — Key issue identification

[Identifying these key issues will provide a focus for developing an implementation plan.]

**Table 1 – Examples of potential sustainability issues in event management**

NOTE The possible objectives listed are not prescriptive and do not need to be met by every organization to achieve compliance with this standard. However, organizations may want to consider them as a route to compliance.

Categories	Questions to determine whether an issue exists	Possible objectives
<b>Environmental</b>		
Climate change	Will the activity generate energy demands?	Reduce energy use/demand. Promote the use of renewable supplies of energy. Offset carbon emissions associated with energy use.
	Will the activity generate an increased need for travel?	Reduce the need for transport and promote efficient modes of travel and renewable fuels. Offset carbon emissions associated with transport use.
Air quality	Will the technologies employed for the activity's energy supply and transport generate air emissions?	Reduce emissions to air by promoting low emission technologies for energy supply and transport.
Water use	Will the activity require water?	Minimize water use and promote water efficiency.

**Table 1 – Examples of potential sustainability issues in event management (*cont'd*)**

<b>Categories</b>	<b>Questions to determine whether an issue exists</b>	<b>Possible objectives</b>
<b>Environmental</b>		
Emissions to water	Will the activity affect the water quality?	Maintain water quality and prevent pollution.
	Will the activity affect the watercourses?	Protect watercourses and prevent pollution.
Land use	Will the activity require previously developed land (rather than greenfield sites) to be used?	Optimize the use of previously developed land when selecting the location of an event.
	Will the activity affect its surroundings?	Design the event building/ structure with consideration to its surroundings/mitigate effects in surrounding areas.
Biodiversity	Will the activity affect existing biodiversity resources?	Protect existing biodiversity resources. Implement opportunities to enhance habitats and species.
Archaeology and cultural heritage	Will the activity affect sites of archaeological or cultural interest?	Protect sites of archaeological or cultural interest.
Emissions to land	Will the activity give rise to risks of ground contamination at the site?	Minimize risks of ground contamination at the site.
Solid waste management	Will the activity generate waste materials?	Minimize the amount of waste materials produced. Encourage re-use, recycling and recovery of waste.
<b>Environmental, social and economic</b>		
Procurement – product stewardship	Will recyclable or re-useable waste be generated from the activity's purchased products?	Promote “closed loop” waste management by purchasing re-usable products or products with a recycled content.
	Will the activity give rise to ethical or environmental issues from the procurement of products?	Promote ethical and environmental issues in the procurement of products.

**Table 1 – Examples of potential sustainability issues in event management (*cont'd*)**

<b>Categories</b>	<b>Questions to determine whether an issue exists</b>	<b>Possible objectives</b>
<b>Environmental, social and economic</b>		
	Will the activity give rise to ethical or environmental issues from the supply chain?	Promote ethical and environmental issues in the supply chain.
	Are the contractual terms fair?	Ensure fair contract terms with suppliers.
	Will those employed during the activity have fair terms of employment?	Promote fair terms of employment for those employed during the event.
	Will products/services required for the activity be produced/sourced locally?	Promote the use of locally produced and sourced products and services to reduce transport impacts and support the local economy.
<b>Social and economic</b>		
Health, safety and comfort	Could the activity impact negatively on the health, safety and well-being of event stakeholders?	Ensure the health, safety and well-being of the stakeholders at or likely to be affected by the event.
Security	Could the activity give rise to security issues?	Maximize security and the sense of well-being of visitors, exhibitors and speakers.
Equal opportunity and diversity	Will the activity ensure equality for all?	Ensure equality for all in relation to the event.
Community, local employment and skills	Will the activity give rise to investment in local skills and employment?	Encourage investment in local skills and employment.
	Will the activity cause nuisance to the local community?	Avoid nuisance to the local community.
Amenity	Will the activity provide suitable amenities to enhance the area/site and visitor experience?	Provide suitable amenities to enhance the area/site and visitor experience.
Viability	Will the activity be viable financially?	Ensure the financial viability of the event, including security of funding.

**Table 1 – Examples of potential sustainability issues in event management (cont'd)**

<b>Categories</b>	<b>Questions to determine whether an issue exists</b>	<b>Possible objectives</b>
<b>Managing delivery</b>		
Governance	Will there be an appropriate governance framework for the activity in terms of sustainable event delivery?	Implement an appropriate governance framework to manage sustainable delivery of the event.
Communication, stakeholder engagement and awareness raising	Will there be regular communication with stakeholders throughout the activity to encourage improved sustainability performance?	Communicate with stakeholders regularly to encourage improved sustainability performance.
Supply chain management	Will the costs and benefits of the event be shared fairly throughout the supply chain?	Ensure that the costs and benefits of sustainable events are equitable throughout the supply chain.
	Will supply chain management procedures be put in place for the activity to achieve a desired level of sustainability performance?	Implement supply chain management procedures that successfully deliver the sustainability objectives of the event.

BS 8901:2006 suggests applying the following criteria to the sustainability issues identified:

1. *the magnitude of effects*: i.e. the size of the effects. For example, an event that is required to provide catering facilities for 10,000 people is more likely to have a significant effect than an event catering for 50 people;
2. *the time period over which the effects occur*: a week-long festival is more likely to have significant effects than a comparable event taking place over a weekend;
3. *whether the effects are permanent or temporary*: for example, construction for a major event may result in loss of green space or habitat through permanently altered land use, whereas damage or disruption to green space or habitat from erecting temporary structures may not. This could also take into account any intended (i.e. positive) legacy effects of the event;
4. *whether the effects are positive or negative*: although identification of issues generally tends to identify negative consequences of activities, it is important to appreciate that activities can also generate positive effects. For example,



fixtures and fittings that would otherwise contribute to the waste stream could be donated to local charities or community groups;

5. *the probability of the effects occurring*: if the probability of an effect occurring is high, then there is a greater likelihood of resources being required to mitigate potential effects, and as a consequence, the significance of the effect is higher. For example, one would expect the probability of a serious accident/incident occurring at an air show or motor-racing event to be higher than at an awards ceremony. The level of significance would suggest the need for a higher level of emergency response;
6. *the frequency of event occurrence*: if an effect occurs more frequently, it will be more significant than if it only occurs occasionally. For example, some events are weekly (e.g. football fixtures during the winter months), whereas others might occur only once a year (e.g. a motor show);
7. *whether there are cumulative effects*: an effect may be more significant if it is considered alongside other activities, events, projects, etc. that have similar effects. For example, the effect of spectators exiting from an event en mass during peak travel times is likely to be more significant than outside of peak hours;
8. *whether there are secondary effects*: secondary effects should also be considered when determining an issue's significance. For example, an event that generates additional traffic loads may in turn lead to significant traffic congestion, lowering of air quality due to vehicle emissions and higher accident rates;
9. *whether there are synergistic effects*: an example of a synergistic effect is when the effects of crowding (e.g. of spectators) are more significant when the weather is extremely hot, due to discomfort (behaviour and security) and/or health impacts (heat stroke, etc.).

## Conclusion

Effective sustainable development is built on the foundations of:

- ongoing stakeholder engagement; and
- clarifying key issues and prioritizing them.

Both are ongoing processes.

Without these two areas operating well it is likely that sustainable development will be difficult to target and, particularly, embed throughout the organization.

## References

- Co-operative Financial Services (CFS) (2006) *Co-operative Financial Services Sustainability Report 2005*, Manchester: CFS. Available at <http://www.cfs.co.uk/sustainability2005>
- Marks and Spencer Group plc (2007) *How we do Business 2007 Report*, London: Marks and Spencer Group plc. Available at <http://www.marksandspencer.com/howwedobusinessreport2007>
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## Chapter 5: Embedding a culture of sustainability

### Introduction

BS 8900 then moves on to practical models of embedding and maintaining a sustainable approach across an organization. This is definitely not management system speak but is focused on the essence of managing sustainable development. There is great store placed on stakeholder engagement that means something and is ongoing – not a one-off publicity exercise. The emphasis is on quality and breadth of engagement and the two-way nature of the process. For example, it is suggested that when stakeholders are asked for input (maybe through a consultation process) and some of the significant proposals are not taken up, the organization concerned should give its reasons for not acting on those particular proposals. This may also trigger an education-style exercise to explain the organization's thinking more fully, so that there is improved understanding across the stakeholder group. This is a more sustainable outcome, if only to reduce the likelihood of the same cycle of feedback and possible frustration occurring next time around.

BS 8900 covers two distinctive techniques:

1. presenting questions as a framework for developing company-specific principles, developing new thinking and implementing socially responsible practice; and
  2. proposing a development matrix as a template for assessing existing corporate culture, identifying issues and aligning paths for future possible progress.
-

These are perhaps the most important and unusual aspects of the standard. The aim is to encourage and guide the thinking of the user rather than tell the user precisely what to do. It is a standard in the sense that BS 8900 provides a framework of how to identify, consider and weigh up difficult issues and priorities, and then apply sustainable development. How that stimulation, challenge to existing thinking and continual re-evaluation is brought about is at the heart of BS 8900.

## Building a culture of sustainability

The driver or agitator of change comes from the use of questions throughout the standard, constantly challenging what may already be in place and pointing towards issues that must be considered if you are to be sustainable. This is a basic educational tool that has been adapted from the normal educational context for use by businesses, organizations and communities, and applies to considerations across wider society. These techniques have been employed in financial services regulation with the same end in mind, of gaining broad-based engagement and ownership of growth and development. This mindset of questioning differently, evolving balances in priorities and continual learning from experience (and elsewhere) is a very powerful model for embedding a culture of change that is, critically, sustainable.

The questions might include the following.

- What are the outcomes of what you do – both short and long term?
- What steps have you taken to reduce your environmental footprint?
- How do you benefit the local and wider community?

Organizations can have profound impacts beyond their immediate stakeholders: on the environment, on producers on the other side of the world, and on other people who come in to contact with their products. When considering the outcomes of what we do, we therefore need to be mindful of the wider implications.

Timescales and sustainability are also important. Sometimes our actions can be beneficial in the short term, only to have serious negative consequences in the long term, and vice versa.

An ongoing process of questioning probably takes place. A second level of questions might include the following.

- How can you be sure no groups or individuals are disadvantaged or kept in the dark?
  - How do you try to deal with others with integrity?
-

- Will organizational decisions lead to irreversible environmental or societal change?
- How do you make certain that relevant and reliable information is available in an accessible, low-cost and comparable way?
- How are significant interests, influences and benefits recorded, communicated and managed?

The idea is to create a kind of crossroads where issues can be looked at from many different angles and the intersection provides an indication of a way forward.

Again, it is necessary to reflect back on your agreed outcomes, which now may start to become more defined.

It is important to get sustainable development as an agenda item in the everyday thinking of the organization. It may be useful to insert questions in board agendas, management meetings and appraisals, or regarding HR policies.

You could consider inserting the following in everyday meeting or decision-making agendas, for example:

- How does your long-term view balance short-term expediency?
- Who benefits, who loses out – and why?
- How can you establish sustainable win-wins?
- Have alternative routes been evaluated, to examine the most sustainable outcomes?
- Do you balance your responsibilities to all stakeholders?

The aim is to get sustainability as a subject into all parts of your business, to ensure that it is acceptable for everyone, at all levels, to raise sustainability issues or questions. This may involve some discomfort if you allow people to try ideas out and make mistakes, but overall there is no need for this to add cost or disrupt normal operations, other than to nudge the organization in a sustainable direction.

You may wish to ask the following.

- Do you embed frameworks that support and promote the continual development of sustainability by staff themselves, especially by allowing the experience of applying sustainable principles in practice?
  - Do you allow time/space in meetings, formally and informally, and at board level, to evaluate and consider sustainable implications and to learn from experience?
  - Do you allow space and resource for personal development in the sustainability area?
  - Do you search for relevant case studies and apply helpful codes or standards?
-

- Are your codes and example materials primarily developed by yourselves and not transplanted, possibly unthinkingly, from others?

Putting sustainability into practice in all parts of the organization is the challenge. Examples 11 and 12 provide some illustration of this.

## Example 11 — ExxonMobil Corporation

### Putting biodiversity principles into practice

#### *Cepu, Indonesia — 3D seismic exploration*

Conducting Seismic exploration onshore requires extensive planning and preparation in order to minimize the environmental footprint, maintain high safety performance and achieve business and technical goals. The process involves sending sound waves into the ground and recording reflections as the waves bounce off different layers within the earth. These reflections give geoscientists information that helps them determine the presence of oil and gas.

In Cepu, Indonesia, seismic data was acquired over an area of 1200 square kilometers. To support the efforts of up to 3000 workers over a 15-month period, 64 temporary worker camps were built in addition to the main base camp. The Cepu area contains teak forests, rice fields, roads, railroads, a major river, numerous towns and villages and a population of about 3 million. The challenge was to conduct the survey in harmony with the local environment.

Prior to the survey, the environmental assessment was completed which included a review of available literature on the biology, culture and economics of the area, surface water and groundwater sampling, and wildlife observations. In addition, ExxonMobil met with elders and officials from 314 villages within the survey area. Based on community input and assessment findings, limits were placed on field activities and camps were located in areas to minimize the environmental and social footprint.

The project was designed to avoid the need to move vehicles cross-country, thus minimizing the clearing of vegetation and avoiding the rutting and soil disturbance issues associated with heavy vehicles. This method reduces the environmental and social impact; however, it requires a significant number of workers to perform tasks.

During operations, environmental management plans were in place to ensure that all wastes generated at the camp sites were disposed of properly. This included capture of all sewage, and disposal of all waste offsite in approved disposal facilities. At the completion of the survey, all worker camps and seismic lines were reclaimed to their original condition. The entire survey was conducted safely for workers and the public, with minimal impacts on the forests, wildlife and day-to-day life of the villagers.

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(Source: [http://www.exxonmobil.com/Corporate/energy\\_biodiversity\\_principles.aspx](http://www.exxonmobil.com/Corporate/energy_biodiversity_principles.aspx))

### Example 12 — Quarry Products Association

Terminal 5 is Britain's largest current construction project. When its first phase opens in 2008, it will allow Heathrow to handle an extra 30 million passengers a year. At its peak, the site has consumed nearly 4,000 cubic metres of concrete every day.

The aggregates for T5 have come from Foster Yeoman's Torr Quarry in Somerset, so helping to sustain 130 rural jobs. To win the job, the company invested in a new railhead at Colnbrook which can store up to 40,000 tonnes of aggregates. It has received up to 23 trains a week – the equivalent of 1,500 lorry journeys. The result is a massive reduction in both traffic and carbon dioxide emissions.

The sustainable development credentials of this project are further strengthened by the fact that Foster Yeoman has engaged a recycled aggregate partner. Day Aggregates has supplied over a quarter of a million tonnes of processed demolition and construction wastes drawn from all over west London.

(Source: *Quarry Products Association, 2006*)

### References

Quarry Products Association (QPA)(2006) *A Sustainable Development Report from the Aggregates and Quarry Products Industry* ('Sustainable Development Report March 2006'), London: QPA. Available at [http://www.qpa.org/sus\\_report01.htm](http://www.qpa.org/sus_report01.htm)

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## Chapter 6: Putting sustainable development into practice – key management issues

BS 8900 is not a management standard. There are many you can refer to, such as the ISO 9000 series, and there is no need to repeat here the quality management or efficiency principles of the ‘Plan-Do-Check-Act’ (or PDCA) cycle.

Note: ISO 14040, ISO 14044, ISO/TR 14047, ISO/TS 14048 and ISO/TR 14049 provide guidance on life cycle management.

BS 8900 does emphasize several aspects of practical implementation.

### 1. Vision and leadership

There is a need for a coherent view across an organization. Ideally, this includes a commitment to sustainable development at the highest level. However, leadership does not need to be so top-down and there can be champions and implementers at all levels within the organization.

The key is having a clear vision of the outcomes the organization is trying to achieve, and articulating it in a way that is accessible to all levels within the organization and to stakeholders beyond the organization. This is part of articulating a clear purpose for the organization, and to do so the principles of sustainability need to be incorporated within the values of the organization.

Management commitment is key, and BS 8900 identifies the importance of incorporating sustainability within everyday management planning, using strategic discussions to detail actions.

Sustainable development may be seen as part of the risk framework. However, while claiming a sustainable set of credentials may carry some

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reputational risk, it is possibly more appropriate to consider the opportunities offered by a commitment to sustainability.

### *Organizational governance*

In a situation where decisions are often finely balanced in relation to sustainability, it is even more important to maintain transparency and to deal with conflicts of interest proportionally and effectively. There are numerous codes of practice in this area. In the UK, the most useful is the Combined Code on Corporate Governance issued by the Hampel Committee in July 2003.<sup>1</sup>

The organization may wish to consider the following.

- Do you have processes in place to identify and manage conflicts of interest and significant interests or influences?
- Do you have specific training to ensure conflicts can be identified and dealt with?
- Do you provide help to others outside the organization in mitigating or resolving broader conflicts of interest and pressures that also impact on you?
- Do you have a register of external connections? Is the register made available in an easy, accessible way to all relevant staff?
- Do you have a register of significant individual, senior management and board interests?
- Do you always clarify and make transparent all senior-level potential conflicts of interest and connections?
- Do you ensure all significant influences, such as beneficiaries, are publicly identified?

## **2. Capability and capacity**

Intrinsic within the idea of embedding a culture of sustainability within an organization (see Chapter 5) is the need for staff to gain experience and understanding of the sustainable approach, so that they can apply it in practice and make appropriate provisions, even, perhaps, when not fully supervised. The emphasis within staff development is on:

- recruitment;
- learning and development; and
- appraisal and reward.

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<sup>1</sup> Available to download from [http://www.shef.ac.uk/cuc/pubs/CHEMS\\_Higgs\\_Code.pdf](http://www.shef.ac.uk/cuc/pubs/CHEMS_Higgs_Code.pdf).

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It is necessary to be clear with potential recruits about the expectations and responsibility that will be placed on them as part of a responsible and sustainable organization. Similarly, it is also necessary to explicitly include sustainable issues, alternatives and valuation techniques within the mainstream of training and development. Finally, the organization will probably obtain the most commitment to ongoing sustainable actions by incorporating clear measures within its appraisal and reward systems that make a direct connection between sustainable commitment and salaries/bonuses.

To achieve the latter, it is also necessary to consider appropriate measures of sustainable development for the organization. These should form part of the mainstream recording, tracking and management systems – rather than being an adjunct, to one side.

These measures need to relate directly to the outcomes, principles and vision set out in the organization's strategy, and reflect the commitment to the engagement of stakeholders and embed a culture of sustainability within the organization.

Note: for further information on the identification, planning, implementation and measurement of processes, see the paper giving *Guidance on the Concept and Use of the Process Approach for management systems* (ISO/TC 176/SC 2, 2004).

These measures should be, for example, flexible, reflect changes to external and internal environments, and reflect moving horizons in the area of sustainable development.

Factors that the organization should consider include:

- future technologies;
- the socio-economic environment (in particular, factors such as the marketplace and competitor activity);
- the political environment;
- the availability of resources;
- possible changes in the balance between the needs and expectations of interested parties.

It is critical that the organization is a learning organization, i.e. that it is able to draw from experience and continue to challenge and evolve its principles and their practical applications.

It may be necessary for certain individuals to be designated champions of sustainable development, but in broad terms it is better that a firm's sustainable development thinking is incorporated into all aspects of management and human

resources. It is preferable that all accept ownership and responsibility to deal with problems and opportunities, rather than leaving this to a few individuals.

The organization may need to consider its competence framework and inserting or amending competencies directly related to sustainable thinking and action.

Competencies may include:

- demonstrable ethical decision making at all levels, including team meetings, individual assignments and at board level;
- widespread experience in making evaluations and judgements based on ethical principles and values;
- the capability to hold and balance complex, varied issues and interests, and to resolve significant ethical dilemmas.

Where appraisal or review identifies gaps, appropriate training may be required. The Investors in People (IIP) model and assessment scheme provides a suitable structure for those firms wishing to develop their staff training schemes or refocus their organizations (see Example 13).

### Example 13 — Investors in People

The Investors in People Standard will give you a framework to ensure that you achieve this. It doesn't matter what size or type of organisation you are, the Investors in People standard is there to help you improve the way you work. You have to meet the same criteria – or 'indicators' – as other organisations, but the Standard recognises that you will meet them in your own way. Investors in People recognises that organisations use different means to achieve success through their people. It does not prescribe any one method but provides a framework to help you find the most suitable means for achieving success through your people.

(Source: <http://www.investorsinpeople.co.uk/Standard/Pages/Default.aspx>)

Example 14 illustrates some of the Investors in People criteria.

### Example 14 — Some Investors in People criteria

*Indicator 1: A strategy for improving the performance of the organisation is clearly defined and understood.*

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...1 Top managers make sure the organisation has a clear purpose and vision supported by a strategy for improving its performance...

2 Top managers make sure the organisation has a business plan with measurable performance objectives...

3 Top managers make sure there are constructive relationships with representative groups (where they exist) and the groups are consulted when developing the organisation's business plan...

4 Managers can describe how they involve people when developing the organisation's business plan and when agreeing team and individual objectives...

5 People who are members of representative groups can confirm that top managers make sure there are constructive relationships with the groups and they are consulted when developing the organisation's business plan...

6 People can explain the objectives of their team and the organisation at a level that is appropriate to their role, and can describe how they are expected to contribute to developing and achieving them.

(Source: [http://www.investorsinpeople.co.uk/Documents/OnlineCommunities/Version%209%20Guidance%20\(Std\)%20v1.pdf](http://www.investorsinpeople.co.uk/Documents/OnlineCommunities/Version%209%20Guidance%20(Std)%20v1.pdf))

The organization may wish to consider the following points.

*On training and development:*

- Do you create situations where individuals, teams or organizations are allowed to apply sustainable development practices that fall within the organization's vision or code themselves?
- Do you create environments that encourage and support individuals and teams in developing their confidence and capability in applying sustainable development?
- Do you create structures that require or encourage individuals or groups at all levels to apply their sustainability principles, and to face and deal with difficult situations or issues?
- Are you conscious about building your ethical capacity and honest about any shortcomings?
- Do you look for opportunities to benefit from sustainable development trends and relevant initiatives?

*On appraisal and reward:*

- In what ways are you recognizing sustainable performance?
- How does this translate into target setting and prioritization day to day?
- How is sustainable development explicitly recognized in your appraisal process and reward structure?
- How does sustainable development contribute to succession and promotion decisions?
- How do you celebrate all recognized success in sustainable development, internally and externally?

### 3. Supply chain management

Procurement is not developed in BS 8900, but it is an important issue and is more fully covered in the subsequent standards under development that can be used to obtain certification. The extract in Example 15 is taken from the British Standard on sustainable events (BS 8901, *Specification for sustainable event management systems with guidance for use*).

#### Example 15 — Sustainable procurement

##### ***What is sustainable procurement and why is it required?***

Successful implementation of sustainable event management depends on the sustainability objectives being extended throughout the supply chain. This requires engagement with a wide range of suppliers, from specialists to non-specialists. The following section provides information on sustainable procurement and a checklist of potential issues is provided in Table B.1.

Sustainable procurement is the integration of sustainability management into all aspects of the procurement cycle including:

- a) defining the need for sustainable procurement;
- b) evaluating possible options;
- c) design and specification;
- d) supplier selection;
- e) tender evaluation;
- f) post-contract management;
- g) supplier development; and
- h) performance review.

Four key aims should be addressed when integrating sustainability management into the procurement process:

1. minimizing the impacts of products and/or services (e.g. impacts on health, air quality, generation of hazardous waste);
2. minimizing demand for resources (e.g. by using resource-efficient products such as energy-efficient appliances, fuel-efficient vehicles and products incorporating recycled content); and
3. minimizing the negative impacts of the supply chain itself, in particular the social aspects (e.g. giving preference to local and/or smaller suppliers and those that meet minimum ethical, human rights and employment standards);
4. ensuring that fair contract terms are applied and respected.

**Table B.1 — Sustainable procurement checklist**

<b>Categories of issues for consideration in sustainable procurement</b>	<b>Have the issues been considered? (Y/N)</b>
<p><b>Corporate commitment – sustainable procurement</b></p> <p>Is there organization-wide consensus on the approach to sustainable procurement for event management projects?</p> <p>Is a senior procurement director or manager responsible for the implementation of sustainable procurement and have adequate resources been allocated?</p>	
<p><b>Policy for procurement and strategic planning</b></p> <p>Has a procurement policy been defined, documented and communicated?</p> <p>Has a sustainable purchasing strategy been defined and adopted, and is it widely understood?</p> <p>Is the role of the procurement function defined in terms of achieving organizational sustainability targets?</p> <p>Are policies/codes of conduct/guidelines/minimum standards used to demonstrate what the organization will/will not buy?</p> <p>Are the most important categories of procurement identified for targeted action?</p> <p>Are future procurements mapped?</p> <p>Is the purchase core to the business?</p> <p>Are there a limited number of suppliers?</p> <p>Will the company suffer negative PR in the event of supply failure?</p>	

Table B.1 — Sustainable procurement checklist (*cont'd*)

Categories of issues for consideration in sustainable procurement	Have the issues been considered? (Y/N)
<p><b>Does the scope of the sustainable procurement strategy cover...</b> economic, social, health and safety, environmental and natural resource issues?</p>	
<p><b>Do the sustainability objectives embedded within procurement...</b> promote positive sustainability outcomes as well as managing negative impacts? demonstrate concern for, and effort to, maintain and build reputation? assist in incorporating sustainability values into supplier strategies and develop performance measures for mutual benefits (e.g. innovation, cost reduction, quality enhancement, increased flexibility, compliance and proactive risk management)? contribute to national policies by stimulating markets for sustainable goods? take the form of a tender specification and, where necessary, additional guidance?</p>	
<p><b>Are targets/KPIs...</b> linked to the overall organizational sustainability objectives? compliant with legislation as a minimum, and industry best practice standards? related to a defined outcome? driving real improvements through the supply chain? transparent? where applicable, based on sound science? SMART (specific, measurable, achievable, realistic, time-bound)?</p>	
<p><b>Assessment criteria</b> Has a weighting/scoring system for supplier/tender evaluation been developed? Have life cycle impacts and whole life costs issues been considered? Has the environmental purchasing hierarchy (see below) been applied? Is the supplier prepared to sign up to a supplier code of conduct? Does the supplier meet industry best practice standards? Does the supplier represent best value? Are the contract terms fair?</p>	

Table B.1 — Sustainable procurement checklist (*cont'd*)

Categories of issues for consideration in sustainable procurement	Have the issues been considered? (Y/N)
<p><b>Have best practice tools/techniques, etc. been incorporated, such as...</b></p> <p>a supplier code of conduct? If so, does the scope of this code include:</p> <ul style="list-style-type: none"> <li>• child labour?</li> <li>• forced labour?</li> <li>• health and safety?</li> <li>• freedom of association and collective bargaining?</li> <li>• discrimination?</li> <li>• disciplinary practices/harsh and inhumane treatment?</li> <li>• working hours?</li> <li>• remuneration and benefits?</li> <li>• personal management systems?</li> <li>• employment security?</li> <li>• community relations?</li> <li>• environmental issues?</li> </ul> <p>policies/codes of conduct/guidelines/minimum standards?</p> <p>the environmental purchasing hierarchy – “rethink, eliminate, reduce, reuse, recycle, dispose”?</p> <p>checklists and specifications?</p> <p>lists of pre-approved materials?</p> <p>involvement of sustainability personnel in contract negotiations?</p> <p>supplier development programmes to set requirements, form action plans, provide support and monitor progress through performance reviews?</p> <p>supplier audits and/or frequent supplier visits?</p> <p>integration with existing procurement tools such as total life costing, supplier performance classification and ratings, quality procedures, terms and conditions and Total Quality Management?</p> <p>contractual requirements to provide details on sustainability standards and contract “milestones”?</p> <p>pilot programmes to try out new sustainable products/services?</p> <p>working with R&amp;D to solve sustainability problems?</p> <p>supplier training and seminars/presentations, etc.?</p> <p>inclusion of “eco labels” or “eco label” criteria in specifications?</p>	



Table B.1 — Sustainable procurement checklist (*cont'd*)

Categories of issues for consideration in sustainable procurement	Have the issues been considered? (Y/N)
<p><b>Dialogue with suppliers</b></p> <p>Is a combination of the “command and control” and “partnership” supplier relationship approach used?</p> <p>Do contractual terms with suppliers reflect equal capacities to contract?</p> <p>Are communications with suppliers non-adversarial?</p> <p>Are expectations and roles within the communication clear?</p> <p>Have the suppliers been consulted regarding the communication?</p> <p>Are positive communication actions rewarded?</p> <p>Is dialogue between the organization and the supplier bases set up at an early stage?</p> <p>Are suppliers encouraged to be innovative with sustainable product options?</p> <p>Are variants to specifications considered in order to encourage performance improvements beyond functional specification?</p> <p>Are both “winning” and “losing” suppliers constructively debriefed?</p> <p>Are new bidders introduced for each invitation to tender (ITT) to facilitate competition?</p> <p>Has the organization, where necessary, engaged with trade/industry bodies to assist with defining specifications, best practice, etc.?</p>	
<p><b>Has sustainability management been incorporated into the procurement cycle stages, including:</b></p> <p>defining the service need: developing the programme or project brief?</p> <p>developing the business case: appraising options and establishing value for money?</p> <p>defining the procurement approach: specifying the requirements?</p> <p>competitive procurement: inviting and evaluating bids and selecting the supplier?</p> <p>awarding and implementing the contract: preparing for delivery?</p> <p>managing the contract: maintaining performance, value for money and fairness?</p> <p>reviewing the key decision points in the procurement cycle?</p>	

Table B.1 — Sustainable procurement checklist (*cont'd*)

Categories of issues for consideration in sustainable procurement	Have the issues been considered? (Y/N)
<p><b>Monitoring and reporting</b></p> <p>Is the strategy implementation monitored through appropriate performance measures, KPIs and benchmarks?</p> <p>Is information collected during the monitoring process assessed, reported and acted upon?</p> <p>Are the lessons learned documented and possible improvements identified for future activities?</p>	

***When should sustainable procurement issues be considered?***

Sustainability issues should be considered at the earliest stage of the procurement process by building relevant criteria into product/service specifications. This allows options to be selected that meet the specification, but which also provide the best value for money. This approach avoids potential conflicts between sustainability and economic issues arising later in the procurement process.

***What does sustainable procurement involve?***

Key steps that should be undertaken are:

- a) establishing a policy for sustainable procurement;
- b) producing tender specifications that incorporate sustainability performance criteria;
- c) engaging in dialogue with suppliers/potential suppliers; and
- d) assessing tender submissions and evaluating sustainability performance throughout the procurement cycle.

***Sustainable procurement policy and strategic planning***

A procurement policy should be established and documented that is aligned with the sustainability policy for the event as a whole and which elaborates on (in the context of sustainable procurement) the issues, objectives, KPIs and targets established for the event as a whole. The sustainable procurement policy should:

- a) define the scope (i.e. extent) of sustainable procurement, e.g. economic, social, environmental and natural resources; life cycle approach, key event themes, etc.;
- b) state the desired performance level, e.g. basic legal compliance or extend to 'beyond best practice' including building environmental values into supplier strategies;
- c) define the approach/criteria for assessing suppliers during tender evaluation;
- d) assess consistency and alignment of performance requirements for suppliers with the organization's expectations for itself.

### ***Techniques for assessing and managing sustainability issues in procurement***

The following considerations should be taken into account in defining the approach to assessing/managing suppliers and prospective suppliers.

- a) The extent to which the supplier's products/services are critical to the purchasing organization.
- b) The level of expenditure on suppliers in order to establish the degree of influence that can be exerted on suppliers.
- c) The key social, economic, environmental and natural resources issues and associated risks relating to the product/service.
- d) Separating suppliers by industry, service or product type in order to develop appropriate means of communicating/engaging with them.

The organization should select from appropriate approaches, tools and techniques to assess and manage sustainable procurement. These include:

1. weighting/scoring systems – quantitative/qualitative ways of assessing the merits of proposed solutions to be applied to the KPIs;
  2. life cycle assessment and whole life costing – the "true" impacts of products and/or services based on a "cradle-to-grave" approach, i.e. a holistic approach which assesses the environmental aspects and potential impacts associated with the manufacture, use and disposal of a product;
  3. the environmental purchasing hierarchy – "rethink, eliminate, reduce, reuse, recycle, dispose", an approach to minimizing natural resource impacts which is similar to the waste management hierarchy;
  4. a supplier code of conduct – can be employed by the contracting organization in order to ensure that its suppliers conform with the social and ethical elements of sustainable procurement, as well as the environmental aspects;
-

5. industry best practice – standards for sustainability management for specific industry sectors/areas defined by the industry and representing the industry’s assessment of appropriate performance levels; and
6. best value – using the UK Government definition: the optimum combination of whole life costs and benefits to meet the customer’s requirements. This approach enables sustainability and quality to be taken into account when service delivery options are being considered.

### ***Developing a dialogue with suppliers***

There are two broad approaches that can be used to establish sustainability goals for suppliers: the “command and control” approach and the “partnership” approach.

*“Command and control” approach:* this approach involves close management and regulation of suppliers and includes the use of a contract that includes standards and checklists which organizations may insist their suppliers must comply with. Although it can be effective, it can also be inflexible by making suppliers react to precise requirements rather than proactively engaging with the objectives for sustainability. This sometimes leads to a “tick box” approach whereby the supplier takes the minimum measures to meet the performance standard required.

*“Partnership” approach:* this approach involves relationship building with the supplier and uses influence, information and education with the aim of ensuring that both the supplier and the organization are working towards similar goals. In the long term, the “partnership” approach tends to be more effective than “command and control”; however, it requires more effort and investment. Where particular products and services are required on a routine basis, it might be most appropriate to invest in the “partnership” approach.

It is likely that organizations will adopt a combination of the above techniques.

A designated sustainable procurement champion should be responsible for future procurement contracts and for developing early dialogues with the suppliers, in order to anticipate implications associated with changes in requirements, supply, legislation, etc. Rather than being too prescriptive, contracting organizations should encourage suppliers to develop variants in order to provide suppliers with opportunities to develop new, innovative sustainable product/service options. This approach is also particularly useful where the buyer lacks the necessary knowledge of the product/service to provide a meaningful specification.

Feedback should be given to suppliers at the end of the procurement cycle to inform the review process. New bidders should also be sought at the invitation to tender (ITT) stage to promote supplier competition. Where the contracting organization is constrained in terms of entering into dialogue with suppliers, or lacks the competence to provide a specification to suppliers, the organization should approach representative trade bodies/ organizations for assistance.

#### ***Assessment of tender submissions***

Tender submissions should be evaluated using the criteria and assessment techniques outlined previously. Once the preferred supplier has been selected, the contracting organization should incorporate the sustainability performance information provided in the supplier's tender submissions into the conditions of contract. Sufficient detail should be included to be able to determine instances of non-compliance (i.e. where suppliers have failed to achieve expected performance) and to inform subsequent performance reviews.

#### ***Sustainable procurement – monitoring and reporting***

The strategy implementation should be monitored throughout the implementation stage using appropriate KPIs and benchmarks. Information collected during the monitoring process should then be assessed and reported upon. The “lessons learned” should be documented and incorporated into the review process to identify improvements for future activities.

## **4. Product development – a case study**

Case study 3 provides a good example of a thorough and integrated approach to SD and draws together many of the treads in this manual.

### **Case study 3 — The Boots Group plc**

#### **A journey towards sustainable retail products**

##### **The Boots Group plc.**

#### ***Summary***

This case study examines the creation of a sustainable product development strategy at Boots and how it has been embedded into everyday business operations as “part of the way we do things”.

Boots is a major product developer, manufacturer and retailer with a large and varied portfolio of products. The approaches we have taken enables the company to keep abreast of changes driven by the challenge of sustainable development and harness these to drive innovation in consumer products within a complex business.

The principles and methods used to embed sustainable development into product development described here can apply to any manufacturing or retail organization large or small.

### ***Sustainable products and services***

The way society has addressed environmental, social and ethical issues has evolved considerably over the last twenty years. From an early focus on the mitigation of “end of pipe” impacts, thinking has now moved on to a more holistic and sustainable approach closely linked to the concept of social responsibility. Understanding the complex systems that determine our effect on the social and natural environment is now seen as critical in meeting the challenges facing society.

For product developers, manufacturers and retailers this evolution has been mirrored by a move from management of single issues such as the environmental impact of packaging waste or product safety into the arena of whole product impact and sustainable product development. Entire product lifespans are now considered using cradle-to-cradle thinking.

This is recognised in the UK Government Sustainable Development Strategy:

*We need a major shift to deliver new products and services with lower environmental impacts across their life cycle, while at the same time boosting competitiveness. And we need to build on people’s growing awareness of social and environmental concerns, and the importance of their roles as citizens and consumers.*

*(Source: Securing the Future — Delivering UK Sustainable Development Strategy, The Stationery Office, 2005)*

However the interplay between the various factors influencing sustainable development is complex and potential solutions are only beginning to be understood. New tools and methods are required to understand this in the context of products and services and unlock its potential for innovation.

## **Product sustainability – Boots integrated approach**

### ***The challenge of sustainable product development***

Our ambition for product sustainability is:

*To be a leading developer and retailer of sustainable health and beauty products and services, protecting and enhancing trust in the Boots brand and creating opportunities for innovative product and retailing ideas.*

We believe that improving product sustainability should be seen as an opportunity to innovate new products, build brand trust and minimise risk rather than act as a brake on product development. The best way to achieve this is by full integration of sustainable development into product development. This way it becomes a natural part of the process rather than an optional extra.

However adopting a sustainable development strategy for products in a major manufacturer and retailer presents several challenges.

- The approach has to be applicable across a wide range of different product types. Boots have approximately 30,000 product lines and up to 10% are changed annually.
- It has to be flexible to cope with the rapid turnover of products.
- It has to cope with the three routes by which products are introduced at Boots (own manufacture, third party supply of Boots brands, proprietary brand).
- It has to be embraced and understood by multi-disciplinary teams working on product development.
- It has to raise awareness of complex sustainable development issues whilst recognising that not everyone in the process is a sustainability expert.
- It has to provide guidance on where and how improvements can be made.
- It must act as a stimulus for sustainable innovation.
- It must be commercially successful.

Boots solution has been to develop an integrated approach as a key element of our Corporate Social Responsibility Strategy. Our approach was grounded on existing systems yet introduced new tools and processes to raise awareness, facilitate improvements and drive innovation in an incremental way. The methods and tools developed continue to be refined as we move further along the path towards sustainability.

### ***Embedding a sustainable culture***

When Boots CSR strategy was launched in 2004, the first task was to embed the principle of sustainable development into all areas of the business. Our analysis revealed five potential barriers to the integration of sustainable development into business processes. Strategies were developed to overcome these barriers. These are detailed below:

<b>POTENTIAL BARRIER</b>	<b>SOLUTION</b>
<i>Awareness of issues</i> – “what is sustainability”	Dedicated expert team support and advocacy.
<i>Development of competencies</i> – “not my job”. “It’s too difficult”	Development of tools and processes
<i>Scepticism</i> – “this isn’t commercial”. “It’s a passing fad”	Business case Demonstration projects
<i>Perceived cost impacts</i> – “It’s going to cost me money”	Demonstration projects
<i>Organisational culture</i> – “Not the way the business operates”	Link to brand values

The strategies and solutions we introduced pertaining to product development are detailed below.

### ***Dedicated team support***

As part of the introduction of Boots CSR strategy a dedicated Environmental section in the Quality & CSR (Q&CSR) team was set up bringing together expertise in the areas of;

- Product sustainability
- Biodiversity
- Supply chain
- Chemicals
- Waste & Logistics
- Healthy Living

This team acts as a central point of advice and drives the adoption of our CSR strategy. Its functions include:



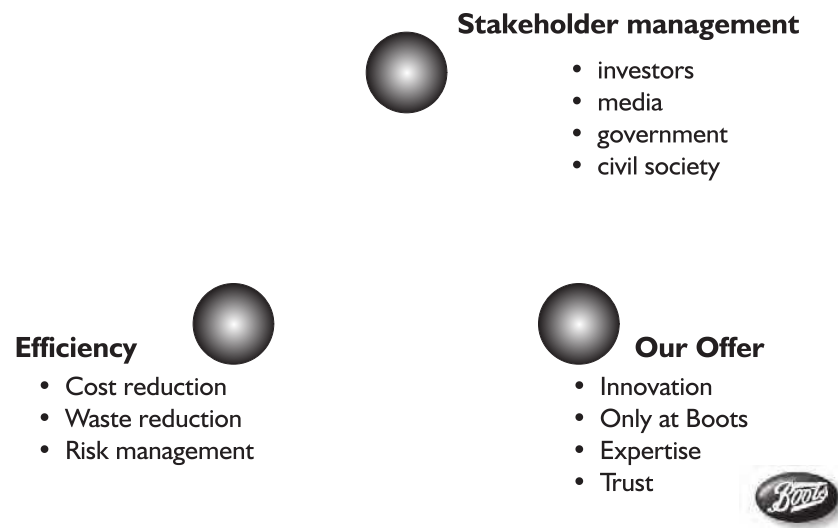
- Developing the business case for sustainable product development.
- Identifying opportunities for new business models and cross-functional working.
- Managing pilot or demonstration projects to drive innovation in sustainable product development.
- Acting as a centre of expertise and advice for the whole business, raising awareness and providing support at all levels.

### ***Building the business case and linking to Boots brand values***

Developing the business case for product sustainability linked to business strategy and values is vital in order to gain acceptance and embed sustainable thinking in the organisation. For Boots we have built the business case around three parameters:

1. Improving Efficiency
2. Developing our Product Offer
3. Stakeholder Management.

### **Sustainable Development – Business Benefits**



Boots as a brand has for a long time enjoyed a high level of trust by consumers. Research by organisations such as the Future Foundation has rated Boots highly in terms of trust and social responsibility. By successfully demonstrating that the environmental and social aspects of products have been addressed reinforces levels of consumer trust. Sustainable product development is therefore able to enhance Boots' key brand value.

This can be summarized as:

**Developing more  
sustainable products  
can...**

**Reduce risks**

**Increase Brand Trust**

**Stimulate innovation**

**Improve efficiency**

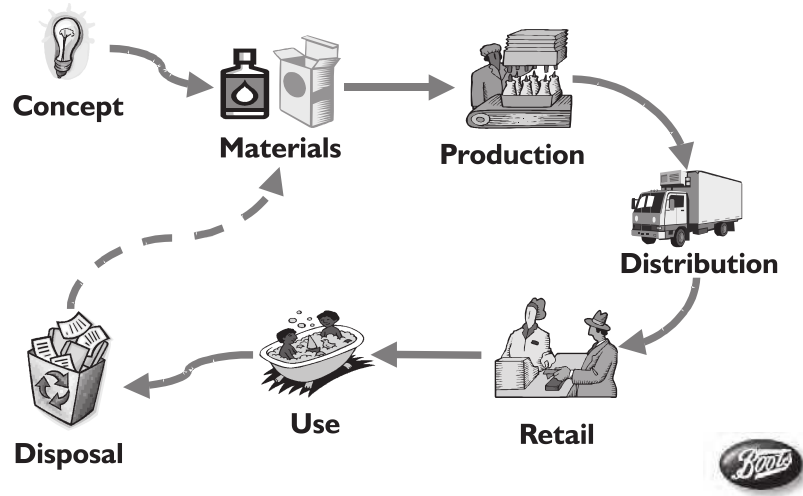


**...whilst reducing  
environmental impact and  
improving social welfare**

### ***Embedding the principles***

Boots strategy on product sustainability is based on the principle of “cradle to cradle” thinking across the whole product lifecycle incorporating all aspects of sustainable development. In order to illustrate this in a simple and engaging way we have developed the “Product Journey” approach. This is employed both internally and externally to increase understanding of the principles.

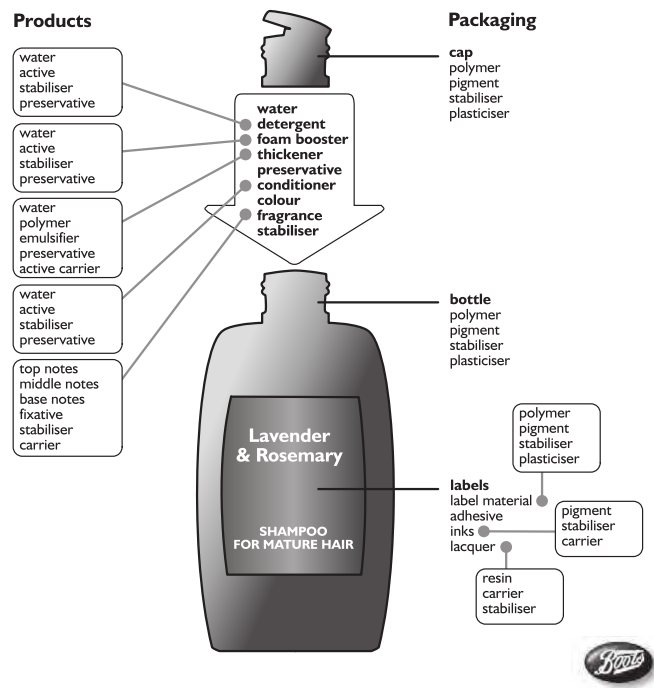
### The product journey



At each stage of the journey all impacts including elements such as biodiversity, energy, resource use, waste, and ethics are considered.

This ensures, for example in the case of chemical policy that this concept is applied to the total product including ingredients and packaging:

### “Product Recipe” – Typical Shampoo



For products manufactured by Boots, the company has control of the entire supply chain. This provides a unique opportunity to use the product journey concept to drive product sustainability and act as an exemplar to other supply chains.

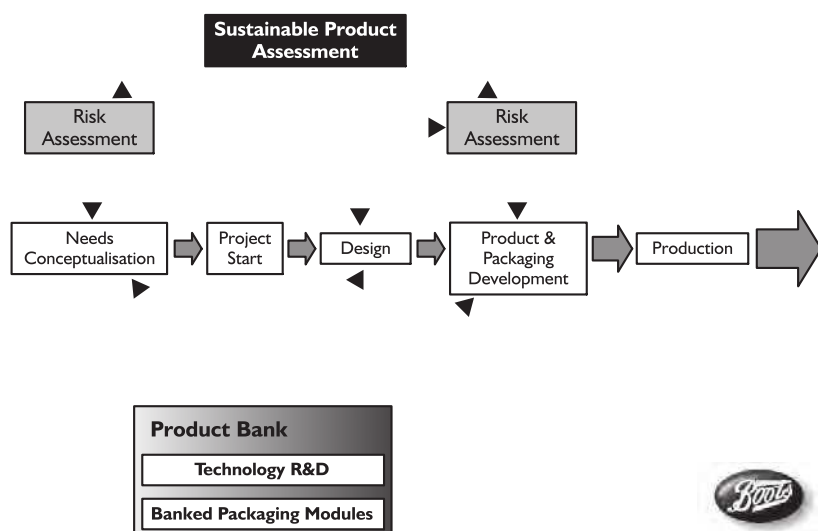
**Developing tools and processes**

The company has formal processes for all new product development and introduction. To integrate sustainable development criteria consistently across our product range new and revised tools and processes were introduced.

Essentially this covered two main areas of activity.

*Risk & Sustainability Assessment* – A review of the new product introduction process led to the creation of a set of tools to measure and manage risks. These were developed with the specific intention of integrating sustainable development criteria into the risk management process. Their application is outlined below:

**Sustainability Processes in New Product Development**



A computerised Risk Assessment Model (RAM) replaced a paper based assessment form. This model is first used right at the outset of a project to create a risk profile and an action plan for managing risks is identified. As the project progresses and actions are addressed the model revises the risk level accordingly. Therefore the effect of mitigation can be identified and the failure rate of projects reduced.

A key component of the RAM is product sustainability. An initial filter identifies the current state of engagement with sustainability and directs the user to internal sources of expertise. If appropriate the user is also directed to a second level detailed Sustainable Product Assessment tool.

This was developed within Boots and peer reviewed by Forum for the Future to ensure the choice of criteria met the latest thinking on sustainable development.

SUSTAINABILITY PROFILE					
Improvement Pointers	Priority Action	Desirable Action	Good Sustainability criteria or opportunity to promote the feature		
<b>Boots test product 200ml</b>					
Indicator	RAW MATERIALS	DEVELOPMENT & PRODUCTION	DISTRIBUTION & RETAIL	USE	END OF LIFE
Eco-system / Chemicals	BIODIVERSITY "Assess biodiversity impacts along supply chain and discuss with GBCSR" "Can material be sourced to reduce impact?"			RELEASES TO ENVIRONMENT "Are correct disposal instructions given"	PERSISTENCE "Is there an opportunity because formulation novel or better than competitors?"
	CHEMICALS "Does formulation deliver benefit at lower risk than competition?"				
Resource Efficiency	RECYCLED CONTENT "Can additional recycled materials be used in primary packaging or point of sale materials"	EFFICIENT DESIGN Use the Sustainability Profile to develop strategy for improvement	TRANSIT PACKAGING "Reassess transit packaging to ensure optimal amounts used" investigate opportunity to extend principles to other products"	USEFUL LIFE "Unit size meets consumers needs" Promote long life feature"	DESIGN FOR WASTE MINIMIZATION "Reduce the number of materials used" Can part of the product or pack be made reusable" Give consumers information on recycling / reuse of product and packaging
		PACKAGING IMPACTS "Can packaging be optimized" Are there opportunities for making packaging reusable"	PROMOTIONAL MATERIALS "Check if use of on shell tray could reduce product damage or reduce transit packaging"	ENERGY USE "Redesign to use less energy" Can rechargeable batteries or other power source be used" ANCILLARY MATERIALS "Are correct use and disposal instructions given which include"	WASTE IMPACT - PRODUCT "Does pack size meet consumers needs" Can shelf life be extended"

**Sustainable Product Assessment – profile matrix (partial)**

The Sustainable Product Assessment tool (SPA) covers 18 different product attributes and is based on the principle of Sustainable Value, recognising that products have the potential to have a positive sustainability benefit as well as negative impacts. Completing the assessment provides the user with the results as a sustainability profile. This is in three sections, identifying opportunities as well as risks;

- a) A sustainability matrix classifies results by life cycle stage and impact area. In each cell the results are in the form of improvement suggestions and are coded: red = priority action, amber = desirable, green = added sustainability value, providing an opportunity for marketing the product on its sustainability credentials.

- b) A sustainability score that can be used for benchmarking.
- c) An impact graph showing where in the product life cycle the major impacts occur.

The tool has been designed so that a non-expert can generate a profile quickly. By providing advice as well as benchmarking the SPA has an educational value by raising awareness across the business. It is intended to use the sustainability scores to develop performance measures in product development.

If a greater level of detail is required conventional life cycle assessment techniques are available.

### **Product Bank**

Product Bank is a dedicated team within the New Product Development & Introduction department, and has two main roles:

- To spot and convert appropriate technology insights into products that Boots can sell.
- To improve development efficiency and effectiveness, ensuring that products meet the company's core quality standards.

Technology insights, which include trends information, innovation and new supply sources, are assessed on market need, business value and management of risk.

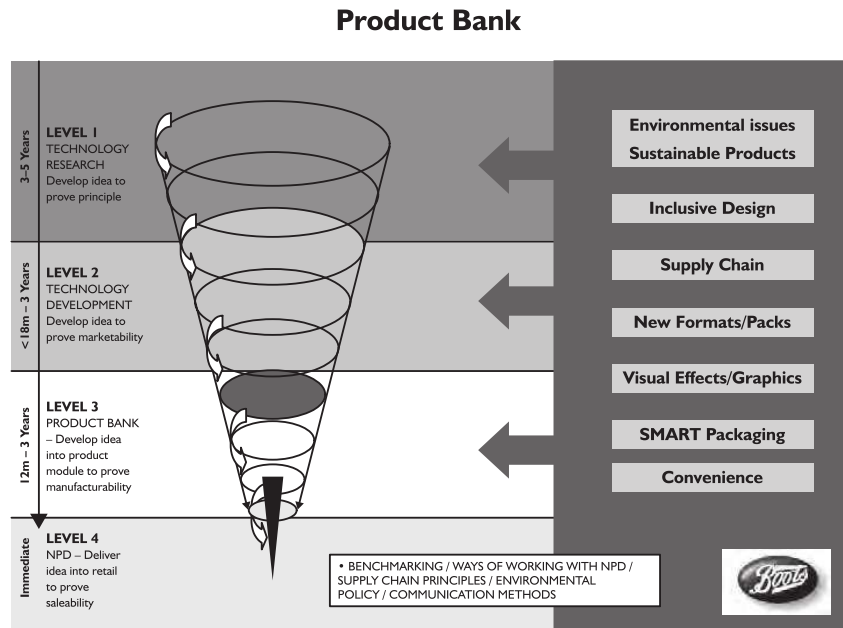
The system acts as a funnel to refine and adapt technologies and consists of four levels:

*Level 1* – Technology Research – covers the generation of ideas to prove the principle behind a new solution;

*Level 2* – Technology Development – the marketability of the idea is addressed;

*Level 3* – The Product Bank Itself – covers the manufacturability of the idea;

*Level 4* – New Product Development – the idea is developed into the retail product;



Sustainability issues are addressed at each stage of the four stage Product Bank process, with Boots recognising the need for solutions to meet society's needs, aligned to the company's CSR Strategy.

The development of the Product Bank itself, a knowledge management system, is of particular significance acting as a gateway for sustainable innovation and helping to replicate innovations in other product areas.

The investment in Product Bank is predicated on the belief that sustainability can act as a key driver for innovation within the business – helping to influence the creativity of new products, as well as the way the products are packaged and distributed.

### **Demonstration projects**

A number of demonstration projects have been instigated to demonstrate that sustainable development works commercially as well as being strategically successful. These have been developed on the premise that they should deliver a cost benefit as well as social and environmental benefits. The example case study (Appendix 3) demonstrates how these projects were able to deliver both these criteria. The projects instigated by the Environmental team within the Q&CSR group were seen as vital to embedding the concept of sustainability into the business. The projects have also stimulated cross-departmental liaison creating potential new business opportunities.

### ***Innovation***

As part of our strategy for sustainable product development we recognize that innovation is best achieved through partnership, working with experts in a broad range of fields. We have therefore set up links with Universities such as Loughborough, Sheffield Hallam and Cranfield as well as Forum For the Future, and Government organisations such as WRAP.

Our partnership with Loughborough University illustrates the symbiotic approach that benefits both Boots and academic institutions. The collaboration started with a project whereby Boots provided existing product briefs and samples to second year Design & Technology degree students who then redesigned the products using eco-design principles. This project, now in its fourth year, has benefits for both parties: for the students in understanding the commercial application of sustainable design through working on “live” products, whilst Boots gains a source of fresh thinking and product innovation. The partnership has now grown to include sustainable design research projects including a DEFRA funded project on Refillable Packaging Systems.

The results of these projects feed directly into our product development strategies.

### ***External networks***

A wider network of stakeholders with an interest in product sustainability has also been developed. This includes governmental organisations, NGOs and interest groups such as WWF, Forum for the Future, and INCPEN, academia, trade associations and suppliers. Because of our leading edge position on product sustainability we are increasingly being consulted on building wider sustainable development networks. This included, for example, participation in the development of The Sigma Guidelines on Integrating Sustainable Development in Organisations and latterly BS 8900, *Guidance for Managing Sustainable Development*.

### ***Results and progress***

The processes described above have been in place for nearly one year and already benefits in the area of product development are being realised.

These include:

- Improved risk management in the business.
- New and improved products to market.
- Greater awareness across the business of sustainable development issues and an understanding of how Boots can make improvements.



- Sustainable development is now included in brand and product development plans.
- New product development underway with sustainable development as a key driver.
- Sustainable development is being used as a stimulus for innovation.

Other wider benefits from Boots' approach to sustainable development include:

- *Organisational learning.* Sustainable development requires the adoption of a holistic approach requiring a level of systems thinking. This is having wider benefits within the business enabling different product categories and functions to work together identifying synergies and new product and marketing models. One example is the employment of sustainable packaging design techniques in the area of store display units. This resulted in improved recyclability, diverting waste from landfill, and a saving of around £56,000 pa in waste disposal costs.
- *Improved consumer awareness of environmental aspects through product and packaging labelling to facilitate behavioural change.* As part of the project to include recycled materials in packaging consumer labelling was considered. After testing various options a simple on pack message was adopted. This is intended to promote expertise and confidence in this area and reinforce brand trust. On-shelf promotional material has also been developed. Boots are also sponsoring a PhD at Sheffield Hallam University that will investigate the communication of sustainability through product use.
- *Raising supplier awareness.* Some of the demonstration projects carried out within Boots are being rolled out to third party suppliers of branded products. For example, as a result of our work on the use of recycled PET in packaging discussions are being held with a number of product suppliers.
- *Building knowledge by working with stakeholders.* Boots recognises that progressing along the path towards sustainable development can only be achieved by collaboration with a wide range of stakeholders and interest groups. We work with a number of interest groups on sustainable development projects. One example is through the Forum for the Future Business programme where we have developed links with other product manufacturers to share knowledge on product sustainability.

- *Developing future skills.* Boots' partnership with educational establishments such as Loughborough University and through the Design Council is helping raise awareness of sustainability in future product developers and designers.
- *Increased routes to investment.* Increasingly investors are embracing sustainable development and social responsibility criteria when making investment decisions. Presenting the Boots approach to product sustainability has produced a positive response from our investors. Boots has seen greater inward investment from green funds as its CSR rating has improved.

### ***The future***

It is important to recognize that sustainable development is a journey of continual improvement. The processes and tools we have developed are under continual review and refinement. Some of our priorities for the immediate future include:

- Developing product sustainability benchmarking.
- Extending and adapting the risk assessment model for use in other business functions.
- Building sustainable development criteria into brand and departmental key performance indicators.
- Developing strategies for consumer information on sustainable development issues.
- Understanding the climate change impacts of products.

In short Boots views sustainable development as a Holy Grail – given the scale of the challenge, the complexity of our business and the pace of change. But we know that it is a key differential for Boots, that we are leading the way on many of the issues, and it is no less than what is expected of us by our customers and wider society.

### ***Other examples of sustainable product development***

Here are some examples of award winners who have particularly interesting ways of addressing energy and environmental issues.

## Example 16 — Two of the Business in the Community Awards 2007 winners

### **Serco Leisure – Energy efficiency in leisure**

#### ***Man Group International Climate Change Award in association with The Climate Group***

*By improving the environmental management of its centres and encouraging an entrepreneurial staff culture, Serco Leisure saved 2,400 tonnes of CO<sub>2</sub> and reduced costs by £750,000 during 2006.*

#### **Processes**

Serco Leisure is part of Serco Group and manages 64 leisure centres on behalf of local authority clients and trusts. Energy is Serco Leisure's second largest cost, and with rapidly increasing energy prices resulting in an anticipated £2 million of additional costs, in 2006, its board set a target of a 5% reduction in energy consumption.

Serco Leisure mainly focused on improving the management of its energy use including:

- Reducing air and pool water temperatures where possible
- Reducing boiler temperatures
- Regularly monitoring energy use
- Implementing management controls and improved reporting and analysis
- Developing a 'colour coded lighting strategy' specifying light usage in accordance with planned activities
- Insulating buildings and plant

The company also introduced new energy efficiency measures including Combined Heat and Power Units, swimming pool filter insulation, and 'liquid covers' to conserve water temperature in pools.

To engage staff in reducing energy use, Serco Leisure applied its entrepreneurial culture, through a staff suggestion scheme – 'Big Ideas' – which resulted in the use of bubble wrap to insulate swimming pool filters. It also created competition between sites through league tables and incentive schemes. Finally, the importance of energy saving was communicated at site level through e-mails, workshops, staff meetings and noticeboards.

Serco Leisure has also encouraged customers to keep doors closed, not to leave showers and taps running and displayed Carbon Trust posters and stickers throughout its centres.

To further reduce its climate impacts, Serco Leisure is looking into wind turbines, bore hole cooling, and ice rink thermal recapture. It is also working towards transferring its initiatives across the businesses, including its prison and hospital services and has since been appointed by local authorities to review their energy management systems.

### **Impact**

- Savings of approximately 2,400 tonnes of CO<sub>2</sub> and £750,000 during 2006
- Utilities usage reduction of 19.8%
- Savings on electricity costs from CHP units equates to £50K per annum per unit
- Insulating swimming pool filters makes calculated savings of up to 696,000kw/£20,000 per filter, per annum

(Source: [http://www.bitc.org.uk/resources/case\\_studies/afe\\_1401\\_serco.html](http://www.bitc.org.uk/resources/case_studies/afe_1401_serco.html))

### **Camelot Group plc - environmental leadership**

#### ***EDF Energy Environmental Leadership Award, in association with the Institute of Environmental Management and Assessment***

*Focusing on the environmental impact of its products and behaviour change within the organisation, Camelot Group has cut carbon emissions by 29% in just one year, while significantly reducing resource costs for the company.*

### **Process**

Camelot operates the UK National Lottery, with a duty to maximise returns to good causes. It has taken an international lead in its sector on social and environmental responsibility, chairing the World Lottery Association Working Group on Corporate Responsibility and becoming the world's first major lottery operator to go carbon neutral.

As the environmental impact of its offices is limited, Camelot has worked to reduce the impact of its products. It uses recycled paper to print lottery

tickets at terminals, while play slips and Scratchcards are produced with paper from sustainable managed forests. It has also introduced interactive gaming platforms and has developed National Lottery Fast Pay in partnership with Tesco, allowing lottery tickets to be printed on till receipts. These innovations have significantly reduced the amount of paper used.

The company is also tackling the impact of its own operations, focusing on the behaviour of its own employees. It has an 'Above and Beyond' programme which rewards employees with points that can be redeemed for an item of their choice, for efforts to reduce the company's environmental impact. In addition it has set up a Green Team – a group of 20 volunteers from across the company – whose aim is to raise environmental awareness among colleagues.

Camelot has also cut the emissions of its operations, switching to green electricity at its main offices, moving to a diesel car fleet and reducing gas and electricity use at its main sites. As a result, CO<sub>2</sub> emissions have been reduced within a year by 29%, almost double the target of 15%.

### **Impact**

- Using recycled paper in tickets and play slips has saved 745,975 kgs in CO<sub>2</sub> in associated production emissions and diverted an estimated 80 tonnes of waste paper from landfill every month
- National Lottery Fast Pay has reduced play slip use, saving 70,085 kgs of paper and 57,750 kgs of CO<sub>2</sub> from paper production
- The Green Team helped reduce office paper consumption at the Watford head office by 35%
- Switching to green electricity, moving the car fleet to diesel and reducing energy and gas consumption have all resulted in a 29% reduction of carbon emissions.

*(Source: [http://www.bitc.org.uk/resources/case\\_studies/camelot\\_group\\_plc\\_.html](http://www.bitc.org.uk/resources/case_studies/camelot_group_plc_.html))*

## **5. Process engineering**

Management should also consider the range of processes in an organization and how these could be made more sustainable. See Example 17 for one of many examples of how this can be achieved.

## Example 17 — A further Business in the Community Awards 2007 winner

### Prospero Recruitment – Sustainable development

#### ***Eco-efficiency Award***

*By switching to electronic filing and taking simple eco-efficiency steps, Prospero Recruitment has differentiated itself from competitors and reduced waste by 90%.*

#### **Processes**

Prospero Recruitment Ltd recruit staff for the audio visual, IT, games and education sectors. The company's aim is to create more services while using fewer resources and creating less waste and pollution. Its eco-efficiency policy is linked to the company's core communications and is the main factor on which Prospero differentiates itself from its competitors.

Through the launch of the company's CSR policy a number of eco-efficiency initiatives have been undertaken. Prospero Recruitment has moved away from a paper based recruitment system to electronic files. Recruitment consultants are encouraged to communicate to clients via email and all have attended courses on communication and marketing to enable them to operate and comply with the company's eco-efficient policy.

Prospero has also introduced a number of simple measures to cut waste and energy use, including:

- switching off monitors, computers, office equipment when not in use
- using energy efficient light bulbs
- using an energy efficient magnet in the office fridge which decreases the energy use by 10%
- turning the heating down by 1 degree
- using 'save a flush' bags in toilets
- recycling of office consumables, furniture and computer equipment

Employees are incentivised to support the eco-efficiency policy in a scheme to swap working hours for time dedicated to sustainable activities.

Prospero also bases purchasing decisions on suppliers' environmental performance and has imposed a sustainable sourcing policy, using only local, fair trade and recycled product suppliers.

**Impact**

- £2,898 saved from reduced wastage and raw material use in 2006/07
- Reduced environmental impact of paper use by up to 93%
- Reduced waste by 90% through recycling
- Reduced energy consumption by 40%
- Reduced natural resource use by 35%
- Differentiated itself from competitors on grounds of sustainability
- Strengthen[ed] relationships with current clients and established new relationships as a result of eco-efficiency initiatives
- Employee involvement in social and community projects has created network opportunities and new business leads

(Source: [http://www.bitc.org.uk/resources/case\\_studies/afe1493\\_prospero.html](http://www.bitc.org.uk/resources/case_studies/afe1493_prospero.html))

**Conclusion**

Rather than considering specific questions, an organization may wish to consider where it sits in relation to the criteria set out in Table 2.

**Table 2 — Some indicators of SD practise graded from initial stages up to fuller commitment**

<b>Some sustainable practice</b>	<b>Embedded practice</b>	<b>Advanced practice</b>	<b>Commitment to sustainable development practice</b>
You are aware of and respect environmental and other limits	You avoid irreversible damage or change, or mitigate where possible	You find ways of encouraging biodiversity	Commitment to 'big issues' e.g. energy reduction, carbon neutrality, food miles and climate change
You are aware of the impacts of your actions	You seek to control some resource-intensive activities	You have a values-led resources planning process	Your approach in planning and operations is to seek to prevent problems from occurring, rather than waiting for problems to occur and then trying to solve them

**Table 2 — Some indicators of SD practise graded from initial stages up to fuller commitment (*cont'd*)**

<b>Some sustainable practice</b>	<b>Embedded practice</b>	<b>Advanced practice</b>	<b>Commitment to sustainable development practice</b>
You measure some resource impacts	You publish an environmental impact statement – as appropriate	You are transparent about how you treat your responsibilities, environmental and community	You reinvest in the local community and ecosystems
Your waste and pollution is reduced to a minimum, recycling where possible	You create resources equal to or exceeding the resources consumed	You balance your responsibilities to all stakeholders to their satisfaction	You lighten your footprint and seek ways of increasing resilience and future capacity

Of course, the matrix could be extended to include a wide range of key management issues. The concept of a maturity matrix is explored more in Chapter 7.

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## Chapter 7: Building trust and confidence

### Review and evaluation

As with all aspects of the organization's development, it is necessary to maintain reliable information and to review progress. There is nothing unusual about measuring sustainable development; it is simply a case of relating indicators directly to the outcomes decided at the beginning of the process outlined in BS 8900.

The overall intention of the standard is to link indicators and measurement throughout the entire culture of sustainable development back to the desired outcomes.

The fundamental interest is how to move away from a reliance on external verification and build up sufficient trust and confidence between organizations and their stakeholder groups so that the need for verification is reduced. After all, verification can be based on the assumption of mistrust. The aim of the standard is to encourage engagement so that this assumption is reversed and stakeholders can be involved in the decision making, and the review and communication of results.

However, there are many verification organizations involved in external review and reporting. BS 8900 does not list these, but tries to indicate where they may be useful and how their services might be applied in a coherent way across the organization.

There are numerous tools for helping organizations to refine their key performance indicators, but it is not proposed to repeat those here. Note: for internal auditing, see ISO 19011 for further guidance.

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The Government has produced examples of sustainable development key performance indicators for a wide range of subjects, as shown in Table 3.

**Table 3 — Key performance indicators**

<b>Indicator</b>	<b>Description</b>
<i>Greenhouse gas emissions</i>	
<i>1. Greenhouse gas emissions:</i>	Kyoto target and CO <sub>2</sub> emissions
<i>2. Carbon dioxide emissions by end user:</i>	CO <sub>2</sub> emissions from industry, domestic, transport sectors (excluding international aviation and shipping)
<i>3. Aviation and shipping emissions:</i>	Greenhouse gases from UK-based international aviation and shipping fuel bunkers
<i>Electricity generation</i>	
<i>4. Renewable energy:</i>	Renewable electricity generated as a percentage of total electricity
<i>5. Electricity generation:</i>	Electricity generated, CO <sub>2</sub> , NO <sub>x</sub> and SO <sub>2</sub> emissions by electricity generators and GDP
<i>Carbon dioxide and other emissions</i>	
<i>6. Household energy use:</i>	Domestic CO <sub>2</sub> emissions, domestic energy consumption and household spending
<i>7. Road transport:</i>	CO <sub>2</sub> , NO <sub>x</sub> , PM <sub>10</sub> emissions and Gross Domestic Product
<i>8. Private cars:</i>	Private car CO <sub>2</sub> emissions, car-kilometres and household spending
<i>9. Road freight:</i>	Heavy Goods Vehicle (HGV) CO <sub>2</sub> emissions, kilometres, tonnes and Gross Domestic Product
<i>10. Manufacturing sector:</i>	Manufacturing sector CO <sub>2</sub> , NO <sub>x</sub> , SO <sub>2</sub> , PM <sub>10</sub> emissions and output
<i>11. Service sector:</i>	Service sector CO <sub>2</sub> , NO <sub>x</sub> emissions and output
<i>12. Public sector:</i>	Public sector CO <sub>2</sub> , NO <sub>x</sub> emissions and output
<i>Resource use</i>	
<i>13. Resource use:</i>	Domestic Material Consumption and Gross Domestic Product
<i>14. Energy supply:</i>	UK indigenous energy production and gross inland energy consumption

Table 3 — Key performance indicators (*cont'd*)

Indicator	Description
15. Water resource use:	Total abstractions from non-tidal surface and ground water, leakage losses and Gross Domestic Product
16. Domestic water consumption:	Litres per person per day
17. Water stress:	(to be developed to monitor the impacts of water shortages)
<i>Waste</i>	
18. Waste:	Waste: (a) arisings by sector (b) arisings by disposal
19. Household waste per person:	(a) Arisings (b) recycled or composted
<i>Natural resources</i>	
20. Bird populations:	Bird population indices (a) farmland birds (b) woodland birds (c) coastal birds (d) wintering wetland birds
21. Biodiversity conservation:	(a) Priority species status (b) priority habitat status
22. Agriculture sector:	Fertiliser input, farmland bird population, ammonia and methane emissions and output
23. Farming and environmental stewardship:	Land covered by environmental schemes
24. Land use: (contextual)	Area covered by agriculture, woodland, water or river, urban (contextual indicator)
25. Land recycling:	(a) New dwellings built on previously developed land or through conversions (b) all new development on previously developed land
26. Dwelling density:	Average density of new housing
27. Fish stocks:	Sustainability of fish stocks around the UK
28. Ecological impacts of air pollution:	Area of sensitive UK habitats exceeding critical loads for acidification and eutrophication
29. Emissions of air pollutants:	NH <sub>3</sub> , NO <sub>x</sub> , PM <sub>10</sub> and SO <sub>2</sub> emissions and GDP
30. River quality:	Rivers of good (a) biological (b) chemical quality
31. Flooding:	Number of properties in areas at risk of flooding
<i>Contextual indicators</i>	
32. Economic output (contextual):	Gross Domestic Product

Table 3 — Key performance indicators (*cont'd*)

Indicator	Description
33. <i>Productivity (contextual):</i>	UK output per worker
34. <i>Investment (contextual):</i>	(a) Total investment (b) social investment relative to GDP
35. <i>Demography (contextual):</i>	Population and population of working age (contextual indicator)
36. <i>Households and dwellings (contextual):</i>	Households, single person households and dwelling stock (contextual indicator)
<i>Society</i>	
37. <i>Active community participation:</i>	Informal and formal volunteering at least once a month in the last 12 months
38. <i>Crime:</i>	Crime survey and recorded crime for (a) vehicles (b) domestic burglary (c) robbery
39. <i>Fear of crime:</i>	Fear of crime: (a) car theft (b) burglary (c) physical attack
<i>Employment and poverty</i>	
40. <i>Employment:</i>	People of working age in employment
41. <i>Workless households:</i>	Population living in workless households (a) children (b) working age
42. <i>Economically inactive:</i>	Percentage of people of working age who are economically inactive
43. <i>Childhood poverty:</i>	Children in relative low-income households (a) before housing costs (b) after housing costs
44. <i>Young adults:</i>	16–19 year-olds not in employment, education or training
45. <i>Pensioner poverty:</i>	Pensioners in relative low-income households (a) before housing costs (b) after housing costs
46. <i>Pension provision:</i>	Proportion of working age people contributing to a non-state pension in at least three years out of the last four
<i>Education</i>	
47. <i>Education:</i>	19 year-olds with Level 2 qualifications and above
48. <i>Sustainable development education:</i>	(to be developed to monitor the impact of formal learning on knowledge and awareness of sustainable development)

Table 3 — Key performance indicators (*cont'd*)

Indicator	Description
<i>Health</i>	
49. <i>Health inequality:</i>	(a) Infant mortality: differences between socio-economic groups (b) life expectancy: differences in average life expectancy between local authority areas
50. <i>Healthy life expectancy:</i>	Healthy life expectancy (a) men and (b) women
51. <i>Mortality rates:</i>	Death rates from (a) circulatory disease and (b) cancer, below 75 years and for areas with the worst health and deprivation indicators, and (c) suicides
52. <i>Smoking:</i>	Prevalence of smoking (a) all adults (b) 'routine and manual' socio-economic groups
53. <i>Childhood obesity:</i>	Prevalence of obesity in 2–10 year-olds
54. <i>Diet:</i>	Proportion of people consuming (a) five or more portions of fruit and vegetables per day and (b) in low income households
<i>Mobility and access</i>	
55. <i>Mobility:</i>	(a) Number of trips per person by mode (b) distance travelled per person per year by broad trip purpose
56. <i>Getting to school:</i>	How children get to school
57. <i>Accessibility:</i>	Access to key services
58. <i>Road accidents:</i>	Number of people and children killed or seriously injured
<i>Social justice/Environmental equality</i>	
59. <i>Social justice:</i>	(social measures to be developed)
60. <i>Environmental equality:</i>	Populations living in areas with, in relative terms, the least favourable environmental conditions
61. <i>Air quality and health:</i>	(a) Annual levels of particles and ozone (b) days when air pollution is moderate or higher
62. <i>Housing conditions:</i>	(a) Social sector homes (b) vulnerable households in the private sector in homes below the decent homes standard
63. <i>Households living in fuel poverty:</i>	Households living in fuel poverty containing (a) pensioners (b) children (c) disabled/long-term sick
64. <i>Homelessness:</i>	(a) Number of rough sleepers (b) number of households in temporary accommodation (i) total (ii) households with children

Table 3 — Key performance indicators (*cont'd*)

Indicator	Description
65. <i>Local environment quality:</i>	Assessment of local environmental quality
66. <i>Satisfaction in local area:</i>	Percentage of households satisfied with the quality of the places in which they live (a) overall (b) in deprived areas
<i>International</i>	
67. <i>UK international assistance:</i>	Net Official Development Assistance (a) per cent of Gross National Income (b) per capita
<i>Wellbeing</i>	
68. <i>Wellbeing:</i>	Wellbeing measures

(Source: <http://www.sustainable-development.gov.uk/progress/national/index.htm>)

## Evaluating sustainable development

The key to sustainable development is recognizing that it is a holistic concept and therefore a range of measures is necessary to produce an overall, reliable picture.

It is unlikely that one measure will deliver success in terms of monitoring and review, and any quick fix should be regarded with some suspicion. The approach taken in BS 8900 is to consider a range of threads based around key issues, together, in the round, and to assess the level of maturity in each area. Clearly, an organization will not have advanced to the same level in each of these threads or elements. Rather, it will be more realistic to see the organization as more developed in some areas and less so in others.

## Development or 'maturity' matrix

The matrix provides the map or assessment tool to find where you are, to indicate ways forward and to show what progress has been made. It is suggested that this tool be used throughout the process to define and redefine the user's sustainable development path. For any organization or, indeed, community it will be necessary to populate the cells in a way that is relevant to the body concerned. BS 8900 provides a model with a number of leads but it is not intended as a template. The standard's matrix does show the sort of gradations envisaged and, perhaps most helpfully, the kind of criteria that provide markers

or lines which, if passed, suggest progression and higher levels of ‘maturity’ and engagement (see Table 4).

**Table 4 — Abstract from BS 8900:2006’s example of a sustainable development maturity matrix**

Principles and practice		Characteristics of developing organizations			
		<i>Minimum involvement</i>		<i>Full engagement</i>	
					▶
<b>Inclusivity</b>	Stakeholder engagement				
<b>Integrity</b>	Key drivers				
	Leadership and governance				
	Managing risk				
<b>Stewardship</b>	Sustainable development culture				
	Building capability				
	Management issues, e.g.: supply chain				
	Environmental assessment				
<b>Transparency</b>	Review				
	Reporting and building confidence				

One worry about the term ‘maturity’ is that it can suggest that if you reach the boxes in the right-hand column you have in some ways ‘made it’. This is not the case. Sustainable development is a continuous, lifelong commitment and the aim is not to win badges or prizes. The goalposts will also be continually moving as technological progress pushes boundaries, scientific understanding causes us to re-evaluate environmental limits or popular expectations shift policy positions. The matrix is meant to reflect that dynamic reality and encourage ongoing learning, exploration and evolution.



## External verification

In some organizations comparable management systems, addressing specific requirements or market sectors, could also be audited (e.g. ISO 14001 for environmental management or ISO/TS 16949 for the automotive industry)

Clearly, the ideal is to develop a relationship of trust and confidence with your stakeholders, which means that they start from a position of trust in the organization, rather than a position of mistrust. However, in a sector where there is a legacy of mistrust, it is important to build a foundation of trust using external verification. There are many schemes on offer, and a few of the most well known are outlined below, including some that are examples of local accreditation schemes, some that cover specific sectors and others that are holistic in character.

1. AccountAbility offers a range of external verification tools, including verification of stakeholder engagement.

The AA1000 Series is comprised of:

1. *AA1000 Framework, 1999*

The AA1000 Framework was developed to help organisations build their accountability and social responsibility through quality social and ethical accounting, auditing and reporting. It addresses the need for organisations to integrate their stakeholder engagement process into their daily activities. The Framework provides guidance to users on how to establish a systematic stakeholder engagement process that generates the indicators, targets, and reporting systems needed to ensure greater transparency, effective responsiveness to stakeholders and improved overall organisational performance...

2. *AA1000 Assurance Standard (AA1000AS)*

The AA1000AS is the first non-proprietary, open-source Assurance Standard that covers the full range of an organisation's disclosure and performance. In applying the AA1000 Assurance Standard (AA1000AS), the Assurance Provider evaluates the credibility of the sustainability report, and assesses the underlying systems and processes that deliver the relevant information and underpin the organisation's performance...

3. *AA1000 Stakeholder Engagement Standard (AA1000SES)*

The AA1000SES advances the right of stakeholders to be heard, and the organisations' obligation to adequately respond to their concerns. It offers a robust basis for designing, implementing, evaluating and assuring the quality of stakeholder engagement...

(Source: <http://www.accountability21.net/default.aspx?id=228>)

## 2. The Global Reporting Initiative

The Global Reporting Initiative (GRI) was initially convened by the Coalition for Environmentally Responsible Economies (Ceres), a non-profit coalition of more than 50 investor, environmental, religious, labour and social justice groups. The GRI was established in 1997 with a mission to elevate sustainability reporting to equivalency with financial reporting. It has recently been established as an organization in its own right.

The GRI has developed a set of core metrics intended to be applicable to all business enterprises, sets of sector-specific metrics for specific types of enterprises and a uniform format for reporting information integral to a company's sustainability performance.

In broad terms, the GRI Sustainability Reporting Guidelines<sup>1</sup> recommend specific information related to environmental, social and economic performance. It is structured around a CEO statement, key environmental, social and economic indicators, a profile of the reporting entity, descriptions of relevant policies and management systems, stakeholder relationships, management performance, operational performance, product performance and a sustainability overview.

3. The Cumbria Business Environment Network is an example of a local system of verification. The following details the criteria for its Gold Environmental Award.

### **Introduction – environmental awards: gold award: criteria**

#### ***1.1 The Business Environment Network***

This is an award for organisations and companies who have a fully implemented EMS and are demonstrating continual improvement of their environmental performance.

They will have made their initial commitment to environmental management, to the level required for the Bronze Award.

They will also have conducted an initial environmental review to identify their environmental aspects/impacts/risks.

They will have implemented the main elements of an EMS and put in place procedures to minimise risk and control significant aspects/impacts, at a level consistent with that of the Silver award.

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<sup>1</sup> See <http://www.globalreporting.org/Home>.

They will also have assessed their performance in managing their impacts, through environmental audits and a review of their EMS.

At the same time they will have monitored their performance in key areas and implemented the feedback loop through the EMS review process.

Their management will have reviewed their progress and planned for future continuous improvement in environmental performance.

### **1.2 Criteria for the gold award**

*Recipients will have demonstrated (in response to questions, in documented form and/or by action) the following:*

#### *1.2.1 Monitoring and measurement*

Depending upon the type of activities, there may be parameters that must be monitored and measured. If required, they must have been monitored, documented and kept records for the required time interval.

#### *1.2.2 Environmental Audits*

Any Environmental Management System must be audited, to determine if the planned Objectives, Targets and Environmental Management Programme are being carried out or achieved, and to measure Environmental Performance against the criteria laid down in the Environmental Policy and the Standard to which they are aiming.

#### *1.2.3 Non-conformance, Corrective & Preventive Action*

A non-conformance is any situation, identified by audit or reported by any party, where the system fails to 'live up to' the planned criteria or requirements of the Environmental Policy, Objectives and Targets, Procedures and Operating Instructions, Management Programme or any other planned performance criteria. Once a non-conformance has been identified, corrective and preventive actions need to be considered. The EMS needs to have systems in place to deal with these important performance monitors.

#### *1.2.4 Management Review*

Any Environmental Management System must be reviewed by top management to consider its continuing suitability, adequacy and

effectiveness. The review needs to consider the EMS, value to the organisation, whether the scope is still adequate and any improvements/changes that may be necessary to ensure the EMS continues to meet the organisation's needs, the relevant Standard criteria and improves the environment.

#### *1.2.5 Document control*

There must be procedures for the control of all documents within the Environmental Management System, including records, registers and procedures to ensure that the system is logical and auditable.

*If all these requirements are implemented and maintained, the EMS will improve the environmental performance of the organisation, no matter what its size, and result in some overall environmental improvement for all of us and the biosphere...*

### **2.1 Monitoring & measurement**

It is a well known management saying that 'what is not measured cannot be managed'. This applies to environmental management as much as any other area of management. In order to assess whether improvement is taking place therefore, baseline measurements need to be established. These may be described in different ways, for example as environmental Key Performance Indicators (KPI'S), targets, sustainability indicators etc. The important factors are that they are consistent with the environmental policy, objectives and targets and they are reported to top management.

### **2.2 Environmental audits**

The frequency of auditing the EMS will depend on such factors as the relative significance of the organisation's aspects/impacts relating to the environment and the results of previous audits. In a large organisation, the programme for auditing activities relating to the EMS may be based, for example, on a comparative risk factor to other risks. In a small organisation, the annual visit by the BEN Advisor may be the only audit needed.

Whether the auditing is carried out internally or externally needs to be considered in relation to available skills, resources and expectations of interested parties such as insurers, shareholders and regulators. This may vary according to the activities covered by the audit. The results of audits need to be recorded and appropriately communicated, particularly to those responsible for carrying out the management review of the EMS.

A successful EMS needs to maintain an ability to identify the weak areas which may cause the system to fail in the achievement of its intended purpose and also where improvements can be made in its effectiveness. The process of auditing provides a formal, structured way of satisfying this need. The information from a well structured/conducted audit programme assists the overall aim of continual improvement.

*EMS audits can be divided into two categories:*

- System audits
- Procedural/Operational audits

‘System Audits’ check that an EMS meets the set criteria. This involves checking that all the areas of the standard have been addressed and that the documentation essential for effectively operating the system is in place.

During Procedural/Operational Audits, the effectiveness of the EMS in terms of achieving environmental control and improvement is assessed. These audits check that what the EMS documentation says should be happening ‘in theory’ is actually being achieved in practice.

There must also be an audit programme in place. This is a plan for auditing the EMS over a given period of time and provides information such as the areas of the EMS to be audited, the timing of audits and the people who will be tasked with carrying out the audits. The areas and topics which the audit programme covers should be related to the environmental significance of the activities concerned and to the findings of previous audits. An effective audit programme should contain both system audits and procedural/operational audits.

Auditing can be carried out either internally or externally. The decision needs to be taken in the light of the skills and resources available and the expectations of interested parties such as insurers, shareholders and regulators. The decision may vary according to the activities to be covered in the audit.

To be properly effective it is important that the results of audits are well communicated, particularly at senior management level. It is through audit reports that managers who are ultimately responsible for the EMS gain a formal view of its effectiveness. Audit results should be discussed and considered during the Management Review. This information will assist the reviewers in evaluating the actions needed to be taken to ensure effective operation of the EMS in important areas such as objectives and targets, the audit programme and required changes to the EMS operation.

### **2.3 Non-conformance, corrective & preventive action**

Any EMS needs to have a system for reporting and managing identified non-conformances. This is part of the feedback loop from audits, but may be reported from other sources such as incident reports or observations from staff. For small organisations this might not be a documented system, simply good communications between management and staff to identify when things go wrong and ensuring they get put right. For larger organisations a documented, formal system is more appropriate.

*There are two basic types of non-conformances, Minor and Major:*

- Minor Non-Conformances, in a system auditor's vocabulary are things that do not fail you, in the achievement of Certification to any Standard or Award, but must be corrected within a certain time limit. They must also be 'written off' by the auditor within a specified time limit by the provision of suitable (usually documented) evidence.
- Major Non-Conformances, are those things that show up as faults with major potential consequences, for example failure to conform with Legislation or Regulation, situations that could lead to pollution incidents which are not controlled etc. Normally these would lead to loss of certification or attainment of a Standard or Award until corrected. These matters will be identified, at external audit and will affect the outcome of the attainment of an award.

Investigation of non-conformances is essential in order to correct what has gone wrong and to identify ways of preventing re-occurrence. This requires that a procedure is in place for dealing with non-conformances and outcomes are reviewed by top management. In effect, the level of non-conformance incidents is used as a barometer of how well the EMS is being implemented across an organisation.

### **2.4 Management review**

The review needs to be planned at suitable intervals, typically annually, and the results should be recorded for future reference. Although it is not necessary to consider all the areas of the EMS at each review, this should be planned for over a cycle (3 years maximum is suggested). The review is an opportunity to consider how further value can be added for the organisation and the environment. The inputs and outputs for the review should include the following:

**INPUTS:**

- Results of audits and compliance with legislation, regulatory and other requirements
- Communications received from external interested parties, in particular any complaints or criticisms
- The overall environmental performance in terms of continual improvement year-on-year
- The extent to which current objectives & targets have (or are being) met
- Status of any identified corrective & preventative actions
- Status of any follow-up actions from previous reviews
- Changing circumstances including technical, legal, organizational structure and any other circumstances related to environmental aspects/ impacts
- Recommendations for improvement

**OUTPUTS:**

- Decisions and actions that relate to changes in the environmental policy
- Amendments to objectives and targets
- Changes agreed to the EMS structure, scope and operational aspects
- Assessment of overall performance of the system and its capability of delivering continual improvement
- Allocation of resources for future developments

**2.5 Document control**

*The control of documents needs to be such that:*

- They are approved before being issued
- Reviewed, updated and re-approved when appropriate
- The status of the current revision is identifiable
- Current versions only are available at the point of use
- They are legible, appropriately stored and readily identifiable
- Distribution is controlled
- Obsolete documents are prevented from unintended use, archived and identifiable as superceded.

(Source: <http://www.cumbriaben.com/>)



4. SECTA's (South East Cornwall Tourism Association) Green Acorn Award Scheme is an example of a system of verification aimed at a specific sector.

### **What the scheme is about**

As SECTA Members, we all know that, no matter how good our hospitality, attractions or services, what really brings visitors to South East Cornwall is the countryside, the sea, the beautiful scenery, and our heritage. Whatever visitors do while they're here takes place against this wonderful backdrop and it goes without saying that, *to protect our own business interests, we need to help protect this irreplaceable asset.*

SECTA has some 140 Members and, together with our customers, we make a significant impact on our local environment through the creation of waste, consumption of water and use of energy, for example. On a larger scale, if recent summers are anything to go by, all of us have been affected by severe changes in weather patterns which have resulted in an increase in storms and flooding and a decrease in visitors; a direct impact of global warming a bit too close to home!

*That's why SECTA introduced The SECTA Green Acorn Award Scheme, a voluntary, "green tourism" Award scheme specifically for Members. The project gives recognition to those who want to do more to reduce the impact of their businesses, and that of their guests, on the environment. The scheme has the following aims:*

- to encourage Members to think about the effect their business may have on their surroundings
- to suggest a number of small ideas that could make a significant impact
- to recognise those who adopt business practices that will help protect our local environment

The scheme is purely voluntary and only requires a number of relatively simple actions which should cost you very little except, perhaps, a little more time. In fact, similar schemes have proven to *save participants money on running costs*, as well as providing the other benefits mentioned below...



[The criteria:]

<b>Energy</b>	Save energy by installing sensors and low energy bulbs in areas of frequent use e.g. landings, hallways, external lighting. Low energy bulbs use around 80% less energy.	Low energy (less than 25W) bulbs fitted.
		Daylight sensitive lighting fitted.
		Infra-red (PIR) lighting fitted.
	Cut costs by setting your hot water thermostat at 60°C. Every 1°C above this can result in a 10% increase in fuel use.	Hot water thermostat set at 60°C.
	Cut bills and save energy by insulating loft spaces.	Loft insulation 6"/150mm deep.
	Reduce wasted energy by installing timing devices to heaters and lamps.	Timing devices fitted on heaters and lamps.
<b>Pollution</b>	Help avoid pollution and damage to plants and animals by using environmentally friendly cleaning products e.g. washing powder, dishwasher tablets, toilet cleaners.	Phosphate free detergents used.
		Chlorine free cleaners and bleaches used.
		Cleaners with less than 5% surfactants used.
	Protect our beaches, seas and marine life by encouraging visitors to "bag and bin", not flush, sanitary products and nappies.	Bags and bins or commercial disposal unit supplied. Guests informed.
	Reduce "food miles" and petrol.	Shop locally and/or buy locally produced food.
	Provide information to help reduce congestion, pollution, accidents and fuel.	Information on public transport, walking and cycling provided.
<b>Water</b>	Water-saving devices fitted to WCs can save around ¾ gallon of water with each flush.	Water-saving devices or filled plastic bottle placed in cisterns.
	Save water, energy and detergent pollution by introducing a linen changing agreement with your guests.	Towel changing agreement introduced.
		Sheet changing agreement introduced.
	Cut costs and conserve water inside and out.	Showers fitted.
Water butt installed for garden.		

Waste	Re-use or sort and recycle waste. Involve your guests too. <i>3 out of 5 actions = one tick</i>	Glass recycled.
		Paper recycled.
		Cardboard recycled.
		Plastics recycled.
		Aluminium cans recycled.
	Reduce packaging.	Buy in bulk.
	Cut your collection costs by composting your vegetable and garden waste or using a "Wormery". Encourage self-catering guests to do the same.	Vegetable and garden waste composted.
		Wormery used.
	Eliminate junk mail by registering with the Mailing Preference Service. Tel: 0345 034599 <sup>2</sup>	Registered with the Mailing Preference Service.
	Help create a market for recycled goods and reduce the number of landfill sites.	Buy recycled toilet rolls/kitchen towels.
	Buy recycled printer cartridges.	
	Buy recycled photocopy paper.	
Advertise your commitment to the environment.	Recycled printing papers used.	

(Source: South East Cornwall Tourism Association, 2007)

5. The Carbon Trust is an example of a verification system aimed at a specific element of sustainable development, i.e. carbon footprints in relation to specific types of organizations, i.e. schools.

*The Carbon Trust* is an independent company funded by Government. Our role is to help the UK move to a low carbon economy by helping business and the public sector reduce carbon emissions now and capture the commercial opportunities of low carbon technologies.

The on-line benchmarking tool has been developed as part of the UK's Carbon Trust initiative. The UK has ambitious targets for reducing emissions of greenhouse gases, and the education sector can make a valuable

<sup>2</sup> The new MPS registration line telephone number is 0845 703 4599.

contribution to this national effort by reducing the use of energy throughout the sector.

In most buildings, including schools, no-cost good housekeeping measures to reduce energy can often reduce energy consumption, and energy costs, by 5–10%. Investing in improved technology can often reduce energy costs sufficiently to pay for the investment in one or two years, while the savings continue long after the equipment is paid for.

Benchmarking is a method which allows schools to compare their energy performance with other schools, by comparing their annual energy use per square metre.

At the moment, we are working with just two categories of school: primary and secondary. For each of these categories, we want to establish what the typical level of energy consumption is for each category. By calculating the annual consumption in terms of kilowatt hours per square metre, we can allow schools of different sizes to compare themselves in a meaningful way. For each category, we calculate the *median* value of the data. This is the value which 50% of data points will be higher than, and 50% will be less than. It is much less affected by outlying data than the average value.

We also want to establish, for both categories, some measure of which schools are doing significantly better than typical, and which are doing less well. We define schools demonstrating good practice as those whose energy consumption represents the *first quartile* level of the data. At this level of consumption, 25% of the schools in the category will be doing even better, while 75% will be using more energy. In a similar way, we define the *third quartile* as the level demonstrating poor performance. At this level, 75% of schools will have better (lower) energy consumption, while only 25% will be worse.

Finally, we use the 15th percentile, the level at which only 15% of schools will be doing better, as a measure of best practice.

The benchmarks are calculated separately for electricity and fuel, so that a school which is doing very well in terms of electricity consumption, for example, may be doing less well in terms of fuel consumption.

Finally, we have to consider weather corrections. When the benchmark graph is displayed, the benchmark levels are always the same within each category. The individual school, however, may have its consumption level modified slightly to reflect geographical location. The different regions of the UK are normalised by the average degree days for the year. It is assumed

that 75% of the fuel consumed is used for heating, and this component is modified by a degree day calculation. If you click on the help link on the degree days page, you will see the method used for the calculation.

**Interim Benchmark Levels used before the Spring 2005 upgrades**

**Interim benchmarking figures calculated from  
1999 - 2000 AMP data for 1971 schools**

Annual energy as kWh/m <sup>2</sup>	Primary schools		Secondary schools (No pool)		Secondary schools (With pool)	
	Fossil fuel	Electricity	Fossil fuel	Electricity	Fossil fuel	Electricity
<b>Average</b> (not used for bm)	190	37	158	38	182	34
"Best School"	89	17	95	22	106	18
<i>Quartiles:</i>						
<b>1st (Best practice)</b>	113	22	108	25	142	29
<b>2nd (Typical)</b>	164	32	144	33	187	36
<b>3rd (Poor practice)</b>	224	45	191	41	233	41
<b>Annual CO<sub>2</sub> as kg/m<sup>2</sup></b>	CO <sub>2</sub>		CO <sub>2</sub>		CO <sub>2</sub>	
<b>Best practice</b>	34		35		44	
<b>Typical</b>	49		46		56	

(Source: The Carbon Trust, 2006)

- The Ethics Mark is an example of a verification system of a more holistic kind, of evaluating an organization's overall culture. It is an example of a holistic measure going beyond sustainable development but including it as one of its component elements.

The Ethics Mark™ is an independently verified symbol of ethical commitment that helps organisations to demonstrate their trustworthiness, transparency and ethical accountability.

1. The first stage in the process is to draft a Values Statement which summarises how you are addressing the key ethical issues facing your organisation. This involves considering a structured series of open and challenging questions to effectively assess yourselves.
2. Validating the test is whether your statement matches the reality of the day to day experience of those who deal with you and work for you. The Mark will therefore be awarded if you can demonstrate that the experience of your stakeholders and colleagues matches the claims in your Values Statement.
3. A final evaluation report is completed by your adviser and submitted to The Foundation for an assessment, overseen by an independent committee of reference.

The Ethics Mark™ is awarded for a period of 3 years, when your organisation will be re-assessed. The Mark represents an ongoing commitment, not a 'one-off' standard, so Holders will be expected to develop and action an ongoing plan of continued development, to be assessed as part of the 3 year renewal.

*CASE STUDY using the Ethics Mark:*

New Directions is a team of theatre practitioners who specialise in devising interactive participatory experiences framed by theatrical celebrations. New Directions are based in Workington and are part of Theatre by the Lake.

Supported by the Ethics Foundation we are partway through the process of gaining an Ethics Mark. The following is a brief summary of the impact the process has had on our organisation so far.

Having drafted a Values Statement, we now find that these stated values underpin a lot of our decision making, including long term strategic planning. The ethical process has helped us to think about how we respond to requests for our work, how we make decisions based on the value of our work, how and where it is best placed and how the benefits can best be sustained.

We are starting to breed an organisational culture of questioning and resolution. We are learning that there are usually no easy answers to complex issues, but that agonising over a difficulty is preferable to ignoring it. We have found that it's often not fair to someone if we ignore an issue and that balancing fairness is significant to resolving problems.

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The process has brought our team closer together through the discussions of individual values and shared values. As a busy outreach organisation with individuals working on different projects, developing internal communication, team collaboration and a shared approach to the work can be difficult. The stated values are also enabling us to develop a shared methodology and a consciousness of the way we communicate and interact with people within our work.

A key question that has arisen through this process is how we measure our work. Our integrity is very important to us and as such we want to assess whether we do what we say we will do. We believe that this is the basis of developing trusting relationships. The current tick box approach to regulating our work seems inappropriate. We are interested in whether and how a Values Statement might support a more meaningful way of making value judgements about what we do.

The values statement makes sense. In an artistic organisation that devises unique projects in response to demand we have found it very difficult to articulate and communicate what we do. As we progress with the process it will be interesting to see how the statement informs our identity, confidence, projects, branding, marketing, income and most importantly our relationships and the way we behave.

*(Source: Ethics Foundation)*

## Conclusion

The organization may wish to consider the following.

- Is your commitment to sustainable development and your values consonant? Do they fit together and make sense as a whole?
- Do your intentions match up to the experience of colleagues, customers, suppliers and other stakeholders?
- Do you 'walk the talk'? Is your commitment to sustainable development seen as being authentic and genuine?
- Is delivery of sustainable solutions as promised, and consistent under pressure?
- Do you conduct an overall sustainable development evaluation, in relation to desired outcomes?
- Can you answer: why do you develop sustainably? Is it worth it? Why?

## Postscript – and an example of verification using many sources

For a comprehensive overview or checklist – even though we are trying to discourage checklists being the focus or the end point of SD – you need look no further than M&S.

### **[M&S's] Look behind the label**

Stocks of some fish that used to be plentiful have become dangerously low in recent years, including popular species like cod. The Marine Conservation Society (MCS) has identified a list of 35 fish that are threatened and we monitor all the fish we sell against this list.

Marks & Spencer has been recognised as a leading global retailer for sustainable fishing by the Seafood Choices Alliance – the only UK organisation and retailer to do so. We have also been recognised by Greenpeace as the leading food retailer on responsible fishing and ranked as the UK's number one retailer for sustainable fish by the MCS.

We want to help the fishing industry, and the communities it supports, survive in challenging times. We therefore work closely with environmental groups, like the Worldwide Fund for Nature, and the industry's own representative bodies, like the National Federation of Fisherman's Organisations, to look for sustainable options with the innovative Invest in Fish project in the South West of England.

For example, we have a project in Scotland, where a great deal of North Sea cod can be inadvertently caught by haddock trawlers using traditional deep fishing methods and the quality of the fish landed can vary. We have worked with our Scottish fishermen and found that by using different nets, set at a different height in the sea, we could dramatically reduce the by-catch to less than 5% of the total catch.

We only sell fish when we believe that it has been responsibly sourced and didn't sell swordfish for several years as fishing methods caused the accidental capture of endangered species of sea turtle. Last year, we introduced American swordfish, where special measures are taken to protect turtles and the catch is monitored by independent observers. We are now setting up a similar scheme in Brazil.

Where we can't find sustainable sources of the fish our customers want, we do something about it. We have funded restocking schemes for Wild Scottish Salmon and Cornish Lobster to help increase supplies and support local

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economies in rural areas. The lobster nursery we work with in Padstow rears and releases over ten thousand lobsters into the sea each year!

Our customers can be 100% confident that we care about how we source all our fish and that we are doing our bit to ensure that the species we sell will be around in generations to come.

(Source: <http://www.marksandspencer.com/gp/node/n/43584031?ie=UTF8&mnSBrand=core>)

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## Chapter 8: Ways forward

BSI Committee SDS/1 is now considering wider ways in which BS 8900 can be utilized.

### Linking BS 8900 with the draft International Standard ISO 26000

Sustainable development is used as a high-level title to encompass socially responsible and ethical behaviour. BS 8900 is therefore a direct and relevant contribution to developing ISO 26000, the international standard currently under construction by an ISO working group of some 300 strong. The BSI Committee that developed BS 8900 is representing the UK through around six technical experts nominated to the ISO working group. The working group is arranged around six stakeholder categories, under 'The role of standards in sustainable development', i.e. industry, government, trade union/employees, NGOs, consumer and other stakeholders.

ISO 26000 will undoubtedly be a powerful and important standard, particularly because of the broad base of international and stakeholder support. But it is not exactly the same coverage as BS 8900; social responsibility obviously overlaps but is not the same as sustainable development. It is also not intended as a guidance standard or to have the 'evangelical' role of BS 8900. It is the BSI Committee's intention that BS 8900 informs the development of the ISO, but the International Standard is bound to be longer and more technical because it will need to allow for certification. The ISO is still a few years away and there will be several rounds of consultation.

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The UK Committee realizes that BS 8900 operates in a relatively progressive environment, supported by many other safeguards and regulations. The ISO would need more detail and some prescription embedded within it to provide the necessary structure for a comprehensive and complete ‘package’. However, the standard does provide:

- a broad framework for a social responsibility standard;
- the necessary approaches for developing and encouraging a more ‘mature’ socially responsible culture.

The current work on ISO 26000 explains what issues an organization needs to address in order to operate in a socially responsible manner. Within the ISO 14000 family there are also other standards on environmental labelling and life cycle assessment, communication which further extends the framework of sustainable development. A recent publication on the future of ISO standards concluded that:

*Our understanding of and concerns about environmental and sustainable development issues has evolved over time too. Just as the existing ISO 14000 standards play an important role in helping organizations to address today’s priorities, so too can future standards help to address future priorities.*

(Source: <http://www.flagsoft.net/resiworks/download/iso14000.pdf>)

## Sustainable communities

The next potential focus could be local communities that might want to develop a community-wide approach to sustainability in their area. They could adopt BS 8900 as a framework. While this is not a standard that can be used to obtain certification, and it is therefore not possible to put the Kitemark® on an organization’s stationery, etc., it is possible to see some local credit flowing from making it clear that the community’s organizations are committed to sustainability and are using a standardized approach (even though very flexibly). In some ways, because adopting BS 8900 cannot be a badge-collecting exercise, it has certain credibility and denotes particular commitment.

Grasmere, *my local village*, is considering taking on the standard as a community – it would be the first to do so. The area already has quite an active programme and so this would help to structure further efforts, and it should not cost very much at all. But we need to develop a more community-based set of

outcomes and principles, and a development matrix. Also, for a community, we will need to be clear about how we convey our 'adoption'.

The 'North West launch' of BS 8900 took place in Grasmere to demonstrate commitment to developing and promoting standards outside the South East. It was also a powerful example of how this standard can join together local business leaders and many others from interested organizations, as well as individuals who have an interest. The event was actively supported by the Lake District National Park. Birmingham and Litchfield are also looking at the possibility of adopting BS 8900, it is understood.

The UK Government has some guiding principles for sustainable communities, as follows.

### **What makes a community sustainable?**

Sustainable communities should be:

- Active, inclusive and safe – Fair, tolerant and cohesive with a strong local culture and other shared community activities.
- Well run – with effective and inclusive participation, representation and leadership.
- Environmentally sensitive – providing places for people to live that are considerate of the environment.
- Well designed and built – featuring a quality built and natural environment.
- Well connected – with good transport services and communication linking people to jobs, schools, health and other services.
- Thriving – with a flourishing and diverse local economy.
- Well served – with public, private, community and voluntary services that are appropriate to people's needs and accessible to all.
- Fair for everyone – including those in other communities, now and in the future[.]

*(Source: <http://www.sustainable-development.gov.uk/>)*

### **Some examples in practice so far**

One aspect of sustainable communities is the physical environment – the built urban environment for many. It is not the only aspect by any means, but it is one starting point. Example 18 is for a large urban centre – Birmingham.

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## Example 18 — Park Central Birmingham

### **Sustainable communities – Park Central, Birmingham**

**07 May 2007**

#### ***Simon Kimberley, MRICS, Optima Community Association***

Simon Kimberley, a chartered surveyor and Chief Executive of Optima Community Association, the housing association that has provided the essential leadership on the complex and award winning redevelopment of five Birmingham city centre estates. Here, he turns his attention to the project at the heart of the redevelopment, Park Central.

Park Central is an ambitious mixed use development, part of Optima's £350m Attwood Green urban regeneration scheme. Its purpose is to create high quality homes in a thriving and socially inclusive environment raising aspirations along the way. It is a partnership between Optima, Birmingham City Council and Crest Nicholson covering 60 acres of brownfield land in central Birmingham. Launched five years ago, it's been breaking new ground ever since with its mix of housing, apartments, commercial zones and community facilities characterised by a distinctive look and high quality feel. When finished it will provide up to 1900 new homes, 225 affordable homes for Optima and 26,500m<sup>2</sup> of commercial space all set round eight acres of landscaped community parkland.

#### ***The story so far***

Following extensive demolition and clearance Park Central now boasts new office developments, a state of the art community nursery, two new parks, public art and a hotel. To date 450 homes have been built and 500 are in construction. Our affordable homes are pepper potted amongst those in private ownership. We refurbished our existing properties to a high standard, internally and externally, ensuring that they blend in well with the new build. New roads have been built, new footpaths laid and surface level crossings replace subways. We even raised the road level 3 metres at one site to get rid of the scores of steps leading up to residential blocks.

#### ***Green issues: handling contaminated land***

Demolition contractor Coleman & Company worked with Powerscreen to develop a machine that could be driven on-site to separate hard materials from waste. As a result, 90% of the 350,000 tonnes of contaminated waste

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generated by the site has been recycled saving in excess of £8m and the estimated 15,000 lorry movements that would have been needed to and from the landfill site.

### ***Sustainability***

Where we once had properties that were impossible to let, we now maintain a waiting list. Satisfaction with our homes stands at 90% with 92% of residents saying they would recommend Optima to a friend and to top it all we were awarded the Deputy Prime Minister's Award for Sustainable Communities.

### ***Funding***

The bulk of investment comes through land sales to Crest Nicholson and an innovative financial mechanism linked to a development agreement for the upfront provision of £38m of essential works. Crest delivers the prescribed and desirable works (in lieu of traditional section 106 planning agreements) on behalf of the partnership. 100% of the cash goes back into the area and the rest of Attwood Green and because of an overage agreement, as land values have increased, we have been able to capture the benefits.

### ***Leadership – keeping it all afloat***

A multi-disciplinary project team, that includes Optima tenant board members, meets regularly to address the issues that arise and work together to deliver successful joined up solutions. A key role for Optima throughout this process has been to provide the leadership necessary to sustain a project of this size and complexity. No matter how prestigious or novel, initial enthusiasm can wane and our job is to maintain the strength and momentum of that original vision.

### ***The future***

We're committed to maintaining our homes (and through our subsidiary Attwood Green Estate Services) the surrounding environment to a high standard whilst the City continues to care for the public realm and award winning parks.

### ***Keys to success***

Anyone even vaguely familiar with the area will acknowledge that the pace of transformation at Park Central has been remarkable. Our success lies in

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maximising the benefits of a prime location, the strong working relationship between the partners and the leadership and vision afforded by Optima with its roots firmly embedded in the local community.

*Simon Kimberley MRICS  
Optima Community Association*

*(Source: <http://www.rics.org/Networks/Regions/UK/England/WestMidlands/sustainablecommunities070507.html>)*

## Emergent sustainable development and community activity

One community starting to address these complex areas is Ambleside in the Lake District (see Example 19, which is current at the time of publication).

### Example 19 — Ambleside, Cumbria

#### **Local communities host biggest Eco event ever held in the Lakes**

Gearing up for global warming and climate change – local communities from within Cumbria are joining forces in Ambleside on 28th October to share their experience of sustainable living and to find out more about the practical measures we can all take to reduce global warming that will improve the situation locally and benefit communities around the world. Local MP Tim Farron will be there to offer his support:

*“Climate change is a reality which affects many of my constituents in Westmorland & Lonsdale. Each year I receive more and more stories of homes which have been flooded and many communities across the South Lakes are now crying out for urgent flood relief schemes.*

*“I’m delighted to be able to support this event, which is a fantastic opportunity for local residents to come along and learn first hand what we can all do to stop and reverse climate change, and ensure that our planet is protected for future generations.”*

The event includes practical demonstrations on energy saving, waste and recycling, community gardening and straw bale buildings. An Eco-surgery will also be set up where local people can ask the experts about practical ways of saving energy, reducing pollution and improving recycling.

Esthwaite Green Link, (based in Hawkshead) will have special eco-shopping bags on which children can add their own designs and Grasmere Sustainable Community Group will demonstrate a range of local initiatives. Sustainable Communities will be giving away low-energy light bulbs and water-saving devices. John Biggs, Chair of Cumbria's Sustainable Communities project:

*“This is a great opportunity for local communities to showcase their practical solutions to sustainable living. There are a number of excellent projects already up and running. Grasmere has spearheaded the eradication of Japanese Knotweed; effective action has seen red squirrels breed again in the valley. The fitting of solar thermal panels and loft insulation has followed household energy checks, and Brampton has just appointed their own Sustainability Officer.”*

There's plenty of fun for children too. Students from St Martin's College will be running a rolling programme of eco and on-line computer games for families to learn how to reduce their eco-footprint in the home.

Local school children will showcase their own work on sustainability and explain what their schools are doing to protect the environment. Chris Rowley, St Martin's College, Tutor in Geography and Environmental Education said:

*“The environment is very much part of the school curriculum and the teacher training college is ideally placed to share its expertise with local schools. All the local schools have shown real enthusiasm and commitment to environmental education in their curriculum. At the college we have students who are keen to support them and this event is giving everyone a real focus.”*

Fairly traded products will be on sale and Ambleside Fairtrade Group will be there to explain how consumers can not only purchase ethically produced quality goods locally but also how they can help disadvantaged producers in the developing world get a better deal in the global market. Tearfund representative, Anita Payne:

*“Tearfund is looking at the connection between climate change and international poverty, linking what we do locally and nationally with the effects on poor communities around the world. We will be comparing our eco-footprints with those from vulnerable countries and encouraging local residents, businesses and visitors to undertake some eco friendly practical action to improve their local environment and to contribute in a small way towards a more sustainable lifestyle.*

Churches Together in Ambleside is one of the founding organisations that have helped put this event together. Chair of the organisation, Leo Pyle said:

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*“Churches Together are committed to this event which is so significant for sustaining the life of our beautiful area. I’m sure that it will inspire us all to consider how we might live more simply so that others and future generations might simply live.”*

Global warming is changing the Cumbrian climate. Current predictions indicate that the region will have to face extreme droughts in summer, severe storms in winter and rising sea levels threatening most of our low-lying coastal areas. There will be an Open Forum to hear what the experts say about the likely effects in Cumbria and an opportunity for people to share their concerns and learn what they can do to reduce their eco-footprint.

### **Background information**

The event is being hosted by Tearfund, Churches Together in Ambleside District, Grasmere, Hawkshead/Esthwaite Sustainable Communities Group and St Martin’s College.

The event is also being supported by the National Trust, LDNPA, Field Studies Centre, Ambleside, Grasmere, Hawkshead and Langdale Primary School, Hawkshead Churches Together, Cumbria County Council, SLDC, CDEC and the Tourism and Conservation Partnership.

*Tearfund* is a Christian Relief, Development and Social Justice Agency. It is a movement of Christians working with local partners and people in the UK and around the world, tackling poverty and the causes of poverty and injustice.

*Fairtrade* Cumbria was the second county in England to be granted Fairtrade County Status. There are now hundreds of different quality products available. The demand from customers and the number of establishments across the county that now provide fairly traded goods has grown exponentially, building a better future for millions, both those who grow the products and those who purchase them.

*Sustainable Communities* is a co-operative project between Churches Together in Cumbria and the voluntary and statutory bodies of the county to increase awareness of human impact on the local and global environment and to give advice and practical help in taking action. Five community groups have been established as pilot projects. Each community has set up its own programme so that it is relevant to them and within their ability to achieve. Home energy surveys have been conducted in three communities leading to installation of home insulation and other energy saving measures. Projects have included knotweed eradication, planting fruit trees,



promotion of non-phosphate containing detergents, support of farmers' markets, distribution of cotton shopping bags, meetings to discuss specific issues, and 'green pages' in parish magazines.

*Churches Together in Ambleside District (CTAD)* is made up of the nine churches and faith groups in the area. It provides a framework for the Churches to work together on issues such as housing, poverty, the environment etc, to provide a service to the local community, and to worship and study together. Last year CTAD was one of the main local groups deeply involved in the campaign to Make Poverty History.

### ***Environmental information***

*Eco-footprinting* is a way of measuring humanity's impact on the natural environment. Using various consumer indicators such as energy consumption and other resources it is estimated that we would need almost 3 Planet Earths if the rest of the world lived as we do in the Lakes.

*Global warming* is a consequence of too much CO<sub>2</sub> and other insulating gases that allows the sun's rays to heat up the atmosphere. There is evidence that human activities, particularly the burning of fossil fuels (oil, gas, coal) for energy, are significant contributors to global warming and climate change. As the atmosphere heats up the climate and weather patterns change. Sea levels around the UK coast are rising. The 1990s were the warmest decade on record. Winters have been getting wetter, with increased incidence of severe storms while summers have been getting drier.

*Lake District* Because we are based in the Lake District there is a real need to address the energy issue in a practical and efficient way. There are opportunities here but there are also some interesting challenges, particularly around planning constraints. The Lake District has a relatively small population compared with most urban areas, but we have a big eco-footprint primarily because of the mass influx of millions of visitors every year. These issues are the same for all national parks and we hope this event will stimulate ideas on how other national parks can take practical measures to tackle the problems of global warming and climate change.

(Source: <http://www.cgbf.co.uk/partners.html>)

One focus for communities has been concerns about the prospective reduction in fossil fuels – often referred to as peak oil. One such movement has started in Wales (see Example 20).

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## Example 20 — Transition towns<sup>1</sup>

### **Pioneering Welsh town begins the transition to a life without oil**

#### ***As the supply of cheap fuel dwindles, rural Lampeter embarks on 'energy descent'***

There is, as the ads say, no Plan B. The age of cheap oil is drawing to a close, climate change already threatens, and politicians dither. But the people of Lampeter, a small community in the middle of rural Wales, gathered together earlier this week to mobilise for a new war effort. They decided to plan their “energy descent”.

It was in fact the biggest public meeting in Lampeter anyone could remember. West Wales has a long tradition of alternative living, but the scale of this was different. More than 450 people filed into the hall in a place where the total population is just 4,000. They had come to turn themselves into a Transition Town – one of a rapidly growing network of places that have decided not to wait for government action, but to prepare for life after oil on their own.

First, the coordinator of the Transition Town movement, Rob Hopkins, told them how urgent the crisis is. Hopkins, who helped create the earliest Transition Towns in Kinsale, Ireland, and Totnes, Devon, and advises the 20 or so others that have signed up, describes himself as an early topper.

He's one of those who think that in the next five years we will have reached peak oil – the point at which half the world's oil reserves have been used up. After that production goes into irreversible and rapid decline and our main source of energy starts running out. Since we have not so far identified another viable energy source to replace it, the only rational response, he said, is to plan our energy descent. “Life after oil will have to look very different.”

The world, he explained, divides into early toppers and late toppers. The early toppers, made up largely of former industry geological experts, calculate that world oil production has already or will very soon peak. The end of oil is nigh, in other words.

The late toppers, made up mostly of more optimistic oil companies, governments and economists, predict we have longer, with peak oil some 20

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<sup>1</sup> Correction printed in *The Guardian* on Thursday April 12 2007 – Totnes is in Devon, not Cornwall.

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to 30 years away. “I tend to believe the people with no vested interest, but either way this is one of the most dramatic shifts humanity has had to face,” Hopkins warned.

By now the people of Lampeter, from ageing hippies to young activists, were shifting in their plastic seats (made with oil) and drawing anxiously on their water bottles (made with oil) if not reaching for their medicines (made with oil). Hopkins told them they were likely to experience a range of common symptoms that accompany initial peak oil awareness.

One might be an irrational grasping at infeasible solutions. At hydrogen, for example. No good, running the UK’s cars on hydrogen would need 67 Sizewell B nuclear power stations or a wind farm bigger than the south-west region of England. Or what about biofuels? No again, it would take over 25m hectares of arable land to run the UK’s vehicles on biodiesel, and the UK only has 5.7m hectares of arable land. We need to eat too.

Unfortunately, British farming has evolved “into a system for turning oil into food”, reliant on the energy-intensive manufacture of synthetic fertiliser, heavy use of oil-based plastics, and centralised just-in-time distribution systems that also guzzle oil.

After Hopkins, Guardian columnist George Monbiot, who lives near Lampeter, tried to cheer them up. Unlike Hopkins, he said he had been persuaded that the end of oil was not nigh, but only nigh-ish. We may have another 10 to 30 years. And there was lots of coal for energy.

The problem was that if we switched back to sin fuels that increase our emissions, climate change will undo us even faster than peak oil.

The drive for change in Lampeter has come in part from a group of local farmers – both Patrick Holden, the Soil Association’s director, and Peter Segger, the businessman who was the first to supply the mass market with organic foods through the supermarkets, have their land nearby. Both have decided that the future lies in selling more of their produce locally instead of having it trucked round the country.

Segger and his partner Anne Evans have already switched from supplying the major retailers to selling half their vegetables within Wales.

Holden confessed to a touch of both survivalism and optimism. As an organic farmer who does not use artificial fertiliser, he said he had been feeling smug until he heard Hopkins speak a couple of months ago.

But he realised his produce was also part of the problem once it left his farm, feeding into the system of centralised distribution. Now he is trying to make his farm self sufficient in energy: he has already invested in burying half a mile of pipes under a field to extract heat from the soil that keeps his house warm.

Four hours into planning their energy descent and over bowls of local cawl broth the crowd in Lampeter were considering what they would like to happen – a ban on advertising that encourages consumption; turning the local supermarket into a giant allotment – and what they could actually do – install a community wind turbine; encourage low-energy buildings using sheep's wool for insulation; swap skills.

Someone suggested that a local landowner give the town an acre for a community vegetable garden. There was an awkward silence until someone else remembered a playing field that would serve the purpose, if the council agreed.

There was plenty of inspiration from pioneer towns.

Transition Totnes has introduced its own currency with notes that can only be spent in local shops. Its businesses are being audited by an accountant who provides a wake-up call by identifying parts of their operations that become unprofitable as oil prices rise. The town is planting nut trees which can provide emergency food and timber for construction while also acting as carbon sinks.

Lampeter decided emphatically on a show of 450 hands that it would meet again to plan its next stage. And then its people spilled out on a clear spring night into the car park and, just this one last time, drove home.

### ***How we use oil***

- 130kg packaging made from oil-derived plastics is consumed by British households each year. Two-thirds of it is used in food production
- 57[ ]miles is the average distance a tonne of freight now travels by road. In 1953 it was 21 miles
- 95% of our food products require the use of oil, and the supply of food accounts for 21% of Britain's energy use
- 3.5 litres of oil is needed to produce half a kilogram of steak.

*(Source: Lawrence, 2007)*

## Widening horizons...the international perspective

It is important to see sustainable development from differing viewpoints and horizons. The following case studies:

- see beyond the UK to the international context (Case Study 4);
- look to earlier sustainable crafts from which we can learn (Case Study 5);
- consider inspirations and innovation (Case Study 6).

### Case Study 4 — Fairtrade and sustainability

There are three contexts within which Fairtrade leads to greater sustainability: in family livelihoods, in community development, and in the environment.

*Family livelihoods:* Many export commodities from developing countries are subject to volatile – and declining – farm-gate prices. Coffee is a prime example. After the collapse of the International Coffee Agreement in 1989, coffee farmers suffered wild swings in prices paid for green beans. In the period 2001–2004, these culminated in a thirty year low, when millions of coffee farmers around the world suffered severe hardship. In consequence, in Ethiopia thousands of children were taken out of school; fathers migrated for work; and the poorest families literally starved. By guaranteeing fair and stable farm-gate prices Fairtrade ensures that farmers' basic production costs are covered and that their families' needs for shelter, adequate nutrition, health and education are met. Further, it allows them to plan in ways unthinkable with free market price volatility. This gives them the chance to invest and diversify. It also means that they will be less likely to grow socially harmful crops, such as, in the case of Ethiopia, 'chat', a mild but addictive narcotic.

*Community development:* On top of the fair price, the Fairtrade system guarantees a small 'social premium'. In the case of cooperatives, which make up the bulk of Fairtrade producer organisations, members decide democratically how this will be spent, whether on improvements to the coop's facilities, e.g. central warehousing and processing sheds, or on the wider community, e.g. improved water supplies, more classrooms, or clinics. Fairtrade thus benefits whole communities, not just because farming families have more incomes, but also because investments are made (indeed *have to be made*, for that is part of the 'deal') in business and social development. This helps to keep communities together, making them more self-reliant, and less prone to rural to urban migration. Fairtrade producer certification also

requires both transparency in decision making and the inclusion of women and other marginalised groups, thereby enhancing grassroots democracy.

*The environment:* Strict environmental standards are set for certified Fairtrade producer organisations, to ensure that their members protect the natural environment and make environmental protection a part of farm management. Each organisation is expected to facilitate the development, implementation and monitoring of individual farmers' operational plans to help establish a balance between environmental protection and business results. This is done through crop rotation, cultivation techniques, crop selection, careful use of fertilisers and pesticides, and, where relevant, shade production. Each producer organisation ensures that its members minimise the use of synthetic and other off-farm fertilisers and pesticides, in the long term replacing them with non-synthetic and on-farm fertilisers and biological methods of disease and pest control. Not surprisingly many Fairtrade producers find it possible before long to 'go organic', if they are not already, and this enhances their income further. Producers are also encouraged to minimise the use of energy, especially energy from non-renewable sources. And it is precisely because Fairtrade gives them a fair and stable income that farmers are able to put into practice these measures. When they have no price guarantee they are more likely to be environmentally destructive, e.g. chopping down shade-trees for firewood as happened during the 'coffee crisis'.

Regular monitoring by Fairtrade Labelling Organisations International, which sets the social, economic, labour and environmental standards for Fairtrade producers, ensures compliance in all of these areas, thus ensuring long term sustainability.

*(Source: Human, J. Cumbria Fair Trade Network)*

### Case Study 5 — The value of the sustainable crafts

This is not a William Morris style Arts and Crafts revival but a rediscovery of the sense behind traditional methods and practices.

Dry stone walls can be more expensive to build than conventional walls or fences due to the time taken to build them. However, the benefits to the environment, the community and to subsequent generations mean that the use of a dry stone wall as opposed to any other form of barrier makes it very sustainable in the long term.

Over 200 years ago many dry stone walls were built using stone found littering fields or quarried from the ground nearby. These walls, as today, are built to last through all weathers, allowing for natural movement in their construction. Dry stone wallers and farmers today may have to repair a gap in a wall that has stood for around 200 years and because no mortar has been used the repair is made using the original stones. Wildlife flourishes in dry stone walls – small mammals and birds find shelter; mosses and lichen thrive. The beauty of a dry stone wall is not solely in its appearance but in the fact that it is constructed of natural materials from the immediate environment; nothing is brought in except, perhaps, the skill of the waller. However, in areas where dry stone walling is valued wallers do not have to travel far for their work.

Forty years ago there was a concern that the skills needed to at least maintain Britain's 125000 miles of existing dry stone walls were being lost to the older generation. The Dry Stone Walling Association has helped to turn this situation around and can now provide a professional list of certified dry stone wallers from every region where dry stone walls (or dykes) exist. Stone can usually be sourced from a local quarry for building a new wall or garden feature. Dry stone walling has emerged from a craft to an art form – bringing the skill and the beauty of the work to new audiences, leading to more people valuing the 'ordinary' dry stone walls.

*(Source: Forecast, R. The Dry Stone Walling Association (DSWA))*

## Case Study 6 — Creating a Footprint

...Work began on the Footprint in early April 2006, the first straw bale building in Cumbria, and the first to be built by the National Trust...

### **The vision**

#### **...Purpose**

- We wanted the building to provide space for a good sized group of children or adults, that could be easily accessed and flexibly used by all visitors and which was welcoming and pleasing on the eye.
- We wanted the design to be sympathetic to the existing buildings (which now house National Trust offices and a staff flat), and not impose too much on the natural environment.
- In the longer term, at the end of the building's natural life (some straw buildings are in use after more than 100 years), we wanted it to leave



a very small impact. This will be partly achieved through the choice of construction materials, favouring those that will naturally biodegrade or can be recycled in the future.

### ***Ecological footprint***

We also wanted the building to have a small ecological footprint in the present. As a concept, ecological footprinting is growing as a resource management and education tool. Simply put it approximates how much agricultural or ecologically productive land area it takes to sustain a person or a group, or in our case, a building. This is based on the use of energy, food, water, construction materials, lifestyles, transport choices and other consumables.

To achieve a small ecological footprint, the building materials need to be from sustainable, realistically renewable resources, or from recycled materials, so that the impact of construction in the present is reduced. To cut down on transport these need to be as locally sourced as possible.

We also recognised that our design needed to incorporate good use of natural light and have excellent insulation, thereby reducing electricity and heating needs when up and running.

### ***Education***

Because the building will be mainly used for education, we also wanted the construction process and the end result to be a learning project. In doing all this we wanted to inspire a positive emotional response towards the building and excite people about achievable, low environmental impact living.

Throughout the construction phase, as our decisions became reality, we recorded and assessed against our aims, so that the ecological footprint could be properly defined and the learning gained in the process shared.

### ***The design***

#### ***...Hybrid construction***

The Footprint is a hybrid construction. The roof is supported by a mix of load bearing walls and framing. The frame and two portals in the interior also brace the building. Inside it consists of a single open space of about 100m<sup>2</sup> with a small store and tea-making area partitioned off. Outside are a small covered activity area and a covered timber walkway around most of the building.



**Protected**

It is a simple but unusual shape, incidentally like a snow-shoe footprint in plan design, which is almost elliptical at one end with gently curved walls. The roof is pitched at 35° to reflect the pitch of the existing building and it is extended at one end.

There is quite a large overhang on all sides for protection, but the western end faces the prevailing weather, so there is a 'peak' at that side. The overhang will also screen direct sunlight in the summer. The total size of the building is around 250m<sup>2</sup>.

**Integrated**

The southern elevation is glazed, which allows the use of natural light inside, and gives the feeling of the building being within the meadow and not shut off from it. There are two doors, and the windows are such that they maximise solar gain and allow ventilation.

The sense of being part of the site is emphasised further on the south side with a stepped area from the covered walkway, which curves around the building, in line with the roof overhang. This will allow direct access to the meadow and also provide a useful outdoor seating area. The outside walkways and floors will minimise erosion.

The northern side is one long wall with a single window, which extends to provide a sheltered side to the small covered activity area. On the eastern end there is a straight glazed wall with one door, leading out to the covered activity area.

The western end is beautifully curved, with four small windows. The site's slope requires a platform for the building on this end which is visually reduced by earth banking and stone facing. At this end, double doors access the under-floor space...

**The construction****...Straw bale walls**

The walls of the Footprint are a combination of straw and glass.

Approximately 380 standard straw bales were needed. These were sourced from a farm in Yorkshire.

This might sound like a lot of 'straw miles', given that it is grown nearer to Windermere, but straw for construction needs to be as strong, as straight and as tightly baled as possible. The bales also need to be consistent in size and density, and be dry, with no hint of mould or mildew.

Straw from the east of England grows on even, much flatter land than in the west and this tends to make it more consistent both in texture and strength; in 2005 it grew in drier conditions (as is usual) which also helped consistency.

To build with straw it has to be kept dry; no moisture can penetrate during construction, it's a disaster if it does.

It must be carefully stored so when the walls were going up a canopy was erected to keep off the rain from above and from the sides. At the end of each day the walls were carefully covered and protected until the roof went on; even then the sides had to be kept dry until they were properly rendered.

The render is lime externally and lime / clay internally, finished with a lime based wash.

The main environmental advantages of building with straw are:

- *Sustainability*: straw is an annually renewable natural material and approximately four million tonnes are surplus to requirements in the UK alone.
- *Biogradability*: at the end of the building's life, the straw will biodegrade naturally, leaving no trace.
- *CO<sub>2</sub> emissions*: it is estimated that over 50 per cent of all greenhouse gases are produced by the construction industry and its associated transport. By using regional sources, we can contribute to a reduction in emissions through transport. Straw bales don't need to be fired like bricks and don't need cement. Additionally, as a resource, straw has absorbed and stored CO<sub>2</sub>.
- *Insulation properties*: with almost three times the insulation value of standard building materials, straw is extremely efficient at reducing the heating demands of a building. This means that the soundproofing is excellent too. Use of straw means there is no need for environmentally damaging insulation materials in the walls.

Additionally there are the following 'approach' advantages:

- *Creativity*: straw can be used to make either a very standard common style building or it can easily accommodate curves and bends in the walls, and deep alcoves and other features internally that give a building character and charm.

- *Financial sustainability*: or a fancy way of saying it is cheaper in the short term to build your walls of straw, and cheaper to heat your building in the long term. Especially cost effective on materials alone and if you follow the approach below, cost effective on labour too.
- *Opportunities for involvement*: a straw bale build gives interested parties such as planners, builders, self-builders, environmental advocates and local volunteers an opportunity to become involved in a very 'participant friendly' building method which can also become a community project. The process is well suited to working with non-specialists, and groups and individuals not normally associated with the construction industry, and previous experience shows that it can be very empowering for those involved.

And no, rendered straw walls are not any more flammable than conventional walls. In fact recent tests are showing that the burn time of straw walls is greater than that of bricks.

Nor are they going to attract vermin. Straw is not a food source for mice, rats or any other small animals, although they really like holes in straw (it is cosy), which is why it is important for the walls to be properly rendered and maintained.

Straw walled buildings are also very durable. There are examples in parts of the US (with a similar climate to the Lake District) of buildings going strong even after 100 years.

(Source: [http://www.nationaltrust.org.uk/main/w-global/w-localtoyou/w-northwest/w-news-projects-st\\_catherines\\_footprint.htm](http://www.nationaltrust.org.uk/main/w-global/w-localtoyou/w-northwest/w-news-projects-st_catherines_footprint.htm))

## Individuals' roles: what we all can do

Finally, the role of the individual should not be undervalued. Example 21 provides some ideas regarding what we can all do.

### Example 21 — Green Mountain Coffee

#### **Coffee and responsible consumption**

If you serve, sell, or drink conventionally sourced coffee, try great tasting Fair Trade Certified™ and Fair Trade Certified™ organic coffees, and help build that market. If you are already serving, selling, or drinking Fair Trade Certified™ and Fair Trade Certified™ organic coffees, focus your

promotional efforts and reach out to consumers with inspiring stories of hope and justice for farmers around the world. Let us know how we can help you do that.

Consumer activism can make the difference. Think about where *all* the products you purchase come from and the conditions under which they were produced. Express yourself to the companies that make the products you purchase. Vote with your dollars.

To learn more about Fair Trade and responsible consumption in general, check out organizations like Transfair USA ([www.transfairusa.org](http://www.transfairusa.org)), United Students for Fair Trade ([www.usft.org](http://www.usft.org)), Oxfam America, ([www.oxfam.org](http://www.oxfam.org)), Co-op America ([www.coopamerica.org](http://www.coopamerica.org)), Global Exchange ([www.globalexchange.org](http://www.globalexchange.org)), and the Center for a New American Dream ([www.newdream.org](http://www.newdream.org)). If you are a teacher, work with youth, or are a concerned parent, check out the GetIt! Curriculum ([www.readtofeed.org](http://www.readtofeed.org)), which teaches lessons involving geography, world cultures, history, journalism, marketing, and critical thinking focused on understanding the global impact of consumer decisions in the context of cut flowers, bananas, and coffee. If you invest money or are saving for your retirement, think about bringing your values into your investment decisions. Ask your investment advisor about the many options available to socially and environmentally responsible investors.

### **What we can all do**

- Roasters coffee to help support your local non-profit organization.
- Send an email to [CorporateDonations@GreenMountainCoffee.com](mailto:CorporateDonations@GreenMountainCoffee.com).
- Institute a sustainable coffee-purchasing program in your local community organization or government offices.
- Put public dollars to work in an easy way to help create a better world.

### **Community partnerships**

- Look into revitalizing your local community through innovative programs like those offered by Business Alliance for Local Living Economies ([www.livingeconomies.org](http://www.livingeconomies.org)) and Global Community Initiatives ([www.global-community.org](http://www.global-community.org)).
- Volunteer with a non-profit organization in your local community – meet your neighbours and help increase the quality of life right where you live. For ideas and information, check out [www.pointsoflight.org](http://www.pointsoflight.org) and [www.unitedway.org](http://www.unitedway.org).

- Check and see if your workplace offers a matching donation program. If they do, take advantage of it. If they don't, ask why not!

### **Environmental practices**

- Calculate your carbon footprint and learn what you can do to reduce it – check out [www.nativeenergy.com](http://www.nativeenergy.com) and [www.cleanaircoolplanet.org](http://www.cleanaircoolplanet.org).
- Conduct a home or office energy and eco-efficiency audit – check out [www.encyvermont.com](http://www.encyvermont.com) to see how we do it in Vermont.
- Go organic! Check out [www.ota.com](http://www.ota.com) and [www.nofa.org](http://www.nofa.org).
- Support local businesses and your local farmers' market. Check out Business Alliance for Local Living Economies ([www.livingeconomies.org](http://www.livingeconomies.org)) to learn more.
- Look into alternate transportation for work commutes and other errands. Try public transportation, carpooling or riding your bike. Check out LocalMotion ([www.localmotion.org](http://www.localmotion.org)) and Vermont Ride Share ([www.vermontrideshare.org](http://www.vermontrideshare.org)) to see how they work on transportation issues in Vermont.
- As always, try to reduce, reuse, and recycle (check your local area for resources to help you manage your waste stream more effectively)[.]

(Source: <http://www.greenmountaincoffee.com>)

You may wish to consider the following.

- Are you a beacon for sustainable development?
- Do you share your experience and expertise?
- Do you invest in sustainable development in some way?
- Do you try to keep up to date and consider regularly how you might do things better?
- Do you identify and explore new practices and opportunities? Are you innovative and imaginative in sustainable development?
- Do you shape the sustainable development agenda and environment? Do you inspire others?

## **References**

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## Chapter 9: Conclusion

The new guidance standard, BS 8900:2006, represents an innovative and integrated approach to environmental, economic and social issues that now impact on all organizations. It provides a route map to navigate and simplify the new landscape that is sustainable development.

For those businesses already committed to sustainable development, this standard provides a structured and organized framework that will help them to use their resources and efforts in a more efficient and effective way. Those businesses that have engaged in environmental management systems, and are considering sustainable development in its wider context, now have much clearer guidance on how to go about implementing it.

BS 8900 is an indication of how British and International Standards are changing and adapting to evolving conditions, both in the workplace and in the wider environment.

### In summary

- BS 8900 is a framework to assist in constructing a coherent, holistic approach to sustainable development.
  - BS 8900 seeks to attract and engage those who are not currently interested in, or committed to, social responsibility or sustainable activities. It also aims to help those organizations with social responsibility programmes to organize these more effectively, and to embed a sustainable approach more securely throughout the organization.
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- The distinctive approach is to encourage users to think for themselves, supporting the making of difficult judgements, with the aim of creating a sense of real ownership and commitment.
  - The standard signals and, in part, leads a significant further stage in the evolution of sustainable development practice.
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