

Measuring our impact

Key facts

Introduction

At the end of 2017, SV commissioned ACIL Allen to complete an independent impact assessment of our programs and initiatives to objectively quantify the value SV provides to the Victorian community. The assessment and its findings will be used to improve SV's approach to project design effectiveness and the monitoring and evaluation of its ongoing work.

What was assessed?

The report assessed economic, social and environmental benefits of SV's programs. A representative sample of SV's initiatives were assessed, representing 17 out of 62 projects undertaken since 2011.

Initiatives were divided into three project tiers:

Tier 1	Direct support and investment High profile, high cost, central to SV goals, high quality data 5 projects
Tier 2	Engagement and campaigns Social or behavioural change, strong focus on stakeholder and community engagement, impact not easily monetised 6 projects
Tier 3	Working with others Overall impact and value less direct, including projects shared with other jurisdictions, largely managed by industry, where SV is leading, coordinating or planning 6 projects

All the projects that were assessed	
ResourceSmart Schools	Tier 1
Business Support Program	Tier 1
Energy Efficient Office Buildings	Tier 1
Building Victoria's Organics Recovery	Tier 1
Driving Investment for New Recycling	Tier 1
Household Chemical Collection	Tier 2
Love Food Hate Waste	Tier 2
Social Value from Waste	Tier 2
Smarter Choice	Tier 2
Energy Efficient Rebates for Low Income Households	Tier 2
Statewide Waste and Resource Recovery Infrastructure Plan	Tier 2
FirstRate5	Tier 3
Kerbside Food Organics and Garden Organics Recovery	Tier 3
Paintback	Tier 3
Victorian Litter Plan	Tier 3
Waste Data Service	Tier 3

For more detail about the assessment of these projects, you can review the full report, *Measuring our impact*, on our website www.sustainability.vic.gov.au

Key Findings

- SV delivered a **cost benefit of 1:2.49, generating \$248.4 million in total present value benefits to Victoria** from an investment of \$28.6 million. While not quantified, when all program benefits are taken into consideration, the total benefits from all of SV's programs are likely to significantly exceed the organisation's total expenditure since 2011.
- SV has **demonstrated a strong strategic focus** that maximises its impact by developing a program of work that uses a range of sustainability initiatives which work together to integrate outcomes and build viable long-term industries as a foundation for a sustainable economy.
- SV is **powerful advocate and facilitator of positive and sustained social change**. SV has changed social behaviours and cultural attitudes toward waste and energy across a range of programs. SV's strong focus on collaboration and consultation is improving industry and community engagement in environmental issues across Victoria.
- SV is **a pioneer in social impact investment**, with many experiences, successes and lessons to share with others. SV is at the forefront of the next wave of social impact investment, with expertise in facilitating this form of change, having generated employment and provided training in current programs.
- SV is **an innovator and leader on environmental matters** in Victoria as well as other jurisdictions, particularly around co-regulatory approaches. By bringing stakeholders together, co-designing projects to achieve agreed outcomes, establishing common data or knowledge systems, agreeing on how they will measure and reward performance, SV could expand its leadership role and impact in the Victorian community.
- The projects assessed collectively **addressed tangible needs and gaps**, as well a market failures. They have delivered a rich variety of outputs, including educational resources, awards and materials efficiency best practice guides and resources and improved the capacity of stakeholders to deliver on aligned environmental and social goals. SV has established central frameworks and systems and established and leveraged partnerships with private and public partners.

Our alignment with Victorian Government priorities

Our focus under the *Towards SV2020* strategy is on helping the community take action on climate change and to use our resources sustainably. Our programs cascade from and deliver on State Government priorities and action plans including Victoria's Energy Efficiency and Productivity Statement, Renewable Energy Roadmap, the New Energy Technologies Sector Strategy, and the Statewide Waste and Resource Recovery Infrastructure Plan.



How we delivered: Five major case studies

Project name	Key achievements
ResourceSmart Schools Helps schools to minimise waste, save energy and water, promote biodiversity and reduce greenhouse gas emissions by embedding sustainability in everything they do.	<ul style="list-style-type: none">▶ Since 2011, nearly 1.4 million students and teachers have been reached by our schools program.▶ Participating schools typically achieved a 5 to 10 per cent reduction in waste generation, and many schools made changes in school infrastructure and/or practice changes.▶ 80 per cent of schools that participated indicated that our schools program directly led to a reduction in the amount of resources used.▶ 69 per cent of schools indicated that they had made 'moderate' or 'significant' progress in embedding sustainability into the curriculum.▶ There were three types of benefits across electricity, water, landfill, paper and recycling:<ul style="list-style-type: none">▶ Lower financial cost for schools because of lower resource use and/or waste.▶ Lower carbon pollution which resulted from lower electricity consumption.▶ Teachers and students have enhanced knowledge of sustainability, resulting in energy and water savings in the home environment.▶ Schools typically reduced waste and resource use by between 5 and 10 per cent.▶ The spill-over benefits to RSS arising from teachers and students applying enhanced sustainability practices at home is \$14.7 million in present value terms. The net benefit of the project is \$15.1 million in 2014-15 dollars under a 4 per cent real discount rate.▶ The benefit-cost ratio of this project is estimated at 2.24.
Business Support Program Supports small and medium-sized enterprises to improve their input materials usage, reduce waste and improve energy efficiency.	<ul style="list-style-type: none">▶ 1,428 small and medium sized businesses participated.▶ 51 per cent of businesses in the program were located in regional Victoria.▶ 88 per cent of businesses that undertook resource efficiency assessments fully implemented at least one recommendation.▶ Collectively, businesses implemented around one-third of recommendations by value – approximately \$56,000 in investment per business.▶ Annual savings for businesses that participated amounted to \$5.9 million per annum. Energy saving was 62,693 GJ per annum, while materials efficiency projects resulted in more than 5,000 tonnes of waste avoided (including food waste, timber, plastics, rubber, solvent and sand).▶ The project has a net present value of \$28.5 million and an internal rate of return (IRR) of 40 per cent.▶ The benefit-cost ratio (BCR) is 2.60.
Driving Investment for New Recycling Supports infrastructure projects for the collection, sorting and/or treatment of commercial and industrial waste and municipal solid waste that significantly increases the recovery of valuable material and diverts it from landfill.	<ul style="list-style-type: none">▶ Processing capacity increase of 243,521 tonnes, with actual produced capacity increases of 126,399 tonnes up until November 2016 (not all projects completed).▶ An increase in diversion of 218,920 tonnes, with an actual diversion of 51,062 tonnes up until November 2016.▶ New recycling across all waste sectors with the best results in high-volume material streams such as glass and organics).▶ The present value of benefits generated by the assessed projects is \$102.18 million in 2017 dollars under a 7 per cent real discount rate.▶ The net present value of the assessed projects is \$96.99 million.▶ The benefit-cost ratio of the projects is 19.69*.
Energy Efficient Office Buildings Assists owners of mid-tier commercial office buildings to reduce energy costs and environmental impacts by providing assistance to undertake energy efficiency upgrades.	<p>Across the project's 20 participating Victorian buildings, average benefits over a 12-month period are:</p> <ul style="list-style-type: none">▶ 29 per cent reduction in energy use following building tuning.▶ 1 star NABERS Energy rating improvement.▶ A payback on efficiency investment in less than three years.▶ Over 4,000 tonnes of CO₂-e emissions reduction over a 12-month period.▶ Over \$1.1 million in savings in energy bills per annum.▶ Over \$10 million in co-investment from building owners.▶ Delivery of over 90 jobs.▶ The benefit-cost ratio (BCR) is estimated at 1.04.
Building Victoria's Organics Recovery Aims to improve the recovery, processing and beneficial use of garden and food organics collected by regional councils.	<p>New kerbside organics collection services introduced in:</p> <ul style="list-style-type: none">▶ Bendigo introduced a combined food and garden collection service. More than 650 tonnes of food and garden organics were collected in the first full collection cycle under the scheme (a total of 10,856 tonnes was collected with minimal contamination over the first 12 months of operation).▶ Ballarat introduced a garden collection service, with 1,410 tonnes of organic waste diverted from landfill in the first two months of operation (a total of 9,362 tonnes diverted over 2016-17).▶ Smaller organics diversion, recovery and composting actions enacted by East Gippsland Shire Council, Southern Grampians Shire Council and Corangamite Regional Landfill.▶ New organics processing facility approved for Geelong with a capacity of 30,000 tonnes of organics per annum.▶ Organics collection trials demonstrated clear benefits with Mildura Council now considering implementation of an ongoing organics collection service.▶ The estimated present value of benefits for the two projects (City of Bendigo and City of Ballarat) is estimated at \$39.94 million.▶ The benefit-cost ratio (BCR) is estimated at 1.17.

* Based on 5 assessed DINR projects (out of 15)