action 16: government leading by example

What we will do

16.1 Expansion of the environmental management system (EMS)

To date EMSs have been limited to office-based facilities and central offices. The EMS program has proven to be highly successful in driving improved resource management within Government. The benefits of the EMS system exceed simply the environmental, having also saved Government thousands of dollars in operating costs. The Government will now consolidate this success by developing a five-year strategy to expand EMSs into statutory agencies.

16.2 Sustainable Government decision-making

The Government is committed to integrating the directions of the *Victorian Environmental Sustainability Framework* in its own day-to-day operations. Departments and agencies will include the directions of the Framework in all their business and operational planning, including their environmental management systems.

Sustainability Assessment can also play a significant role in enhancing the integration of sustainability considerations into policy and planning processes. We will develop a systematic process for better integrating these types of considerations into Government decision making.

16.3 Sustainable procurement

State Government spending accounts for 15 per cent of Victoria's gross state product, spending $2.5 billion per year on goods and services alone. We will use our significant purchasing power when buying everything from cars to paper, to send strong market signals for sustainable products and services.

The Commissioner for Environmental Sustainability has provided recommendations to the Government on improving the sustainability of motor vehicles, office goods and services, and office accommodation procurement. The Government has agreed on a number of measures to commence implementation of these recommendations, to send strong market signals to suppliers, and to promote redesign and innovation, including:

All Government departments now have environmental management systems (EMS) to reduce the environmental impacts from office-based energy, water, transport fuel and paper consumption, and waste disposal.

Between 2003/04 and 2004/05 we reduced government office water consumption by 18 per cent and cut office paper consumption by 6 per cent

- ensuring there are no restrictions on purchasing hybrid vehicles by Government departments;
- ensuring mandatory recycling or reuse of all new Government owned computers;
- approved ethanol-blended petrol to be used in Government car fleet vehicles where practical, available and cost-effective;
- continuing to require departments to implement innovative solutions to minimise their energy consumption; (including energy performance contracting)
- ensuring green standards are incorporated into all new Government leases;
- establishing minimum energy and water efficiency standards for whitegoods and other major appliances;
- supporting as appropriate suppliers who will take back their products and packaging for recycling or reuse.

We will release an Environmental Procurement Framework, containing key policy principles and guidelines to assist procurement officers in accounting for environmental factors when determining overall value for money in procurement of goods and services. In addition, each department and agency will be encouraged to produce its own action plan outlining how it will implement more sustainable practices to reduce consumption and minimise waste.

16.4 Greening our hospitals

We will invest $7.2 million to upgrade hospitals and aged care facilities to save more energy and water, and green standards will be used in the construction of new health care facilities.

Providing $3.3 million in no-interest loans will help 30 public hospitals invest in energy efficiency retrofits and recommissioning works. Further investments will be made in other hospitals as loans are repaid. This shouldn't take long, as the projects are likely to cut hospital energy costs by 20 per cent with a payback period of three to five years, while reducing greenhouse gas emissions by up to 25 per cent.

An additional $3.9 million will allow hospitals and aged care facilities to retrofit water efficiency measures and develop innovative water reuse and recycling projects, including harvesting greywater for reuse from laundries and engineering systems.

From 2007, the Green Building Council's Green Star Tool for Health Care Facilities will be used in the planning, design and construction process for Victorian public hospitals, clinics and health care facilities.

16.5 Water authorities obligations

We will adjust the Victorian Water Authorities' Statement of Obligations to reflect their responsibilities to improve sustainability beyond water savings.

This will allow Victorian water authorities to develop, or allow third party development of, cost-effective renewable energy, hydro, energy efficiency and bio-energy opportunities on their assets. The Statement of Obligations will be subject to approval by the Minister for Water in consultation with the Treasurer.

16.6 Greening our schools

We will invest $1 million for schools and education facilities to be more energy efficient and all new schools will be built using the latest green rating tools.

The Department of Education and Training's Environmental Sustainability Strategy will drive energy efficiency across schools, TAFE institutes and corporate offices through technology upgrades, education and behaviour change, and improvements to construction, operations and maintenance guidelines.

The Green Building Council of Australia is expected to launch a Green Star rating tool for educational facilities by late 2006. The Department is intending to set minimum Green Star ratings for new facilities following the development of Green Star.

Through *Building Tomorrow's Schools Today*, we will assist schools to make the quantum leap to become more environmentally friendly and sustainable.

16.7 Greening our car fleet

We will ensure an ongoing 150 hybrid vehicles for the Government fleet and invest $500,000 each year in offsetting greenhouse emissions, maintaining our commitment to a carbon neutral fleet.

The Government has a responsibility to lead by example, and investing in a minimum 150 hybrid cars – which use about half the amount of petrol as ordinary vehicles – is a good start.

We will also remove all restrictions to purchasing hybrid cars within the Government fleet.

16.8 Green offices, major projects

We will mandate 5 Star environmental ratings for all new Government office accommodation from 2007.

Also from 2007, Victorian Major Projects will be built using the Green Building Council's Green Star Tool for Public Buildings. A minimum star rating will be set on a project by project basis. This approach proved successful with the Melbourne Convention Centre, which delivered a six star outcome from a minimum four-star requirement.

Victorian Major Events will also strive to be more environmentally friendly, following the success of the 2006 Commonwealth Games.

16.9 Water efficiency in public housing

We will provide $4 million to install AAA shower heads and dual flush toilets in all Victorian Government public housing in the next four years.

Bathrooms are where we waste the most water. It is estimated that installation of dual flush cisterns and AAA rated showerheads in public housing stock will result in savings of 2,822 ML of potable water per year, once the program is fully implemented. In addition, the program will achieve a reduced water cost to public housing tenants of $2.59 million per annum.

16.10 Neighbourhood Renewal

We will invest $1.25 million over four years in Neighbourhood Renewal areas to deliver environmental as well as social and economic improvements.

The Government will actively work to link *Our Environment, Our Future* with *A Fairer Victoria* to ensure we integrate our social and environmental sustainability goals, particularly in areas of disadvantage through the Neighbourhood Renewal Initiative. This will be kicked off with the following initiatives:

- $66,000 to Werribee Neighbourhood Renewal Community and Wyndham City Council to develop a community 'Fit Start' fitness circuit for the Heathdale Glen Orden Wetlands. The project will involve development of six fitness infrastructure stations and seasonal environment wetland signage throughout the wetlands, designed to increase physical activity and enhance awareness of local flora and fauna; and
- $95,000 to Colac Neighbourhood Renewal Community and Colac Otways Shire for the Lake Colac Improvement and Urban Renewal Linkage Project. The project will improve public infrastructure installation of educative and interpretive signage, and community involvement in environmental rehabilitation. Unemployed residents will be employed to undertake work.

16.11 Resource efficiency

We will continue to strive for more energy and water efficiencies across government by carrying out audits to identify future savings.

Since 2002, the Government has taken significant steps to improve resource efficiency from its own operations. Government departments have achieved a 15 per cent improvement in their building energy efficiency and are meeting at least 10 per cent of their electricity needs with Green Power. There are still significant opportunities to improve. We will continue to demonstrate leadership by:

- requiring departments to implement all cost-effective energy efficiency opportunities identified with a payback period of four years or less by 2010;
- requiring departments to develop goals for departmental operations with respect to reducing water consumption, paper consumption and waste disposal;
- expanding Environmental Management Systems to statutory agencies over the next five years; and
- integrating environmental assessment into all Government decision-making.

Treasury Reserve Case Study

To demonstrate its leadership in building sustainability, the Government has carried out a range of actions to improve the sustainability of key Treasury Reserve buildings.

A long-term strategy to improve the environmental sustainability of 1 Treasury Place and 1 Macarthur Street, Melbourne, the administrative head offices of the Victorian Government, is being implemented. Upgrading key infrastructure has already commenced, including installation of:

- high efficiency gas boilers;
- high energy efficiency and water saving cooling tower with variable speed motors, giving exceptional performance while reducing the risk of *Legionella;*
- lighting system upgrades - including occupancy sensors in enclosed rooms, reduced operating times (and provision of "out of hours" buttons to switch only occupied zones on) and lighting floor plans to enable only lights which are needed to be switched on;
- water efficiency measures, including "don't waste water" signage, staff awareness programs and investigating and repairing all water leakage;
- smart meters for electricity, gas and water to enable accurate reporting;
- solar hot water systems (14 panels with 1,440 litres of storage); and
- variable speed chiller - with electricity demand and consumption benefits.

These projects have yielded annual savings of over 10,000 GJ of energy and 2200 tonnes of greenhouse gas emissions, and are saving over $145,000 in annual costs.

Additional projects planned to further improve sustainability include a secondary chilled water system to allow diverse water flows to be accommodated and further major water reduction projects.

55 St Andrews Place, Melbourne, is being upgraded to achieve a 4 Green Star rating for building sustainability - a level equal to Australia's' Best Practice. Initiatives will include:

- improving air conditioning efficiency to increase internal comfort, cut peak electricity consumption and improve performance - including a more efficient chilled water system, upgrading the air handling plant, installing "heat recovery" devices and reconfiguring fresh air intake;
- lighting system upgrades, including enhanced access to natural light, installing more efficient T5 fluorescent light fittings with high frequency ballasts, delamping in overlit areas, and reducing unnecessary lighting being left on out of hours;
- installing double glazing and external shading to windows to cut winter heat loss and summer heat gain;
- improving roof and wall insulation;
- improving water efficiency through installing flow restrictors to taps and showers, waterless urinals and a 30,000 litre rainwater tank;
- improving the indoor environment quality by improved material selection; and
- increasing access and facilities for bike riders.

This project is expected to achieve a 48 per cent reduction in annual energy consumption (6,700 GJ) and 2760 tonnes of greenhouse gas emissions, and provide ongoing annual savings of over $115,000.