

Three Rivers Sustainable Business Programme

Measurement Guide

THREE RIVERS
SUSTAINABLE BUSINESS



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It has been designed to be viewed online, and as we aspire to encourage increased sustainability we do not want to encourage unnecessary printing.

If you do need to print elements please select individual pages.

THREE RIVERS

SUSTAINABLE BUSINESS



We must all work together to protect our planet and people. Ensuring a greener and more resilient future for Three Rivers District residents and businesses needs action.

This guide is designed to help you take meaningful action. There is further support and funding available through this programme to get businesses moving.

Our focus is on making the best use of scarce resource, looking for quick wins and enabling innovations that have clear sustainability benefits.

Sustainability in the Three Rivers District

In April 2019 Three Rivers District Council declared a Climate Emergency. The Council is committed to achieving net-zero emissions by 2030 for their own emissions and 2045 for the District.

The broader sustainability challenge is to tackle the twin crises of climate change and biodiversity decline in the District while enabling greener, healthier lifestyles and a thriving local economy. In practice this can only be achieved in collaboration with local residents, businesses, community groups, voluntary organisations and partners. You can read more about it in the [Three Rivers District Council Climate Emergency & Sustainability Strategy](#) report.

Three Rivers Sustainable Business Programme (3RSB)

This programme has been developed to provide businesses in the Three Rivers District with the knowledge, skills and tools to develop environmentally sustainable business practices and prepare for the need to operate on a net zero carbon basis in the future.

This is a project funded by Three Rivers District Council intended to deliver education, practical business tools and funding grants to Three Rivers businesses to help them operate more sustainably.

This guide

Is intended to help enable businesses to create a business case for becoming more sustainable, identify and measure environmental and social impacts, and improve them - profitably.

It also signposts how to get further support, free sustainability consultancy and grants to support sustainable business growth as part of the government's COVID recovery investment.

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Please get in touch if you have any queries about the guide or the Three Rivers Sustainable Business Programme.



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Welcome

Thank you for participating in the programme and we hope this guide will help you on your sustainability journey.

Sustainability definitions

It is important that everyone in your organisation shares the same understanding and definition of sustainability. The three major impact areas are often categorised as environmental, social and economic.

Typically people think of environmental issues including carbon reduction, and clearly this is a key aspect. Sustainability is also about your business succeeding on the long term, and providing positive economic impacts through providing jobs and supporting local supply chains. There are also many social impacts enabled by providing good work and enabling people to develop skills and careers.

Carbon reduction is a good metric, and is supported by improving all environmental impacts such as bio diversity and waste reduction.

“Do Well”

Make money

“Do Good”

Solve social and environmental problems

The Harvard Business School definition is:

“To do well from doing good”

Cambridge English Dictionary

The quality of being able to continue over a period of time.

This is a key aspect of business sustainability. An organisation must be able to continue to trade while improving their sustainability.

Otherwise a less sustainable alternative may be adopted by their customers in their absence.

The text book” definition is from the Brundtland Commission

“..... development which meets the needs of current generations without compromising the ability of future generations to meet their own needs”

(WCED, 1987).

Sustainability Models

Models and frameworks provide useful ways of communicating sustainability, and bringing granularity to impact measurement.

There are many which we will list here and they progress in complexity. The remainder of this section will provide four alternative models. They can all be mapped to each other, so adopting one does not inhibit you from reporting against another, though the less granular your framework, the more work that will be.

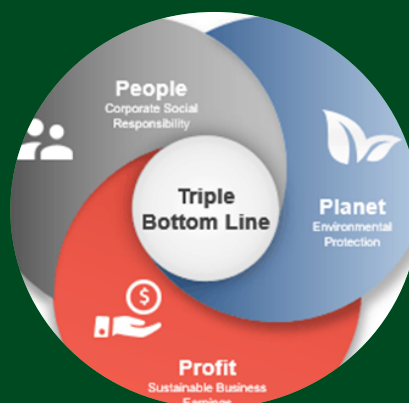
1. The Triple Bottom Line

This was very popular for a while but has since been suppressed by more detailed models, and has even been evolved to move profit to prosperity.

This recognises that many organisations have positive social, environmental and economic impacts if they are not for profit or making low profits.

“The triple bottom line wasn’t designed to be just an accounting tool. It was supposed to provoke deeper thinking about capitalism and its future.”

—John Elkington in his
Harvard Business Review article



2. ESG - Environmental, social and governance

Environmental	Social	Governance
<ul style="list-style-type: none"> Climate action Resource depletion Waste Pollution Deforestation 	<ul style="list-style-type: none"> Human rights Modern slavery Child labour Working conditions Employee relations 	<ul style="list-style-type: none"> Bribery and corruption Executive pay Board diversity and structure Political lobbying and donations Tax strategy

ESG model from the United Nations Proponent of Responsible Investment (PRI)

Commonly used by investors and bankers, these criteria are used to support investment decisions by ethical funds.

Increasingly they are also used by investors as good business practice to drive better business outcomes and therefore financial returns.

3. Sustainable X Model



Extracted from a number of models, this adds a business focus to the key environmental, social and economic impacts of sustainability

Having a framework has helped us manage a lot of things that were difficult to pigeon hole. We now have clear measurement and accountability for sustainability in a structured way”

MD, Civil Engineering Contractor

4. United Nations Sustainable Development Goals

SUSTAINABLE DEVELOPMENT GOALS



Clearly the goals were written for governments, however businesses are key drivers of the necessary changes.

There are many benefits to using this model as your framework for sustainability. As it's a framework adopted by the UK Government, it is reflected in legislation and cascaded to local government so it's our agenda too.

It also provides a common language and focus to enable people to collaborate on sustainability issues more effectively.

Your Business Case

The Headlines

- Gives you opportunity to increase awareness of your organisation authentically.
- Instills integrity through the business.
- Builds trust, confidence and loyalty from customers.
- Corporation reputation is like a magnet for more opportunities.
- Can stand the test of time.
- The businesses of the future will be sustainable – are you planning to be one?

The Numbers

Customers

How many repeat customers do you have?
What is your customer acquisition cost?
What is your customer churn rate?

If you had 100 customers churning at 20%, at an acquisition cost of £5k each, churn is costing you £100k p.a.

Could better sustainability evidence and governance help you half that churn rate? What if not having sufficient sustainability evidence to remain an approved supplier, caused that churn to double?

Sales

What is your annual revenue (sales)?
What is your net margin?
What sales would a 20% market share?

With a £2m revenue from a single market, a 20% market share increase would yield £400k sales gain.

At a 5% net margin this would yield £20k bottom line benefit before overhead savings. If the cost of sales was lower due to a higher win rate from better sustainability scores, this could be significantly higher.

Energy and fuel

All businesses have a different mix of direct and indirect energy consumption. As well as technical solutions with facilities, fleet and plant, the behaviour of people can have big impacts on reducing consumption and therefore costs. We have seen 25%+ direct savings in some businesses.

What is your total plant and vehicle fuel cost (Inc. Private cars used for work)?
What is your total other fuel/energy cost?
What is your total electricity cost?

Consider what a 10% saving on each would yield.

Productivity

According to Gallup, highly engaged teams are 21% more productive. Genuinely working towards improving your social, environmental and economic impacts has been proven by our workshops to be highly engaging for staff. Our research shows that over 70% of businesses have employees asking to launch sustainability initiatives unprompted.

What is your current cost of sales?

What would a 3, 5 or 7% productivity deliver to your bottom line? For a £2m revenue business, assuming costs of sales is £1.6m, an £80k yield would come from a 5% productivity gain.

Employee retention

Last year around 70% of millennials said they prefer to work in a company with a strong sustainability agenda, according to a Fast Company survey. And about three-quarters of them are even willing to take a smaller salary to work for an environmentally-responsible firm.

The generation is currently between 24 and 42 years old. Many are already managers and leaders in your business and customers.

How many people do you have?

What is your current recruitment cost?

What is your current employee churn rate?

What is your current cost of replacement?

If you reduced staff churn by half, how many people is that and what would the saving be? This has been achieved elsewhere!

Measurement aspects

THREE RIVERS
SUSTAINABLE BUSINESS
2022

COMMITTED

To progress your sustainability you need to measure impacts.

This links to the next level of Three Rivers Sustainability Certification. To get this recognition and badge you need to measure your organisation impacts against these criteria.

For micro businesses some data will not be available, for example Weight of Waste produced. This is allowed for in the submission process.

If you attended a workshop you may identify that the references relate to the presentation and the workbook associated.

A1

Percentage of your energy that is renewable

A4.1

Scope 1 & 2 Carbon Footprint

A5.1

Commuting Carbon Footprint

A9

Area of natural habitat that you conserve / have enhanced / have added

A11.1

Water footprint

B3.1

Training hours completed

C1.1

Employee percentage by diversity category

E1.1

Weight of waste produced

E1.2

Percentage of waste to landfill

F9.1

Number of active collaborative groups

H1.2

Community time donated

H1.3

Community value donated

“If you can’t measure it, you can’t improve it”

Peter Drucker

Selecting the right measures and measuring things right is part science and part art. Whatever you measure and report influences the decision making and behaviour of all your stakeholders.

Measurement Guidance - Environmental

A1 Percentage of your energy that is renewable

For owned offices this is a straightforward exercise. With leased offices this can prove more difficult. Moving to a green energy tariff does not impact your published carbon footprint. DEFRA guidance is to use the grid energy mix for the carbon conversion factor, unless you have renewables directly feeding your property or outlet.

The reason for switching to a green tariff is therefore to make a positive impact for the planet, for example by stimulating additional investment in renewable generation. There is a lot of noise about green washing by suppliers, and green tariffs that aren't very green. Business owners have enough on their plates, so leave it to the regulators to sort the authenticity, and make the switch where you can. If you are in a leased or flexible working space, ask your provider what tariff they are on. Make this part of your buying criteria and increase pressure on all building owners to choose a green tariff.

Output: % of properties on green tariff

A2 Percentage of your employees on green tariffs at home

There should be no compulsion, but with more staff working from home, encouraging them to switch could create a significant positive impact.

Output: % of employee homes on green tariff

A4.1 Scope 1 and 2 Carbon Footprint

Supporting this guide is a "WSB Measurables" spreadsheet. On the tabs prefixed "4.1" is the basic information you will need to calculate your carbon footprint. Complete the "data" tabs first.

You can then choose to:

- Use an Online Carbon Calculator – these are often basic and limited in scope.
- Work it out using the GHG Protocol guidance – for a full understanding.
- **Apply for a grant** to have calculation support and audit by a certified auditor - for a more comprehensive approach.
- Appoint your own carbon footprinting partner – also a more comprehensive approach, and long term strategy.

Output:

Scope 1 -Total (tCO₂e)
 Scope 2- Total (tCO₂e)
 Intensity measurement description
 Intensity measurement number

Other guidance includes:

- [ISO 14064-1:2018 - Greenhouse gases — Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals](#)
- [Global Reporting Initiative \(GRI\)](#)
- [Science Based Targets Initiative](#)
- [Carbon Disclosure Project](#)

Carbon calculators

There is an ever increasing range of calculators available. It is not appropriate for us to advise on commercial calculators, however below are two frequently used free (at the time of writing) calculators that our clients frequently use. Using online calculators helps ensure you use the correct carbon conversion factors which are changed by DEFRA periodically.

- [The Carbon Trust](#) (Use guide below)
- [Carbonfootprint.com](#)

Using the Carbon Trust Calculator

From the spreadsheet provided (on Tab 4.1), you can generate data to make entries into the SME Carbon Footprint Calculator.

Your company energy, fuel and process data

Emission type* Please select emission type... Amount* Add an amount

Units kWh

+ Add Item

Data you've entered for your carbon footprint

Emissions type	Amount	Units
electricity	3,238	kWh
natural gas	20,392	kWh
diesel	420.5	litres

Delete last Item

1. Add each emission type you have (examples from spreadsheet)

2. At the bottom of the page click on the Calculate Footprint button

Calculate my footprint

The result for A Site in year 2021 is:

5,479 kgCO₂e

If you'd like to report your emissions, you can do so by breaking this down into:

**4,791
kgCO₂e**

Scope 1 emissions
(direct energy and
processes)

**688
kgCO₂e**

Scope 2 emissions
(indirect impact from
electricity)

3. Save the spreadsheet and your calculator outputs for future reference.

A5.1 Commuting Carbon Footprint

For necessary journeys, ideally the most sustainable mode of transport available would be used. The best way to track and measure this is through point of entry systems, recording the distance and means of travel. An alternative approach is a daily or weekly online log for employees to complete.

However the data is recorded, it can be analysed periodically with a view to sharing findings. Highlight the good and identify ways for others to improve. A potential record format is in the '5.1 Green commuting' tab of the measurables spreadsheet.

Output:

Scope 3 - Commuting Total (tCO₂e)
 Intensity measurement description
 Intensity measurement number

A9 Natural habitat gain

From window boxes to parks, green spaces are a lifeline for wildlife. Corridors of habitat help species numbers, particularly insects, recover and improve numerous ecosystems.

Living walls and green roofs can support many species. Even a single window-ledge plant pot can make a difference, providing pollen and nectar for insects straying into the concrete jungle. Larger green spaces and planting incorporated in workplaces have been demonstrated to improve health, wellbeing and productivity.

Output:

Total habitat conserved (M2)
 Total habitat enhanced (M2) - with description
 Total habitat added (M2) - with description

A11.1 Water Footprint

Population growth, rising water use and climate change will increasingly affect future water resources in the UK. If water efficiency action is not increased, the UK could be hit by water shortages by 2050

Output:

Total water consumption in mega litres (ML)

Measurement Guidance - Employee wellbeing

B3.1 Training hours completed

With 50% of the workforce predicted to need reskilling by 2025*, sustainable businesses need to have effective training systems in place. Staff retention and attraction success is also strongly linked to employee development investment.

Output: Total training hours

Measurement Guidance - Diversity & inclusion

Sustainability is multi-faceted. Social equity is one of the key pillars, and workplace inclusion is clearly a key contributor to that. It matters to current and potential customers, employees and suppliers, who are all more naturally attracted to businesses who have “people like them”.

Numerous studies have related employee diversity, and particularly leadership diversity to above average business profitability. To improve leadership diversity in the long term, you need diversity throughout the business.

CI.1 Employee diversity by category

The level of analysis appropriate for your business relates to your size. In the supporting spreadsheet on tab CI.1 is a potential breakdown based on the last published census results. As a reference Three Rivers Borough Council have a detailed analysis which you could adopt. For the submission we have kept the analysis at a high level.

The analysis should be based on how people identify themselves, including if they prefer not to say. The outputs chosen are based on frequency of use in published reports, not the relative importance of different categories. The breakdown you choose to use internally should be as comprehensive as practicable, and take account of the particular interests of your key stakeholders.

[A recent Three Rivers Borough Council analysis is here for your reference.](#)

Output:

Percentage female
Percentage ethnic minority ethnic group
Percentage declaring they have a disability

Measurement Guidance - Supply chain & operations

EI.1 Weight of waste produced

While recycling receives a lot of attention, the biggest business benefits achievable from waste management come from reducing the amount of waste generated in the first place. Where waste is unavoidably generated, the aspiration should be to deal with it in a way that actively contributes to the economic, social, and environmental goals of sustainable development. Typically this comes in the form of reuse and creating, or supporting, circular economy streams. Recycling is the next best solution.

For micro businesses, alternative measures are acceptable e.g. X size N bags

Output:

Total waste weight generated (tonnes)

EI.2 Percentage of waste to landfill

The first place to start here is with your waste management supplier, to identify what data they can provide. If this is a big impact area and suppliers do not offer this service, it may be worth going out to tender with this in your specification.

Output:

Percentage of waste generated (EI.1)
going to landfill

Measurement Guidance - Innovation & collaboration

F9.1 Number of active collaborative groups

The progress any individual organisation can achieve individually is limited, particularly for SMEs and micro businesses. Despite the different levels of contributions from partners, leveraging the combined resources and skills of multiple organisations is usually more effective, less expensive and more innovative than dealing with sustainability issues at an individual company level.

It makes sense to record for each whether your participation aspires to one or more of social, environmental or economic impact, or group them by these heading for your own reference.

Output:

Total number of collaborative groups actively engaged with

Measurement Guidance - Community contribution

HI.2 Community Time Donated

When businesses become involved with local initiatives and organisations through charitable giving or volunteering events, there are multiple benefits. The most frequently valued one is the new relationships within the community and more diverse networks created. Another major one is the development opportunities generated for your people to improve their management and leadership skills. As with F9.1, it is good practice to define the goals and benefits you are looking to achieve for the people you support and your organisation. Donate with purpose.

Output

Total working hours donated
Intensity measurement description
Intensity measurement number

HI.3 Community value donated

For many community initiatives and organisations, financial donations are preferable to resources. This may also fit better with business resource constraints. There are similar benefits, and if the purpose resonates with staff and wider stakeholders this can be a better way for businesses to support their communities.

Output:

Total working hours donated
Intensity measurement description
Intensity measurement number

Submitting your measurements

We will support you to create and submit your measures in your free one to one call. Alternatively please send your measurements to 3Rbusiness@sustainablex.co.uk using the submission sheet provided with this guide or in your own format. All submissions will be treated in strictest confidence and only ever be published as part of an anonymised data set.

Signposting

Links

[Carbon Trust](#)

[Energy Saving Trust](#)

[Stress at work - Stress risk assessment | HSE](#)

[Diversity, Equity & Inclusion checklist | Berkeley Haas](#)

[The Sustainable Procurement Pledge \(SPP\)](#)

[Sustainable resource Use Sector Guides | WRAP](#)

[OLIO Food sharing app for businesses](#)

[List of International Days and Weeks | United Nations](#)

[Who are the best green energy suppliers? | usave.co.uk](#)

[Save Water | Affinity Water](#)

[Sustainable X Free resource](#)

Business networks

Three Rivers Chamber of Commerce

Three Rivers BID

Hertfordshire Chamber of Commerce

Federation of Small Businesses

Business Buzz

Athena Network

Alternative Board

Business support

Kickstart

Apprenticeships

Hertfordshire Community Foundation Coronavirus Relief

Peer Networks

Volunteer Business Support Scheme

STANTA / WENTA

Hertfordshire Growth Hub

Herts IQ

Grants

Three Rivers District Council introduced the Sustainable Business Grants programme to promote carbon reduction and sustainability within the District. The purpose is to support businesses to make positive environmental, social and economic impacts. Smarter Society is the delivery partner and will oversee the grant programme.

Eligible organisations can bid for grants to invest in sustainable changes to their business with a maximum award of £7,000, which will 100% fund projects meeting criteria.

For further details or to express interest please visit:

<https://smartersociety.org/programmes/three-rivers-grant/>

What could you get a grant for?

Book a session with a Smarter Society Mentor to find out more about how you could get a grant for your business to:

1. Develop more sustainable working practices within their businesses
2. Reduce waste and material usage
3. Reduce carbon emissions and energy usage

Other grants and funding

- [Low Carbon Workspaces](#)
- [Hertfordshire Business Expansion Grant Scheme](#)
- [Crowdfund Hertfordshire](#)
- [Low Carbon Innovation Fund](#)
- [Eastern New Energy Grant and Fully Funded Low Carbon Advice and Support](#)
- [Skills Support for the Workforce \(serco-ese.com\)](#)

Supporting documents

Sustainable Business Model Impacts - Three Rivers Workshop Workbook_ 2022.pdf

Spreadsheet supporting Measurement Guidance - 3RSB Measurables.xls

Measurement submission form - WSB Measurement Submission.xls

Thank you for
participating in
this programme

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