Comment on

*Triple Bottom Line Assessment for the ACT Government*

September 2011
About ACTCOSS

ACTCOSS acknowledges that Canberra has been built on the traditional lands of the Ngunnawal people. We pay our respects to their elders and recognise the displacement and disadvantage they have suffered as a result of European settlement. We celebrate Aboriginal and Torres Strait Islander cultures and ongoing contribution to the ACT community.

The ACT Council of Social Service Inc. (ACTCOSS) is the peak representative body for not-for-profit community organisations, people living with disadvantage and low-income citizens of the Territory.

ACTCOSS is a member of the nationwide COSS network, made up of each of the state and territory Councils and the national body, the Australian Council of Social Service (ACOSS).

ACTCOSS’ objectives are a community in which all people have the opportunities and resources needed to participate in and benefit from social and economic life and the development of a dynamic, collaborative and viable community sector.

The membership of the Council includes the majority of community based service providers in the social welfare area, a range of community associations and networks, self-help and consumer groups and interested individuals.

ACTCOSS receives funding from the ACT Government - Community Services Directorate.

ACTCOSS advises that this document may be publicly distributed, including by placing a copy on our website.

Contact Details

Phone:  02 6202 7200
Fax:  02 6281 4192
Mail:  PO Box 849, Mawson ACT 2607
Email:  actcoss@actcoss.org.au
Web:  www.actcoss.org.au
Location:  Weston Community Hub, 1/6 Gritten St, Weston ACT 2611
Director:  Roslyn Dundas

September 2011

© Copyright ACT Council of Social Service Incorporated

This publication is copyright, apart from use by those agencies for which it has been produced. Non-profit associations and groups have permission to reproduce parts of this publication as long as the original meaning is retained and proper credit is given to the ACT Council of Social Service Inc (ACTCOSS). All other individuals and Agencies seeking to reproduce material from this publication should obtain the permission of the Director of ACTCOSS.
Introduction

ACTCOSS is interested in the application of triple bottom line reporting in the ACT as a way of measuring the social, as well as economic and environmental impacts of government decision making.

ACTCOSS welcomes the opportunity to provide comment on *Triple Bottom Line Assessment For the ACT Government* discussion paper. Despite the delay in the provision of this feedback, it is hoped it can still be considered as work on the Assessment framework progresses.

A Whole of Government Approach

ACTCOSS is aware of the work progressing, led by Chief Minister and Cabinet Directorate on the Performance and Accountability Framework for the ACT Government. Work is also underway, led by Community Services Directorate on an outcome based reporting system, targeted initially at human services, but with imprimatur to go across government.

It is unclear from the discussion paper how the triple bottom line assessment will fit in with these two pieces of work already underway. It is noted the TBL framework is intended to be both an analysis and reporting tool, however greater clarity is needed on how these reporting frameworks and tools will interact, and ideally not replicate workloads for community sector organisations who already regularly report to ACT Government on outputs and services delivered to the community.

Social Inclusion

The overarching vision of the Canberra Plan is

Canberra will be recognised throughout the world as a truly sustainable and creative city; as a community that is socially inclusive — acknowledging and supporting those who are vulnerable and in need and enabling all to reach their full potential; as a centre of economic growth and innovation; as the proud capital of the nation and home of its pre-eminent cultural institutions; and as a place of great natural beauty.¹

The TBL framework needs to respond to how government and non-government agencies working with government are progressing towards this vision. In tackling how to best respond to social needs in the TBL framework there may be scope to consider social inclusion indicators. The Australian Social Inclusion Board in 2009 developed a compendium of social inclusion indicators. While not definitive, the compendium is intended to provide a basis for broad discussion on the subject of measuring social inclusion and exclusion.

---

¹ ACT Government *The Canberra Plan* 2008, p. 5
The indicators are grouped under the following broad headings:

- poverty and low income;
- lack of access to the job market;
- limited social supports and networks;
- effect of the local neighbourhood;
- exclusion from services;
- health; and
- contextual indicators (eg. per capita health expenditure).

The poverty impact assessment highlights some of the issues outlined in these indicators.

The use of the specific poverty and gender impact assessments are welcome, and they provide a deeper context to the social component of the TBL framework. However, it is unclear from the discussion paper why there is a need to establish a threshold test for gender, poverty and climate assessment. Is the threshold intended to be a ‘ceiling’ or ‘floor’ threshold and if so will it be judged through an economic lens in the first instance? ACTCOSS would be concerned if economic indicators are given priority over social and environment indicators, as TBL frameworks are intended to weight the areas equitably.

**Sustainability**

The Performance and Accountability Framework makes mention of triple bottom line indicator scorecards in agency annual reports, as an action associated with sustainability. However sustainability is not defined in the Framework. The Canberra Plan discusses sustainability with a focus on environmental sustainability:

> To ensure that Canberra becomes a fully sustainable city and region and that future developments are environmentally sensitive; to maintain and protect natural assets, both floral and faunal; and respond to the challenges of climate change.³

The TBL framework could be strengthened by greater clarity on the use of the term sustainability, and then more broadly how TBL scorecards could be used by agencies across social, environmental and economic outcomes.

**Social Determinants of Health**

The Social Determinants of Health approach recognises improved health depends on broader social, economic, cultural, environmental and political

---

² Australian Social Inclusion Board _A compendium of social inclusion indicators_ 2009  

³ ACT Government _The Canberra Plan_ 2008, p. 88
factors that shape the circumstances in which individuals live. Understanding health is socially determined means acknowledging social, community based responses are important for improving people’s health. The key to adopting a SDoH approach in policy is understanding inequities in health. WHO defines inequities as being:

> avoidable inequalities in health between groups of people within countries and between countries. These inequities arise from inequalities within and between societies. Social and economic conditions and their effects on people’s lives determine their risk of illness and the actions taken to prevent them becoming ill or treat illness when it occurs.⁴

A SDoH approach could be incorporated into the TBL analysis, as part of the poverty impact analysis or as a stand-alone analysis. Government policy could then be informed by the strong correlation between poor health and other areas of disadvantage such as low socio-economic status, poor educational outcomes and inadequate or lack of employment.

The 2004-05 Supplementary Budget Paper

It is noted in 2004 the ACT Government, through the budget process, released a discussion paper on the framework for future budget presentation, looking at the use of triple bottom line reporting. The need for a broader approach to assessing public policy is not new, but it has been difficult to implement across government.

During consultation in 2005 ACTCOSS provided the following feedback on the contemporary approach to triple bottom line reporting. ACTCOSS repeats these comments here, as they remain true to the broader in-depth work required to develop a robust and meaningful TBL framework.

ACTCOSS has a concern that the data to support triple bottom line accounting may be piecemeal, and suites of data may need to be developed to ensure that measurement is robust and reliable. There is an imperative to ensure that the things we wish to measure have capacity to be measured. As outlined by the Australian Collaboration, the current measure of unemployment causes problems, as it doesn’t measure the things we need to know about the labour market. For example, how many people have economically productive work that contributes to their household’s well-being? That cannot be determined from a measure of how many people have had one hour’s work in the past fortnight, particularly in a casualised workforce. Other statistics are available, but have not been brought into the public discourse.

As one of the countries most affluent communities, it is not prosperity that is lacking in the ACT, but balance. ACTCOSS believes that a move to triple bottom line accounting in the ACT could provide an opportunity to provide a measure of balance by looking at the equity of resource distribution and

access. This means we don’t only look at the cost of running a human service, but at the costs of NOT running a service. Quite often the only economic analysis done is an accounting analysis of the cost to existing allocations, not the economic costs and benefits. Understanding such distinctions often takes training and access to economic resources.

Overall, ACTCOSS would like to see triple bottom line reporting developed further. But we feel that the right tools for measuring social justice outcomes needs refining before embarking on the wholesale change. These measures may come out of human rights accounting, or social auditing processes. We remain committed to continuing this conversation knowing that it is economically, socially and environmentally advantageous to reintegrate the social and environmental into the budget process.\(^5\)

## Conclusion

ACTCOSS supports ACT Government moves to develop a process for up-front assessment of government policy proposals against a TBL framework. The discussion paper presents a clear desire for the broad TBL approach to be incorporated into ACT Government analysis, however clarity is still needed on how the framework will not be weighted or led by only one of the indicators. For a TBL framework to be robust it must work across social, environment and economic indicators.

It is vital the TBL framework also informs and melds seamlessly with other work looking at high-level reporting and cross-community outcomes.

\(^5\) ACTCOSS *Social Justice on the ACT Agenda – Delivering on the Canberra Social Plan*, 2005, pp. 30-33