

THE INTERPLAY BETWEEN ECONOMIC AND SOCIAL IMPACTS OF GREEN BUILDINGS

SB08 Special Forum 12 –

Triple Bottom Line (TBL) Case for Green Buildings:
Cost, Community Social Responsibility (CSR) and
Workplace Productivity

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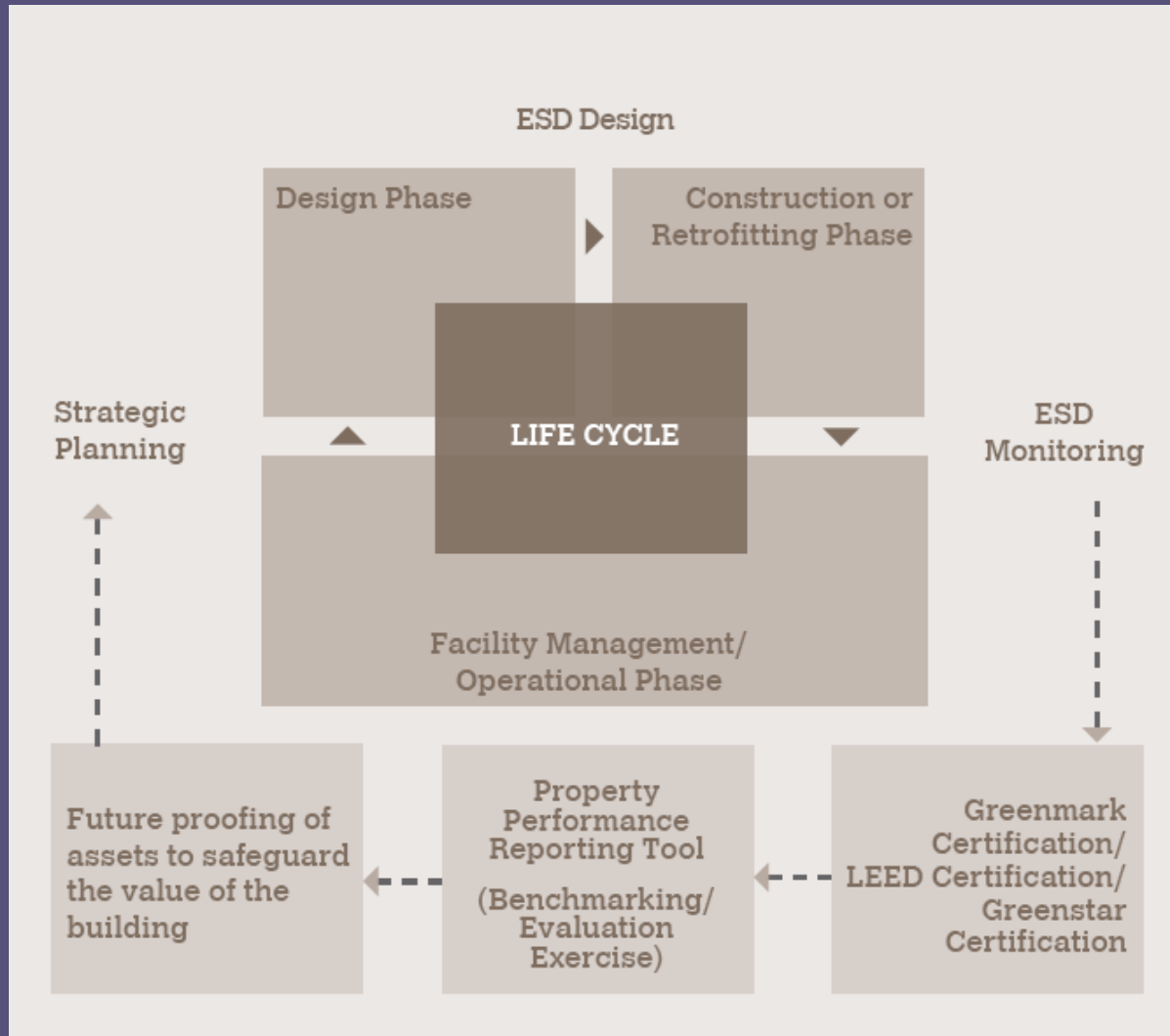


Triple Bottom Line (TBL) Case for Green Buildings: Cost, Community Social Responsibility (CSR) and Workplace Productivity

This presentation is about the evaluation of the economic and social impact of green buildings on existing buildings



Existing buildings



Triple Bottom Line (TBL) Case for Green Buildings: Cost, Community Social Responsibility (CSR) and Workplace Productivity

Only an holistic objective property assessment of all CSR factors, inclusive of the impact of green building criteria, will provide property owners with a comparative triple bottom line perspective of their existing properties across the portfolio



Triple Bottom Line (TBL) Case for Green Buildings: Cost, Community Social Responsibility (CSR) and Workplace Productivity

We must also provide owners with uniform economic CSR evaluations about what needs to be done to improve their properties (*to meet contemporary standards*) so that they can increase their property yields, develop refit options or where necessary strategies to exit their existing properties.



Triple Bottom Line (TBL) Case for Green Buildings: Cost, Community Social Responsibility (CSR) and Workplace Productivity

Effective CSR advise requires an independent comprehensive assessment of each property in the owners portfolio.

This assessment must cover not just green building issues but all of the CSR criteria.



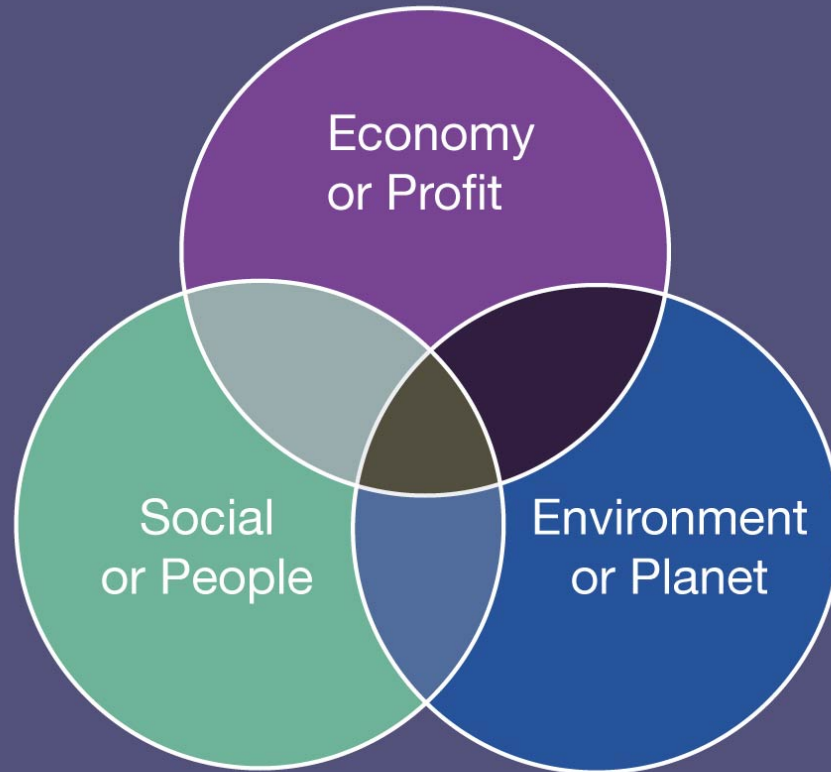
Triple Bottom Line (TBL) Case for Green Buildings: Cost, Community Social Responsibility (CSR) and Workplace Productivity

Future property transactions will demand more CSR advice.

Conventional due diligence and a local green building rating and categorising will no longer be enough as buyers and tenants demand “forensic evidence” of property compliance and green lease risk mitigation objectives.



The “Triple Bottom Line”



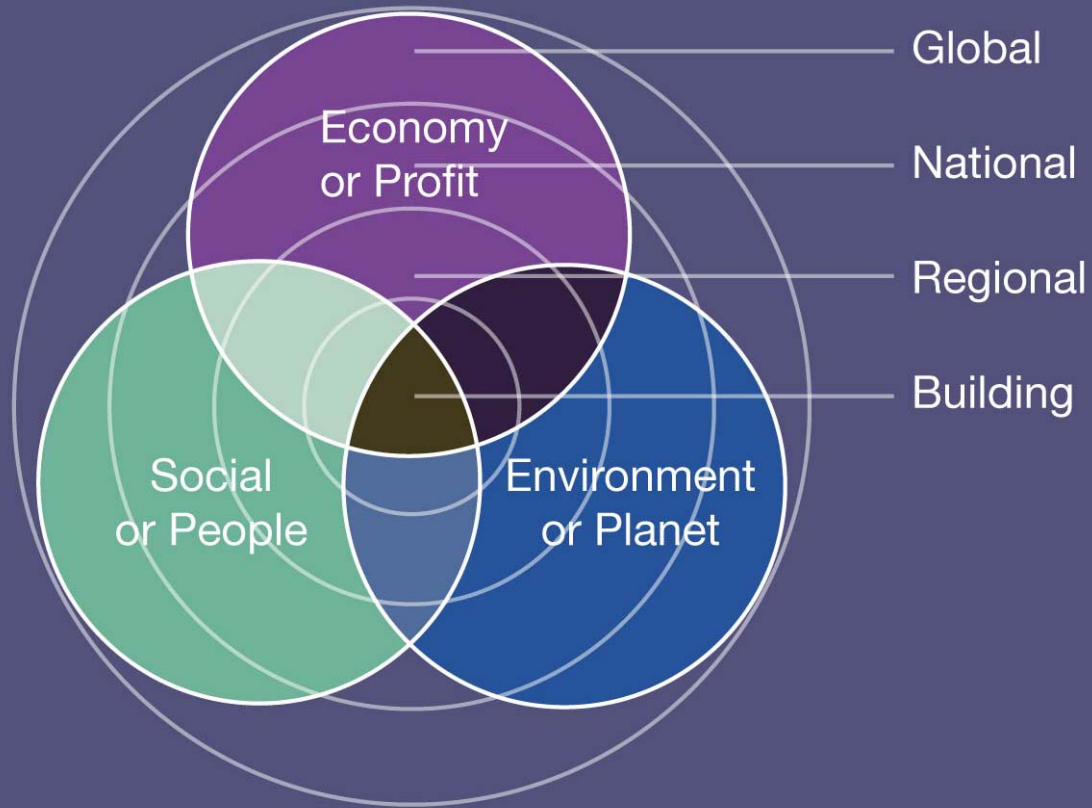
Triple Bottom Line - Perspectives

- > Geographical
- > Time
- > Discourses / Paradigm Views



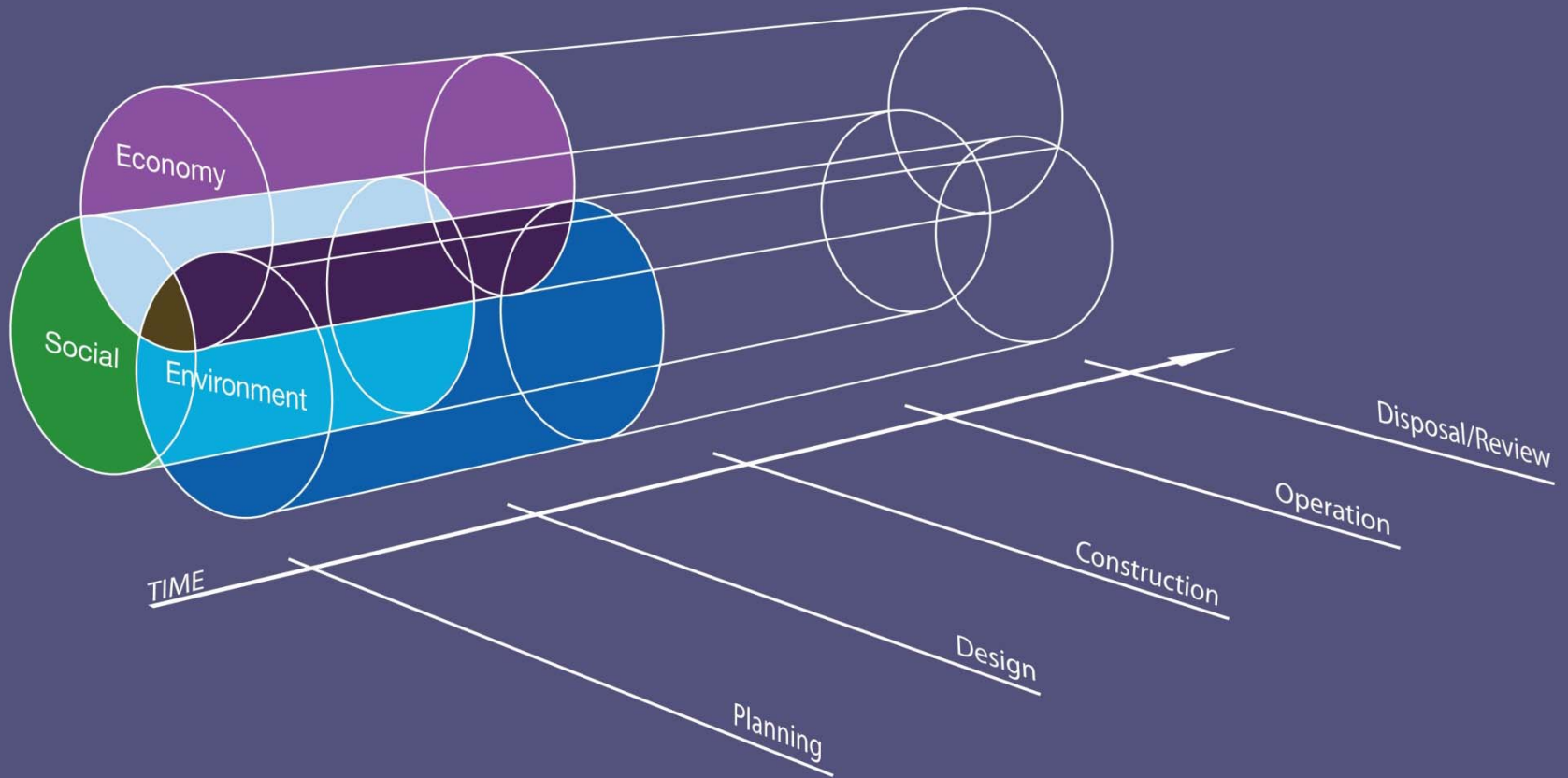
Geographical

The “crime scene” needs to be extended



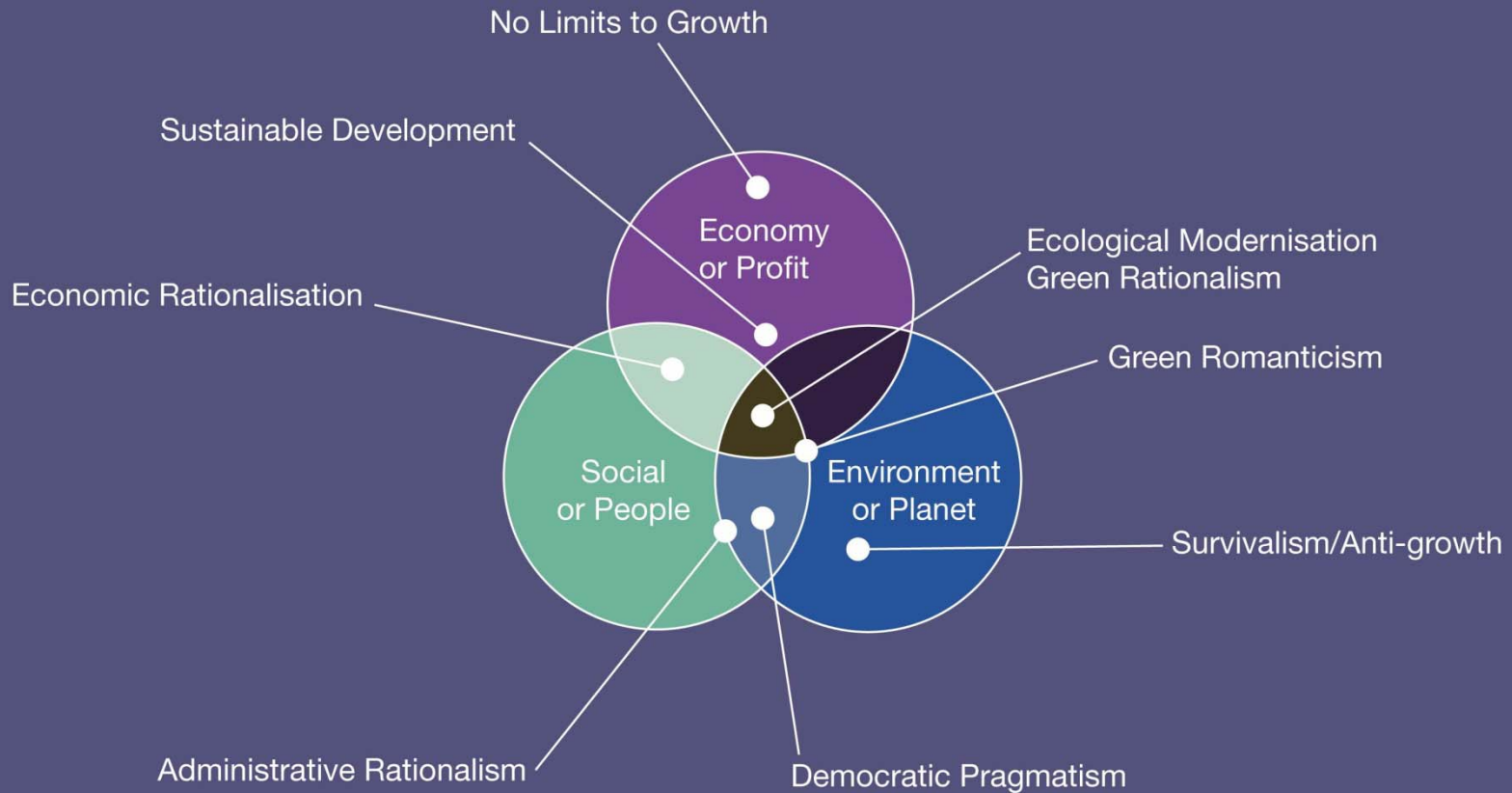
Time

Project life cycle to inter-related issues



Discourses / Paradigm Views

The importance of understanding current discourses



Economic Interplay Considerations

Economic Rationalisation discourse currently dominates all green building debate but its scope is actually very confined – something its critics are keen to point out.

This economic rationalisation now requires TBL reporting on key factors:

- > Carbon exposure as perceived by insurance and credit risk
- > Reporting of non financial material; eg social equity and
- > CSR assessment and compliance; inclusive of green building status



Social Interplay Considerations

These key factors must provide:

- > Uniformity and consistency of assessment
- > Auditability transparency
- > Disclosure
- > Owner advice and comparative analysis
- > Benchmarking
- > Risk mitigation and continuous improvement



Review of Existing Building/Property Assessment Tools

Tool / Criteria	BREEAM	LEED	Green Star	CASBEE	IPD Environment Code	Global Green Rating	DL Property Performance Reporting
Launch Date	1990	1998	2003	2004	2008	2008/09	2008
Domain	UK	US	Australia	Japan	Global	Europe	Global
Units Certified*	110808	1823	50	23	0	0	3013
Units Certified*	110808	1823	50	23	0	0	3013
Domestic	109450	540	N/A	N/A	0	0	0
Non-Domestic	1358	1283	50	Not Known	0	0	3013
Sectors Covered	11	8	7	Not Known	14+	Not Known	All
Planning	No	No	No	Yes	No	No	Yes
Design	Yes	Yes	Yes	Yes	No	Yes	Yes
Existing / Operation	Yes	Yes	Yes	Not Known	Yes	Yes	Yes



Tool / Criteria	BREEAM	LEED	Green Star	CASBEE	IPD Environment Code	Global Green Rating	DL Property Performance Reporting
Environmental	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GHG Protocol Compliant	No	No	No	No	Yes	No	Yes
Water & Waste	No	Yes	No	Not Known	Yes	Not Known	Yes
Social Equity	No	No	No	No	No	Yes	Yes
Property condition and compliance	No	No	No	No	No	No	Yes
AS 4360 Risk Mgt &continuous improvement	No	No	No	No	No	No	Yes
Independent recommendations	No	No	No	No	No	No	Yes
Remedial Cost Estimates	No	No	No	No	No	No	Yes
International web enabled access	No	No	No	No	No	No	Yes
Uniformity &consistency across rating tools	No	No	No	No	No	No	Yes
Economic	No	No	No	No	No	No	Yes

Review of Existing Building/Property Assessment Tools

Key observations:

- > Very few provide holistic CSR coverage
- > Very few provide economic evaluation
- > Very few provide international application
- > Very few provide in depth social evaluation
- > Very few provide risk and benchmarking
- > Only one includes property compliance
- > Most are focused only on green building sustainability which leaves the property owner uninformed



Conclusions

To achieve effective Cost, Community Social Responsibility (CSR) and Workplace Productivity for industry we must provide property owners with holistic CSR assessments of their properties to meet owners TBL imperatives.

There is a:

- > Need for standardised assessment methodology
- > Need to address property specific economic drivers
- > Need to address property specific social and compliance drivers
- > Need to provide consistent risk management and benchmarking
- > Need to be provide comparative multi-sectoral diagnostics
- > Need to be international

