

# [Quality of the sustainability report of british land](https://assignbuster.com/quality-of-the-sustainability-report-of-british-land/)

The British Land Company is a brand ofproperty developmentand investment company, which is one of largest companies in theUnited Kingdom. It focuses on managing, financing and developing prime commercial property. British Land was formed in 1856. Over the years, company has purchased land and then resold it to customers who wanted to buy it. Nowadays, British Land owns a lean team of 242 people which is based in the UK and Western Europe. The company manages more or less £14 billion portfolio of office and retail properties. Moreover, company is listed on theLondon Stock Exchangeand is a constituent of theFTSE 100 Indexand has been a founding member of theEuropean Public Real Estate Association. Their objective is to deliver long-term and sustainable total returns to our shareholders

As a company, British Land committed to achieve corporate social responsibility objectives by working hard to ensure that structure, customer propositions and investment programmes are sustainable in society, economic and environment. These activities from April 2013 to March 2014 were described in Corporate Responsibility Full Data Report 2014. As such, the quality of sustainability report will be analysed in the following.

The quality of corporate responsibility report 2014 of British Land can be evaluated based on principles of guidelines published by Global Reporting Initiative (GRI). The GRI lists six principles to assess sustainability report which is of sufficient quality. They are balance, comparability, accuracy, timeliness, clarity and reliability. Six principles will be defined first and then look at information from British Land’s report and then evaluate quality of these principles in practice.

Balance

To produce a high quality sustainability report, not only it represents the true performance of an organisation, but also endless positive public relations. Balanced report means reflect positive and negative aspects of the organization’s performance to enable a reasoned assessment of overall performance. X

A good way to demonstrate balanced reporting is to clearly state how the organization performed regarding measurable achievements set in the previous year. Stakeholders can review those successful targets or if more work. In the corporate responsibility report 2014, British Land reported progress against its three years strategy across all sustainability areas of the business. As we can see, company reported that they had successfully reduced 36% less carbon emissions than the 2009 baseline in the report. Additionally, British Land has saved £6. 9 million energy cost for occupiers since 2009 and achieved 93% of waste diverted from landfill at our properties and 83% on development. X Overall, they got improvement against 2009 and achieved lots of targets in different areas including economic, environment and social.

Although British Land has met the greater of their targets in different areas, stakeholders can find out that British Land’s report put negative things about their performance. Take greenhouse gas emissions as an example, the production process discharged6, 953 tonnes CO 2 e during 2014 which was 300 tonnes higher than the previous year. It was balanced that the report discloses both favorable and unfavorable information and results on a year-to-year basis. This style of report increased transparency and accountability towards stakeholders or other parties.

Comparability

Issues and information should be selected, compiled, and reported consistently. X This principle means that reported information should be presented in a consistent manner that enables stakeholders to analyse the performance of the organisation over time or against other organisations.

First of all, the sustainability report and the information contained within can be compared on a year-to-year basis. It showed that the data of British Land from 2011 to 2014. Stakeholders can compare the performance with different years so as to make decisions.

Moreover, British Land increased comparability by means of using the same benchmarks to analyse performance year on year. Take tons of waste as an example, company used these total numbers as well as ratios (waste per unit of production) for analytical comparison. Also, company used kWh as metrics to compare its carbon emissions relate to energy consumption with different years or other organisations.

Additionally, company provided and explained different factors in the report such as differences in organizational size, geographic influences, and other limitations that may affect the relative performance of an organization. These will help stakeholders understand the factors that may contribute to differences in performance between organizations.

Furthermore, the report used generally accepted protocols for compiling, measuring, and presenting information. The report has utilized where the GRI Technical Protocol is explicit on the metric to be used for an Indicator such as carbon footprint, days per employee, staff covered and waste, etc. If any metrics were not mentioned by the GRI, British Land used metrics that are generally adopted by other organisations in their industry. Business in the Community has coordinated the corporate responsibility (CR) index as the UK’s leading benchmarking tool for responsible business. X

Accuracy

The information contained must be highly accurateso as to produce a high quality sustainability report. Therefore, stakeholders can measure the performance of an organisation with confidence.

Data accuracy requires building stringent and robust data collection processes, such as internal quality assurance procedures. The best way to ensure data quality is to have quality assurance built into the data collection process. In the sustainability report 2014 of British Land, there was enough information about process to assure the data collection. The company had Independent assurance which evaluated the design of the key structures, systems, processes and controls for managing recording and reporting the selected information. X For example, five data sites which was selected on the basis of their inherent risk and materiality to the group were visited to understand the key processes and controls for reporting site performance data to the group corporate responsibility team.

An alternative way is to commission an external third party to verify or assure data accuracy. The third party is experienced in sustainability reporting and data. In the report, it showed that selected key performance data was assured by PricewaterhouseCoopers LLP (PwC) which is one of big accounting firms over the world. For example, the accounting firm assured that data of carbon strategy was accurate, reliable and objective with no significant omissions that could affect stakeholders to make decision on British Land’s performance. X

Finally, British Land has invited wider stakeholders to review their data collection processes and to provide feedback if any data inaccuracies have occurred. In 2014, stakeholders participated in the review and consultation of the different legislative and consumer aspects.

Timeliness

If a sustainability report to be useful to stakeholders, it should clearly state the time period covered by the data and to be consistent. Based on a regular timetable, the release date of the sustainability report should be predicted whether it is annual or biannual. Therefore, stakeholders can assess progress and make informed decisions on the organization’s performance.

British Land has been reporting year on year on its sustainability performance since 2002. The company has accumulated many sustainability reports, which can all be downloaded and are available in multiple languages. The sustainability reports are published in April of every year, which makes it predictable to stakeholders and allows them to integrate British Land into their decision making process in a timely manner.

Clarity

According to the GRI, a high quality sustainability report should be written in a manner that is easily understandable, accessible and usable to its range of stakeholders.

British Land used lots of visual charts, pictures, tables, infographic, diagrams and other aids tomake its content accessible and information easilyunderstandable. The company increased the attractiveness by using of its report by providing several formats such as on the web, as a PDF report or ebook.

However, British Land is aproperty developmentand investment companies. As such, there are a series of professional terms such that need to be illustrated in its sustainability report . British Land has not published a useful glossary of professional terms. They can create on its sustainabilitywebsitesfor some references so as to makes its sustainability report easily understandable to its stakeholders,

Reliability

To producea high quality sustainability report, the information and contents disclosed can be traced to its sources, checked and examined by stakeholders or other parties. Stakeholders should be able to find evidence to establish the veracity in the sustainability report.

British Land elected PwC as an independent 3rd party assurer to assess their sustainability report. However, PwC made a conclusion that they planned and performed the engagement to obtain limited assurance about whether the selected information is free from material misstatement, whether due to fraud or error. Also, PwC concluded British Land’s declared GRI application level of B+ was not fairly stated in accordance with the reporting criteria. To increase reliability, PwC did not get enough reference of all original sources of data and information used in the report. They just provided a guidance section giving information behind calculations used by the company. The reliability of this sustainability report was not sufficient.

Although another big accounting firm KPMG produced anindependent assurance report, minor recommended updates were made to the British Land’s procedures in relation to the risk of bribery and corruption in December 2013. British Land did not get audit opinion that increased stakeholder confidence that the data and assertions in thesustainabilityreport can be relied on to make informed decisions.

Conclusion

To conclude, the quality the of sustainability report 2014 of British Land is up to standard. Especially for comparability and clarity, the report showed that information and comparisons are both meaningful overtime and it clearly explained the reasons and implications of collected information through visual charts, pictures, tables. However, there’s stillroom for improvement in the report.

The Directors of the British Land engaged PwC provided limited assurance on the information described in full data report for the year ended 31 March 2014. To increase reliability and accuracy of the report, company can invite NGOs to review their data collection processes and to provide comments where they think data inaccuracies have occurred. Having more assurances increase stakeholder confidence that the data and assertions in sustainabilityreport can be relied on to make decisions.

Furthermore, company can provide other popular formats such as software application in order to increase the attractiveness and use of its report. The sustainability reports as mobile apps can be published that are readable on smartphone and tablets. Stakeholders or businesses can increasingly incorporate tablets into day to day activities such as meetings and sustainability reporting apps must beubiquitous. The advantages of these apps over traditional formats are its highly interactive nature, the ability to easily review the report through buttons, and its visual beauty.