

Sustainability - The Importance of the World we Live in and Examples of Best Practice

Peter Ducker welcomed the panel. He said that as well as being an important issue for the planet, if a company did not have good corporate citizenship they would be on the back foot with all key stakeholders. Peter Ducker noted that many tenders had a requirement to pass sustainability tests. Shareholders were also becoming more interested in responsible stewardship. For these reasons, he stated that all businesses needed to increase their focus on issues of sustainability.

Catriona Reeby introduced herself as an environmental consultant from SE2, and said that her presentation was about giving a positive message. She said that in the 10 years since Al Gore had released *An Inconvenient Truth*, climate change had become a much more prominent issue, which was an important step. Climate change would have major social, political and economic impacts. These had already started with American insurance companies putting up premiums in places that had become more likely to flood. Catriona Reeby noted that climate change could also have a big impact on the hospitality industry. The UK hospitality industry spent £1.3 billion on energy each year, and generated 8 million tonnes of carbon.

The UK had established the world's first legally binding climate change target, committing to an 80% cut in greenhouse gases by 2050. The previous year energy generation from renewables had hit 25%. Given that, and the signing of the Paris agreement, it was an exciting time to be working on sustainability, though things could still be improved. Catriona Reeby said that SE2 had been working with businesses to develop corporate climate change strategies, and to help change business culture to engage people with the issues.

Catriona Reeby stated that leadership on the issue was critical, and noted that climate change was an opportunity to be ahead of the curve and to future proof one's business. It was important for management to lead by example to inspire and engage staff; this was not an issue that could simply be handed off to estate managers. She said it was important for businesses to make the environmentally conscious choices, especially on tenders that were only renewed every few years, so that sustainability could be embedded in business models. Peter Ducker asked how the hospitality industry compared to other industries on green issues. Catriona replied that all industries had people who were doing well and those who were doing less well.

Peter Ducker asked Ciaran Fahy, Chief Executive of Ellerman Investments Ltd, what challenges they faced at The Ritz, due to the iconic and historic status of the hotel. Ciaran Fahy commented that heritage was often used as an excuse for failure to act. They had previously lacked strategic direction. He noted that they had now replaced all of their lightbulbs with LEDs, which had only been possible due to recent improvements in the technology. Ciaran Fahy noted that smaller hotels were often sustainability leaders, and said that Raymond Blanc's hotels did inspiring work on food sustainability. He stated the commercial benefits of greater sustainability, and said that all of the sustainability-motivated changes they had made also saved them money.

Pauline Godfrey said that, as well as having environmental implications, a focus on sustainability was also about ensuring that the company would survive. It was possible to make changes relatively easily, and at least one third of her business's big reductions between 2006 and 2008 had come about as a result of behavioural changes for the staff. An advantage of this was that staff could then take those changes with them into other parts of their lives. Pauline Godfrey added that it was important to focus on all parts of the business when tackling sustainability, not just the engineering teams. She cited examples that their events and housekeeping teams had made to their procedures which had made a significant difference.

Peter Ducker asked Catherine Baroun, Account and Relationship Director at Considerate Hoteliers, where their membership were in the journey to sustainability. Catherine Baroun said that they worked with a broad range of clients, from boutique hotels to private islands, meaning they faced a diverse range of challenges. She echoed Ciaran Fahy's point about sustainability changes being able to save businesses significant amount of money.

Peter Ducker asked each of the panellists what their key takeaway would be to help people improve their businesses. Ciaran Fahy said it would be for businesses to pay attention to the bottom line when considering sustainability. Pauline Godfrey stated that she would recommend businesses review their existing procedures. Catherine Baroun said that 'what gets measured, gets managed', and that it was important for businesses to pay attention to the whole supply chain.