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Sustainability Disclosure Patterns of South Australian Local Councils: A Case Study

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This article investigates the types of sustainability information disclosed by four South Australian local councils in the absence of any mandatory sustainability reporting guidelines. The findings suggest that even though standardised sustainability reporting guidelines are not in use, elements of these guidelines are reported as sustainability issues in annual reports. Our study also reveals that in the absence of any prescribed requirements, multiple overlapping guidelines based on contemporary sustainability philosophies are in use. A need for local centric guidelines is suggested, not just for the context of this study but also for other local governments, nationally and internationally.

Keywords: Sustainability, Disclosure, South Australia, Local Councils, Global Reporting Initiative.

Conventional accounting reports are primarily concerned with disseminating information on accounting profits, cash flows and shareholder wealth, and do not present all the information required to make economic decisions in the context of sustainability (Lamberton, 2005; Alexander and Archer 2009). Sustainability reporting highlights an organisation's performance relating to economic, social, and environmental matters. With 40% of all global economic activities in the domain of the public sector, this sector has a significant role in promoting sustainability compared to the private sector (Ball and Grubnic 2007; Guthrie *et al*., 2010). Sustainability reporting is essential for public agencies as argued in the Global Reporting Initiative (2005):

> as significant employers, providers of services, and consumers of resources, public agencies also have a major impact on national and global progress towards sustainable development [and] are expected to lead by example in reporting publicly and transparently on their activities to promote sustainability (GRI, 2005, pp. 7-8).

The application of sustainability reporting practices in the public sector helps tax payers and citizens to judge the extent of societal wellbeing delivered by the respective level of governments (Macintosh and Wilkinson, 2012). However, prior literature suggests that

sustainability reporting practices in the public sector are fragmentary and at a nascent stage (Dickinson *et al*., 2005; Guthrie and Farneti, 2008; Farneti and Guthrie, 2009).

This study investigates the present status of sustainability reporting practices of local councils in South Australia; an Australian state which is more susceptible to the adverse effects of climate change than other states (Pillora, 2010) and one where economic growth and social issues such as employment are quite critical; resulting in an increasing need to embrace sustainability values and principles. Our study extends the sustainability research agenda by focusing on the current status of sustainability reporting practices in a specific research context. The research also has lessons for local governments both nationally and internationally by suggesting that the lack of use of the Global Reporting Initiative does not necessarily imply a lack of disclosure of social, environmental and economic issues. Moreover, the paper highlights the importance of local centric initiatives and guidelines as a means of enhancing sustainability performance and suggests the need for a holistic and contextual reporting framework.

Sustainability disclosure practices: Local government perspectives

In order to present an all-inclusive performance report at the local government level there have been growing attempts to develop a local government specific sustainability reporting approach (Zakis *et al.*, 2011). These frameworks aim to develop community level indicators within the scope of the activities of local councils through community consultation processes (Wiseman *et al*., 2006). The frameworks also attempt to present meaningful and relevant indicators to local communities by integrating local social (wellbeing and quality of life), economic, environmental and governance issues and this newly emerging framework is termed as the 'quadruple bottom line' (QBL) reporting approach (Olesson *et al*,. 2012). The QBL can be considered as an extension of the triple bottom line reporting approach with an additional focus on governance.

In the context of presenting holistic sustainability reporting in the public sector, the GRI's Sector Supplement for Public Agencies (SSPA) is one of the most accepted and recognised sustainability reporting frameworks (Dumay *et al.*, 2010; Williams 2011). The GRI released the SSPA guidelines in 2005 with an intention to guide the public sector on what to report as sustainability issues (Tort, 2010). SSPA performance indicators include three dimensions of sustainability, namely: Economic, Environmental and Social and under each dimension a

performance indicator can be core or additional (GRI, 2005). The GRI's SSPA framework is designed to address the reporting expectation of diverse stakeholders in the public sector. In addition to the sustainability indicators, the SSPA framework has 6 other indicators relating to "Public Policies and Implementation Measures". These indicators explain the agency's policy priorities and implementation measures related to sustainable development (GRI, 2005).

Studies focusing on the application of the GRI guidelines in the local government sector have revealed that these reporting guidelines are in limited use due to the lack of trained staff, the lack of resources and most importantly the lack of knowledge about the GRI guidelines (Sciulli, 2011; Williams, 2011). Furthermore, a study by Guthrie and Farneti (2008) on sustainability reporting practices of the Australian public sector (including local governments), revealed that in the absence of mandatory requirements to report sustainability issues, disclosures are 'fragmentary' or 'cherry-picked' and organisations usually only disclosed those GRI indicators in their annual reports that they were interested in reporting. In this regard, Ball and Bebbington (2008) have argued that although in some instances the public sector is reporting sustainability issues, there is a need for a common sustainability reporting guideline for comparability. Farneti and Siboni (2011) illustrated the effect of local government guidelines on reporting practices within the Italian local government and found these have a managerial focus with limited attention given to sustainability issues. It has been argued that for such guidelines to be developed within the Australian local government, further political support from both the federal and the state levels of government is needed, without which the process of change will be slow and evolutionary (Herbohn and Griffiths, 2008).

Local governments in South Australia

In South Australia there are a total of 68 local councils, collectively these councils act as an industry. Local councils are one of the major sources of employment, investment and a major provider of pubic goods and services. Recent estimates reveal that SA Local Governments manage about $10 billion worth of infrastructure, provide over $1 billion worth of services each year, generate more than 8000 direct local jobs, and play a major role in local planning and economic development (Local Government Association of South Australia, 2012). There is evidence of the State Government's efforts towards honouring the Kyoto Protocol. Some of the initiatives are the adaptation of the SA Greenhouse Strategy 2007-2020, the setting up of

the Premier's Climate Change Council, and a plan to reduce South Australia's emissions to 1990 levels during 2008-12 (Pillora, 2010).

In South Australia, all councils are governed by the *Local Government Act 1999*, and pursuant to section 7(e) of the Act it is the duty of each council to manage its business in a sustainable manner and to conserve the local environment. Under section 8(f) of the Act, councils are required to facilitate sustainable development and to ensure a proper balance within its community between economic, social, environmental and cultural considerations (Government of South Australia, 1999). However, there is still no mandatory requirement to publish sustainability reports. There is scope for further research specific to SA local councils and it is in this context that this research is undertaken to understand the types of information reported as sustainability issues in the absence of any mandatory reporting guidelines.

Research Approach

Our research utilised the case study method (Yin, 2009) whereby we selected four SA local councils (out of 68) in order to gain an in-depth understanding in a specific context. We used the categorisation of the Australian Classification of Local Government (ACLG) (Mansfield *et al*., 2008) and selected one council from four different categories to obtain diversity. Our study considered metropolitan, metropolitan fringe, regional and rural councils. Councils in each category were selected based on a number of criteria such as: a) higher population and ratepayers' base within each category, b) a similar percentage of grant and rate revenue out of the total revenue, and c) whether the selected councils disclose sustainability issues. This was to ensure that all councils are on par in terms of resource availability and responsibilities to promote sustainability.

To understand how the term sustainability is interpreted by the four SA local councils, the study involved face to face semi-structured interviews using open-ended questions. The interview participants were selected from different hierarchical levels (directors, managers and senior officers) of diverse departments (finance, environment & sustainability, organisational development, and community services) to obtain a holistic view of the sustainability reporting practices of the chosen councils. The study also involved content analysis of the 2010-11 annual reports of the four councils to determine the types of information being disclosed as sustainability issues**.** Our study uses the GRI's SSPA framework as a guide for the analysis of sustainability disclosure in four South Australian (SA) Councils due to its comprehensive guidance on economic, social and environmental

issues. The results are presented in a tabular format indicating whether the elements are disclosed.

Council Background

In this study the four chosen councils are renamed as council A, B, C and D to uphold the confidentiality clause of the research. However, to identify the type of council the generic ACLG codes are added. For example, council A is identified as A-(Metropolitan), council B as B-(Metropolitan Fringe), council C as C-(Regional) and council D as D-(Rural).

Council A-(Metropolitan) is one of the largest metropolitan councils of South Australia. Compared to other metropolitan councils, this council has the most socially diverse population representing 56 different cultural groups with some 30 per cent of the population born overseas (Annual report 2010-11, Council A). The council's area is also regarded as the fastest growing commercial and manufacturing hub of South Australia. Council-A has a comprehensive city plan and sustainability is one of its four key goals (Annual report 2010-11, Council A).

Council B-(Metropolitan Fringe) is situated in an environmentally sensitive hilly area. Geographically, this council area is situated within a watershed area and is a major water catchment area for metropolitan Adelaide's water supply. Agriculture and tourism are the major economic activities in this area (Council website, Council B). The council has established a Sustainability Advisory Group to address issues related to biodiversity, climate change, energy management, water and waste management (Council website, Council B). For the last few years the council has adopted a triple bottom line approach in presenting its annual report to demonstrate that performance measurement goes beyond financial performance (Council website, Council B).

Council C-(Regional) is South Australia's largest regional city. The soft wood timber industry, tourism, winery, and agriculture are the main sources of employment for the local population (Council website, Council C). The council is in the process of developing a strategy based on the *Natural Step Framework* (Council website, Council C). Council C is expecting that this framework will assist the integration of environmental and social issues in its strategic decisions and daily operations.

Council D-(Rural) is one of the largest rural councils in South Australia. The council area is known for its internationally renowned wine production. Forestry, wool, tourism, and the

production of dairy products are the other major industries of this region (Council website, Council D). Presently the council uses the *Australian Business Excellence Framework* for the local government. The council is a committed supporter of the Upper Torrens Land Management Project.

Findings and discussion

Overall there are 54 core performance indicators and 47 additional performance indicators across the spectrum (economic, environment and social) of the GRI's SSPA framework. Core indicators report the most relevant sustainability disclosures to both reporting organisations and report users, whereas additional indicators are either important performance indicators or those which meet the particular information requirements of interested stakeholders (GRI, 2005). The analysis revealed that none of the four councils publish standalone sustainability reports nor do they follow the GRI guidelines to disclose their sustainability performance**.** However, they do report sustainability issues in their annual reports, which are comparable with the GRI's SSPA performance indicators. Some of the identifiable and comparable economic, environmental and social indicators that were reported in the 2010-2011 annual reports by four councils are presented in Tables 1, 2 and 3 below.

[**Note relating to Table 1,2 and 3**: In GRI's SSPA framework each core and additional indicators are coded as EC 1, EN 2, LA 1 and so forth. This study has used these codes to plot disclosure patterns].

Table 1: Reported core and additional economic indicators

Core economic indicators :-

- Total income broken down into capital and operating/recurrent revenue (EC1).
- Cost of all goods, materials, and services purchased (EC3).
- Gross expenditures broken down by type of payment (PA8).
- Donations to community, civil society, and other groups (in terms of cash and in-kind donations per type of group) (EC10).
- Total payroll and benefits (EC5).
- Distributions to providers of capital (This includes all forms of debt and borrowings, not only long-term debt) (EC6).
- Gross expenditures broken down by financial classification (PA9).
- Capital expenditures by financial classification (PA10).
- Describe the procurement policy of the public agency as it relates to sustainable development (PA11).

Additional economic indicators :-

- Total spent on non-core business infrastructure development (Infrastructure built outside the main business activities of the reporting entity) (EC12).

Table 2: Reported core and additional environmental indicators

Core environmental indicators :-

- Location and size of land owned, leased, or managed in biodiversity-rich habitats (EN6).
- Total amount of waste by type and destination ("Destination" refers to the method by which waste is treated, including composting, reuse, recycling, recovery, incineration, or landfilling) (EN11).

Additional environmental indicators :-

- Initiatives to use renewable energy sources and to increase energy efficiency (EN17).
- Total recycling and reuse of water (EN22).
- Total amount of land owned, leased, or managed (EN23).
- Changes to natural habitats resulting from activities and operations and the percentage of habitat protected or restored (EN26).
- Objectives, programs, and targets for protecting and restoring native ecosystems and species in degraded areas (EN 27).
- Total environmental expenditures by type (EN35).

Table 3: Reported core and additional social indicators

Core social indicators :-

- Breakdown of workforce by employment type (full time/part time) (LA1).
- Net employment creation and average turnover segmented (LA2).
- Standard injury lost days, absentee rates, and number of work-related fatalities (LA7).
- Description of equal opportunity policies or programs, as well as monitoring systems to ensure compliance and results of monitoring (LA10).
- Composition of senior management and corporate governance bodies (including the board of directors), including female/male ratio and other indicators of diversity as culturally appropriate (LA 11).
- Description of policies to manage the impact on communities in areas affected by activities, as well as the description of procedures/programs to address this issue, including monitoring systems and the results of monitoring (SO1).
- Description of the policy for preserving customer health and safety during the use of products and services, and the extent to which this policy is visibly stated and applied, as well as the description of procedures/programs to address this issue, including monitoring systems and results of monitoring (PR3).
- Description of policy, procedures/management systems, and compliance mechanisms for consumer privacy (PR3).
- Administrative efficiency.

Additional social indicators :-

- Employee benefits beyond those legally mandated (LA12).
- Evidence of substantial compliance with the guidelines for Occupational Health Management Systems (LA 14).

- Description of programs to support the continued employability of employees and to manage career endings (LA 16).
- Awards received which are relevant to social, ethical, and environmental performance (SO4).
- Description of policy, procedures/management systems, and compliance mechanisms related to customer satisfaction, including the results of surveys measuring customer satisfaction (PA8).

As mentioned earlier, the GRI's SSPA has a separate disclosure category related to "Public Policies and Implementation Measures" with respect to sustainable development. In this category there are no core or additional indicators. The finding shows all 6 disclosures related to 'Public policies and Implementation Measures' are reported by all councils and this suggests that the importance of sustainable development is recognised at the strategic level. A comprehensive account of all disclosures by individual councils is present in Tables 4 (a), (b) and (c).

Table:4(a) Extent of economic disclosures by four councils

	Council-A: Metropolitan	**Council-B: Metropolitan Fringe**	**Council-C: Regional**	**Council-D: Rural**	**Council-A: Metropolitan**	**Council-B: Metropolitan Fringe**	**Council-C: Regional**	**Council-D: Rural**
Economic Performance Indicators	**Core Indicators**	**Core Indicators**	**Core Indicators**	**Core Indicators**	**Additional Indicators**	**Additional Indicators**	**Additional Indicators**	**Additional Indicators**
Customer (Tax Payers)	EC1	EC1	EC1	EC1	Nil	Nil	Nil	Nil
Supplier	EC3	EC3	EC3	EC3	Nil	Nil	Nil	Nil
Employees	EC5	EC5	EC5	EC5	Nil	Nil	Nil	Nil
Providers of Capital	EC6	EC6	EC6	EC6	Nil	Nil	Nil	Nil
Public sector	EC10	EC10	EC10	EC10	Nil	EC12	EC12	EC12
Expenditure	PA8,9,10,11	PA8,9,10	PA 8,9,10	PA8,9,10	Nil	Nil	Nil	Nil

Table:4(b) Extent of environmental disclosures by four councils

	Council-A: Metropolitan	**Council-B: Metropolitan Fringe**	**Council-C: Regional**	**Council-D: Rural**	**Council-A: Metropolitan**	**Council-B: Metropolitan Fringe**	**Council-C: Regional**	**Council-D: Rural**
Environmental Performance Indicators	**Core Indicators**	**Core Indicators**	**Core Indicators**	**Core Indicators**	**Additional Indicators**	**Additional Indicators**	**Additional Indicators**	**Additional Indicators**
Energy	Nil	Nil	Nil	Nil	EN17	EN17	EN17	EN17
Water	Nil	Nil	Nil	Nil	EN22	EN22	Nil	EN22
Bio-diversity	Nil	Nil	EN6	EN6	EN23, EN26	EN27	EN26, EN27	EN27
Emissions, Effluents and Waste	EN11	EN11	EN11	EN11	Nil	Nil	Nil	Nil
Environmental Expenditure	Not applicable	Not applicable	Not applicable	Not applicable	EN35	EN35	EN35	EN35

Table:4(c) Extent of social disclosures by four councils								
	Council-A: Metropolitan	**Council-B: Metropolitan Fringe**	**Council-C: Regional**	**Council-D: Rural**	**Council-A: Metropolitan**	**Council-B: Metropolitan Fringe**	**Council-C: Regional**	**Council-D: Rural**
Social Performance Indicators	**Core Indicators**	**Core Indicators**	**Core Indicators**	**Core Indicators**	**Additional Indicators**	**Additional Indicators**	**Additional Indicators**	**Additional Indicators**
Employee	LA2	LA2	LA1	LA1,LA2	LA12	Nil	Nil	Nil
Labour Relation	Nil	Nil	Nil	Nil	Nil	LA13	LA13	LA13
Health & Safety	LA7	LA7	LA6, LA7	Nil	LA14	LA14	LA14	LA14
Training & Education	Nil	Nil	Nil	Nil	LA16	LA16	Nil	LA16
Diversity & opportunity	Nil	Nil	LA10, LA11	LA10, LA11	Nil	Nil	Nil	Nil
Community	SO1	SO1	SO1	SO1	SO4	Nil	SO4	SO4
Customer Health & Safety	PR1	PR1	PR1	PR1	Nil	Nil	Nil	Nil
Product & Service	Nil	Nil	Nil	Nil	PR8	PR8	PR8	PR8
Respect for privacy	PR3	Nil	PR3	PR3	Nil	Nil	Nil	Nil
Administrative Efficiency	Addressed	Addressed	Addressed	Addressed	Not Applicable	Not Applicable	Not Applicable	Not Applicable

The study showed an overall consistent disclosure pattern of sustainability performance indicators among the four councils; this pattern suggests that an individual council follows or mimics the disclosure practices of other councils in order to 'fit in' with surrounding councils, or to compete with other city councils. This view is also reflected in the interviewees' responses; they mentioned that in order to improve their disclosure, their council studies and adopts the disclosure practices of peer councils, and in some cases they even learn from the local private sector. Several interviewees highlighted the change in the sustainability reporting approach being used and the changing trends in reporting sustainability issues. Currently the QBL reporting approach is the emerging reporting approach.

The interview responses revealed that the importance of adopting a comprehensive approach to sustainability is well recognised by the four local councils. However, financial sustainability (an important subset of economic sustainability) is the most important priority for all councils, followed by environmental and social sustainability. The councils believe that financial sustainability is essential for maintaining and upgrading its large stock of public assets. At the same time, renewing and upgrading community assets are the key elements to upholding all-inclusive economic sustainability for local communities. The councils are also attempting to establish a link between environmental and financial sustainability in the decision making processes within the limits of their financial resources; however, they are

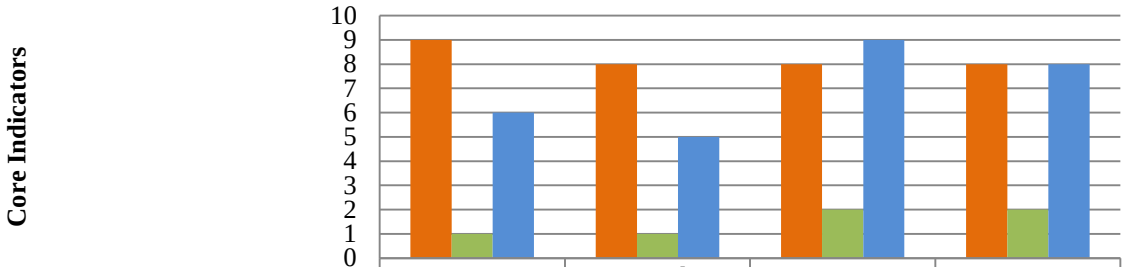
also cautious of over committing to environmental sustainability. The findings show that out of the three sustainability performance indicators, most core performance indicators were disclosed in the economic sustainability section (see Figure 1). This relatively higher disclosure pattern is mainly due to the mandatory application of the financial provisions of the *Local Government Act* and the accounting standards.

In the environmental sustainability section, most of the disclosures fall under the additional performance indicators (see Figure 2). This finding is concurrent with the interviewees' responses, as most mentioned that their councils are in the early stages of environmental sustainability planning. Hence, most of the disclosed indicators in the environmental section are emerging and relate to the initiative stage. In that respect, non-disclosure of core environmental indicators is justified. However, waste management related disclosures are reported as core indicators by all councils in the environmental disclosure section. This finding is not coincidental; it is expected as all local authorities are legally obliged to execute their waste management core function under the *Local Government Act*.

In the social sustainability section, disclosure levels are mixed and fall under both core and additional indicators (Figures 1 and 2). Most of the disclosed core indicators are in relation to 'Health and Safety', 'Customer Safety' and 'Respect for privacy' which are in turn related to the occupational health & safety regulations, the *Food Act 2001* (SA), the *Development Act* 1993 (SA) and the confidentiality provision of the *Local Government Act*.

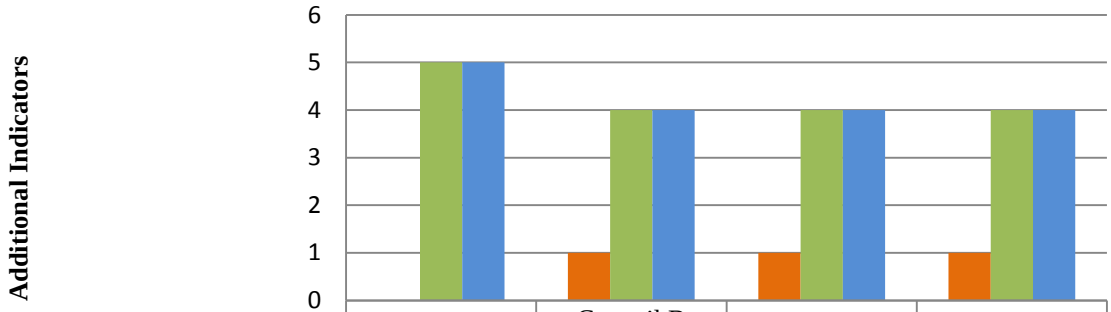
On the other hand, some of the additional social sustainability disclosures such as: employee benefits beyond those legally mandated, survey results of customer satisfaction and awards relating to social sustainability performance, are reported to show "good" corporate social responsibility and to gain legitimacy of the council's actions. However, while the study revealed that the concept and ambit of social sustainability was not clear to most respondents, a clear distinction was made between employees and the community. For the interviewees social sustainability is only related to community issues whereas employee related matters are related to governance.

Figure1: The number of core indicators disclosed by the four councils



	Council A (Metropolitan)	Council B (Metropolitan Fringe)	Council C (Regional)	Council D (Rural)
Core-Economic Indicators	9	8	8	8
Core-Environmental Indicators	1	1	2	2
Core-Social Indicators	6	5	9	8

Figure 2: The number of additional indicators disclosed by the four councils



	Council A (Metropolitan)	Council B (Metropolitan Fringe)	Council C (Regional)	Council D (Rural)
Additional-Economic Indicators	0	1	1	1
Additional-Environmental Indicators	5	4	4	4
Additional-Social Indicators	5	4	4	4

In this study the GRI's SSPA framework was applied to determine the extent of sustainability reporting. However, the GRI's SSPA framework is a generic public sector based reporting framework (Guthrie and Farneti 2008; Farneti and Guthrie, 2009; Dumay *et al.*, 2010) and all SSPA performance indicators may not be relevant to all local authorities. The study also revealed that although a range of multi-stakeholder specific disclosures are reported by the four councils; some important indicators are also not disclosed. This highlights that in the absence of specific requirements for disclosure, local councils are not always accountable to all their stakeholders. Non-disclosed information is as follows:

- The description of the sustainable procurement policy (PA 11) (only Council A-(Metropolitan) has disclosed).
- The purchase of environmentally certified / social labeled goods (PA14 core).
- Most of the core indicators relating to material, water, energy, bio-diversity.
- Significant environmental impacts of principal products and services (EN14).
- Average hours of training per year, per employee, by category of employee (LA9).
- Description of policies to address the needs of Indigenous people (HR12).

Most of the respondents mentioned that currently the councils procure a certain percentage of electricity from renewable sources and they emphasised local purchases; however, with the exception of one council, the disclosure levels relating to sustainable procurement of goods and services is low or not evident at all. In every financial year local government units collectively procure a large amount of goods and services for both operational and capital asset purposes. Sustainable procurement is an important sustainability issue because it will lead to the efficient use of natural resources, the reduction of waste and the protection of bio-diversity (Centre of Excellence North East, Improvement and Development Agency & Local Government Association, 2007).

The overall analysis suggests that although none of the four councils are following any standardised sustainability reporting guidelines like the GRI, they do report some sustainability issues which can be identified and compared with the GRI's SSPA performance indicators. This finding is explained by the following factors: a) most of the councils are following the sustainability reporting approach of others; and b) councils are following frameworks (for example: the *South Australian State Strategic Plan,* the *Natural Step Framework,* the *Australian Business Excellence Framework* for the local government) which are based on contemporary sustainability philosophies and may be inspired by the GRI guidelines. These insights suggest that institutional influences of mimetic and normative isomorphism (DiMaggio and Powell, 1983) could explain current sustainability disclosure practices in SA local councils. Further research is needed to ascertain whether these factors could explain sustainability reporting by other councils.

Conclusion

This research has identified the types of sustainability information disclosed by SA local councils. In this study the importance of sustainability reporting has been recognised and it is

suggested that present reporting practices are neither fragmentary nor at the nascent stage as observed in the earlier public sector studies (Dickinson *et al.*, 2005; Guthrie and Farneti, 2008; Farneti and Guthrie, 2009). This is due to councils disclosing various types of multi-stakeholder specific information and adopting an all-encompassing approach to address these sustainability issues. However, the research has shown that councils are taking a practical approach towards addressing sustainability issues; they have made financial sustainability the top priority, as without it, a council cannot survive.

This study aligns with the prior literature which suggests that the application of the GRI guidelines is not found among local councils (Guthrie and Farneti, 2008; Sciulli, 2011; Williams, 2011). However, our study also highlights that the non-application of the GRI framework does not signify a low level of sustainability disclosure; the study assumes that the availability of other similar normative frameworks is probably the reason for the lack of usage of the GRI reporting framework. Hence, this research extends prior literature on the use of the GRI in the public sector, especially by local councils. It also has implications for future studies, highlighting a need to examine disclosure content, rather than to merely assume the lack of use of standardised reporting guidelines implies low level of disclosures.

The study revealed that sustainability issues which are subject to stronger compliance requirements and attract more public attention, such as financial sustainability, waste management, health and safety, and privacy issues are observed as core disclosure by councils. In addition, activities and functions on which councils spend the bulk of their financial resources are also reported extensively as core disclosures compared to other issues. In most cases, the mere prevalence of strong compliance requirements is sufficient to increase the extent and quality of disclosure to the 'core indicator level' even though compliance requirements may not necessarily prescribe disclosure. In certain cases, the expectation of more stringent legislation in relation to greenhouse emissions is influencing councils to initiate their emission management systems and to provide some degree of disclosure in their reports. On the contrary, the study revealed that disclosure on other sensitive issues, such as policies on sustainable procurement, the number of employees from Indigenous or other migrant communities, and how the rights of Indigenous communities are addressed are limited, even though most of these council areas have migrant and Indigenous populations.

Our study provided an in-depth contextual understanding of the present status of sustainability reporting practices within four SA local councils. However, it also acknowledged that it would be impossible to draw decisive and general conclusions on the other sixty four SA councils; since four councils are not representative of the diverse nature of all SA local councils. The research highlights a strong relationship between the quality and level of sustainability disclosures, with the degree of compliance requirements and the presence of reporting standards. As such, our study posits that while application of the GRI's SSPA framework will provide much needed uniformity in sustainability disclosure practices, a local government centric reporting framework addressing local issues will better suit the requirement of all councils. For instance, a SA local council specific reporting framework could be formulated under the supervision of the SA Local Government Association to bring comparability, uniformity and to increase the extent of sustainability disclosures.

Our findings, while based on a specific context, suggest a need for a local centric sustainability reporting framework for national, regional and local governments throughout the world. Whilst the GRI sector supplement provides some guidance for disclosure in councils, local governments have specific contextual elements that need to be reported. Similarly, some of the GRI elements may not be relevant to certain councils and therefore, there is a risk of this guideline becoming a "box ticking" exercise.

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