

Auckland Council Healthy Waters

SUSTAINABLE OUTCOMES TOOLKIT

MAY 2019

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FOREWORD

At the core of our strategy is a collaborative approach, drawing on the experience and passion of our people from across the Healthy Waters department. We recognise that to achieve the greatest Sustainable Outcomes benefits and to manage scale, our framework needs to provide a standardised approach, accessible collateral, and ease of application. We would like to acknowledge the role of Auckland Council Group's Procurement Team in inspiring and supporting the current and future development of the Sustainable Outcomes strategy. The strategy and Toolkit have been developed in collaboration between our Team and local consultants to align with best-practice and ensure a consistent experience for suppliers.

It is our intent that the Sustainable Outcomes Toolkit will never be 'finalised', instead existing as a living document that will be continually improved and adapted to meet the changing needs of Auckland and its people.

In keeping with the goals and principles of Sustainable Procurement, Healthy Waters and its development partners have made the decision to open source the Sustainable Outcomes Toolkit. It is our hope that taking this approach will enable users to target areas that will have the most impact for New Zealand.

You are free to copy, distribute and adapt the Toolkit approach, as long as you attribute the work to Auckland Council and Height PM.

Version	Released by	Date
1.0	Auckland Council	1 May 2019

This document is based on Version 1.0 of the Sustainable Outcomes Toolkit, dated 1 May 2019.

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1 SUSTAINABLE OUTCOMES OVERVIEW

1.1 WHAT ARE SUSTAINABLE OUTCOMES?

Auckland Council Group ('Council') is committed to using its strong influencing platform to promote, support and facilitate positive social, environmental, economic and cultural outcomes in order to address Auckland's most critical challenge areas.

Simply put, a sustainable outcomes model aims to meet the needs of the present without compromising on the needs of future generations. Council's Sustainable Outcomes Toolkit aims to support positive change by encouraging organisations to look beyond price alone in procurement*, when considering value and to consider the wider social, cultural, economic and environmental outcomes that can be achieved.

Through integrating sustainable considerations into the purchasing process (pre-project planning, contract award and post-award), project outcomes will have a greater chance of improving the prosperity of Aucklanders who might otherwise be overlooked. It aims to generate sustainable value propositions in addition to the standard price and quality evaluations that are outlined in most procurement processes.

Auckland Council has established four sustainable outcome wellbeing categories to be used as a benchmark to align positive sustainable outcome opportunity areas.



SOCIAL WELLBEING is the state of the community in terms of health, safety, accessibility, equity, affordability and liveability



CULTURAL WELLBEING is the state of our identity in terms of heritage, ethnicity, recreation and access to cultural events.



ECONOMIC WELLBEING is the state of the economy in terms of employment, efficiency and productivity. It also includes resilience to impacts of change.



ENVIRONMENTAL WELLBEING is the state of the surrounding natural environment in terms of air, land, water, habitats and natural heritage.

Adapted from 'Auckland Council Group Sustainable Procurement Framework'



*Procurement relates to the acquisition of all goods and/or services and covers every aspect of the purchasing cycle.

Adopting a successful Sustainable Outcomes model aims to create communities that are more engaged, empowered, healthier, safer, collaborative and protective of the natural environment that they inhabit.

1.2 WHY ADOPT A SUSTAINABLE OUTCOMES STRATEGY?

Environmental degradation, social inequality and high population growth present multiple complex challenges for the planning and spending decision-makers of local and central Government.

High population growth

Auckland's population has grown exponentially and will continue to do so. 1,415,550 people have been recorded as residing in the Auckland Region; an increase of 110,589 people, or 8.5 percent, since the 2006 Census¹. A growing population can put increased demands on a city and its inhabitants.

Auckland City faces several specific challenges² to achieve its goal of becoming the world's most livable city, including, but not limited to:

- **Employing and upskilling youth and disadvantaged populations**
- **Supporting the growth of small businesses (including Māori and Pacific-owned businesses)**
- **Building skills capacity within the community to create meaningful change**
- **Protecting and enhancing the natural environment (including reducing carbon emissions and waste)**

The Auckland Plan 2050 has identified three key challenge areas for Auckland:



1 ARRESTING + REVERSING ENVIRONMENTAL DEGRADATION



2 ENSURING PROSPERITY IS SHARED AMONGST ALL AUCKLANDERS



3 HIGH POPULATION GROWTH

Auckland Council generates a significant procurement spend annually and through its huge buying power, has the capacity to drive positive social change. By using strategic procurement practices to create positive social, cultural, economic and environmental outcomes through contracted services, the benefits to society will spread beyond value for money alone. Strategic sustainable considerations can positively impact the community and contribute towards improved quality of life for Aucklanders.

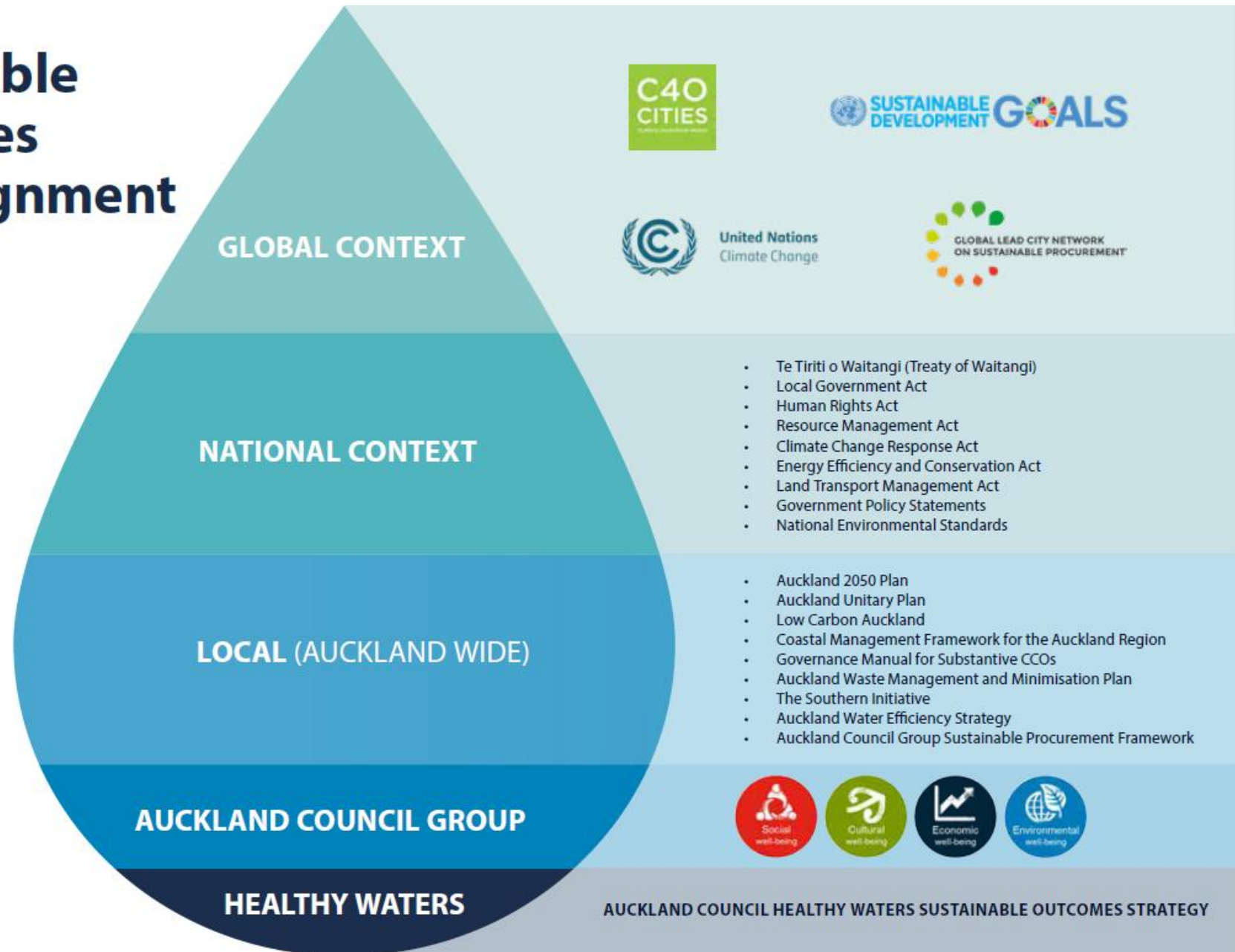
¹ New Zealand Census 2013

² The Auckland Plan 2050, Auckland Council, June 2018

2 SUSTAINABLE OUTCOMES BROADER CONTEXT



Sustainable Outcomes Goal Alignment



To remain a great place to live, the region needs to address three key challenges

1

Reducing environmental degradation:

Auckland's natural environment continues to be negatively impacted by rapid population growth through increased urban development, demands on services, modern consumerism and anthropogenic climate change. We are already seeing the effects of pollution and waste in degraded terrestrial and aquatic systems, and the capacity of our environment to absorb these impacts may be reaching its threshold.

2

Sharing prosperity with all Aucklanders:

The overall liveability of a city, prosperity of community members within it and socioeconomic deprivation levels are closely linked to income, employment, education and general affordability patterns. Innovation and automation are also contributing factors to the type and number of opportunities within the market.

3

Population growth and its implications:

Auckland's rapidly increasing population (30% - 40% by 2050³) puts pressure on our communities, infrastructure, services, and the environment. Population growth and immigration can result in increased ethnic and cultural diversity meaning there is a stronger requirement for increased community empathy, open-mindedness and understanding to create a connected, inclusive community.

SUSTAINABLE OUTCOMES STRATEGY



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ENVIRONMENTAL WELLBEING is the state of the surrounding natural environment in terms of air, land, water, habitats and natural heritage.

We promote and facilitate opportunities that lead to a healthy, safe, and connected community which fosters positive future sustainability outcomes.

We encourage initiatives that embrace cultural diversity, inclusivity of all people and revitalisation of our indigenous heritage through Mātauranga Māori (knowledge).

We support ethical economic prosperity through employment, upskilling and innovative supply-chain initiatives that encourage a resilient workforce and reduced inequalities.

We support initiatives and innovations that protect and enhance Auckland's natural environment, and enable the reduction of carbon emissions and waste.

HEALTH AND WELLBEING: Seeking suppliers who provide health and wellbeing initiatives to support employees, their families and our communities.

LOCAL STAKEHOLDER ENGAGEMENT: Seeking suppliers and partners who will empower and enable more engaged and connected communities. Local stakeholders may include mana whenua, iwi, local boards, community groups, local schools or those who may have an interest in a project.

CHARITABLE SUPPORT: Seeking suppliers or partners who improve our city's livability and natural environment through supporting community volunteering, charities, social enterprises or similar organisations that have a positive impact on sustainable outcomes within our communities.

LIVING WAGE: Seeking suppliers that support the payment of living wage salaries throughout the contract supply-chain to support individuals wellbeing.

MĀORI CULTURAL HERITAGE: Seeking suppliers who share Auckland Council's commitment to strengthening and raising awareness of New Zealand's indigenous cultural heritage through embracing and revitalising Mātauranga Māori (knowledge).

MANA WHENUA AND MATAAWAKA ENGAGEMENT: Seeking suppliers who support meaningful engagement and involvement with Māori throughout relevant project and contract life-cycles.

DIVERSITY AND INCLUSION: To support suppliers that value, encourage and celebrate the importance of diversity and inclusion, both internally - within their respective organisations and externally - through raising awareness of Auckland's wide diversity of people, cultures and identities.

EMPLOYMENT OF PRIORITY SOCIAL GROUPS*: To support suppliers and partners that leverage a resilient, prosperous workforce by encouraging, and enabling employment opportunities for 'priority social groups'.

UPSKILLING THE LOCAL ECONOMY: To support suppliers who increase the capability of our local workforce (includes small – medium businesses and future generations) through providing upskilling and training opportunities throughout the supply-chain, provide long-term development opportunities for Māori and Pasifika people with a focus on mentoring to encourage on-going, meaningful success.

GENDER EQUALITY: To seek suppliers and partners who demonstrate gender equitable employment practices, by removing barriers for women to take-on non-traditional roles and/or careers.

SUPPLY-CHAIN: To seek suppliers that support ethical, local and sustainable supply-chain decisions as well as diversity through enabling greater market accessibility for small-medium businesses.

INNOVATION: To encourage suppliers to provide innovative, bespoke or sustainable outcome concepts that will increase Auckland's livability and address key government social, sustainable and environmental goals.

NET ZERO CARBON: To seek suppliers, partners, supply-chain models and innovations which contribute to New Zealand's commitment to the Paris Accord through energy efficiency techniques; renewable energy sources; and reduction or offsetting of carbon emissions.

ENVIRONMENTAL GUARDIANSHIP: To seek suppliers that value and demonstrate Kaitiakitanga (guardianship) of New Zealand's natural environment and take action to enhance and protect it.

WASTE MINIMISATION: To support suppliers and initiatives to adopt a circular economy approach aimed at minimising waste and making the most of sustainably acquired resources. (Recycle, upcycle and reuse).

RESPONSIBLE WATER MANAGEMENT: To support suppliers, partners and methods that demonstrate protection of our marine and freshwater systems from pollution and encourage resourcefulness with water consumption.

*Note: Priority Social Groups include, Māori, Pasifika, long-term unemployed, correctional workers, ex-offenders, graduates, youths, apprentices, refugees, those with disabilities and other under-represented society members that may face barriers to employment.

3 SUSTAINABLE OUTCOMES TOOLKIT



3.1 SUSTAINABLE OUTCOMES TOOLKIT OVERVIEW

Auckland Council Healthy Waters ('Healthy Waters') has identified an opportunity to develop a 'Sustainable Outcomes Toolkit' ('Toolkit') to support addressing Auckland's most critical challenge areas.

There is wide acceptance that achieving positive sustainable outcomes is a good thing; however tools to guide and support practical implementation have often been a road block. The Toolkit approach aims to address the following potential implementation issues:

RESOURCING

It would be ideal to have social procurement subject matter experts ('SMEs') involved throughout the procurement process on every suitable project. However, a combination of the volume of projects (within many Government organisations) and available SME resources to support these, can limit sustainable outcome implementation. The Toolkit does not require users to be sustainable outcome experts; however, it is advised that those that use it still have a good understanding of the applicable project/contract and base procurement process.

SCALE

Similarly to resourcing, the volume of projects/contracts that Governmental organisations are presented with requires an approach that lends itself to 'ease of application' to keep up with scale demands.

CONSISTENCY

The Toolkit provides a platform which can be tailored to suit the desired outputs of specific project/contracts. This base encourages a level of consistency throughout the process.

The intention of the Toolkit is to assist with the practical inclusion of sustainable outcome led goals into all elements of the procurement process (including preplanning and post-delivery), while maintaining best value and services to ratepayers.

SUMMARY

New Zealand procurement has not traditionally had a strong focus on sustainable outcomes and this aspect will undergo significant development and change over the coming years. Each project/contract may present unique issues, providing the opportunity for innovative and bespoke solutions. The intention of the Toolkit is to guide the application of a sustainable outcomes focused strategy, making practical implementation more accessible, efficient and easy to use. (One does not necessarily have to be an SME in social and environmental issues to use it).

As Healthy Waters draws on its experience developing and implementing sustainable outcome mechanisms, lessons can be learnt that will inform and improve the Toolkit process for future projects. In essence, the Toolkit needs to be treated as a living document and refined on a "lessons learnt" basis.

The Toolkit needs to be treated as a living document and continually refined on a "lessons learnt" basis.

3.2 SUSTAINABLE OUTCOMES TOOLKIT COMPONENTS

The Auckland Council Healthy Waters Sustainable Outcomes Toolkit ('Toolkit') is comprised of a few practical steps in order to assess where social, cultural, economic and environmental elements can be incorporated into the procurement development and decision making process.

Ideally the Toolkit would be utilised at the Business Case planning phase to inform elements of the project charter and project/contract benefits analysis. The Toolkit could then be used to support drafting of the associated RFI/ROI or RFT/RFP (jointly referred to as 'RFX') and contract documentation. Subsequent to the RFX documentation, it can then be used to inform evaluations, negotiations and KPI management.

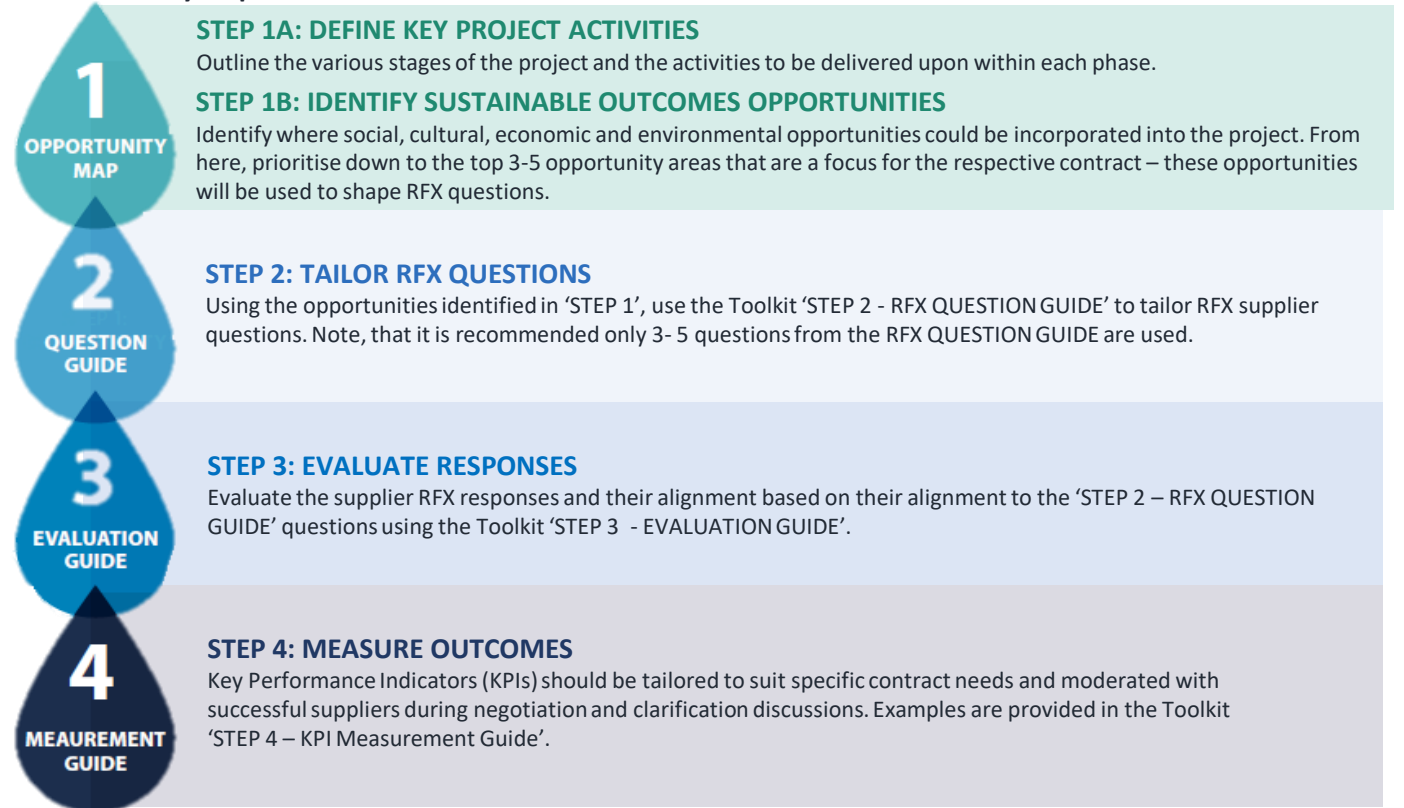
The Toolkit has been developed to stimulate sustainable outcome opportunity areas, providing base questions, evaluation approaches and KPI measures as a guide to support the buying cycle. These elements should be tailored (as/if required) to suit the relevant project/contract - they are not intended to be a 'one size fits all' approach as it is recognised that projects can vary significantly in size, scope and complexity.

The Toolkit comprises:

- ✓ **An Opportunity Map** - to identify areas in a project where sustainable outcomes could realistically be applied.
- ✓ **A Reference Guide** - to support the procurement process from Business Case, to RFX (includes ROI/ and RFP/RFT) questions, the evaluation of supplier responses, through to contract and KPI guidance.

The intention is for the Toolkit to be continually refined as new learnings are revealed.

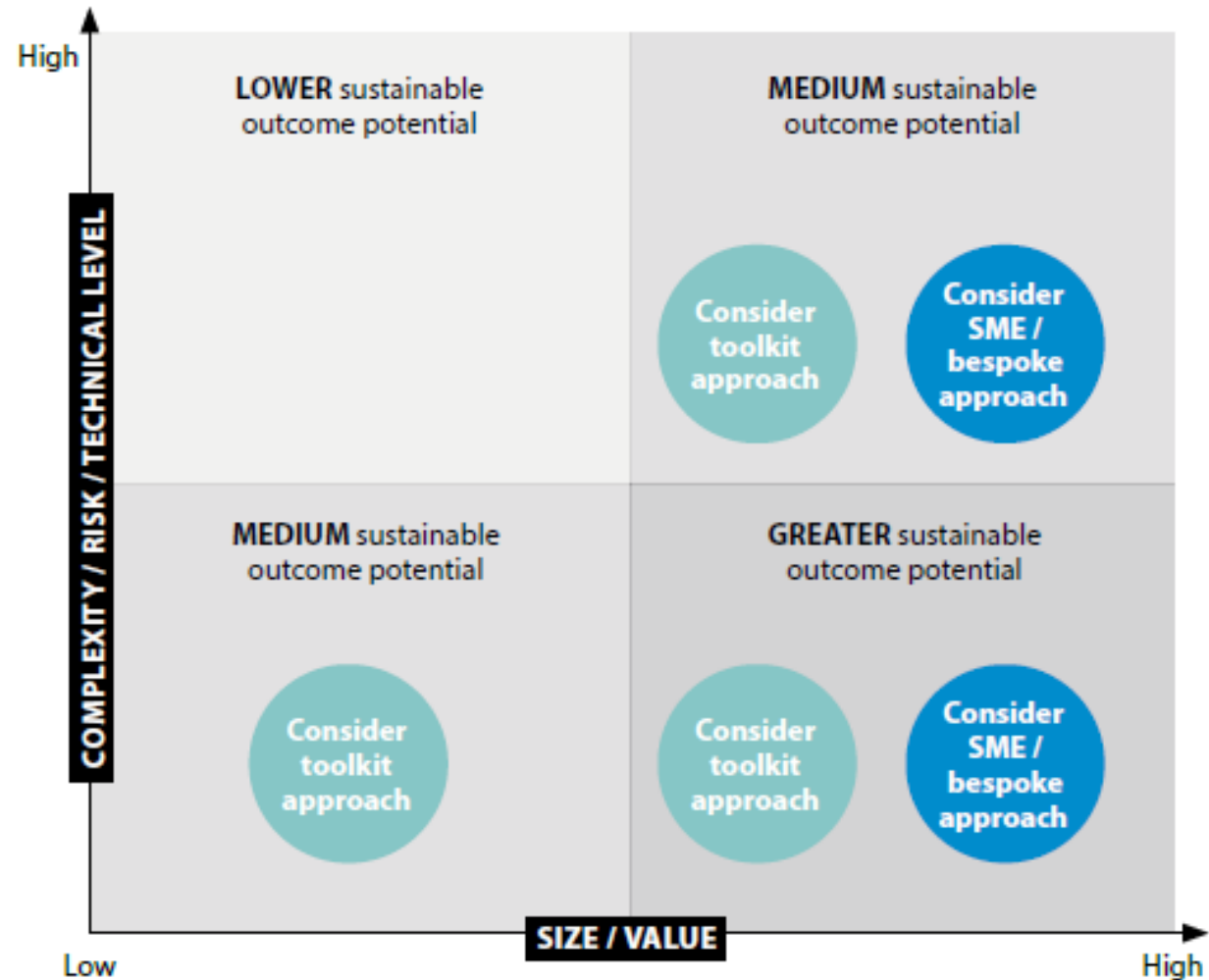
The key steps are broken down as follows:



3.2 SUSTAINABLE OUTCOMES TOOLKIT COMPONENTS (continued)

The project complexity level, size, value and term directly impact to what extent sustainable outcomes can be achieved.

The diagram to the right is to provide a guide on where the 'Toolkit' approach may be able to support embedding sustainable outcomes into projects/contracts.



3.3 STEP 1: OPPORTUNITY MAP

To leverage the best outcomes from ‘Step 1: Identify Opportunity Areas’, it is advised that those most familiar with the specific project/contract requirements are involved in the completion process.

Step 1B: Identify opportunities

OPPORTUNITY MAP OVERVIEW

Step 1A: Involves outlining the various stages of the project and the activities/outputs to be delivered upon within each phase. At this point it may be apparent that there are specific activities that have high risk or complexity. Although there may be strong temptation to disregard opportunities for sustainable outcomes to be applied to such activities, it is recommended to fully explore and consider all options, remembering that innovations in the market will often be supplier-led.

Step 1B: Involves identifying the potential social, cultural, economic and environmental opportunities that could be incorporated into the project.

Cells within the ‘Opportunity Map’ should be coloured to reflect where potential opportunities lie. The ID numbers referenced in this document each align to a corresponding ID number within ‘Step 2: RFX Question Guide’. (Refer overleaf.)

The image to the right provides an overview of the Opportunity Map to be completed in excel. This document can be found on the Auckland Council intranet.

ID number	SECTION 1		SECTION 2		SECTION 3		SECTION 4	
	1.SOCIAL		2. CULTURAL		3.ECONOMIC		4.ENVIRONMENTAL	
	Health & wellbeing	Local Stakeholder engagement	Māori Cultural Heritage	Mana Whenua Engagement	Employment of Priority social groups	Training & upskilling	Net Zero Carbon	Environmental Guardianship
	1.1	1.2	2.1	2.2	3.1	3.2	4.1	4.2
	Opportunity to de health, port and wellbeing initiatives	Opportunity to consult or involve local stakeholders	Opportunity to incorporate Māori culture into project /contract	Opportunity for mana whenua or Iwi involvement, engagement and/or partnership	Opportunity to hire priority social groups	Opportunity to provide training and upskilling – in particular for Maori or priority social groups	Opportunity to apply energy efficiency techniques, use renewable energy sources, reduce CO2 emissions	Opportunity to support the protection and enhancement of the natural environment
Project [X] activities								
Construction		Potential	Potential	Potential	Potential		Potential	Potential
Mobilisation								
Site survey				Potential		Potential		
Earthworks		Potential		Potential	Potential	Potential		
Drilling					Potential	Potential		
Concrete works					Potential	Potential		Potential
Planting	Potential		Potential	Potential	Potential	Potential	Potential	Potential

Step 1A: Define key project activities

3.4 STEP 2: RFX QUESTION GUIDE

This Sustainable Outcomes Question Guide ('Question Guide') is made up of four key sections which are aligned with Auckland Council Group's Sustainable Procurement Framework.

The Question Guide is to be used as a reference to support shaping a sustainable outcomes focused RFX ('RFX' includes 'Request for Tender', 'Request for Proposal' and 'Request for Information' or similar market documents). It should be used after having established the key sustainable outcome opportunity areas identified in 'STEP 1: OPPORTUNITY MAP'.

Questions are intentionally broad to allow suppliers to use their specialist knowledge within the project scope and demonstrate innovation. Certain innovations may provide Council with solutions that may have otherwise not been considered. It also allows the opportunity to improve initiatives (rather than restrict them) as innovations and new ways of thinking evolve. The sections are broken down as follows:



Social well-being

CATEGORY



Cultural well-being



Economic well-being



Environmental well-being

RFX QUESTION EXAMPLES

Sustainable Outcomes opening statement examples

[The following text is suggested wording to be used as an introductory guideline for RFX's. Phrasing can be adjusted to reflect specific project criteria.]

[Please provide detail on how your organisation will support Auckland Council with its sustainable outcomes goals, contribute to enabling Auckland to become a more inclusive, liveable city for all its inhabitants and one where the environment is protected and enhanced.]

Or

[Auckland Council aims to achieve long-term, meaningful benefits for New Zealanders and the environment by using the procurement process to leverage positive social, cultural, economic and environmental outcomes. When answering the questions below, consider how your organisation can contribute to delivering positive sustainable outcomes for Auckland's environment, economy and its inhabitants.]





NOTES FOR QUESTION GUIDE USE:

1. The Question Guide is to be used as a template to support proposal or tender preparation documents; it should not be relied upon as a 'one-size-fits-all' solution.
2. Questions will need to be reviewed and tailored to suit specific project and/or contract requirements and key focus areas.
3. It is recommended that Respondents are provided with the 'Auckland Council Sustainable Outcomes Supplier Guide' ('Supplier Guide') to support and provide clarity on how responses will be evaluated.
4. It is recommended that the number of questions are relative to the size of the procurement and amount of sustainable outcomes the contract aims to deliver. Normally, it is expected that somewhere between 3 -5 questions that focus on the key opportunity areas is a good benchmark.

STEP 2: RFX QUESTION GUIDE

CATEGORY ID # RFX QUESTION EXAMPLE

SECTION 1: SOCIAL WELLBEING

	<p>1.1</p>	<p>HEALTH AND WELLBEING</p> <p>Detail the employee health, support and wellbeing initiatives provided either directly by your organisation (and prime contractor/sub-contractor, as applicable) on an ongoing basis (business as usual) and/or as part of this project.</p> <p>Detail who the wellbeing initiatives are available to and whether there are any prerequisites to qualify employees, contractors, sub-contractors, volunteers etc. to be eligible? Is there a dedicated mentor or counsellor available for priority social groups*? Provide details.</p> <p><i>[Or for professional services]:</i></p> <p>Detail employee health, support and wellbeing initiatives provided by your organisation and who these are available to. Confirm whether your organisation has a dedicated mentor/counsellor available for any employees within priority social groups* to ensure their best chance of success? Provide details.</p> <p><i>* Note: Priority social groups include, but are not limited to apprentices, cadets, graduates, Māori, Pasifika, ethnically diverse, refugee background, long-term unemployed, disabled, mental health history, recidivists, vulnerable youths and vulnerable society members.</i></p>
	<p>1.2</p>	<p>LOCAL STAKEHOLDER ENGAGEMENT</p> <p>Detail the specifics of the local stakeholders your organisation will be engaging with that may have an interest in this project/contract. Detail how this will encourage community collaboration and provide positive social-economic and/or environmental outcomes?</p> <p><i>[Or for professional services]:</i></p> <p>Detail any ongoing relationships your organisation has with local stakeholders and explain how these relationships support positive socio-economic and/or environmental outcomes?</p>
	<p>1.3</p>	<p>CHARITABLE SUPPORT</p> <p>Detail how your organisation (and/or prime contractor/sub-contractors, as applicable) will support sustainable outcomes within the community through volunteering, charity support or support to social enterprises. Provide specific details.</p> <p><i>[Or for professional services]:</i></p> <p>Detail how your organisation supports sustainable outcomes within the community through volunteering, charity support or support to social enterprises. Provide specific details.</p>
	<p>1.4</p>	<p>LIVING WAGE</p> <p>Detail how many of your organisations employees (and prime contractor/sub-contractors employees, as applicable) involved in the project will be paid the living wage or higher and any that will not. Detail the hourly rate for new recruits and any increases to their hourly rate at 12 month and 24 month review stages.</p> <p><i>[Or for professional services]:</i></p> <p>Detail how many of your organisations employees are paid the living wage or higher and any that are not. Detail the hourly rate for new recruits and any increases to their hourly rate at 12 month and 24 month review stages.</p>

STEP 2: RFX QUESTION GUIDE

CATEGORY ID # RFX QUESTION EXAMPLES



SECTION 2: CULTURAL WELLBEING

	<p>2.1</p>	<p>MĀORI CULTURAL HERITAGE</p> <p>Explain how your organisation (and prime contractors/sub-contractors, as applicable) will be incorporating and respecting Māori culture, values and perspectives into the project and/or beyond its lifespan, noting that Auckland Council has an obligation to recognise and protect Māori rights and interests in line with Te Tiriti o Waitangi.</p> <p><i>[Or for professional services]:</i></p> <p>Explain how awareness of Māori culture, values and perspectives are incorporated into your organisation, noting that Auckland Council has an obligation to recognise and protect Māori rights and interests in line with Te Tiriti o Waitangi.</p>
	<p>2.2</p>	<p>MANA WHENUA And MATAAWAKA ENGAGEMENT</p> <p>Detail the level to which your organisation (and prime contractors/sub-contractors, as applicable) will be engaging with or involving mana whenua, mataawaka or specific iwi groups in this project/contract and whether there will be a dedicated contact to support positive, meaningful ongoing engagement.</p> <p><i>[Or for professional services]:</i></p> <p>Detail the level to which your organisation currently engages or involves mana whenua, mataawaka or specific iwi groups to support positive, meaningful ongoing engagement that reflects New Zealand’s cultural heritage.</p>
	<p>2.3</p>	<p>DIVERSITY AND INCLUSION</p> <p>Detail how your organisation (prime contractors/sub-contractors, as applicable) will be showing commitment to diversity and inclusion either specifically within this project and/or as business-as-usual. Provide the details of any accreditations, programmes or memberships that your organisation has with formal bodies and policies or recruitment processes that demonstrate a commitment to diversity and inclusion.</p> <p><i>[Or for professional services]:</i></p> <p>Detail how your organisation shows its support of diversity and inclusion in the work place. Provide the details of any accreditations, programmes or memberships that your organisation has with formal bodies and policies or recruitment processes that demonstrate a commitment to diversity and inclusion.</p> <p><i>Note: Diversity and inclusion includes but is not limited to race, culture, gender, gender identity, age or under-represented groups.</i></p>

STEP 2: RFX QUESTION GUIDE

CATEGORY ID # RFX QUESTION EXAMPLES


SECTION 3: ECONOMIC WELLBEING

	<p>3.0</p>	<p>GENERAL INTRODUCTION</p> <p>[The following text is suggested optional wording to be used as an introductory guideline for within the “economic” category. Phrasing can be adjusted to reflect specific project criteria.]</p> <p>General introduction:</p> <p>[Auckland Council consider there will be opportunities to positively impact equality and diversity outcomes in the provision and operation of services, including employing a workforce that is representative of the communities we serve, where relevant and proportionate. Furthermore, Council encourage an ethical supply-chain model that provides opportunity within the local community and for the small to medium businesses within it. Provide details on how your organisation would generate positive outcomes (via the project/contract) around the following focus areas:]</p> <p>Māori focussed introduction:</p> <p>[Auckland Council endeavour to support organisations that positively impact equality and diversity outcomes in the provision and operation of their services, including employing a workforce that is representative of the communities we serve, where relevant and proportionate. In particular, Council support the success of Auckland’s Māori and Pasifika communities. Provide details on how your organisation would generate positive outcomes to support Maori and Pasifika people].</p>
	<p>3.1</p>	<p>EMPLOYMENT OF PRIORITY SOCIAL GROUPS</p> <p>Will your organisation hire anyone from priority social groups for this contract and if so, how many from each group and through what recruitment process? Provide details on any ongoing mentoring support or similar that will be provided to those within this priority group.</p> <p><i>Priority social groups include: Māori, Pasifika, apprentices, cadets, graduates, ethnically diverse, refugee background, long-term unemployed, those with disabilities, mental health history, recidivists, vulnerable youths and vulnerable society members.</i></p> <p>[Or for professional services]:</p> <p>Detail the current hires that your organisation has from priority social groups (refer below) and the recruitment process followed to reach the nominated target group(s)? Provide details on any ongoing mentoring support or similar that is provided to those within priority groups.</p> <p><i>Priority social groups include: Māori, Pasifika, apprentices, cadets, graduates, ethnically diverse, refugee background, long-term unemployed, those with disabilities, mental health history, recidivists, vulnerable youths and vulnerable society members.</i></p>

STEP 2: RFX QUESTION GUIDE

CATEGORY ID # RFX QUESTION EXAMPLES



SECTION 3: ECONOMIC WELLBEING

 <p>Economic well-being</p>	<p>3.2</p>	<p>UPSKILLING THE LOCAL ECONOMY:</p> <p>Explain how your organisation (and prime contractor/sub-contractors, as applicable) will provide opportunities for upskilling or training for those involved in the project and the specifics of the opportunities available. Provide specific details on who the training and upskilling will be available to and the types of training your organisation will be providing. Specifically, detail whether your organisation will provide upskilling and training opportunities for:</p> <ul style="list-style-type: none"> ▪ Māori and/or Pasifika people ▪ Other priority social groups* ▪ The domestic construction sector workforce. <p><i>Priority social groups include: Māori, Pasifika, apprentices, cadets, graduates, ethnically diverse, refugee background, long-term unemployed, those with disabilities, mental health history, recidivists, vulnerable youths and vulnerable society members.</i></p> <p>[Or for professional services]:</p> <p>Detail the upskilling and training opportunities your organisation provides or sponsors for employees. Provide specific details on who the training and upskilling opportunities are available to and not available to. Specifically, detail whether your organisation provides upskilling and training opportunities for:</p> <ul style="list-style-type: none"> ▪ Māori and/or Pasifika people ▪ Other priority social groups* ▪ The domestic construction sector workforce. <p><i>Priority social groups include: Māori, Pasifika, apprentices, cadets, graduates, ethnically diverse, refugee background, long-term unemployed, those with disabilities, mental health history, recidivists, vulnerable youths and vulnerable society members.</i></p>
 <p>Economic well-being</p>	<p>3.3</p>	<p>GENDER EQUALITY:</p> <p>Detail how your organisation (and prime contractors/sub-contractors, as applicable) will demonstrate equitable gender employment practices and any initiatives in place to support or encourage women into 'non-traditional' trades professions (e.g. construction, engineering) and/or senior leadership roles within this project.</p> <p>[Or for professional services]:</p> <p>Demonstrate how your organisation supports equitable gender employment practices and any initiatives in place to support or encourage women into senior leadership or 'non traditional' roles within the organisation. Provide gender diversity metrics for senior leadership positions within your organisation.</p>

STEP 2: RFX QUESTION GUIDE

CATEGORY ID # RFX QUESTION EXAMPLES




SECTION 3: ECONOMIC WELLBEING

	<p>3.4</p>	<p>SUPPLIER DIVERSITY:</p> <p>Explain how your organisation (and prime contractors/sub-contractors, as applicable) will support:</p> <ul style="list-style-type: none"> ▪ Supplier diversity in the supply-chain throughout delivery of the project. This may include, (but is not limited to) supporting small businesses, contractors, sub-contractors, social enterprises, socially innovative businesses, female owned businesses and/or Māori or Pasifika owned businesses. ▪ Local industry for key material requirements ([[insert example materials here relevant to project]]) to encourage local employment, support NZ made and reduce waste and emissions. Provide information on whether your organisation uses services, purchases materials, products and/or goods that are ethically sourced. ▪ Market accessibility to enable small-medium businesses to participate in projects with greater ease and fewer barriers to entry. (For example, by supporting processes and contract models that provide manageable scale and term considerations.) <ul style="list-style-type: none"> ○ Provide specific details of the businesses your organisation will be supporting and their core industry; and ○ The duration of the support to be provided to the above. <p>[Or for professional services]:</p> <p>Explain how your organisation (and prime contractors/sub-contractors, as applicable) supports:</p> <ul style="list-style-type: none"> ▪ Supplier diversity in the supply-chain throughout delivery of services. This may include, (but is not limited to) supporting small businesses, contractors, sub-contractors, social enterprises, socially innovative businesses, female owned businesses and/or Māori or Pasifika owned businesses. ▪ Local industry for key material requirements or services to encourage local employment, support NZ made and reduce waste and emissions. Provide information on whether your organisation uses services, purchases materials, products and/or goods that are ethically sourced. ▪ Market accessibility to enable small-medium businesses to work with your organisation with greater ease and fewer barriers to entry. (For example, by supporting processes and contract models that provide manageable scale and term considerations.) <ul style="list-style-type: none"> ○ Provide specific details of the businesses your organisation will be supporting and their core industry; and ○ The duration of the support to be provided to the above.
	<p>3.5</p>	<p>INNOVATION:</p> <p>Detail any bespoke or innovative initiatives that your organisation (and prime contractors/sub-contractors, as applicable) will provide to support or enhance social, cultural, economic and/or environmental community outcomes.</p> <p>Explain whether this (or these) initiative(s) will provide benefit for the lifetime of the project only, or whether there will be longer term outcomes and if so, the expected duration and effects.</p> <p>[Or for professional services]:</p> <p>Detail any bespoke or innovative initiative(s) that your organisation provides to support or enhance positive social, cultural, economic and/or environmental community outcomes. (These initiatives may be internal or external).</p>



STEP 2: RFX QUESTION GUIDE

CATEGORY ID # RFX QUESTION EXAMPLES

SECTION 3: ENVIRONMENTAL WELLBEING

 <p>Environmental well-being</p>	<p>4.0</p>	<p>GENERAL INTRODUCTION:</p> <p>[The following text is suggested optional wording to be used as an introductory guideline for within the “environmental” category. Phrasing can be adjusted to reflect specific project criteria.]</p> <p>[Auckland Council is committed to the protection, enhancement and guardianship (Kaitiakitanga) of the natural environment as well as supporting the transition to a zero net carbon emissions and zero-waste economy. Provide details on how your organisation will generate positive environmental outcomes (via the project) around the following focus areas:]</p> <p>[Or for professional services]:</p> <p>[Auckland Council is committed to the protection, enhancement and guardianship (Kaitiakitanga) of the natural environment as well as supporting the transition to a zero net carbon emissions and zero-waste economy. Provide details on how your organisation is contributing to achieving positive environmental outcomes around the following focus areas:]</p>
 <p>Environmental well-being</p>	<p>4.1</p>	<p>NET ZERO CARBON:</p> <p>Explain the measures your organisation (and prime contractor/sub-contractors) will take to reduce fuel consumption and CO2 emissions and limit the project's carbon footprint. Provide details on how your organisation plans to achieve energy efficiencies on this project and whether these efficiencies can be measured.</p> <p>[Or for professional services]:</p> <p>Explain the measures your organisation takes to reduce fuel consumption and CO2 emissions, and limit its carbon footprint, noting New Zealand’s commitment to the United Nations Sustainability Goals. Provide detail on any energy efficiencies your organisation measures and provide an overview of results where possible.</p>
 <p>Environmental well-being</p>	<p>4.2</p>	<p>ENVIRONMENTAL GUARDIANSHIP:</p> <p>Provide details on how your organisation (and prime/sub-contractors, as applicable) will support the protection and enhancement of the natural environment during this project (noting the natural environment includes wildlife, fauna and flora).</p> <p>Examples include, but are not limited to: environmental education/communication/programmes, community driven environmental protection projects, partnering with bodies that invest in and promote ecological conservation and natural heritage enhancements, recycling, up-cycling, use of biodegradable products, volunteering, fundraising for environmental protection causes, and support to innovations/organisations that support New Zealand’s natural heritage and biodiversity preservation.</p> <p>[Or for professional services]:</p> <p>Provide details on how your organisation supports the protection and enhancement of the natural environment (noting the natural environment includes wildlife, fauna and flora) on an ongoing basis.</p> <p>Examples include, but are not limited to: environmental education/communication/programmes, community driven environmental protection projects, partnering with bodies that invest in and promote ecological conservation and natural heritage enhancements, recycling, up-cycling, use of biodegradable products, volunteering, fundraising for environmental protection causes, and support to innovations/organisations that support New Zealand’s natural heritage and biodiversity preservation.</p>

STEP 2: RFX QUESTION GUIDE

CATEGORY	ID #	RFX QUESTION EXAMPLES
SECTION 3: ENVIRONMENTAL WELLBEING		
 <p>Environmental well-being</p>	4.3	<p>WASTE MINIMISATION:</p> <p>Provide details on how your organisation (and prime contractors/sub-contractors) will minimise waste to landfill and reduce or eliminate the impacts of hazardous waste on the environment during this project. Detail how your organisation will ensure all involved in the project are aware of waste management guidelines.</p> <p>[Or for professional services]:</p> <p>Provide details on the measures your organisation takes to minimise waste to landfill as business-as-usual. Detail how your employees made aware of organization-wide waste management guidelines?</p>
 <p>Environmental well-being</p>	4.4	<p>RESPONSIBLE WATER MANAGEMENT:</p> <p>Explain your organisation’s (and prime contractors/sub-contractors, as applicable) plan to ensure that waste water, storm-water and/or run-off has the least negative impact on the environment and any water related innovations that will be implemented to support protection of the natural environment and its resources during this project/contract.</p> <p>[Or for professional services]:</p> <p>Explain any measures your organisation takes to ensure waste water, storm-water and/or run-off has the least negative impact on the environment (where applicable) and/or any water related innovations your organisation supports to ensure protection of the natural environment.</p>

3.5 STEP 3: EVALUATION GUIDE

This evaluation guide aims to support the process of evaluating RFX responses. It is advised that the following steps are taken prior to using this guide.

Recommended steps to support use of the Evaluation Guide:

1. Refer to the original RFX document sent to the market to understand which questions from “Step 2: RFX Question Guide” were used.
2. **You will only need the Evaluation Guide elements that align with the relevant RFX questions that were sent to the market** (i.e. you will **not** need the entire Evaluation Guide). For example, if the only question used in the RFX Question Guide was ‘ID# 1.1 Health and Well-Being’, then ‘ID# 1.1 Health and Well-Being’ within the Evaluation Guide need be the only one to be evaluated (as part of the Sustainable Outcomes section).
3. Note that the reference number given to a ‘sustainable outcome’ question in an RFX will likely have a different reference number to those within the Toolkit. Therefore, referring to the RFX sent to the market in advance of evaluation is advised.
4. Check that all tenderers are listed in your sustainable outcomes evaluation guide sheet.
5. Note the ‘Priority rating’ given to each Sustainable Outcome Well-Being category: 1 = High importance, 2 = Medium, 3 = Desirable. These priority ratings are based on the categories’ respective abilities to directly contribute to solving Auckland’s 2050 challenges. Ratings may change over time as priorities change.

Use the Score Guidelines below to score the Non-Price ‘Sustainable Outcome’ Attribute for each Tenderer.

COMPLIANCE	DEFINITION	KEY WORDS	DEFICIENCY	SCORE OPTIONS
Significantly exceeds	Significantly exceeds the requirement in a way that provides Auckland Council significant added value.	Significant added value		85, 90, 95, 100
Exceeds	Exceeds the requirement in some aspects and or offers Auckland Council some added value	Some added value		65, 70, 75, 80
Compliant	Has shown an understanding of the requirement to the specified level Can provide the requirement to the specified level.	Specified level		50, 55, 60
Non-compliant	Does not meet the requirement Marginally deficient Minimal cost or schedule impact to address Minor negotiation required to achieve requirement	Marginally deficient	Minor	40, 45
Non-compliant	Does not meet the requirement Requirement only partially met Achievement of the requirement will impact on the cost or schedule Significant negotiation required to meet the requirement	Partially met	Significant	5, 10, 15, 20, 25, 30, 35
Non-compliant	Does not meet the requirement Requirement not met to any degree by the solution offered No information provided	Not met	Critical	0

3.5 EVALUATION SUPPORT

To support evaluating responses fairly across the 'sustainable outcomes' category questions, consider dividing questions to make up a 100% sustainable outcomes score. From here, significantly exceeds, exceeds, compliant and non-compliant scores can be graded based on the respective number of questions. Please see examples below.

Score Guidelines provided below to support scoring the non-price 'Sustainable Outcome' attributes for each Tenderer.

# of questions	% allocated to each question	Compliance	Scoring options per question
1.	25%	Significantly exceeds	21% - 25%
2.	25%	Exceeds	16% - 20%
3.	25%	Compliant	12.5% - 15%
4.	25%	Non-compliant: Minor	10% - 11.5%
	100%	Non-compliant: Partially met	1.25% - 9%
		Non-compliant: Not met	0%





# of questions	% allocated to each question	Compliance	Scoring options per question
1.	20%	Significantly exceeds	17% - 20%
2.	20%	Exceeds	13% - 16%
3.	20%	Compliant	10% - 12%
4.	20%	Non-compliant: Minor	8% - 9%
5.	20%	Non-compliant: Partially met	1% - 7%
6.	100%	Non-compliant: Not met	0%

# of questions	% allocated to each question	Compliance	Scoring options per question
1.	16.6%	Significantly exceeds	13% - 16.6%
2.	16.6%	Exceeds	10% - 12%
3.	16.6%	Compliant	8% - 9%
4.	16.6%	Non-compliant: Minor	6% - 7%
5.	16.6%	Non-compliant: Partially met	1% - 5%
6.	16.6%	Non-compliant: Not met	0%
	100%		

STEP 3: EVALUATION GUIDE

CATEGORY ID # EVALUATION GUIDE

SECTION 1: SOCIAL WELLBEING

 <p>Social well-being</p>	<p>1.1</p>	<p>HEALTH AND WELL-BEING: PRIORITY RATING: 2</p> <p>Evaluate whether the organisation provides any health and wellbeing initiatives and who these are accessible to.</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> Health and wellbeing examples include, but are not limited to: flexible working arrangements, gym memberships, counselling or mental wellbeing services, family violence leave, encouraging smoke-free environments or offering quit smoking programmes, alcohol education initiatives, sun-smart programmes or education (any outdoor roles should consider how employee will be protected), dietary advice or education programmes, sharing groups, food sponsorship or 'move more'/fitness initiatives. Note whether initiatives will be provided on an ongoing basis or during the project/contract duration only.
 <p>Social well-being</p>	<p>1.2</p>	<p>LOCAL STAKEHOLDER ENGAGEMENT: PRIORITY RATING: 3</p> <p>Evaluate whether the supplier will support, consult or engage with any local groups or stakeholders that have an interest in the project. Examples may include, but are not limited to, mana whenua, local iwi, community groups, local boards and local schools. Consider whether any stakeholders are in a 'priority social group'.</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> Local stakeholders the supplier will engage with and the degree of positive social impact likely to occur from these stakeholders The degree/level of engagement. For example, communication updates, once off engagement, ongoing consultation, or opportunity to be involved in project The likely impact of positive social outcomes to be achieved through the supplier's suggested support, consultation or engagement level Consider how effective the supplier is likely to be in engaging with local stakeholders based on their proposal and knowledge displayed
 <p>Social well-being</p>	<p>1.3</p>	<p>CHARITABLE SUPPORT: PRIORITY RATING: 3</p> <p>Evaluate suppliers based on the level of positive social impact they will give back to the community through:</p> <ol style="list-style-type: none"> Supporting charities Supporting social enterprises Providing volunteers <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> Consider the dollar value of support and duration of support Consider the level of positive sustainable, social or environmental outcomes to be achieved based on the support Consider whether the organisation supported specifically supports the local community, local environment, uses sustainable practices or supports positive social outcomes.
 <p>Social well-being</p>	<p>1.4</p>	<p>LIVING WAGE: PRIORITY RATING: 3</p> <p>Evaluate the number of employees (and prime/sub-contractors employees, as applicable) involved in the project that will be paid the living wage or higher and the number that will not.</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> Evaluate whether new recruits have a salary review plan which aims to bring their overall rate up to the minimum requirement by a set acceptable date Evaluate whether the supplier encourages its prime contractor and/or sub-contractors to provide a living wage.

STEP 3: EVALUATION GUIDE

CATEGORY ID # EVALUATION GUIDE



SECTION 2: CULTURAL WELLBEING

 <p>2.1</p>	<p>MĀORI CULTURAL HERITAGE: PRIORITY RATING: 2</p> <p>Evaluate the intended level of Māori cultural, values and perspectives the supplier will incorporate into the project. For example, active use of Te Reo and tikanga Māori in communications, protocols, blessing of sites, powhiri, use of marae, Māori design influence and/or dedicated Māori cultural groups within the organisation.</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> • The general theme/use of words throughout the proposal to demonstrate Māori cultural understanding. • Should the supplier be providing design expertise, consider whether they have proposed designs that reflect New Zealand’s cultural heritage.
 <p>2.2</p>	<p>MANA WHENUA AND MATAAWAKA ENGAGEMENT: PRIORITY RATING: 1</p> <p>Evaluate based on the intended level of engagement with mana whenua, mataawaka or the relevant iwi group. (For example, communication updates, once-off engagement, ongoing engagement, opportunity to be involved in project, investment opportunity, influencing opportunity, regular meetings and/or Board meeting representation.)</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> • Consider the impact of positive cultural outcomes to be achieved through the suppliers engagement with mana whenua, mataawaka or iwi • Consider whether there will be a dedicated contact to support positive, meaningful ongoing consultation with Māori • Should the supplier be providing design expertise, evaluate whether the supplier will be seeking Māori input on design specifically • Consider whether the supplier has recognised local iwi that may have an interest in the contract/project or area that the project is based
 <p>2.3</p>	<p>DIVERSITY AND INCLUSION: PRIORITY RATING: 3</p> <p>Rate the supplier’s commitment to valuing diversity and inclusion either within this project or as business-as-usual. Note: Diversity and inclusion includes but is not limited to race, culture, gender, gender identity, age, under-represented groups or gender identity.</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> • Accreditations, programmes or memberships that the supplier has with formal bodies that support diversity and inclusion. (For example, ‘tick’ Accreditations) • Consider whether the supplier supports inclusion/equal opportunities as part of their recruitment advertising process, company website and/or organisation intranet • Consider the efforts the supplier has made to advertise itself as having an attractive, safe, inclusive and diverse environment and any repercussions for anti-inclusion behaviours to employees • Consider the percentage of females involved in the project in senior positions.

STEP 3: EVALUATION GUIDE

CATEGORY ID # EVALUATION GUIDE



SECTION 3: ECONOMIC WELLBEING

	<p>3.1</p>	<p>EMPLOYMENT OF PRIORITY SOCIAL GROUPS PRIORITY RATING: 1</p> <p>Evaluate based on the:</p> <ol style="list-style-type: none"> 1. Committed number of hires 2. Duration of hire period 3. Category of Priority Social Group that the hire falls into. <p><i>Priority Social Groups include: Māori, Pasifika, apprentices, cadets, graduates, Māori, Pasifika, ethnically diverse, refugee background, long-term unemployed, disability, mental health history, recidivists, vulnerable youths and vulnerable society members.</i></p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> ▪ Specifically consider whether Maori or Pasifika people are positively impacted. ▪ Consider the recruitment process used. For example, how the supplier intends to market opportunities. Consider whether the approach lends itself to a high success rate in targeting a priority social group. ▪ Consider whether the supplier will be providing any ongoing support or mentoring to ensure the success of the hires for individuals within this priority social group <p><i>Note that in some instances the project/contract may be better suited to looking at organisation-wide hires (may be new or existing), in which case the evaluation would still be based on the advised number, duration and priority social group.</i></p>
	<p>3.2</p>	<p>UPSKILLING THE LOCAL ECONOMY: PRIORITY RATING: 1</p> <ul style="list-style-type: none"> ▪ Evaluate who training and upskilling is available to (consider how widely spread the opportunities are available and specifically whether priority social groups benefit). For example, Māori or Pasifika people, other priority social groups, full-time employees only, contractors, small-medium businesses, volunteers, and all parties involved in the project. ▪ Evaluate the impact on upskilling Auckland’s workforce. (e.g. Consider whether upskilling opportunities support the domestic construction sector workforce or other areas of the workforce that will positively influence the economy, for example priority social groups.) <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> ▪ Consider whether Maori and/or Pasifika people are positively impacted. ▪ Consider whether the upskilling and training would contribute towards a recognised formal qualification ▪ The length of term that the supplier will be providing these upskilling and training opportunities ▪ Consider whether the supplier will fully fund the upskilling/training, subsidise or other.
	<p>3.3</p>	<p>GENDER EQUALITY: PRIORITY RATING: 2</p> <p>Evaluate whether the supplier demonstrates and supports equitable employment practices.</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> ▪ Evaluate whether there are any initiatives in place to support or encourage women into leadership roles and/or ‘non-traditional’ trades professions (e.g. construction or engineering).

STEP 3: EVALUATION GUIDE

CATEGORY ID # EVALUATION GUIDE






SECTION 3: ECONOMIC WELLBEING

 <p>Economic well-being</p>	<p>3.4</p>	<p>SUPPLY-CHAIN: PRIORITY RATING: 1</p> <p>Evaluate whether the supplier supports:</p> <ul style="list-style-type: none"> Local industry for key material requirements or services Diversity of business sizes within their supply-chain (i.e. small- medium businesses) Market accessibility to support supplier diversity (per point above) Social enterprises Māori or Pasifika owned businesses <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> Consider whether local industries supported are NZ owned, support local employment, and have ethical values Consider whether the supplier suggests options that will provide greater ease and fewer barriers to entry for small-medium businesses being a part of the supply-chain, project or contract <p><i>Note: Supporting processes and contract models might include those that provide manageable scale and term considerations for smaller businesses to realistically achieve.</i></p> <p><i>Note that ethical supply-chains should consider good conditions and fair pay for all workers, as well as considering how to cause least harm to the environment through achieving the businesses objectives.</i></p>
 <p>Economic well-being</p>	<p>3.5</p>	<p>INNOVATION: PRIORITY RATING: 2</p> <p>Evaluate the likelihood that the suppliers bespoke or innovative initiatives will support solutions to Auckland’s key challenges by contributing to the city’s livability, prosperity of its people, and environmental protection and enhancement.</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> Evaluate whether the supplier’s innovations will provide benefit for the duration of the project only or whether there will be longer term positive sustainable outcomes.

STEP 3: EVALUATION GUIDE

CATEGORY ID # EVALUATION GUIDE

SECTION 3: ENVIRONMENTAL WELLBEING

	<p>4.1</p>	<p>NET ZERO CARBON: PRIORITY RATING: 1</p> <p>Evaluate based on the measures the supplier (and prime/sub-contractors, as applicable) will take to reduce their carbon footprint.</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> ▪ Evaluate based on the number and type of renewable energy sources the supplier intends to use as an alternative to non-renewable, and whether the supplier intends to measure their efficiencies achieved and whether afforestation or other carbon offsetting initiatives will be used.
	<p>4.2</p>	<p>ENVIRONMENTAL GUARDIANSHIP: PRIORITY RATING: 1</p> <p>Evaluate based on whether the supplier will support the protection and enhancement of the natural environment.</p> <p><i>Note: Methods to protect or enhance the environment may be direct or indirect. Indirect may include education, environment related communications, programmes and community driven environmental protection projects engagement, and/or partnering with bodies that invest in and promote ecological conservation and natural heritage enhancements.</i></p>
	<p>4.3</p>	<p>WASTE MANAGEMENT: PRIORITY RATING: 1</p> <p>Evaluate based on the measures the supplier (and prime contractors/sub-contractors, as applicable) will take to ensure waste to landfill is minimised and the impacts of hazardous waste on the environment are reduced.</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> ▪ Consider whether the supplier will communicate the importance of responsible waste management to all involved in the project ▪ Consider the type of waste management systems the supplier will be using and their likely effectiveness ▪ Consider the suppliers estimated reduced tonnage to landfill as a result of the recycling, up-cycling or similar ▪ Evaluate whether any waste management suppliers to be used are locally sourced, ethical and support any sustainable outcome values.
	<p>4.4</p>	<p>RESPONSIBLE WATER MANAGEMENT: PRIORITY RATING: 1</p> <p>Evaluate how the supplier will ensure that waste water, storm-water and/or run-off has the least negative impact on the environment and any water related innovations that will be implemented to support protection of the natural environment and its resources.</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> ▪ Evaluate based on the measures the supplier will take to address: waste water going straight out to sea or into the natural environment, whether waste water will be treated/filtered before disposal, water consumption and recycling measures the supplier will be using, including use of green-space infrastructure to reduce run-off, methods to recycle grey water, use of storm-water collection tanks and filtration, and/or any initiatives that support water resource or recycling.
	<p>4.5</p>	<p>NATURAL HERITAGE PROTECTION: PRIORITY RATING: 1</p> <p>Evaluate based on the measures the supplier will take to retain, protect and/or enhance the natural environment during this project and specific details of how they intend to do this. (Note, the natural environment includes wildlife, fauna and flora.) Examples may include, but are not limited to:</p> <ul style="list-style-type: none"> ▪ Providing funding or volunteers to organisations that protect or enhance the natural environment (e.g. NZ Government Billion Trees project or similar, wildlife protection initiatives, supporting or contributing to a Predator Free 2050 for NZ) ▪ Intends to provide funding or volunteers to organisations that protect the natural environment and if so how many and funding value.

3.6 STEP 4: KPI MEASUREMENT GUIDE

Sustainable Outcomes Key Performance Indicators (KPIs) are used to measure an organisation's progress against sustainable outcomes goals within a specific time frame and to track any potential for improvement in the future.

Sustainable Outcomes Key Performance Indicators (KPIs) are used to measure an organisation's progress against sustainable outcomes goals within a specific time frame and to track any potential for improvement in the future. One of the key obstacles to measuring these types of KPIs, is the complexity surrounding what sustainable outcomes success means, especially as some successes within this category are more subjective. However, tracking achievement and recognising the connections between tangible, reportable results and more difficult to measure goals will improve the chances of increasing sustainable outcomes when compared to not tracking at all. In essence, what is measured is more likely to be achieved!

IMPORTANCE OF DEVELOPING SMART KPIS

The intention of this guide is to support holding organisations to account on delivering sustainable outcomes promises and measuring their sustainable outcomes performance. KPIs should be tailored to suit specific contract requirements, therefore the intention of this guide is to provide indications on **some** of the types of performance metrics that could be considered.




As with 'Step 2' RFX Questions, KPIs should be aligned to meet the ultimate sustainable outcomes goals specific to the contract they apply to. Ideally KPIs would be finalised through negotiation and be informed and moderated through review of supplier responses around what is achievable for the contract. Actual delivery of sustainable outcomes is essentially supplier led, so final KPI targets must be realistic.

As a general rule, KPIs are most successful when they use the 'SMARTER' acronym:

- ✓ **Specific:** Clear and concise to avoid any misinterpretation of goals with a focus on sustainability outcomes that align with the core business strategy
- ✓ **Measurable:** Quantifiable results
- ✓ **Achievable:** Practical and reasonable given the resources available, timelines and conditions
- ✓ **Relevant:** Relevant to sustainable outcomes goals
- ✓ **Timed:** Clear timelines to achieve and for measurement to take place
- ✓ **Ethical:** Principled, fair, transparent without harm to people or the environment
- ✓ **Recorded:** Documented results



Finally, the number of sustainability KPIs is key. When creating contract KPIs, it is advised to focus on those that will generate the greatest impact and ideally those that are most closely aligned to addressing Auckland's and New Zealand's key challenge areas. Focusing on fewer goals within each phase, decreases the chances of confusion of the key focus areas and ultimately improves the chances of sustainability outcomes success.

STEP 4: KPI MEASUREMENT GUIDE




PRIORITY RATING:   

CATEGORY ID # KPI MEASUREMENT GUIDE

SECTION 1: SOCIAL WELLBEING



	<p>1.1</p>	<p>HEALTH AND WELL-BEING: PRIORITY RATING: 2</p> <p>Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:</p> <ul style="list-style-type: none"> ▪ A list of the health and wellbeing programmes they have provided for their employees and/or contractors. ▪ The number of employees who are taking part in the programmes. ▪ Who the programmes were available to. ▪ Evidence of how the programmes have been made known within the organisation. ▪ Average number of paid sick days per employee. ▪ Number of employees on parental leave. ▪ Number of part time employees. ▪ Number of employees with flexible working arrangements (i.e. work from home arrangement). ▪ Retired employees receiving pensions from the supplier. <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>
	<p>1.2</p>	<p>LOCAL STAKEHOLDER ENGAGEMENT: PRIORITY RATING: 3</p> <p>Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:</p> <ul style="list-style-type: none"> ▪ Local stakeholder engagement register. ▪ Report on number and frequency of engagements with nominated stakeholder groups. ▪ Confirm high-level stakeholder engagement plan. ▪ Net Promoter Score (NPS) rating, feedback reports or similar on stakeholders engagement experience with supplier. <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>

STEP 4: KPI MEASUREMENT GUIDE

PRIORITY RATING:   

CATEGORY ID # KPI MEASUREMENT GUIDE




SECTION 1: SOCIAL WELLBEING

	1.3	<p>CHARITABLE SUPPORT: PRIORITY RATING: 3</p> <p>Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:</p> <ul style="list-style-type: none">▪ A list of the charities/social enterprises supported.▪ Amount donated to charitable organisations/social enterprises.▪ Number of supplier employees engaged in voluntary work.▪ Average number of paid volunteer hours utilised per employee.▪ Number of free services donated to charitable causes. <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>
	1.4	<p>LIVING WAGE: PRIORITY RATING: 2</p> <p>Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:</p> <ol style="list-style-type: none">1. Total number of employees.2. Number of employees and contractors paid a living wage. <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above. For example, evidence of living wage provided to the stated employees e.g. pay slips or contracts.</p>

STEP 4: KPI MEASUREMENT GUIDE

CATEGORY ID # KPI MEASUREMENT GUIDE

SECTION 2: CULTURAL WELLBEING

 <p>2.1</p>	<p>MĀORI CULTURAL HERITAGE: PRIORITY RATING: 3</p> <p>Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:</p> <ul style="list-style-type: none"> ▪ Details on where and how Te Reo was used throughout the project. ▪ Dates and number of employees provided with training on Te Reo or Māori protocols during project/contract. ▪ The number of traditional Māori ceremonies performed throughout the project and approximate number of attendees. ▪ The number of employees that are a part of Māori cultural group. ▪ How Māori design influence was incorporated (as applicable). <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>
 <p>2.2</p>	<p>MANA WHENUA AND MATAAWAKA ENGAGEMENT: PRIORITY RATING: 2</p> <p>Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:</p> <ul style="list-style-type: none"> ▪ High-level communication plan (mana whenua, mataawaka or iwi specific). ▪ Name of suppliers' dedicated mana whenua, mataawaka or iwi contact to support meaningful engagement. ▪ High-level details of investment value commitment to mana whenua or mataawaka (as applicable). <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>
 <p>2.4</p>	<p>DIVERSITY AND INCLUSION: PRIORITY RATING: 3</p> <p>Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:</p> <ol style="list-style-type: none"> 1. Number of contract/project or full-time employees (as relevant) that identify as: <ol style="list-style-type: none"> a. Female b. Māori c. Pasifika d. % of the above in senior positions (positions of strong influence) and specific role titles. 2. Proof of diversity and inclusion support, including: <ol style="list-style-type: none"> a. Supplier website blurbs b. Company intranet c. Recruitment advertisements d. Details of 'Tick' Accreditations the supplier supports e. Evidence of standard diversity and inclusion phrases the supplier uses for recruitment advertising f. Counselling support services g. Internal education measures h. Details of any anti-inclusion behaviour repercussions within staff employment contracts/company policies <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>

STEP 4: KPI MEASUREMENT GUIDE

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SECTION 3: ECONOMIC WELLBEING



3.1

EMPLOYMENT OF PRIORITY SOCIAL GROUPS PRIORITY RATING: 1

Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:



1. Number of [full-time] / [contract] employees
2. Number of [full-time] / [contract] employees that fall within a priority social group
3. Within the number of priority social groups, break down the number that fall within each of the following categories:
 - a. Apprentices/Cadets/Graduates
 - b. Long-term unemployed
 - c. Māori
 - d. Pasifika
 - e. Criminal history
 - f. On disability allowance
4. Number of dedicated mentors/pastoral care employees or contractors provided to support the success of priority social groups.
5. Average length of service for all employees
6. Average length of service for priority social groups, as follows:
 - a. Apprentices/Cadets/Graduates
 - b. Long-term unemployed
 - c. Māori
 - d. Pasifika
 - e. Criminal history
 - f. On disability allowance
7. New annual organisational hires that fall within a priority social group.

Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above. This may include hire documentation during the contract/employment period to confirm the hires, evidence of advertisements and medium where these were placed and details of any target organisations to enable successful priority group recruitment.

STEP 4: KPI MEASUREMENT GUIDE

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SECTION 3: ECONOMIC WELLBEING

	<p>3.2</p>	<p>UPSKILLING THE LOCAL ECONOMY: PRIORITY RATING: 1</p> <p>Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:</p> <ol style="list-style-type: none"> 1. Number of employees who were provided with and attended training opportunities overall 2. Number of employees in question 1 that fall into a ‘priority social group’, specifically: <ol style="list-style-type: none"> a. Apprentices/Cadets/Graduates b. Long-term unemployed c. Māori d. Pasifika e. Criminal history f. On disability allowance 3. Average expenditure on employee training per head within organisation. 4. Number of employees provided with each of the following and specific ‘priority social group’ they fall into: <ul style="list-style-type: none"> ▪ General upskilling (NVQ 1-4) ▪ Trades specific upskilling (levels 4-6) ▪ Tertiary or higher 5. Confirmation of mentors/pastoral care provided to support priority social group success. <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>
	<p>3.3</p>	<p>GENDER EQUALITY: PRIORITY RATING: 2</p> <p>Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:</p> <ol style="list-style-type: none"> 1. Number of female employees employed in organisation (also show as a % of overall employee profile) 2. Number of female employees in: <ol style="list-style-type: none"> a. Senior leadership positions. b. Executive Board positions c. Non-traditional trades roles (as applicable). 3. Average length of service for females within organisation. 4. Details of initiatives to increase the number of female applicants. <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>

STEP 4: KPI MEASUREMENT GUIDE

CATEGORY ID # KPI MEASUREMENT GUIDE

SECTION 3: ECONOMIC WELLBEING



3.4

SUPPLY-CHAIN: PRIORITY RATING: 1

Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion.

SUPPLIER DIVERSITY

1. Number of small businesses transacted with and value (per annum)
2. Number of local businesses transacted with and value (per annum)
3. Number of social enterprises transacted with and value (per annum)
4. Number of female businesses transacted with and value (per annum)
5. Number of Māori owned businesses transacted with and value (per annum)
6. Number of Pasifika owned businesses transacted with and value (per annum)
7. The value of the investment/spends with each of the above categories (1-6)

LOCAL SUPPLY CHAIN

8. Total number of local businesses supported for key materials or services:
 - Number of local businesses that are NZ owned.
 - Number of people locally employed.
9. List of key material requirements and of those the requirements sourced locally.
10. List or methods for transporting goods, products, supplies from source to end point and volumes transported on each method.
11. Total number of supply chain miles. Break down of the number of supplies and regularity provided by each of the following:
 - Train
 - Sea shipment
 - Air freight
 - Road

MARKET ACCESSIBILITY

12. Number of small-medium businesses on supplier’s preferred supplier list.
13. Evidence of specific mechanisms to support small-medium businesses participating in project/contract or providing services to supplier organisation.

Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.



3.5

INNOVATION: PRIORITY RATING: 2

Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:

1. Expenditure for research and development.
2. Number of employees with a dedicated innovation, research or development role.
3. Details on how the initiative has positively impacted any of Auckland’s key challenge areas.

Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.

STEP 4: KPI MEASUREMENT GUIDE

CATEGORY ID # KPI MEASUREMENT GUIDE

SECTION 3: ENVIRONMENTAL WELLBEING



4.1

NET ZERO CARBON: PRIORITY RATING: 1

Carbon Footprint and Energy Consumption

Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:

1. Evidence of renewable energy sources installed for the project/contract or as business as usual for the organisation. (Evidence may include photographs, procurement documentation.)
2. Production sites certified to AS/NZS ISO 14001 (per annum).
3. Number of environmental audits conducted (per annum).
4. Production sites where environmental audits have been conducted (per annum). Calculation of total carbon emissions over the course of the project/contract or per annum (CO₂ and CH₄).
5. Policies or internal documents that support the supplier contributing to reduced carbon footprint.

Energy consumption

Total supplier energy consumption per annum (MWh), and

- % of total made up of electricity (MWh) per annum.
- % of total made up of natural gas consumption (MWh) per annum.
- % renewable energy sources.

Carbon emissions




- Total supplier CO₂ emissions (t)
- Number of vehicles in supplier transport fleet, including:
 - Supplier transport fleet total CO₂ emissions.
 - Breakdown of distance driven by supplier transport fleet and contractor transport fleet.
 - Distance traveled of suppliers of goods, services or products to project site.
 - Number of electric vehicles in supplier fleet.
- Volume of afforestation achieved per annum (number of trees)

Employee commutes

- Number of employees in organisation
- Average daily distance traveled by employees
- Mode of transport for each employee
- Average CO₂ emissions per supplier employee (t CO₂ e)
- Number of employees or partake in internal carpooling service
- Flight calculator data, including carbon offset purchases
- Employee commute data:
 - Number of employees taking part in ride sharing/city hop or similar.
 - Number of employees using electric bicycles to travel to and from work
 - Number of electric bicycles provided to employees as part of organisation wide fleet.
 - Number of employees taking part in car pooling initiatives.
 - Number of employees that use public transport to travel to and from work.

Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.

STEP 4: KPI MEASUREMENT GUIDE

PRIORITY RATING:   

CATEGORY ID # KPI MEASUREMENT GUIDE

SECTION 3: ENVIRONMENTAL WELLBEING



4.2

ENVIRONMENTAL GUARDIANSHIP: PRIORITY RATING: 1

Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:



- Number of environmental complaints received over course of contract or per annum as relevant.
- Names of organisations supplier has supported that promote or protect the natural environment and value of funding.
- Number of volunteers provided to environmental protection causes and to which organisations.
- Percentage of the project budget allocated to environmental guardianship.
- Supplier Environmental Sustainability Index.
- Actual spend on natural heritage protection during project.
- Actual spend on natural heritage protection during project as a percentage of the project budget.
- Hours allocated to natural heritage protection and key achievements from this investment.
- Details of any significant initiatives that protect the environment.
- If afforestation initiative supported, provide the number of trees planted, location and species (note, native species preferred).
- Names of the organisations supported that promote or protect the natural environment.
- Details on the number of volunteers provided (if any) and to which organisations (per annum).

Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.

STEP 4: KPI MEASUREMENT GUIDE

CATEGORY ID # KPI MEASUREMENT GUIDE

SECTION 3: ENVIRONMENTAL WELLBEING

	<p>4.3</p>	<p>WASTE MANAGEMENT: PRIORITY RATING: 1</p> <p>Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:</p> <ol style="list-style-type: none"> 1. The quantities and types of recycling services used. 2. A list of recycled materials procured and volumes. 3. List of the categories of materials recycled throughout the project. 4. Evidence of procurement of waste management services and the specifics on what and how much spent on each. 5. The reduced tonnage to landfill through diversion. 6. List of suppliers that removed waste. 7. Confirmation of eco-friendly methods used to remove waste. 8. Breakdown of all waste or recycled waste <ul style="list-style-type: none"> ▪ Total waste (thousand tonnes). ▪ Non-hazardous waste. ▪ Hazardous waste. ▪ Recycled waste. ▪ Incineration waste. ▪ Landfill waste. ▪ Other disposal methods. <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>
	<p>4.4</p>	<p>RESPONSIBLE WATER MANAGEMENT: PRIORITY RATING: 1</p> <p>Council may require the supplier to provide evidence of the following during the contract, as part of an annual report or upon completion:</p> <ol style="list-style-type: none"> 1. Water use per annum (m3). 2. Water resource management plan and specific outcomes achieved (volumes). 3. Waste water per annum (m3). 4. Waste water management plan, evidence of execution (upon completion) and outcomes achieved. 5. Evidence of water quality monitoring and mitigations to ensure thresholds for water quality are not exceeded (for example, ANZ ECC Guidelines). <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>

In keeping with the spirit and goals of our Sustainable Outcomes journey, Auckland Council has partnered with an Auckland-based small business who is committed to supporting buyers and suppliers alike to drive positive Sustainable Outcomes. As a Māori owned business, Height recognises the importance of engaging with Iwi, Māori trusts, and social enterprises to support the growth of New Zealand's cultural heritage.

Height is a values-driven business and fosters an inclusive, safe working environment to empower their people to deliver results for the wider community.

Sustainability is key to their business and is intrinsic to the way they embed integrity into their way of working.



"The Mayors Taskforce for Jobs is supportive of the 'Sustainable Outcomes' toolkit as it brings strong opportunity to engage community while introducing young job seekers into the world of work."

CHAIR OF THE MAYORS TASKFORCE FOR JOBS,
MAYOR MAX BAXTER - MAYOR OF OTOROHANGA

"We thank Auckland Council for the opportunity to collaborate with you on your 'sustainable outcomes' journey, one which we wholeheartedly believe in."

WARNER COWIN, CEO OF HEIGHT

"This Toolkit is a great example of how Auckland Council's Sustainable Outcomes framework can be operationalised. This will include initial focus areas and measurable outcomes that are being developed collaboratively, which will be tested in all upcoming procurement activity. Our framework and toolkit will be refined as the Auckland Council Group, working with our suppliers in the wider community, learn and grow together to deliver successfully and sustainably for Aucklanders"



JAZZ SINGH – GENERAL MANAGER PROCUREMENT,
AUCKLAND COUNCIL

"The Healthy Waters Toolkit provides a practical tool for introducing a range of broader outcomes into procurement, including the creation of employment opportunities and careers for young people. We would like to thank Healthy Waters, Auckland Council, for sharing their toolkit with everyone and for involving us in this important initiative."



KAY READ, GROUP GENERAL MANAGER CLIENT SERVICE DELIVERY,
MINISTRY OF SOCIAL DEVELOPMENT