

# Progressive Procurement Supplier Guide





# He Mihi

Tirohia a Matariki kua noho ki ngā pari o Tautoru

Kua mōhio tātou ko ia te kai ruuri o te tau.

Tahitahi ki a Pīpiri, Ruarua ki a Hongongoi, Torutoru ki a Hereturikoka, Whaawhaarua-ā-tai

I mua o Hiringa-ā-Nuku, I mua o Hiringa-ā-Rangi

Ki tua o Hiringa-kerekere;

Ka kerekere te wai, ka kerekere te patu, ka kerekere te tangata.

Ka noho a Rehua, ka heke iho a Uruao;

Ka tootoo te kai, ka tootoo te tangata,

He kuaha whānui-whakapuaretia ki te puna kai rāua ko te puna tangata,

Ka ora tētehi mea, ka ora tētehi mea.

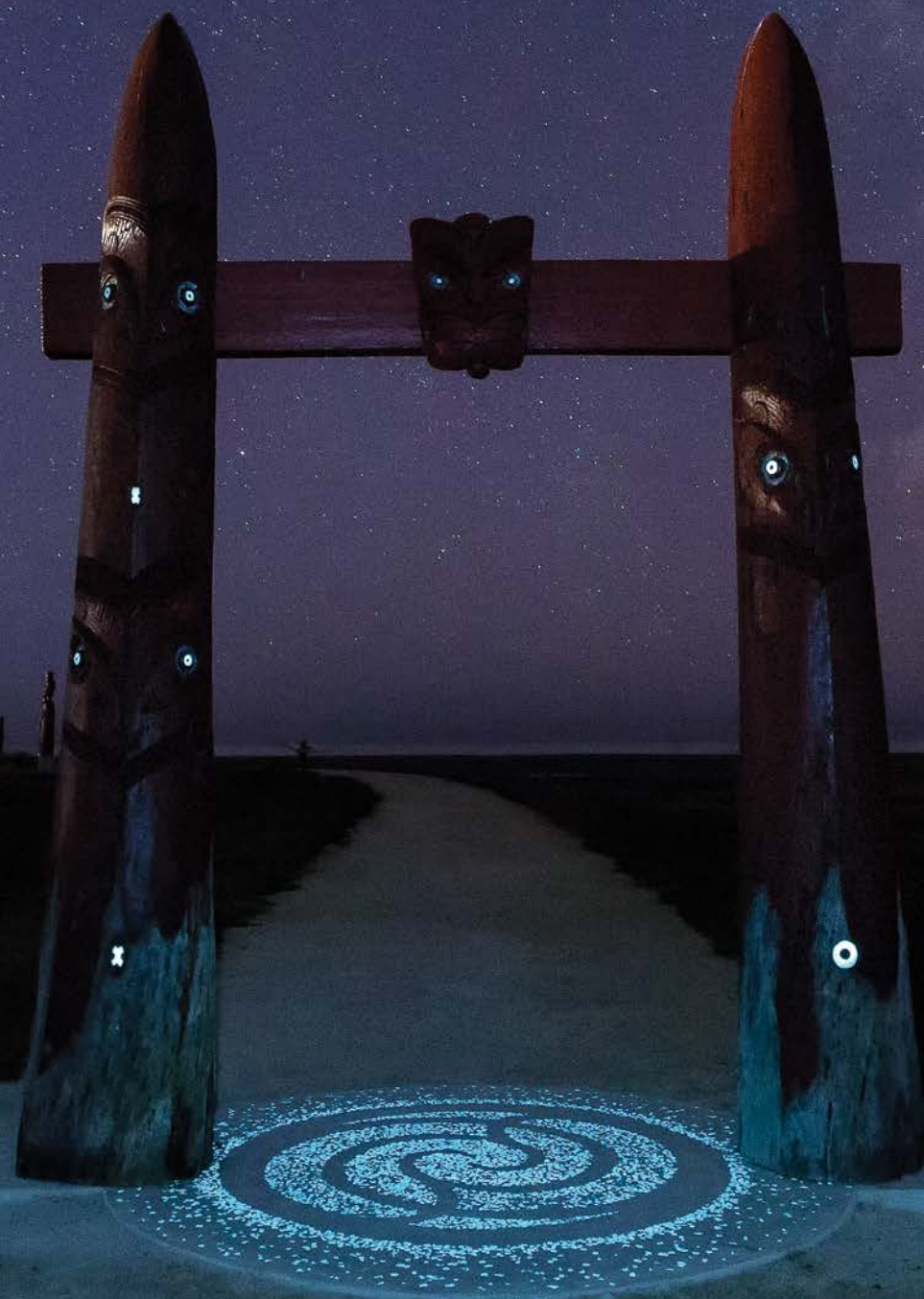
Tihe Mauriora ki te Wheao, ki te Ao Mārama!

*Behold the Pleiades, which sits upon the banks of Orion's belt; confirming for us its influential powers over the seasons; the beginning of Winter in June, moving to July, then to August with its knee-hugging cold and sweeping depression; if that is all we adhere to, even in the approaching season of warmth and growth of September, then October, November and December, drought, famine, death of people and civilisation, will surely prevail.*

*However, Rehua, the planter of food awaits Uruao, the life-giving dew of the night that nourishes the earth from which all things grow; life, food, people; giving birth to widespread renewal of existence under the influence of the seasons. If we choose Peace, there is every chance of renewal of growth in all things. There is life!*

Kei ngā nui, e noho paparahi nei i Te Matau a Māui. Nā Titokowaru te mihi whakataki hei tohutohu ki te tangata, titiro whakarunga, titiro-whakararo, kia mohio mai koe te riterite mai o te rangi ki te whenua, o te whenua ki te rangi. Pēnā hoki te whakahaere o tēnei Pukapuka Whakataki, 'He Kete Whakahua'. Mahia katoatia, ngakia kia puawai!

*To all people who layer the expanse of Te Matau a Māui. The opening mihi is an acknowledgment from Titokowaru, an ancestral chief of Taranaki. He spoke of the synergy of the heavens, earth and all in between, the need to plan and act with respect to the seasons for survival, growth and prosperity. This Progressive Procurement Supplier Guide promotes region-wide synergy of focus, collaboration and action, 'He Kete Whakahua' – Tools of Procurement. Implement and refine over time so it may bear fruit for our collective sustenance.*



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This document has been prepared by Hastings District Council in collaboration with Napier City Council, Central Hawke's Bay District Council, Wairoa District Council, Hawke's Bay Regional Council and Height Project Management. It is modelled on the Sustainable Outcomes Toolkit (May 2019) developed by Auckland Council Healthy Waters and Height Project Management. We wish to acknowledge the open sourcing of this knowledge base and sharing of the kaupapa by Auckland Council, for the purposes of the advancement of sustainable outcomes in Aotearoa New Zealand.

While reasonable efforts have been made to ensure that the contents of this publication are factually correct, Hastings District Council and Height Project Management do not accept responsibility for the accuracy or completeness of the contents, and shall not be liable for any loss or damage that may be occasioned directly or indirectly through the use of, or reliance on, the contents of this document.



We acknowledge Ngāti Kahungunu as mana whenua and partner to our five Councils.

At the core of our strategy is a collaborative approach, drawing on the experience and passion of our people. We recognise that to achieve sustainable outcomes our framework needs to provide a standardised approach, accessible collateral, and ease of application.

This guide aims to explain to Te Matau-a-Māui Hawke's Bay suppliers:

- What Progressive Procurement is
- The challenges we seek to resolve
- Categories and sub-categories within Progressive Procurement you may be asked about
- How suppliers can demonstrate what they are doing in these areas.

This guide explains the level of detail we are seeking from market respondents.

It is our intent that the Progressive Procurement Suppliers Guide will exist as a living document that will be continually improved and adapted to meet the changing needs of the people and whenua of the Te Matau-a-Māui Hawke's Bay region.





# Our Region



- Our region and localism is important to us and part of our success – local planning, local decisions and regional cohesion.
- Te Matau-a-Māui Hawke's Bay can demonstrate tangible success locally and regionally – achieved through the power of community action via both agency & industry leadership.
- Our region has significant strengths and a vibrant and growing economy, but we also have substantial socio-economic challenges: critical worker shortages, poverty, suicide, housing and an increasing amount of youth on benefits. Our prosperity depends on solutions to these challenges.
- Te Matau-a-Māui Hawke's Bay Local Government is already partnering with Central Government, iwi and industry sectors in housing and three waters infrastructure. As a region, we are well positioned to extend our partnerships to achieve transformation outcomes delivering community wellbeing, social inclusion and a thriving economy.
- Experience has shown that when working to our respective strengths, Local Government, Central Government and industry can complement each other to deliver better outcomes for all New Zealanders, across every area of policy, whether cultural, environmental, social or economic. That matters under business-as-usual circumstances, and even more so during times of crisis such as the COVID pandemic and climate challenges, such as drought.

## REGIONAL INDICATORS

- Te Matau-a-Māui Hawke's Bay population growth of approx. 1% per year.
- 27% of population is Māori.
- Ageing population with a significant portion of rangatahi.
- Te Matau-a-Māui Hawke's Bay comprises 3% of NZ's total GDP.
- Key regional GDP contributors are Manufacturing (14%), Agriculture (9%), Forestry & fishing (7%), Self-Employed businesses (7%), Health care and assistance (7%).
- 65% of the regions businesses are self-employed and 25% have less than 10 employees. Top 3 industries for self-employed workers are sheep & beef farming, residential building construction sector and consulting services.
- Migrant/seasonal workers make up approximately 7% of Te Matau-a-Māui Hawke's Bay's workforce. The fruit and nut growing industry is the largest employer at 6%.
- Construction sector businesses are predominantly self-employed – 62%.
- Tourism in Te Matau-a-Māui Hawke's Bay accounts for 2% of national tourism expenditure and has grown at an average of 3% per year.

# What is Progressive Procurement?

Progressive Procurement is the pathway to achieving positive sustainable outcomes, these being economic, social, environmental and cultural.

Central and local government organisations have the ability to deliver these additional benefits to the community and/ or meet other strategic objectives through our supply chains, while ensuring competitive pricing and maintaining quality standards.

By embedding these outcomes through our procurements, we further enhance the wellbeing of our communities.

## PROGRESSIVE PROCUREMENT CAN:

- Ensure engagement with iwi and hapū organisations, Māori businesses and social enterprises
- Optimise use of natural resources
- Create jobs
- Promote equality
- Encourage fair pay for suppliers' staff
- Regenerate the economy
- Build sustainable markets
- Ensure legal compliance
- Ensure health & safety compliance
- Protect and enhance public image
- Minimise use of hazardous substances
- Encourage waste minimisation
- Influence climate change
- Address ozone depletion

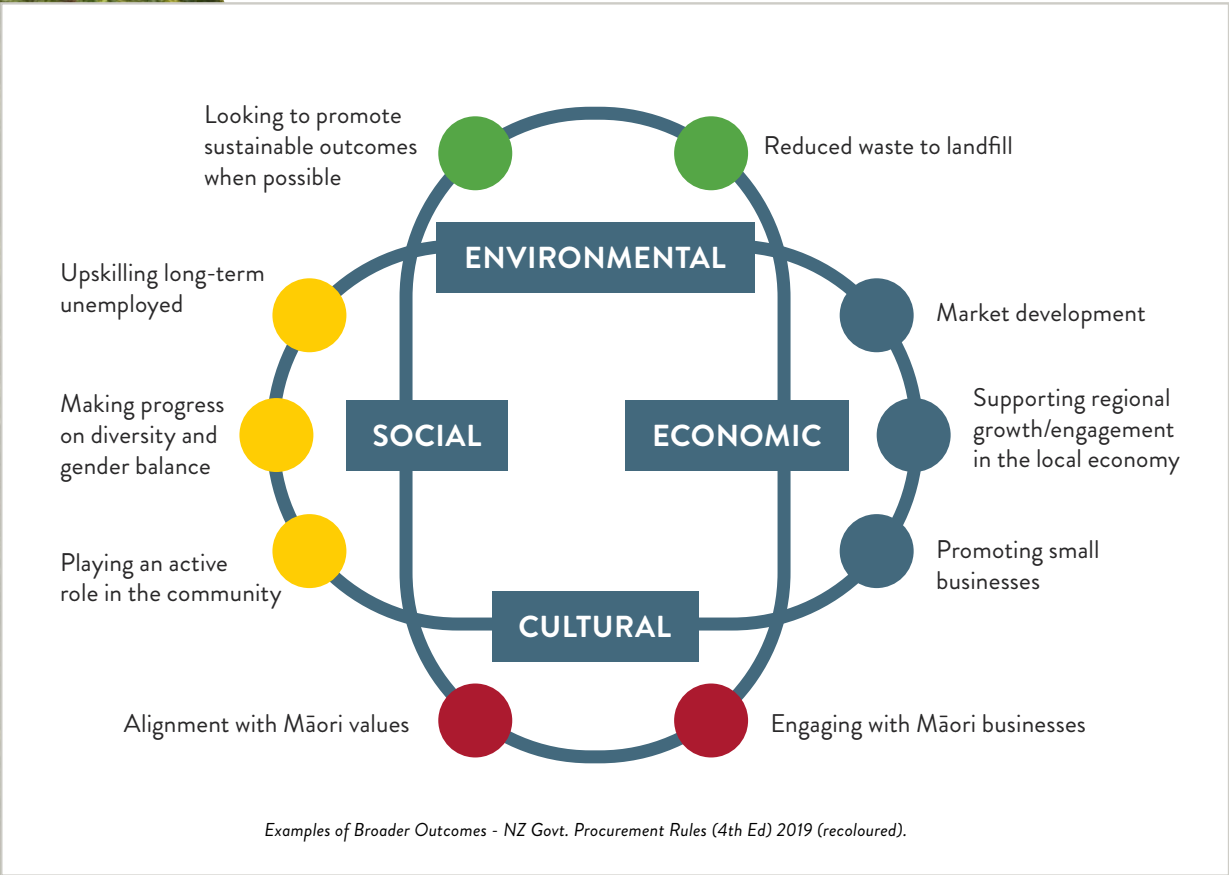


*A note on terminology: this kind of procurement is an emerging field internationally. We have called the approach 'Progressive Procurement'. Social procurement or sustainable procurement are other terms used. Central Government uses the term 'Broader Outcomes' to represent the benefits of this procurement approach.*





Progressive Procurement is in line with a shift in the Government Procurement Rules (4th Edition) 2019 to focus on ‘Broader Outcomes,’ with the focus changing from “value for money” to “public value”.



# Our Focus Areas

THE FOCUS AREAS OF THIS PROGRESSIVE PROCUREMENT STRATEGY ARE:



1

PROVIDING EQUAL OPPORTUNITIES SO PROSPERITY IS SHARED ACROSS OUR COMMUNITY



2

GENUINELY PARTNER WITH MANA WHENUA



3

BUILDING A DIVERSE AND PROSPEROUS ECONOMY



4

PREVENTING AND REVERSING ENVIRONMENTAL DEGRADATION



1



## Social Wellbeing

### PROVIDING EQUAL OPPORTUNITIES SO PROSPERITY IS SHARED ACROSS OUR COMMUNITY

Providing equal opportunities to create prosperity across our community and address issues of disproportionately high Māori and Pasifika youth unemployment.

To provide employment opportunities and pathways that move those from low paid to skilled employment. To lift the standard of living for working families. Removing barriers for Māori and Pasifika owned and small local businesses to work with Te Matau-a-Māui Hawke's Bay region.

To actively engage in community initiatives or sponsorship.

2



## Cultural Wellbeing

### GENUINELY PARTNER WITH MANA WHENUA

Building partnership with mana whenua of strength and purpose to guide our decision making that creates true community, social, economic advantages.

Early engagement and an inclusive approach can create the best outcomes for all, with the concepts of wairua (spiritual health), whānau (family health), hinengaro (mental health) and tinana (physical wellbeing) forming a korowai around us and guiding our decision making and how we work together.

3



## Economic Wellbeing

### BUILDING A DIVERSE AND PROSPEROUS ECONOMY

Much of the Te Matau-a-Māui Hawke's Bay region economy is in primary industries and downstream manufacturing. Further diversification is needed so that we are not only resilient to external factors such as environmental changes, global warming, automation, intensification and new food technology but well placed to make use of opportunity.

Create opportunities for new business start ups and non-primary sector jobs. Support the evolution of a more diverse, innovative and knowledge based economy.

4



## Environmental Wellbeing

### PREVENTING AND REVERSING ENVIRONMENTAL DEGRADATION

Recognising that water is a taonga for our community and key to our economic wellbeing. Water usage should balance the needs of all our community and be shared in an equitable manner. We must protect the security and safety of aquifers, improve water quality in stormwater discharge, wastewater management and waterways.

Adopting the principles of the Joint Waste Management and Minimisation Plan (JWMMP) with a focus on reducing waste to landfill by following the waste hierarchy of reduce, reuse, recycle, dispose. The JWMMP has additional targets of: increasing common recyclables diverted from landfill and decreasing organic material to landfill.

Reducing CO2 emissions as an organisation and through our supply chain by taking a whole life approach to design, procurement and installation/build/construction and maintenance.



# What can you do as a supplier?

The long-term success of businesses in Te Matau-a-Māui Hawke's Bay is linked to the health of our region – economically, culturally, socially and environmentally.

Many of our suppliers are already contributing towards sustainable outcomes, and Progressive Procurement helps recognise and reward this. Many others have ideas or innovations they would like to put into practice or use.

We want to encourage suppliers to make a greater contribution towards achieving sustainable outcomes.

Through our procurements we will be asking questions about your contributions.



We have split our sustainable outcomes strategy into four categories, and our tender document questions will align with these:

- **Social:** how you look after the health and wellbeing of your staff; how you contribute to your local community clubs, schools, marae, social enterprises, through sponsorship, volunteering, or other forms of support; how you empower and enable more connected communities; how you provide employment opportunities or progression pathways.
- **Cultural:** how you engage with mana whenua; how you recognise Māori cultural heritage; and how you support diversity and inclusion.
- **Economic:** how many people you employ; how many of those are Māori and Pasifika, and at what levels of skills and experience; how you contribute to the upskilling and education of your staff; how you innovate and contribute towards diversifying the Te Matau-a-Māui Hawke's Bay economy; and how you support local when selecting your own suppliers.
- **Environmental:** your company's actions in environmental guardianship (kaitiakitanga); waste management approaches; water management; and reducing carbon emissions.

## ADVICE ON ANSWERING QUESTIONS:



### Be Specific

Answers to sustainable outcomes questions should be definite and demonstrable.

### Be Concise

In many cases word limits will be specified within proposal, tender or information request documents. However, if specific length guidelines are not provided, suppliers are advised to keep answers under 200-300 words (approximately).

### Be Innovative

We welcome new ways of thinking and problem solving. If you have future ideas and plans to support sustainable outcomes, please identify these, noting that you would be committing to see these through should you win the work.



# How will we measure your contribution to sustainable outcomes?



Measures depend on the size and nature of the procurement. Within your responses we will look for evidence aligned to the questions, such as:

- Whether you have initiatives/activities/relationships in place and the cost/time value of those if appropriate.
- Numbers and percentages of staff from priority groups/on training programmes.
- Value of spend locally/on innovation or Research & Development.

As we develop our Progressive Procurement approach and datasets, we will form clearer benchmarks.

We understand all suppliers are at different stages, and we don't expect you to have instant results. But we want all our suppliers to be planning for this shift, and the Questions Guide provides you with the kinds of initiatives and activities to integrate into your business to be part of this change.

This is about social, cultural, economic and environmental transformation. We endorse your efforts wherever your company or industry is in the journey.

For example, if you are an engineering company who has been unable to recruit a female engineer, we would like to understand what your company is doing, or would plan to do, at the school/tertiary education level to support more female engineers coming through the system, for example offering work experience/mentoring. We will look for progress over the course of the contract.





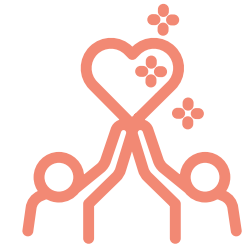
# Question Guide

In the Question Guide the categories align to our Focus Areas. Not all categories/ subcategories will be included in every tender. Be specific, be concise and use evidence in your answers. If there is nothing in place, tell us what you plan to do, and you will commit to making progress.



# Social Wellbeing

The aim of the social wellbeing category is to support a healthy, safe, connected community.



1.1



## Health and Wellbeing

Wellbeing is more than just the absence of disease or illness, it is the multifaceted combination of physical, mental, emotional, and social factors that can lead to personal feelings of happiness and life satisfaction.

Wellbeing can have many co-benefits for productivity, improved social relationships, a healthier lifestyle and longevity, and motivates positive environmental behaviours. On a community scale, increased wellbeing can reduce health care costs, reduce antisocial behaviours and crime, increase economic outputs and create a more environmentally aware and harmonious society.

We seek suppliers who provide work environments that support the health and wellbeing of individuals, families and community members, ultimately contributing to a more resilient and prosperous economy. The information provided below is not exhaustive, but instead aims to provide clarity on the level of detail Council are expecting in supplier responses.

Health and wellbeing examples may include: flexible working arrangements, gym memberships, counselling/mental wellbeing services, pastoral care provided (noting whether pastoral care is accessible to priority groups), family violence leave, smoke-free environments or 'quit smoking' programmes, alcohol education initiatives, sun smart programmes and education (any outdoor roles should consider how employees will be protected), dietary advice or education programmes/ sharing groups/ food sponsorship, 'move more', fitness initiatives, limits to electronic device screen usage, social media wellbeing initiatives (cyber-bullying counselling or related).

### YOUR RESPONSE

Suppliers are encouraged to provide specific details on the types of initiatives in place that support employee health and wellbeing.

The below is a guide to support the goal, but is by no means exhaustive:

- The current health and wellbeing initiatives in place within your organisation (and/or sub-contractors hired).
- Who the health and wellbeing initiatives are available to for example the criteria that employees (or contractors) must meet to be eligible for health and wellbeing initiatives.
- Whether any initiatives have additional resources to support priority groups or have a priority group focus. Supplier responses should also consider providing the details of more formal health and wellbeing initiatives included within the organisation. Examples include, but are not limited to:
  - Staff policies (including parental leave policies available)
  - Flexible working arrangements
  - Remote working arrangements
  - Pensions provided
  - Employee paid sick leave entitlement

*Note: 'Priority groups' include, but are not limited to Māori, Pasifika, woman, ethnically diverse (e.g. refugee background), apprentices/cadets/graduates, long-term unemployed, persons with a disability, mental health history, criminal history, vulnerable youth and vulnerable society members.*

In summary, we seek suppliers who show they care for employee and contractor wellbeing through their actions.



1.2



## Community Support and Sponsorship

So much of what we value in our region is enabled by those who volunteer labour, time, materials and funding.

Giving back to the community provides benefits far beyond the industry in which you operate.

Council wish to partner with organisations that give back to the community through supporting charities, social enterprises or by volunteering time.

Providing specific details on “who” your organisation is supporting, “how” support is being provided and “what” the charitable organisation stands for will help us understand the wider spread of positive influence your organisation is fulfilling.

### YOUR RESPONSE

Suppliers are encouraged to provide specific details on charitable support that they are either currently providing as part as business as usual, or how they intend to support social outcomes for a specific contract or project.

The below is a guide to support the goal, but is by no means exhaustive:

- Details of the charities, social enterprises, environmental or sustainable organisations that support goals from our ‘Sustainable Outcomes’ wellbeing focus areas.
- Provide a concise summary of the positive social, environmental, cultural or economic impacts specified charities or similar provide. for example whether the supported organisation specifically supports the local community, local environment, uses sustainable practices or supports positive social outcomes.
- Information on the support duration to date and intended timescale of support and the funding value.

1.3



## Local Stakeholder Engagement

We need connected communities who understand what is happening around them, and how to be involved.

Through engaging meaningfully with the local community, we create stronger connections, safer environments and a sense of inclusion.

Stakeholders with interests in the local area may include community groups, local boards, local schools, residents, local businesses and everything in between.

In order to achieve genuine, positive community outcomes, the depth of engagement is key. It is suggested that suppliers take care to consider who they will be engaging with, why they think this choice is important and any means to support positive ongoing social outcomes. For example, is stakeholder engagement more likely to be in the form of one-way communication streams, or will there be an opportunity for interested parties to have more consultative or hands-on involvement? Some contracts can benefit from a designated stakeholder engagement manager to serve as a key contact point.

### YOUR RESPONSE

Suppliers are encouraged to provide specific details on the types of initiatives in place that support local stakeholder collaboration and an increased sense of community.

The below is a guide, but is by no means exhaustive:

- Consider the specific local stakeholders that will be engaged with as part of this contract, including their interest levels. For example, community groups, local boards, schools, businesses, community members and residents.
- Consider the degree/level of engagement that would be most beneficial to achieve positive community outcomes and drive collaboration. For example, community wide updates, targeted once off engagements, ongoing consultation, or opportunity for stakeholder involvement or influence.
- Outline the benefits of the chosen approach.

1.4



## Future Generations

The long term sustainability and prosperity of our region will be picked up by our rangatahi. Let's give them all we can.

Council welcomes the opportunity to work with organisations that support rangatahi/young people – the future leaders of the Te Mataua-Māui Hawke's Bay region.

By enriching this generation through education, guidance, and instilling values of acceptance and inclusivity, we are investing in the future of our communities.

Council wishes to partner with organisations that see the benefit and importance in investing in the development of youth.

Support of future generations can take many different forms including mentoring, funding of youth projects or schools, fundraising, investment in education, counselling, employment pathway guidance and pastoral care initiatives. It can include supporting our most vulnerable youth who have experienced challenging childhoods.

Every organisation has the opportunity to influence and pass on the types of values we hope to see in our future environment.

### YOUR RESPONSE

- Any current initiatives to work with rangatahi/youth, including internships, cadetships, graduate schemes, placement opportunities, youth groups and mentoring.
- Whether any initiatives are targeted primarily at Māori and other priority groups.
- Whether any initiatives are targeted at vulnerable youth, such as those who have experienced addiction, homelessness, violence, and/or who have come from difficult home environments.
- Identify the successes your organisation has had with supporting or educating rangatahi/youth in terms of education, career or life pathways.



# Cultural Wellbeing



The aim of the cultural wellbeing category is to encourage initiatives that promote embracing cultural diversity, inclusivity of all people and revitalisation of our indigenous heritage through Mātauranga Māori (knowledge).

## 2.1



### Mana Whenua Engagement

Kaitiaki (Guardians), mana whenua have a deep spiritual connection with the land and are our partners in Te Tiriti o Waitangi.

Te Tiriti o Waitangi is New Zealand's founding document. The Treaty principles aim to provide guidance on best practice collaboration between mana whenua and New Zealand's government. Acknowledging it's importance has formed the base of numerous engagements with Māori throughout Aotearoa.

Within Te Matau-a-Māui Hawke's Bay, mana whenua interests are represented by iwi (tribal Māori) authorities. Consequently, consideration needs to be paid to ensure mana whenua interests are upheld and a united approach is taken with regard to the land.

We seek suppliers who value Māori mōhioatanga (knowledge) and support collaboration and partnerships with Māori to achieve sustainable outcomes for the Te Matau-a-Māui Hawke's Bay. Through engaging with mana whenua early on in the project lifecycle there is greater chance of Mātauranga Māori values influencing the overall project approach and values that underpin it. Māori engagement will not only encourage sustainable outcomes based considerations in relation to the care of the Papatuanuku (Earth Mother) but provides for a direct communication stream to help foster social change within the Māori community.

Te Matau-a-Māui Hawke's Bay has 68 marae (meeting grounds) which provide a sense of tūrangawaewae (our foundation, our place in the world, our home) for their people. Through investing in and providing resources to support and improve these sacred sites, Māori and the wider community can benefit through a sense of belonging.

### YOUR RESPONSE

Suppliers are encouraged to provide specific details on how they will support meaningful engagement with Māori (including mana whenua).

The below is a guide to support this, but is by no means exhaustive:

- Level of engagement with Māori (feedback on the level of engagement may involve interviews to understand experiences).
- Consider integrated partnerships with Māori
- Co-governance arrangements with Māori or board representation.
- Co-management arrangements with mana whenua.
- Meaningful, ongoing engagement with Māori.
- Opportunities for Māori design influence.
- Opportunities for Māori guidance on natural resource management principles to be applied.
- Dedicated Māori Engagement personnel.
- Support and/or investment into local marae.

## 2.2



# Māori Cultural Heritage and Worldview

Reigniting our cultural heritage reminds us of the importance of kaitiakitanga (guardianship) and the role we can all play in protecting and enhancing our environment. The more we have our indigenous culture embedded into our community landscape, the greater the reminder of our responsibility to our Earth Mother.

The strong spiritual connection that indigenous Māori have with the land largely underpins the model that sustainable outcomes is based on today. Māori regard Papatuanuku, the Earth Mother, the one who sustains all life. Consequently, it is our responsibility to protect our taonga (treasures), including the land, the people, water, air and biodiversity that our earth is comprised of.

Infrastructure that interweaves our cultural heritage contributes to Te Matau-a-Māui Hawke's Bay people having a sense of identity and reminds us to connect and protect our planet.

Authentic Māori design, art work and housing models (such as papakāinga), provide a heightened sense of connection and belonging and nourish the growth of our cultural identity. Through embracing the special cultural and spiritual relationship Mana Whenua have with the environment, we in turn support a positive sustainable outcomes pathway.

Authentic Māori design and art work help remind us of our unique history and enable Māori to feel more connected. Through embracing and interweaving our cultural heritage into our community assets and public spaces, we will keep New Zealand's unique history alive and revitalise a sense of belonging and kaitiakitanga (guardianship).

We seek suppliers who have considered how Māori culture, values and perspectives can be incorporated into contracts deliverables and long-term cultural benefits. Examples include, but are not limited to, active use of Te Reo and tikanga Māori in communications, traditional protocols, blessing of sites, powhiri, Māori design influence, dedicated Māori cultural groups, cultural heritage education.

## YOUR RESPONSE

Suppliers are encouraged to provide specific details on how they will support nourishing Māori cultural heritage.

The below is a guide to support the goal, but is by no means exhaustive:

- Interweave Māori culture, values and perspectives into the project.
- Use of Te Reo Māori (Māori language) and tikanga Māori in organisation communications (including signs, recruitment and media platforms) and project design deliverables (as agreed).
- Encourage Māori protocols, blessing of sites, powhiri throughout the contract lifecycle.
- Provide dedicated Māori cultural groups.
- Consider designs that reflect New Zealand's Māori cultural heritage (as applicable).
- Consider the use of marae to raise Māori cultural awareness and provide heightened sense of community and belonging.
- Consider Māori cultural training to upskill cultural competency levels.
- Partner with Mana Whenua and local Iwi for design influence.
- Incorporate Te Aranga Design Principles into developments (Māori cultural values and principles).
- Advocating for opportunities to showcase Māori cultural identity.
- Consider using Māori-centric models for design, for example, Te Whare Tapa Whā models where psychological, spiritual health, physical health and family health is considered holistically.
- Consider embedding a Whānau Ora philosophy, which recognises the importance of collective social, economic, environmental and cultural benefits.



## 2.3



# Diversity and Inclusion

Creativity, innovation and multi-faceted solutions are all strengthened through an environment that encourages, respects and supports diversity, ultimately impacting on our future sustainability outcomes.

The term diversity encompasses the dimensions of ethnicity, culture, gender, age, national origin, and religion and gender identity to name a few examples. It is shown through many facets where we may have seen or unseen differences that ultimately impact our view on the world, our values, lifestyle and decision making processes. Creativity, innovation and multi-faceted solutions are all strengthened through an environment that encourages, respects and supports diversity, ultimately impacting on our future sustainability outcomes.

Council seek to partner with suppliers who not only understand the importance of supporting and including diverse backgrounds and perspectives into our communities and workplaces, but who also actively promote their support of diversity and inclusion. This may be demonstrated through inclusive recruitment advertising campaigns, how the organisation promotes itself as a safe and attractive environment for all backgrounds and any measures to educate a lack of tolerance for anti-inclusion behaviours. Council seek organisations that can provide specific examples of the diversity and inclusion measures being practically implemented to demonstrate support of the value it delivers.

*Note: Diversity and inclusion includes but is not limited to ethnicity, culture, gender, age, under-represented groups and gender identity.*

## YOUR RESPONSE

Suppliers are encouraged to provide specific details on how they will support and/or raise awareness on the importance of diversity and inclusion in the community.

Examples of areas where positive messages on diversity and inclusion can be made include the following (note, this list is a guideline and is by no means exhaustive):

- Website content.
- Company intranet.
- Recruitment advertisements.
- Details of 'Tick' Accreditations, programmes or memberships that support diversity and inclusion.
- Evidence of standard diversity and inclusion phrases used for recruitment advertising.
- Counselling support services.
- Internal education measures in support of diversity and inclusion (for example, unconscious bias training).
- Details of any anti-inclusion behaviour repercussions within staff employment contracts/company policies.
- Whether diversity and inclusion within the organisation is demonstrated externally e.g. is the organisation considered to be an attractive, safe, inclusive and diverse environment.
- The diversity make-up of proposed project teams or organisation wide employee profile (for example, the percentage of female in senior or non-traditional roles, culturally diverse backgrounds, Māori, Pasifika, under-represented groups, age profile).

There are a number of specific steps that organisations can make to promote their gender diversity profile, starting with creating an inclusive culture.

Elements to consider include:

- Enabling flexible working.
- Addressing gender pay gaps.
- Creating access to development and networking opportunities across all people no matter how they identify.
- Encouraging and supporting mentoring and upskilling.
- Providing unconscious bias training to raise awareness and support gender equality solutions.
- Considering how recruitment processes and marketing can support greater diversity.
- Implement organisation-wide targets on gender.
- Encouraging women and gender diverse into "non-traditional" trades roles or roles that show a greater gender make-up gap.
- Consider hiring a group of women at once in order they do not feeling isolated as a "minority group" and to provide a cohort to enable success.



# Economic Wellbeing

The aim of the economic wellbeing category is to support and facilitate ethical economic prosperity through supporting employment, upskilling and innovative supply-chain initiatives that encourage a resilient workforce and reduced inequalities.

## 3.1



### Innovation

Diversifying the Te Matau-a-Māui Hawke's Bay economy and improving solutions for Council services.

Much of the Te Matau-a-Māui Hawke's Bay region's economy is in tourism, primary industries and downstream manufacturing. A sustainable outcomes model aims to meet the needs of the present without compromising on the needs of the future.

That's why our Progressive Procurement approach supports economic diversification and innovation – so that we are not only resilient to external factors such as environmental changes, pandemics, global warming, automation, intensification and new food technology, but we are well placed to make use of opportunity.

How do we create opportunities for new business start-ups and non-primary sector jobs? How can we support the evolution of a more diverse, innovative and knowledge-based economy?

Suppliers to Council can drive continuous improvement and new solutions, as well as supporting the diversification of our economy.

We are interested in suppliers' innovations – whether that is through direct business with Council, or how they are supplying/enabling/connecting with other innovative businesses in the Te Matau-a-Māui Hawke's Bay.

Through innovation, we can achieve social, cultural, economic and environmental outcomes more effectively, and generate the prosperity needed to reinvest in our people and services.

### YOUR RESPONSE

- Innovative options when looking within organisation-wide supply-chains.
- How your organisation is part of, or supports, the diversification of the Te Matau-a-Māui Hawke's Bay economy.
- Elaborating on how your organisation's innovative idea would support prosperity for Te Matau-a-Māui Hawke's Bay and protect or enhance the natural environment.
- We note that new innovations may come at a price and encourage suppliers not to restrict suggestions to lowest price options only when replying to market proposals, information or tender requests.



3.2



## Employment

A prosperous region where unemployment levels are constrainable through times of economic shock and challenge as well as growth.

The Covid-19 pandemic has ushered in unexpected economic repercussions around the globe, with certain sectors of the economy more severely impacted than others. In all of our contracts and projects, we are paying close attention to the number of jobs we can create – to keep our people in work, our whānau fed, and our local economy moving.

Our preference is for quality jobs – shifting people away from lower to skilled work, which provides them with more economic resilience, as well as better pay and prospects. However we recognise that some employment is better than no employment, and with investment in training and upskilling [see Economic Pillar 3.4] we can address this transition. The focus in this subcategory, therefore, is on your contribution to job creation in the Hawke's Bay.

### YOUR RESPONSE

Suppliers will be asked to provide specific details on how they will support employment in the Hawke's Bay region.

This includes:

- The number of FTE staff you already employ in the Hawke's Bay region, including % contract/permanent/casual.
- The number of FTE jobs you expect to create on a contract should you be successful.
- How and where you will recruit and hire for these jobs.
- The skill level of these jobs.

3.3



## Employing Priority Groups

A prosperous region is one where all residents can contribute to society in meaningful ways.

Wellbeing and quality of life is often directly impacted by the level of opportunity available.

Certain groups within our diverse community can find it harder to find employment opportunities over others. We aim to support the success of more vulnerable society members and have noted the following within their “priority groups” focus area: Māori, Pasifika, woman, ethnically diverse (e.g. refugee background), apprentices/cadets/graduates, long-term unemployed, persons with a disability, mental health history, criminal history, vulnerable youth and vulnerable society members.

Disengagement of society members has a number of side-effects, not limited to, increased support benefit demands, increased public service costs, community safety, crime levels and community wellbeing. The proportion of youth who are not in employment, education or training (NEET) are directly correlated to disengagement. Traditionally, New Zealand has seen a higher NEET rate for Māori and Pasifika youth when compared to other ethnicities.

As part of our goal to support prosperity for all, we seek to partner with suppliers that encourage and enable opportunities for those that might otherwise find barriers or greater hurdles into the job market. In particular, Council seek suppliers who support and enable employment for the ‘priority groups’ mentioned above.

### YOUR RESPONSE

Suppliers are encouraged to provide specific details on how they will support employment of priority groups in the community.

In particular, Council will be seeking clarity on:

- Projected hires to be made within priority groups (project/contract specific).
- Where professional services are offered, the current number of hires within priority groups and/or initiatives to support the hire of those within this group.
- Specifically, committed Māori and Pasifika hires to be made.
- Details on the duration of the hire period for priority groups (for example, full-time, contract duration or temporary employment period)
- Whether dedicated mentors, ongoing support or pastoral care will be provided to ensure the success of priority target groups post recruitment.
- Consider the recruitment process to be used and whether the approach lends itself to a high success rate in targeting a priority group.

Ideally, Council will be looking for suppliers to provide specific details on the number of hires, the duration of employment provided, and the priority group(s) supported.

## 3.4



# Upskilling and Training

Strong foundations to support our economy.

We strongly support suppliers who are engaged in upskilling our local workforce – both at entry-level (cadets/apprentices) and by increasing skills and qualifications of existing employees.

Priority groups are a specific area where training and the right type of support could lead to ongoing positive outcomes for our community and economy. Statistics New Zealand (report March 2017), predicts a large aged population influx in the near future – it is estimated that those over the age of 65 years is projected to be double 2016 figures by 2046. A community that has a high level of engagement and contribution will ultimately improve overall liveability levels across a range of age demographics.

To ensure ongoing success and a positive experience for those hired, Council also ask suppliers to consider how they might be able to provide pastoral care, mentoring or additional support to ensure the overall wellbeing and ongoing success of individuals.

Training opportunities for those who have recently left our prison system may also be able to prevent or decrease reoffending. Some studies have shown that approximately 70% of prisoners reoffend within two years of being released and approximately 52% return to prison within five years - but hope for the future can help give meaning and purpose to tackle a less desirable pathway.

By investing in a combination of education and upskilling across the breadth of our Māori, Pasifika and priority group population, Council aims to provide a platform to support meaningful career pathways in this focus area.

Living in an ever-changing environment (both natural and economic), will require a mindset that lends itself to constant adaptability. As technology advances our employment landscape is open to further change. Embracing this fact and seeking to empower our community members through supporting their upskilling and consequently our region's capability will prepare us all for a strong, resilient and prosperous economy.

## YOUR RESPONSE

Suppliers are encouraged to provide specific details on how they will support the successful upskilling and training of priority groups and generations to come.

The below is a guide to support the goal of this pillar. Consider how your organisation will support:

- Upskilling of priority groups, in particular, Māori and Pasifika people.
- Upskilling of our future generations and influencers, in particular, rangatahi (youth) to achieve sustainable future prospects.
- Upskilling of our local community members and small- medium businesses.
- Upskilling that lends itself to supporting career pathway success.
- Specific training requirements to support local economy needs. For example, the domestic construction sector workforce or other areas of the workforce that will positively influence the economy.
- Providing a recognised formal qualification – particularly for priority groups.
- Dedicated mentors, pastoral care or career counselling to ensure the success of priority groups.
- Consider the recruitment process to be used and whether the approach lends itself to a high success rate in targeting a priority group.
- Funding of community youth projects or school initiatives. (Consider the decile rating of schools to be supported.)
- Raising employee awareness on youth support programmes and initiatives for employees to support these (e.g. fundraising events).

Council seek suppliers who support the education, skill development, training and employment opportunities for priority groups - in particular, Māori and Pasifika people. As disengagement in this group is relatively high, Council also favour organisations that can provide mentoring initiatives or pastoral care to support the long-term success of individuals within these priority groups.

By enriching our future generations through upskilling, instilling values of acceptance and inclusivity for our ever-diversifying world and educating on the importance of caring for our environment and those that inhabit it, we can pave the way for a sustainable future.

We seek to align itself with suppliers who understand the wider impact of training and the importance of ensuring our communities have the capability levels required to support economic growth.



3.5



## Local Supply-Chain

The procurement supply-chain presents an opportunity to support local prosperity, consider environmental impacts and choose ethical provider models – all contributing to the success of a sustainable region.

New Zealand's supply-chain landscape is made up of a range of organisation sizes, with varying skill-sets and resources available within them. The procurement supply-chain presents an opportunity to support local prosperity, consider environmental impacts and choose ethical provider models – all contributing to the success of a sustainable region.

- **Local, ethical supply-chain models:** There are a number of benefits to using ethical, local supply-chain models. Local employment opportunities can be created (ultimately increasing the prosperity for community members), carbon emissions can be reduced and investing in businesses closer to 'home' enables organisations to have greater oversight and confidence that materials and working practices are modelled off ethical practice. In fact, many elements throughout the project lifecycle and beyond see benefits, including:
- **Supply-chain flexibility:** Using organisations that are local generally result in improved communication channels (as opposed to options that may involve time zones). This can contribute to quicker understanding of requirements, improved reaction times and faster service delivery. Investing in local suppliers also enables greater opportunity for face-to-face meetings leaving less information "lost in translation" or misinterpreted.
- **Reduction in logistics costs:** Simply by considering local options within the supply-chain, dramatic savings can be made to related supply-chain logistical costs.
- **Sustainable reputation:** More and more consumers are driven to invest in suppliers that support the local economy, employ locals and are underpinned by ethical values.
- **Environmental impacts:** Through buying local, the dependency on shipping and freight is reduced, thereby reducing associated emissions and contributing to New Zealand's climate change and environmental targets.
- **Market accessibility:** Council are keen to look at a broad range of accessibility methods to enable small-medium businesses to also participate in market opportunities.

Often larger organisations with greater resource and funding find it more manageable to meet strict time-bound, complex tender demands over their smaller competitors. Although small-medium businesses may not have a department dedicated to specialist bid responses, this is not necessarily a reflection of their capability to deliver on project requirements.

Smaller businesses with less complex reporting structures can often have fewer barriers to delivering required outcomes at speed due to more streamlined internal processes. Their environment may also feel more accessible to community members that prefer smaller, more connected working environments, consequently enabling the employment of more vulnerable groups. This inevitably supports a more diverse, sustainable economy.

## YOUR RESPONSE

Suppliers are encouraged to provide specific details on how they will support an ethical supply-chain, the local economy and encourages success of small-medium businesses.

Examples of considerations include:

- Supporting small businesses, local businesses, social enterprises, socially innovative businesses, female owned businesses, Māori or Pasifika owned businesses through the supply-chain.
- Considering whether the aforementioned business(es) support sustainable or social responsibility outcomes.
- Considering whether the aforementioned businesses(es) employ local community members.
- Use of supply-chains that use ethical practices. (This may include, organisations that provide good conditions and fair pay for their workers, as well environmental protection and waste minimisation practices.)

Supporting qualified, small-medium businesses to participate in contracts with fewer barriers to entry. Suppliers may wish to consider:

- Implementing mechanisms or innovations that are less onerous.
- Supporting contract models that provide manageable scale and term considerations for small businesses to realistically enter the market.
- Alternative methods for small scale suppliers (and/or sub-contractors) to reply to requests for information, proposals or tenders.

# Environmental Wellbeing



The aim of the environmental wellbeing category is to support initiatives and innovations that protect and enhance the natural environment and enable the reduction of waste and carbon emissions.

4.1



## Environmental Guardianship

Through recognising the benefits that our natural environment provides, comes a responsibility to care for the environment and maintain it for future generations.

Our natural environment is unique and diverse, but is increasingly vulnerable to pressures from population growth and changes in land use\*. These pressures, along with associated pollution and waste, undermine the crucial services that ecosystems provide, including, nutrient cycling, water and air purification, provisioning of food and other natural resources.

The truth is simple. We depend on a healthy planet in order to live a healthy life.

Through recognising the benefits that our natural environment provides, comes a responsibility to care for the environment (both living and non-living components) and maintain it for future generations. This commitment is expressed as 'kaitiakitanga', which encompasses guardianship for the environment and sustainable management practices.

### YOUR RESPONSE

Our Councils seek suppliers that value and demonstrate kaitiakitanga of the natural environment and who support methods and innovations to enhance and protect it.

Methods to protect or enhance the environment may be direct or indirect. Indirect examples, include, but are not limited to:

- Environmental education.
- Environment protection related communications.
- Programmes and community driven environmental protection projects.
- Partnering with bodies that invest in and promote ecological conservation and natural heritage enhancements.
- Providing support (may include funding or volunteers) to organisations that protect or enhance the natural environment. For example, NZ Government Billion Trees project, wildlife protection initiatives, supporting or contributing to a Predator Free 2050.

Ultimately, Council support organisations that value and understand the importance of protecting our natural environment and encourage suppliers to think broadly (through their wider supply-chain) to facilitate environmental preservation and enhancement.



4.2



## Responsible Water Management

It is imperative that we take measures to protect and restore our rivers, aquifers, lakes, streams, and marine environment, as well as manage our current use of water to ensure water quality and water supply for generations to come.

Throughout many parts of our region, the quality of our freshwater and marine environments has declined. Pollutants from varied sources on land, wash through catchments and enter our waterways. These contaminants have damaging impacts on the ecological integrity of aquatic environments.

As our region grows, the pressure on freshwater resources is only intensified – not only through negative impacts but also the increased use of this vital resource.

It is imperative that we take measures to protect and restore our rivers, aquifers, lakes, streams, and marine environment as well as manage our current use of water to ensure water quality and water supply for generations to come. This is especially important in the context of climate change, where more frequent extreme weather events, longer periods of drought and coastal inundation may threaten the integrity of our water supply.

### YOUR RESPONSE

We seek suppliers that demonstrate protection of our rivers, aquifers, lakes, streams, and marine environment from pollution and encourage resourcefulness with water consumption.

- Consider implications of storm-water overflow and how to best manage this.
- Use of water sensitive infrastructure or water sensitive design.
- Consider water related innovations to support protection of the natural environment.
- Consider use of green-space to reduce run-off.
- Consider methods to recycle grey water.
- Consider use of storm water collection tanks and filtration.
- Initiatives that support water reuse or recycling.

4.3



## Waste Management

Through waste management and innovation, we can help to solve other challenges associated with waste such as environmental degradation, climate change and social inequity.

Not only are there disposal costs associated with waste, but the true costs in terms of lost material, energy, labour, and the liabilities and risks associated with waste is about ten times the cost of disposal. To solve the future environmental challenges we face all elements of the supply-chain must consider ways to reduce commercial waste and divert these materials into economic opportunities instead.

Some studies show that New Zealanders recycle only 58%\*\* of the 735 tonnes of packaging we consume every year. With the majority of Hawke's Bay people having access to recycling facilities, innovation is encouraged to improve waste minimisation levels.

Through waste management and innovation and resource recovery, we can help to solve other challenges associated with waste, such as environmental degradation, climate change and social inequity. Ultimately we will be able to achieve through integrating 'waste management' throughout the product or service delivery life cycle, using materials in a way that conserves natural resources and minimises environmental impacts, and reusing or repurposing materials. Where it is not yet technically or economically feasible to divert material from landfill for resource recovery, responsible management of this waste to reduce toxicity or other effects on the environment is vital.

### YOUR RESPONSE

Suppliers need to consider methods to minimise waste to landfill and reduce the impacts of hazardous waste on the environment. In particular, suppliers may consider:

- Communicating the importance of responsible waste management to all involved in the project.
- The type of waste management systems in place for contract/project lifecycles and their likely effectiveness.
- Methods to reduce waste tonnage to landfill e.g. through resource recovery, composting or similar.
- Eco-friendly methods to remove waste.
- Partnering with social enterprises and organisations to improve waste management goals.
- Methods to reduce or prevent hazardous waste impacts on the environment.

# 4.4



## Reducing Carbon Emissions

Our climate is changing.  
We need to act.

Our climate is changing - average temperatures are rising, driven by human activity and increasingly high levels of greenhouse gas (GHG) emissions.

Climate change is largely attributable to emissions of carbon dioxide (CO<sub>2</sub>) as it is long-lived in the atmosphere, and thus there is a significant focus on reducing CO<sub>2</sub> emissions across all sectors in New Zealand.

Increasing temperatures, sea-level rise, variation in rainfall patterns and more frequent extreme weather events pose risks to our economy, our people and the environment.

The government has signalled its intention for New Zealand to achieve net zero emissions by 2050\*\*.

Council encourages suppliers to principally reduce carbon emissions throughout the product or service delivery lifecycle, and also seek meaningful ways to offset unavoidable GHG emissions to achieve net carbon zero.

*\*\*Ministry for the Environment, Cabinet Paper – The 100 day Plan for Climate Change, December 2017.*

### YOUR RESPONSE

We seek suppliers that incorporate methods and initiatives which contribute to the reduction and/or offsetting of carbon emissions throughout the supply-chain.


Examples may include, but are not limited to:

- Using local suppliers as part of the supply-chain process.
- Supply-chain models that support carbon reductions.
- Afforestation programmes or plans in place.
- Encouraging the use of bicycle to work options to employees (for example, preferred rates for bicycles, e-bicycles or similar and dedicated bicycle park options).
- Organisation electric vehicle fleet (cars, bicycles, scooters, minibuses).
- Car-pooling initiatives.
- Employees encouraged to use electric train network rather than road network.
- Public transport incentives for staff.
- Initiatives to support NZ's goal to be carbon neutral.
- Renewable energy sources used as an alternative to non-renewable.
- Whether energy efficiencies will be measured.









In keeping with the spirit and goals of our Sustainable Outcomes journey, we have partnered with a small Māori owned business to produce this Supplier Guide.

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 five Hawke's Bay Councils and Height recognise the importance of engaging with Mana Whenua, Iwi, Hapū, and social enterprises to support the growth of cultural heritage and the socio-economic prospects of Māori.

