



SUSTAINABLE PROCUREMENT OUR OBJECTIVES

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Let's work together and be bold about what we can achieve in partnership. This Guide is about what's important to us, but don't be afraid to push the boat out further. Together we have the opportunity to create a better Auckland for Aucklanders.

Message from Stephen Town, Chief Executive, Auckland Council

Auckland Council is taking a sustainable development approach to promoting the social, economic, environmental and cultural well-being of Auckland and its people.

We're leading this through sustainable procurement, providing the council with a significant lever to achieve better outcomes for Aucklanders.

This Sustainable Procurement Objectives document outlines our goals and sets some clear targets for the council and our suppliers to work towards. By following international best practice we're looking to create a real change in sustainable outcomes through procurement.

Through this approach we are seeking to:

- Increase both our direct and indirect spend with Māori-owned businesses, Pasifika-owned businesses and social enterprises
- Create quality employment and development opportunities for targeted communities
- Increase the delivery of local projects by local suppliers
- Minimise waste
- Reduce carbon emissions

Purpose



This document will:

- Promote consistency and transparency in sustainable procurement definitions, processes and expectations;
- Enable the **effective targeting** of prioritised objectives;
- Encourage suppliers to **actively deliver** positive sustainable outcomes; and
- Support the continuous improvement of the Auckland Council and supplier market **capability**.

Our Approach

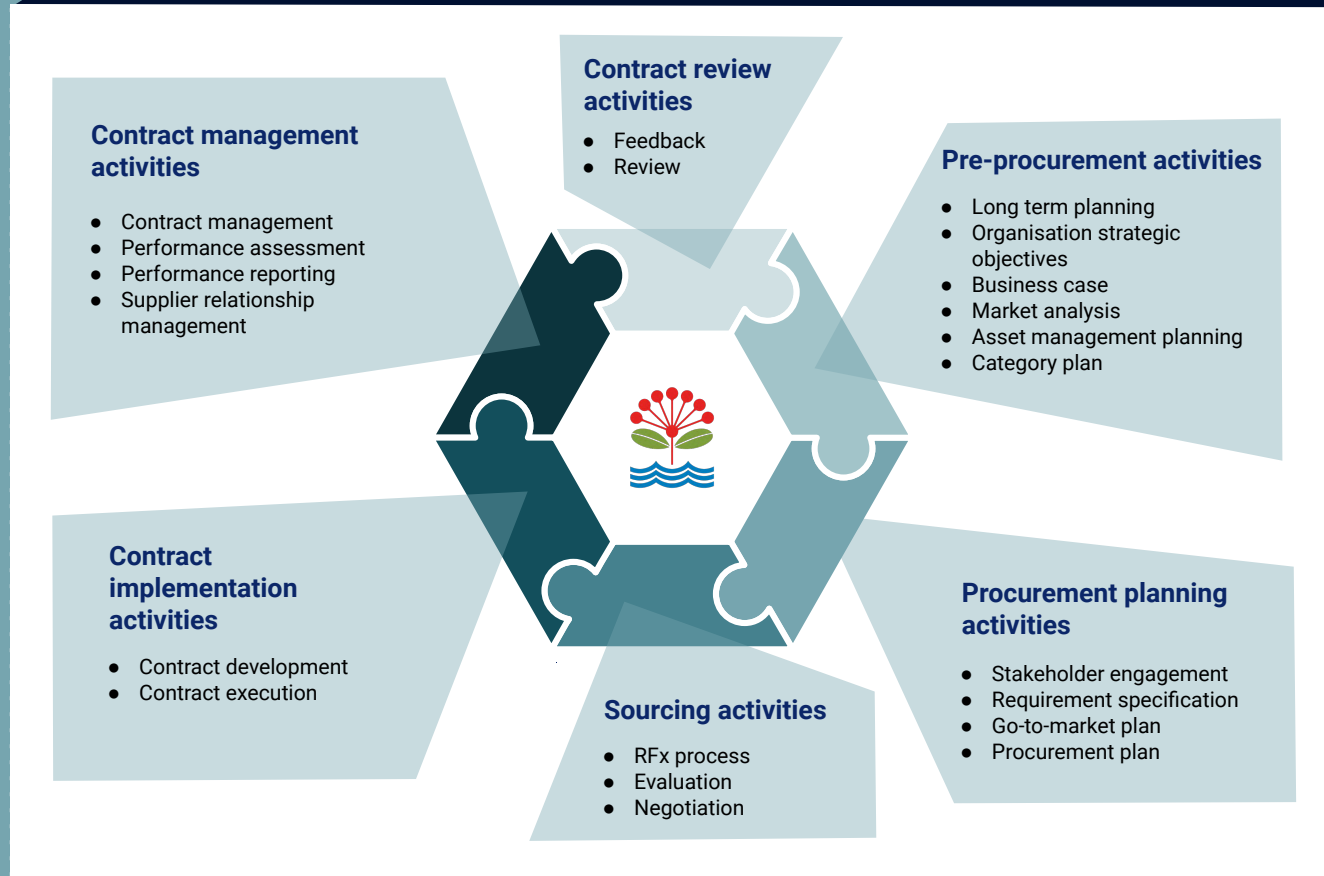
This document provides an overview of our objectives and targets. It is supported by an internal guidance document as well as supporting tools and templates that have been integrated into existing procurement systems and procedures.

We recognise that every procurement activity is unique. Sustainable procurement considerations will differ depending on the goods, services or works we are buying/procuring. We've developed our targets and objectives to account for the differences in size, scale and risks, allowing buyers to adapt the requirements to fit their project.

Sustainable procurement is not intended to take a 'one-size-fits-all' approach. We strongly encourage buyers to develop fit-for-purpose sustainability requirements that support the targets and objectives.

The Procurement Lifecycle

To achieve sustainable procurement outcomes, these need to be integrated into everyday business and considered, monitored and measured throughout each stage of our procurement lifecycle.



These objectives are intended to be understood by:

- **Buyers:** Staff members, contractors, consultants, agents or volunteers of Auckland Council who are responsible for planning, creating, and/or procuring goods, services or works on our behalf.
- **Approvers:** Individuals with the appropriate delegation that are responsible for approving goods, services or works being procured by, or on behalf of, Auckland Council, including associated budget expenditure.
- **Suppliers and industry:** may consider this Guidance to ensure they are familiar with Auckland Council's intentions to pursue social and sustainable outcomes whenever goods, services or works are procured.

Who Is It For?



Why It Matters

Our Opportunity as Auckland Council

Built off Auckland Council Group’s existing sustainable procurement framework, this guide creates an organisational approach to achieving our 5 key objectives in our procurement.

This approach to sustainable procurement has clear linkages to key Auckland Council plans and strategies.



It’s working!

Sustainable outcomes have already been achieved through our procurement.



The Auckland Council is amongst the largest procurers of goods, services and works in New Zealand with an annual procurement spend of more than \$1 Billion.



We have an opportunity to lead the development of sustainable procurement practice in New Zealand

'Value' does not mean the lowest price. We will use procurement to positively impact on the economic, environmental, social and cultural well-being of the communities and world we live in.

International Context

“

All over the world, public and private sector organisations are realising the benefits available to their communities through **sustainable procurement** and integrating these practices into their everyday business.

”

In Australia, the total value of government contracts awarded to indigenous businesses increased from

\$6.2 million
to over **\$1 billion**

between 2012 - 2018

In the United States, businesses owned by diverse suppliers generated more than

\$400 billion

in economic output that resulted in the creation and/or preservation of

2.2 million jobs

In Canada, corporate members of the Canadian Aboriginal & Minority Supplier Council (CAMSC) have spent more than

\$1.2 billion

with CAMSC certified suppliers since 2004

Strategic Alignment

Our objectives deliver on the Auckland Plan and are informed by international best practice.



Our Objectives

Our Targets and Objectives



The aim of the Auckland Council Group's Sustainable Procurement Framework is to generate positive outcomes and improve quality of life, both now and for future generations. The objectives and targets set out in this document support our existing framework and will be reviewed on an annual basis.

The best way to achieve our objectives is to have clear targets which create an environment of accountability.

Shared Prosperity, as explained in the **Inclusive Auckland Framework**, means creating a strong, inclusive and equitable Auckland with opportunities for all. Understanding and responding to the needs of our citizens, customers and community is at the heart of what we do. Therefore, our objectives and targets are intended to deliver shared prosperity for Aucklanders.

Creating Shared Prosperity Through...

We're heading in the right direction!



Supplier Diversity

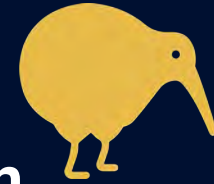


Quality Employment for Target Communities



Reducing Carbon Emissions

Local Supplier Utilisation



Zero Waste by 2040



Supplier Diversity



SUSTAINABLE
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What is our objective?

- Supplier diversity is a strategic and intentional business process that proactively supports and enables businesses owned by minority groups and social enterprises to be engaged in supply chains and business opportunities. Supplier diversity initiatives ensure that indigenous and minority-owned businesses have opportunities to share in a country or city's economic opportunities and prosperity.
- Profit created through Māori and/or Pasifika businesses is likely to linger longer within those communities, rather than going directly offshore. Māori and/or Pasifika businesses are more likely to hire staff from their own communities, start them on higher wages and offer training to enable career progression.
- Our objective of Creating Shared Prosperity Through Supplier Diversity will support the participation of Māori and/or Pasifika businesses and social enterprises in supply chains and enable them to share in Auckland's economic success through sustainable opportunities.

What are our targets?

Supplier
Diversity



5%

of the value of all direct contracts to be awarded to diverse suppliers



15%

of the total subcontract value to be awarded to Māori and/or Pasifika businesses or social enterprises

What are our outcomes?

- Engage diverse suppliers (Māori and/or Pasifika-owned businesses or social enterprises) to support their participation and share in Auckland's economic success through sustainable opportunities.
- Implementation of best practice supplier diversity strategies.



How are we getting there?



- Increase purchasing from Māori, Pasifika and social enterprises, to achieve benefits including employment and employment pathways for:
 - ◆ Māori and Pasifika people
 - ◆ People who have experienced long-term or cyclical joblessness, particularly young people
 - ◆ People that are not in education, employment or training (NEET)
 - ◆ People with disabilities
 - ◆ Refugees
 - ◆ Women
 - ◆ People re-entering the workforce from childcare commitments, ill-health, injury or a correctional sentence
- Encourage strategic suppliers to develop, implement and/or improve their own innovative and impactful supplier diversity and development activities.
- Work with suppliers to develop their capabilities and capacity in order to meet Auckland Council's needs.
- Our target will be measured against the influenceable spend within each year.

Definition

Supplier
Diversity



Proposed Certification: Amotai

SUSTAINABLE
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OBJECTIVES

- **“Māori”** are defined as people with Māori whakapapa and who identify as as Māori.
- **“Pasifika peoples”** are people with whakapapa to, and identify as descendants of the indigenous Polynesian ethnic groups of Samoa, Cook Islands, Tonga, Niue, Fiji, Rotuma, Tokelau, Tuvalu, Kiribati, Papua New Guinea, Vanuatu, Solomon Islands, Tahiti, Nauru, Hawaii and the small island states of Micronesia and Melanesia.
- **Māori and/or Pasifika-owned business** are defined as enterprises where:
 - ◆ **Partnerships:** at least 50% of each class of partnership interest is owned by a Māori and/or Pasifika person(s) and such ownership must be reflected in the partnership agreement; or
 - ◆ **Corporations/companies:** Māori and/or Pasifika person(s) own at least 50% of each class of ordinary voting shares issued and at least 50% of each class of all other shares issued; or
 - ◆ **Trusts:** at least 50% owner(s) of securities or assets held in trust are Māori or Pasifika person(s); or
 - ◆ **Sole proprietorship/trader:** 100% ownership by a Māori and/or Pasifika person.



Definition



Proposed Certification:

The Ākina Foundation uses this definition for the certification of social enterprises.

- Social enterprises are purpose-driven businesses that trade to deliver positive social, cultural, economic and environmental outcomes. Ākina defines that:
 - ◆ the majority of revenue comes from selling goods and service and,
 - ◆ the organisation can link their activities to their intended positive impact, and provide evidence of reinvestment into their purpose.
- Social enterprises and other impact-led businesses can contribute to all of the sustainability objectives including employment, local business, zero waste and addressing climate change.

A best practice corporate **supplier diversity strategy** could include the following:

- The corporate governance body has established a supplier diversity and development programme as a policy of the corporation.
- The CEO (or equivalent) has issued a supplier diversity and development policy that articulates the rationale supporting the initiative. The CEO ensures that this policy is communicated to staff and implemented.
- The CEO has appointed appropriate resources for supplier diversity and development.
- There is an executive advisory council/committee composed of key stakeholders to drive the programme's progress.



Where to get support

Māori and Pasifika-owned businesses



Amotai coordinates a register
of Māori and/or
Pasifika-owned businesses.

amotai.nz

Social enterprises



The Ākina Foundation runs a
social procurement
programme that supports
buyers with their social
procurement journey, and
provides match-making for
social suppliers to contract
opportunities. For more
information visit Ākina [here](#)

Quality Employment for Target Communities





What is our objective?

- To support the pipeline of people entering the workforce, Auckland Council can use its position as a buyer to make the pathway between training and employment more straightforward for target communities.
- Our Objective of Creating Shared Prosperity Through Quality Employment for Target Communities will create opportunities for people experiencing barriers to the labour market, to support their participation in meaningful and quality employment and be able to share in Auckland's economic success through sustainable job opportunities.





What is our target?



100

quality employment opportunities
for members of target
communities created through
Council contracts by 2022



What are our outcomes?

- Better opportunities for targeted employment of people experiencing barriers to support their participation and share in Auckland's economic success through sustainable job opportunities.
- Improved workforce skills, professional development opportunities and productivity gains that are linked and lead to higher wages and salaries.

How are we getting there?

- Suppliers will provide direct, sustainable employment and employment pathways for identified target groups.
- Purchasing from suppliers that build the capacity and provide a legacy for the Auckland workforce by: delivering initiatives; accredited training; wage scaling; and/or who support transferability of skills and job mobility (and improved incomes).



Definition

→ Identified target groups include the following:

- ◆ Māori
- ◆ Pasifika peoples
- ◆ Long-term unemployed
- ◆ People that are not in education, employment or training (NEET)
- ◆ People who have experienced long-term or cyclical joblessness, particularly young people
- ◆ People with disabilities
- ◆ Refugees
- ◆ People re-entering the workforce from childcare commitments, ill-health, injury or a correctional sentence
- ◆ Older workers transitioning from other sectors in the workforce
- ◆ People who are underemployed or under-utilised
- ◆ Women in male-dominated occupations and/or industries





Definition



→ **“Quality employment” is defined as occupations and roles which:**

- ◆ are foreseeably sustainable. In other words, offer as much resilience as possible to automation, globalisation, technical innovation and other factors affecting or changing the industry and labour market;
- ◆ offer genuine career progression and ongoing development, such as an apprenticeship or equivalent (e.g. micro-accreditations);
- ◆ provide workers with terms and conditions that enable employees to live a dignified life; and
- ◆ enable employees to feel their contribution has value, meaning and purpose.

Examples of workforce skills, professional and productivity development include:

- Drivers’ licences
- Improved literacy
- Industry qualifications
- Accredited training
- Wage scaling
- ‘Green’ and technology related skills that prepare people for the future of work
- Job mobility (and improved outcomes)
- Mentoring, advice and coaching



Where to get support

The Southern Initiative's Māori and Pasifika Trades Training Programme



The Southern Initiative provides coaching and pastoral care to Māori and Pasifika Trades Training graduates for two years post placement.

Contact Norm Mckenzie, Kaihautu for the Southern Initiatives Māori and Pasifika Trades training on:

norm.mckenzie@aucklandcouncil.govt.nz or
phone 021 530 286

There are a number of organisations across Auckland who can help source and support recruits including:

The Manukau Institute of Technology (MIT)



MIT delivers a Māori and Pasifika Trades Training programme and their navigators can support the recruitment process for this requirement.

manukau.ac.nz



Where to get support

There are a number of Skills Hubs, where recruits can be sourced, across the city including the **CBD hub** (Auckland CBD), **Ara** (Auckland Airport) and **Tamaki Regeneration** (Glen Innes).



cbdhub.co.nz



araskills.org.nz



tamakiregeneration.co.nz

Supplier
Diversity

Where to get support

Te Puni Kōkiri



Te Puni Kōkiri's cadetship programme supports employers to develop, mentor, train and grow full-time permanent Māori staff so they can take on more senior roles within an organisation.

Contact Gail Hohaia, Senior Advisor Kaitohu Tōmua, at Te Puni Kōkiri's Auckland regional office on hohag@tpk.govt.nz or phone 027 263 6954 for more information.

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Pacific Employment Support Service



Support is available for Pasifika people who are not in employment, education or training and aged 15-29 years of age through the [Ministry of Pacific Peoples](#)

mpp.govt.nz

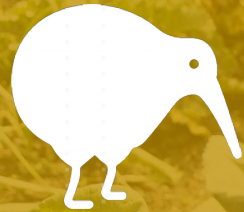
Vision West



Vision West's training and education center has students across a number of industries and will provide pastoral care and support to any of their students placed in employment.

Contact Sidney Tuaoi,
sidney.tuaoi@visionwest.org.nz

Local Supplier Utilisation



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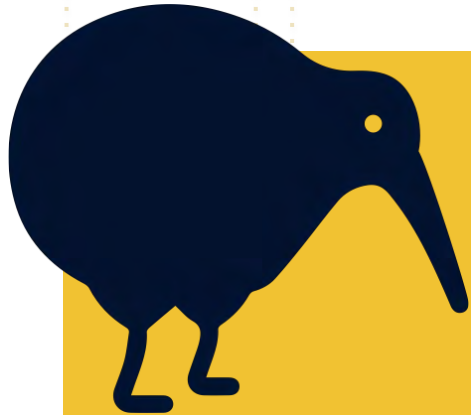
What is our objective?

- Auckland Council has included in its **Economic Development Strategy** a goal to grow a business-friendly and well-functioning city. Local boards have a key role in developing strategies and advocating for initiatives that support prosperity and commercial viability locally.
- Our objective of Creating Shared Prosperity Through Local Supplier Utilisation will support the participation of local suppliers in Auckland Council contracts within their local board area.



What is our target?

Local
Supplier
Utilisation



100

**contracts with local
suppliers by 2022**

What are our outcomes?

- Enabling local (board) supplier participation in contracts.



How are we getting there?



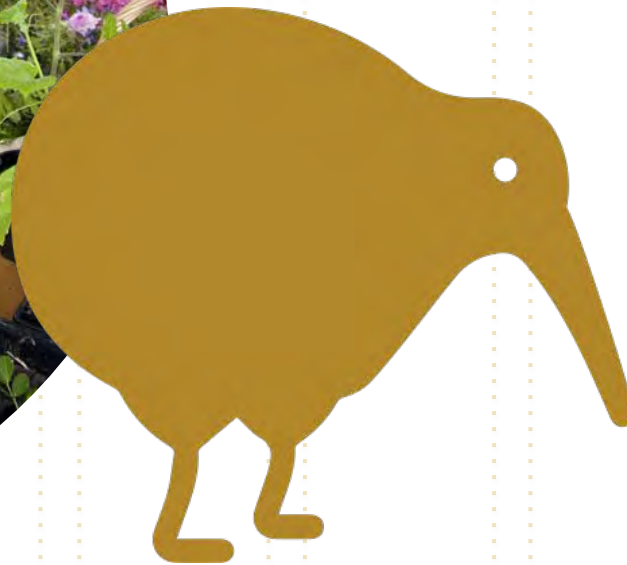
- By purchasing materials, resources and services locally.
- Purchasing from local suppliers that generate local impact e.g. stimulate local economy, have other local businesses in their supply chain, provide local employment opportunities, foster inclusion of marginalised communities.

Definition

Local
Supplier
Utilisation



→ **'Local'** is defined as a supplier who is based within the local board area where the contract is to be delivered.





Where to get support

Local board



Whilst there is no one organisation to support you for this objective, you may wish to contact your local board for initial conversations.

[Find your local board](#)

Zero Waste By 2040



Litter



Recycling

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Zero
Waste
By 2040



What is our objective?

- Auckland aspires to be Zero Waste by 2040, taking care of people and the environment, and turning waste into resources. As the leader of the zero waste vision, Auckland Council needs to demonstrate leadership by integrating zero waste thinking into all that we do.
- Our objective of Creating Shared Prosperity Through Zero Waste by 2040 will ensure that our suppliers are working with us to create a waste free Auckland.

What is our target?

Zero
Waste
By 2040



100%



of contracts incorporate waste considerations in all procurement processes

What are our outcomes?

- Auckland achieves zero waste by 2040.
- We are seeking opportunities to work with our suppliers to help Auckland meet the requirements set out in Auckland's Waste Management and Minimisation Plan.
- Our goals are to minimise waste generation, maximize opportunities for resource recovery and reduce harm from residual waste.
- Set standards with key industries, like construction and demolition, to ensure waste is designed-out and diverted from landfill to beneficial use.



How are we getting there?



- Purchasing from suppliers that:
 - ◆ minimise waste to landfill;
 - ◆ have zero waste policies and carry out regenerative/circular practices;
 - ◆ reduce packaging;
 - ◆ use recycled materials;
 - ◆ focus on the top of the waste hierarchy (reduce and reuse) and have good end-of-life solutions for their products;
 - ◆ partner with local communities and iwi to develop locally led approaches to resource recovery;
 - ◆ for physical work's contracts, have Waste Avoidance and Resource Recovery Plans in place to reduce disposal.

- Encourage suppliers to develop, implement and/or improve their own innovative and impactful waste reduction strategies including designing-out waste.

- The Council fosters and develops opportunities for social enterprises and local organisations.

Definition

Zero
Waste
By 2040



- **Circular economy** means making the best use of resources, with products that are made to last and 'made to be made again' (as opposed to the linear process of make, use, dispose).
- **Community recycling centres** are facilities where members of the public and local businesses can deliver unwanted materials and items for reuse, repurpose and recycling, creating income that supports local jobs, training and volunteering opportunities for people to be actively involved in their neighbourhoods. This approach empowers local communities to develop local solutions, diverting waste in their own communities.
- **Domestic kerbside waste** means waste that goes to landfill from households as put out on the kerbside for collection including any disposed of or discarded (e.g. organic, electronic, or construction and demolition) waste. A domestic 3-bin service for all rateable properties is being implemented – food scraps collection, recycling and waste to landfill.
- **Local organisations** means organisations that are run by people from a neighbourhood or local board area and deliver goods, services or works within that neighbourhood or local board area.
- **Zero waste** means making the most of resources by using them for their highest and best value and sending nothing to landfill or incinerators.

Zero
Waste
By 2040



Where to get support

Waste Management Minimisation



For more information on Auckland Council's Waste Management and Minimisation Plan please visit the [Auckland Council website](https://www.aucklandcouncil.govt.nz).

[aucklandcouncil.govt.nz](https://www.aucklandcouncil.govt.nz)

Ideas for waste reduction



Make the Most of Waste provides information for Auckland Council's food scraps kerb-side collection service, recycling and rubbish collections, community waste minimisation initiatives, community recycling centres and construction and demolition guidelines and videos.

[makethemostofwaste.co.nz](https://www.makethemostofwaste.co.nz)

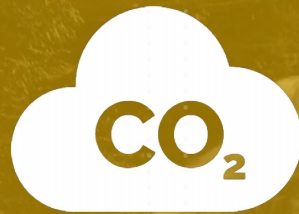
Environmental Choice



Here you can find specifications for waste collectors in the construction and development sectors. This is for builders/developers who want assurance for how their waste is dealt with sustainably.

[environmentalchoice.org.nz](https://www.environmentalchoice.org.nz)

Reducing Carbon Emissions



Reducing
Carbon
Emissions



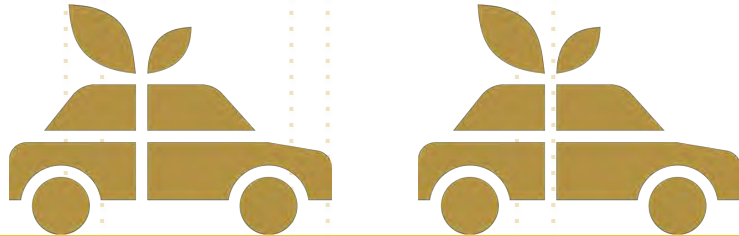
What is our objective?

- Auckland Council has committed the region to a greenhouse gas emissions reduction trajectory consistent with keeping average global temperature increases to a rise of no more than 1.5°C. This effectively means halving our emissions by 2030 and reaching net zero emissions by 2050.
- Auckland Council is committed to working with central government, business and local communities to ensure we are ready to deal with the risks, uncertainties and opportunities associated with climate change. We have detailed in the [Auckland Plan 2050](#) – Outcome: Environment and Cultural Heritage how we are monitoring our reduction in Greenhouse Gases.
- Our Objective of Creating Shared Prosperity Through Reduced Carbon Emissions will enable us to reduce the effects of and build resilience to climate change.

Reducing
Carbon
Emissions



What is our target?



100%

**of contracts incorporate carbon
emission reduction strategies in all
procurement processes**

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What are our outcomes?

- Keep temperature rise within 1.5 degrees celsius by achieving net zero emissions by 2050.
- Working with suppliers who plan to rapidly reduce greenhouse gas emissions and are building their resilience to the impacts of climate change.



How are we getting there?



- Purchasing from suppliers that:
 - ◆ are actively reducing their emissions;
 - ◆ have a plan in place to reduce their emissions;
 - ◆ have an organisational emissions reduction target;
 - ◆ deliver positive, zero or reduced emissions and climate change impact; and
 - ◆ Measure and report on their carbon footprint on a monthly, quarterly and annual basis.
- Proactively supporting our suppliers and their supply chains to actively reduce emissions.
- Purchasing from suppliers who understand their climate risks and how they can make changes and who take steps to make sustainable changes to build their resilience.
- Working with our suppliers to build Auckland's resilience to mitigate the impacts of climate change and build climate resilience.

Definition

- **Carbon Footprint** means the amount of carbon dioxide released into the atmosphere by the activities of a people, organisations and communities.
- **Climate impacts** refers to a marked effect or influence of climate change.
- **Climate resilience** is the ability of a system and its component parts to anticipate, absorb, accommodate or recover from the effects of a hazardous event in a timely and efficient manner. This includes ensuring the preservation, restoration or improvement of its essential basic structures and functions.
- **Climate risks** refers to the exposure to climate related danger, harm or loss (e.g. direct impacts on physical assets, indirect impacts on supply chain)
- **Emissions** refers to the production and discharge of something e.g. the production and discharge of greenhouse gases into the atmosphere.
- **Greenhouse gas emissions (GHG)** refers to gases emitted to the atmosphere which contribute to the greenhouse gas effect where more than the normal amount of atmospheric heat is retained in the atmosphere. These emissions include water vapour, carbon dioxide, nitrous oxide, methane, ozone, halocarbons and other chlorine and bromine-containing substances.
- **Net zero** describes a situation whereby the amount of greenhouse gases emitted into the atmosphere is equal to the amount sequestered or offset (e.g. by forestry).
- **Net zero emissions** describes the total of a country's/city's emissions across all sources, minus offsets from land use, land-use change and forestry.

Reducing
Carbon
Emissions



SUSTAINABLE
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Where to get support

Auckland's Climate Action Framework



To help design an Auckland that's climate-ready, you can have your say on The Climate Action Framework by visiting the [Auckland Council website](https://www.aucklandcouncil.govt.nz).

[aucklandcouncil.govt.nz](https://www.aucklandcouncil.govt.nz)

Ministry for Environment



The Ministry for Environment provides helpful resources on what you can do about climate change and information about initiatives underway.

mfe.govt.nz/climate-change/we-all-have-role-play

What's next?

This is a living document to be continually reviewed. This ensures our objectives reflect the most important outcomes for Auckland and our approach follows international best practice for social and sustainable procurement.

- If you're a buyer or approver, please refer to guidance for further detail.
- If you're a supplier, please reach out to your procurement contact or see our website: www.aucklandcouncil.govt.nz



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aucklandcouncil.govt.nz