

Progressive Procurement Toolkit

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
tohotohu 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 is an internal document within our organisation to provide guidance and tools for sustainable outcomes during the procurement process. 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.

It is our intent that the Progressive Procurement Toolkit will exist as a living platform 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.

VERSION	RELEASED BY	DATE
1.0	Hawke's Bay Regional Council	April 2021

This document has been prepared by Hawke's Bay Regional Council in collaboration with 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 New Zealand.

While reasonable efforts have been made to ensure that the contents of this publication are factually correct, Hawke's Bay Regional 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.



What is Progressive Procurement?

Progressive Procurement is the pathway to achieving positive sustainable outcomes, these being economic, social, environmental and cultural, while ensuring competitive pricing and maintaining quality standards.

The 2020 Procurement Policy and Strategy adopted by Hawke's Bay Regional Council reflects the change in Government procurement focus from "value for money" to "public value". Hawke's Bay Regional Council has the ability to deliver additional benefits to the community and/or meet other strategic objectives through its supply chain.

By embedding these outcomes through council procurements, we further enhance the wellbeing of the communities of the surrounding Te Matau-a-Māui Hawke's Bay region. This is in line with a shift in the Government Procurement Rules (4th Edition) 2019 to focus on 'Broader Outcomes'.



HAWKE'S BAY REGIONAL COUNCIL'S PROCUREMENT PRINCIPLES

Environmental considerations – The Regional council will (as part of its product procurement and supplier selection) consider minimising the impact on the environment, reflecting the organisation's role and responsibilities to the community it serves.

Transparency – Without compromising commercial confidentiality, Hawke's Bay Regional Council will be transparent in its administration of its external expenditure and supplier agreements. This supports Hawke's Bay Regional Council's accountability to its ratepayers and community and ensures that the roles and obligations in agreements between Hawke's Bay Regional Council and its suppliers are clear and well understood by all parties.

Fairness and impartiality – Hawke's Bay Regional Council and its employees will act fairly and reasonably and will be visibly impartial in their decision-making.

Honesty and integrity – Hawke's Bay Regional Council will act within the law, to meet its legal obligations when procuring assets, goods, works and services.

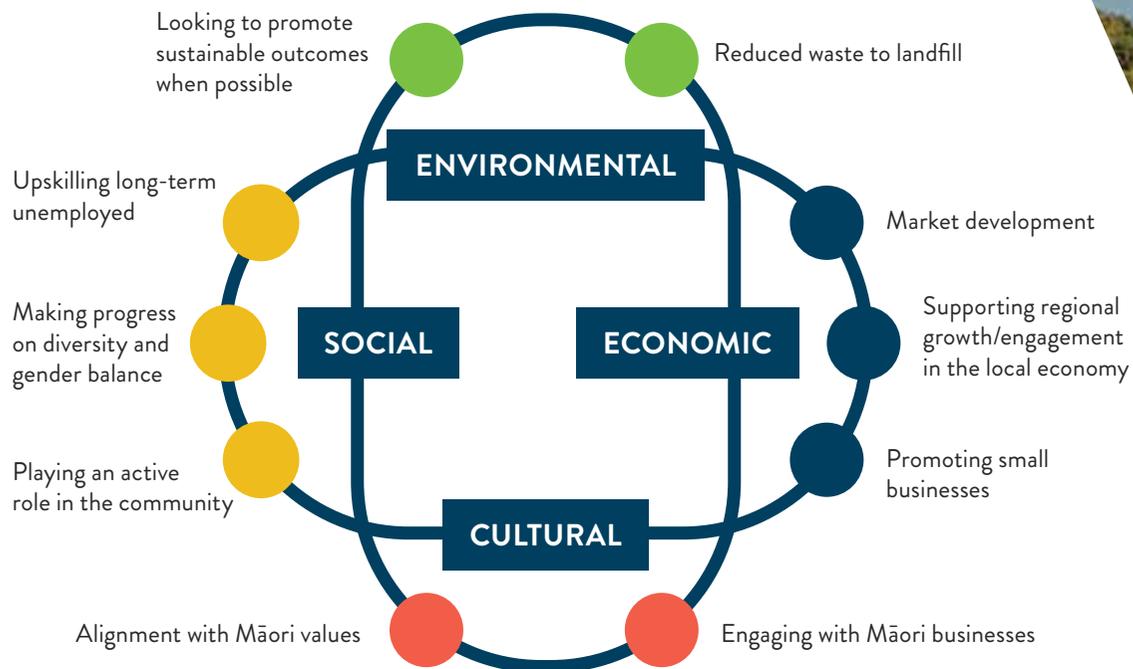
Managing conflicts of interest – Impacted elected members or Hawke's Bay Regional Council employees are required to note any possible conflict of interest (or perception of a conflict of interest) and will not be involved in any assessment or decision making related to either funding or supplier selection where a conflict may exist.

Confidentiality and security – Hawke's Bay Regional Council will endeavour to keep commercially sensitive information confidential while undergoing procurement activities.

Accountability – Hawke's Bay Regional Council is accountable for its performance and will keep complete and accurate accounts of its external expenditure, including the reasons and justification for committing to the expenditure. Suitable governance and management arrangements will be in place to oversee procurement decisions, processes and the performance of any subsequent supplier agreements.

Value for money – Hawke's Bay Regional Council will use its resources effectively, economically and without waste.

BROADER OUTCOMES



Examples of Broader Outcomes - NZ Govt. Procurement Rules (4th Ed) 2019 (recoloured).

OUR VISION:

WE WANT a healthy environment, a vibrant community and a prosperous economy

OUR PURPOSE:

WE WORK with our community to protect and manage the region's precious taonga of rivers, lakes, soils, air, coast and biodiversity for health, wellbeing and connectivity.

OUR MISSION:

Enhancing our Environment together
Te Whakapakari Tahī | Tō Tātau Taiao



“WITH AN ANNUAL PROGRAMME OF APPROXIMATELY \$87 MILLION, HAWKE’S BAY REGIONAL COUNCIL’S SPENDING DECISIONS CAN HAVE A PROFOUND POSITIVE EFFECT ON THE LOCAL ECONOMY AND THE WELLBEING OF ITS COMMUNITY AND THE ENVIRONMENT.”



Sustainable Outcomes Focus Areas

Jobs for our people, social equality, genuine partnerships with mana whenua, enhancing our environment, and diversification of our economy present opportunities for the planning and spending decision-makers of local and central Government.

The Hawke's Bay Region faces several challenges. Notably protecting and enhancing the environment for future generations, while supporting the developing social, cultural and economic needs of the community.

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 Hawke's Bay Regional Council.

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 Hawke's Bay 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.

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.



Social Wellbeing

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

KEY FOCUS

PROVIDING EQUAL OPPORTUNITIES SO PROSPERITY IS SHARED ACROSS OUR COMMUNITY

HEALTH AND WELLBEING

Seeking suppliers and partners to demonstrate the measures they will use to support achieving healthy work environments, individuals, families and/or communities. This approach should align to the Māori worldview of health and wellbeing.

COMMUNITY SPONSORSHIP AND SUPPORT

Seeking suppliers or partners who improve our district liveability and natural environment through supporting community volunteering, charities, social enterprises and/or similar organisations that have a positive impact on sustainable outcomes within our communities.

LOCAL STAKEHOLDER ENGAGEMENT

Seeking suppliers or partners who will empower and enable more engaged and connected communities. Local stakeholders may include local boards, community groups, local schools or those who may have an interest in the project.

FUTURE GENERATIONS

Seeking suppliers that recognise the potential of rangatahi within our community.



Cultural Wellbeing

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

KEY FOCUS

GENUINELY PARTNERING WITH MANA WHENUA

MANA WHENUA ENGAGEMENT

To support ongoing meaningful engagement and involvement with Mana Whenua throughout relevant project/contract cycles and to seek suppliers and partners who competently engage as partners with local iwi and hapū.

MĀORI CULTURAL HERITAGE AND WORLDVIEW

To support suppliers and initiatives who share Council's commitment to strengthening and raising awareness of New Zealand's cultural heritage through embracing and revitalising Mātauranga Māori (knowledge), and who are willingly guided by a Māori worldview that embraces wairua (spiritual health), whānau (family health), hinengaro (mental health) and tinana (physical wellbeing).

DIVERSITY AND INCLUSION

To support suppliers who value, encourage and celebrate the importance of diversity and inclusion, whether by gender, sexual orientation, age, religion, cultural background or race.



Economic Wellbeing

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

KEY FOCUS

BUILDING A PROSPEROUS, DIVERSE AND SUSTAINABLE ECONOMY

INNOVATION

To encourage suppliers to be ambitious with innovations that will help diversify the Hawke's Bay economy, and support long-term job creation.

EMPLOYMENT

To encourage suppliers to create jobs in the district and region and foster economic growth.

EMPLOYING PRIORITY GROUPS

To support suppliers and partners that enable sustainable employment opportunities for 'priority groups'. Note: priority groups include, but are not limited to, unemployed, Māori, Pasifika, women, youth and those with disabilities.

UPSKILLING & TRAINING

To support suppliers and partners who increase the capability of our local workforce (includes small – medium businesses and individuals) through providing upskilling and training opportunities – particularly for Māori and Pasifika.

LOCAL SUPPLY-CHAIN

To seek suppliers and partners who invest in local sustainable supply-chains through subcontractors and/or materials/plant.



Environmental Wellbeing

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

KEY FOCUS

PREVENTING AND REVERSING ENVIRONMENTAL DEGRADATION

ENVIRONMENTAL GUARDIANSHIP

To seek suppliers who value and demonstrate Kaitiakitanga (guardianship) of New Zealand's natural environment and resources. Commitment will be demonstrated through supporting innovations that aim to enhance and protect the environment.

RESPONSIBLE WATER MANAGEMENT

To support suppliers, partners and methods that are actively contributing to enhancing our region's water security and protecting aquifers, rivers, lakes, wetlands, and the marine environment from contamination.

WASTE MANAGEMENT

To engage with suppliers who use initiatives and innovation that promote and/or invest in the use of locally produced sustainable materials, sustainable practices (including reducing the reliance on single use items), waste minimisation, resource recovery, extended producer responsibility programmes, practices to reduce or eliminate the impacts of hazardous waste to achieve responsible waste management that enables long-term environmental protection.

REDUCING CARBON EMISSIONS

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



Toolkit Overview

Hawke's Bay Regional Council has identified an opportunity to develop a Progressive Procurement Toolkit to support addressing the region's most critical challenges.

Achieving positive sustainable outcomes is a good thing; however tools to guide and support practical implementation has 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 involved throughout the procurement process on every suitable project. However, a combination of the volume of projects and available expert 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

Similar to resourcing, the volume of projects and contracts being managed by the Regional Council requires an approach that lends itself to 'ease of application' to keep up with scale demands.

CONSISTENCY

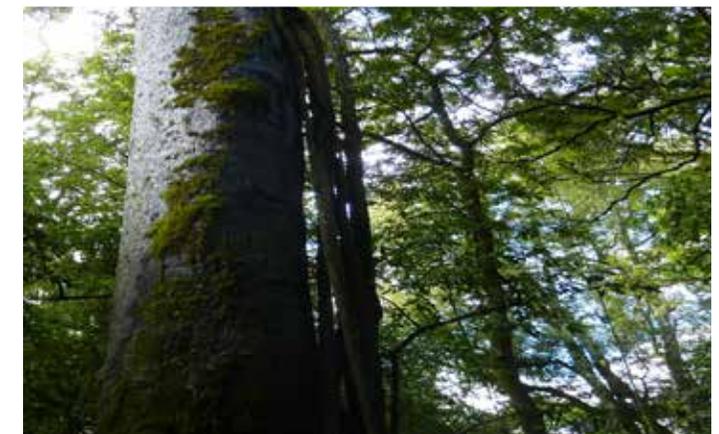
The Toolkit can be tailored to suit the desired outputs of specific project/contracts. This base encourages a level of consistency throughout the process.

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 pre-planning and post-delivery), while maintaining best value and services to ratepayers.

SUMMARY

Aotearoa 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 focussed strategy, making practical implementation accessible, efficient and easy to use.

Hawke's Bay Regional Council draws on its experience developing and implementing sustainable outcome mechanisms, improvement opportunities will inform and improve the Toolkit process for future projects. The Toolkit is a living document and augmented on a "continuous improvement" basis.



THIS TOOLKIT IS A LIVING DOCUMENT AND AUGMENTED ON A "CONTINUOUS IMPROVEMENT" BASIS.



Toolkit Components

Hawke's Bay Regional Council's Progressive Procurement Toolkit has practical steps to assess where social, environmental, economic and cultural elements can be incorporated into the procurement development and decision making process.

Ideally the Toolkit would be utilised at the planning phase to help inform elements of the Procurement Plan. The Toolkit could then be used to inform drafting of the associated RFQ/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 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 modified/tailored (as/if required) to suit the relevant project/contract, they are not intended to be a 'one size fits all' approach.

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

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 or Procurement Plan, to RFX (includes ROI and RFP/RFT/RFQ) questions, the evaluation of supplier responses, through to contract and KPI guidance.

KEY STEPS:



1A: Define key project activities

Outline the various stages of the project and the activities to be delivered upon within each phase.

1B: Identify sustainable outcome opportunities

Identify where social, cultural, economic and environmental opportunities could be incorporated into the project.



Tailor RFX questions

Using the opportunities identified in 'Step 1', use the Toolkit 'Step 2: Question Guide' to tailor RFX supplier questions.



Evaluate responses

Evaluate the supplier responses and their alignment to the 'Step 2' category question(s) using the Toolkit 'Step 3: Evaluation Guide'.



Measure Outcomes

Key Performance Indicators (KPIs) should be tailored to suit specific contract needs and moderated with the successful supplier(s). Examples are provided in the measurement guidelines in the toolkit 'Step 4: KPI Measurement Guide'.

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.

The image below is an example of the Opportunity Map to be completed in Excel, and only contains two key focus categories per sustainable outcome. The Opportunity Map you need to use can be located on the Procurement Hub on Herbie/Sharepoint.

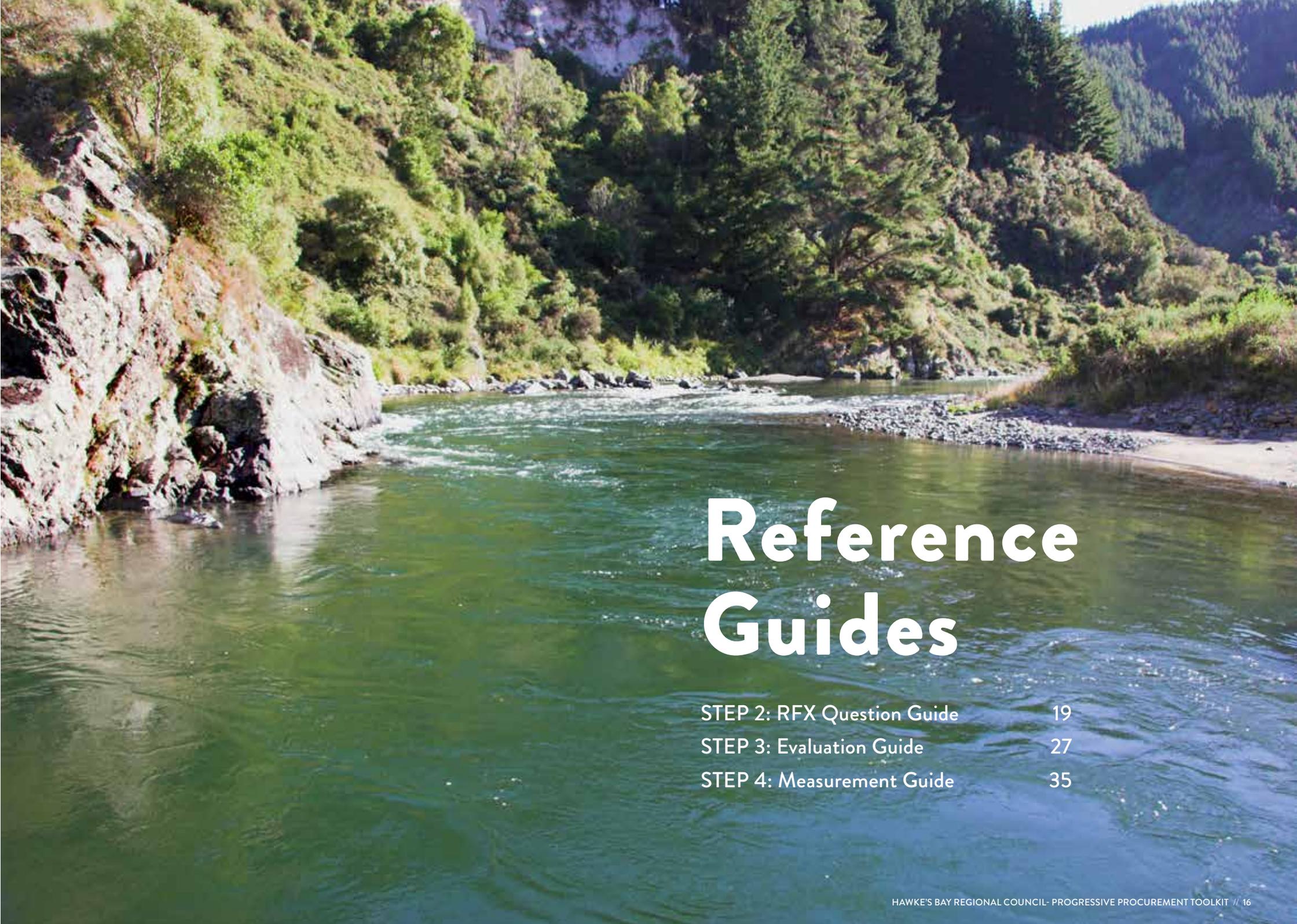
OPPORTUNITY MAP OVERVIEW

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

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.)

	SECTION 1		SECTION 2		SECTION 3		SECTION 4	
	Social		Cultural		Economic		Environmental	
	Health and Wellbeing	Community Sponsorship and Support	Mana Whenua Engagement	Māori Cultural Heritage and Worldview	Innovation	Employment	Environmental Guardianship	Responsible Water Management
ID NUMBER	1.1	1.2	2.1	2.2	3.1	3.2	4.1	4.2
	Opportunity to provide health, safety and wellbeing initiatives for employees.	Opportunity for organisations to support community groups or social enterprises, through volunteering time or funding.	Opportunity for mana whenua, mātāwaka or iwi involvement, engagement, investment, design or other.	Opportunity to raise awareness of NZ’s indigenous cultural heritage through revitalising Mātauranga Māori (knowledge). For example incorporating Te Reo Māori, protocols, blessing of sites, powhiri, design influence into contracts.	Opportunity to contribute to innovation and diversification of the Te Matau-a-Māui Hawke’s Bay economy.	Opportunity to maintain existing or create new jobs in the region.	Opportunity to partner with suppliers who value and demonstrate Kaitiakitanga of New Zealand’s natural environment and resources. Commitment will be demonstrated through supporting innovations that aim to enhance and protect the environment.	Opportunity to partner with suppliers that actively contribute to enhancing our regions water security and protecting aquifers, rivers, lakes, wetlands, and the marine environment from contamination.
PROJECT (X) ACTIVITIES								
FEASIBILITY		Potential	Potential	Potential	Potential		Potential	Potential
DESIGN								
CONSTRUCTION				Potential		Potential		
COMMISSIONING		Potential		Potential	Potential	Potential		
OPERATIONS AND MAINTENANCE					Potential	Potential		
ASSET DISPOSAL					Potential	Potential		Potential
PROFESSIONAL SERVICES	Potential		Potential	Potential	Potential	Potential	Potential	Potential



Reference Guides

STEP 2: RFX Question Guide	19
STEP 3: Evaluation Guide	27
STEP 4: Measurement Guide	35

STEP 2: RFX Question Guide

This Sustainable Outcomes Question Guide is made up of four key sections.

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 in order 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 and 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:



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 '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 between 3-5 questions that focus on key opportunity areas is a good benchmark.

CATEGORY	ID #	RFX QUESTION EXAMPLE
Opening statement examples for Sustainable Outcomes section		<p>[The following text is suggested optional wording to be used as an introductory guideline for RFX's. Phrasing can be adjusted to reflect specific project criteria.]</p> <p>[Please provide detail on how your organisation will support Hawke's Bay Regional Council with its sustainable outcomes goals, contribute to enabling the wider Hawke's Bay to become a more inclusive, liveable district for all its inhabitants and one where the environment is protected and enhanced.]</p> <p>Or</p> <p>[Hawke's Bay Regional Council aims to achieve long-term, meaningful benefits for its people 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 help contribute to delivering positive sustainable outcomes for the regional environment, economy and its inhabitants.]</p>

SECTION 1

Social Wellbeing



CATEGORY	ID #	RFX QUESTION EXAMPLE
	1.1	<p>Health and Wellbeing</p> <p>Detail the employee health, support and wellbeing initiatives provided directly by your organisation and/or prime contractor/sub-contractor, as applicable on an ongoing basis 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 groups?*</p> <p>Or for professional services</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 groups* to ensure their best chance of success?</p> <p><i>*Note: Priority groups include, but are not limited to apprentices, cadets, graduates, Māori, Pasifika, ethnically diverse, refugee background, long-term unemployed, persons with a disability, mental health history, criminal history, vulnerable youth and vulnerable society members.</i></p>
	1.2	<p>Community Sponsorship and 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.</p> <p>Or for professional services</p> <p>Detail how your organisation supports sustainable outcomes within the community through volunteering, charity support or support to social enterprises.</p>
	1.3	<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 outcome.</p> <p>Or for professional services</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>
	1.4	<p>Future Generations</p> <p>Detail how your organisation will support the development of young people/rangatahi within the community.</p> <p>Or for professional services</p> <p>Detail how your organisation supports the development and/or education of young people/rangatahi either internally (within your organisation) or externally (within the community).</p>

SECTION 2

Cultural Wellbeing



CATEGORY	ID #	RFX QUESTION EXAMPLE
	2.1	<p>Mana Whenua 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, or specific iwi and/or hapū groups in this project/contract and whether there will be a dedicated contact to support positive, meaningful ongoing engagement.</p> <p>Or for professional services</p> <p>Detail the level to which your organisation currently engages or involves mana whenua, mātāwaka or specific iwi groups to support positive, meaningful ongoing engagement that reflects Aotearoa New Zealand’s cultural heritage.</p>
	2.2	<p>Māori Cultural Heritage and Worldview</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 Hawke’s Bay Regional Council has an obligation to recognise and protect Māori rights and interests in line with Te Tiriti o Waitangi.</p> <p>Or for professional services</p> <p>Explain how awareness of Māori culture, values and perspectives are incorporated into your organisation, noting that Hawke’s Bay Regional Council has an obligation to recognise and protect Māori rights and interests in line with Te Tiriti o Waitangi.</p>
	2.3	<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>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>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>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> <p><i>*Note: Diversity and inclusion includes but is not limited to ethnicity, culture, gender, gender identity, age or under-represented groups.</i></p>

SECTION 3

Economic Wellbeing



CATEGORY	ID #	RFX QUESTION EXAMPLE
	3.1	<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>
	3.2	<p>Employment</p> <p>How many FTE jobs do you already have based in the Hawke's Bay region? How many new FTE jobs do you expect to create in the Hawke's Bay region as a result of this contract or project?</p> <p>Or for professional services</p> <p>How many new FTE jobs do you expect to create as a result of this contract or project?</p>
	3.3	<p>Employing Priority Groups</p> <p>Will your organisation hire anyone from priority groups for this project/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>Priority groups include: 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.</p> <p>Or for professional services</p> <p>Detail the current hires that your organisation has from priority 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>Priority groups include: 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.</p>

SECTION 3

Economic Wellbeing



CATEGORY

ID #

RFX QUESTION EXAMPLE



3.4

Upskilling and Training

Explain how your organisation (and prime contractor/sub-contractors, as applicable) will provide opportunities for upskilling or training for those involved in the project/contract 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:

- Māori and/or Pasifika people
- Other priority groups*
- The domestic construction sector workforce.

Priority groups include: 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.

Or for professional services

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:

- Māori and/or Pasifika people
- Other priority groups*
- The domestic construction sector workforce.

Priority groups include: 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.

SECTION 3

Economic Wellbeing



CATEGORY

ID #

RFX QUESTION EXAMPLE



3.5

Local Supply Chain

Explain how your organisation (and prime contractors/sub-contractors, as applicable) will support:

- Supplier diversity in the supply-chain throughout delivery of the project/contract. 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.)

Provide specific details of the businesses your organisation will be supporting and their core industry; and/or the duration of the support to be provided to the above.

Or for professional services

Explain how your organisation (and prime contractors/sub-contractors, as applicable) supports:

- 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.)

Provide specific details of the businesses your organisation will be supporting and their core industry; and/or the duration of the support to be provided to the above.

SECTION 4

Environmental Wellbeing



CATEGORY	ID #	RFX QUESTION EXAMPLE
	4.1	<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/behaviour change programmes, community driven environmental protection projects, partnering with bodies that invest in and promote ecological conservation and natural heritage enhancements, recycling, resource recovery, 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/behaviour change programmes, community driven environmental protection projects, partnering with bodies that invest in and promote ecological conservation and natural heritage enhancements, recycling, resource recovery, 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>
	4.2	<p>Responsible Water Management</p> <p>Explain your organisation's (and prime contractors/sub-contractors, as applicable) plan to ensure that water use, 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>
	4.3	<p>Waste Management</p> <p>Provide details on how your organisation (and prime contractors/sub-contractors) will minimise waste to landfill, increase resource recovery, and reduce or eliminate the impacts of hazardous waste on the environment during this project/contract. 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 and increase resource recovery, as business as usual. Detail how your employees made aware of organisation-wide waste management and minimisation approach.</p>

SECTION 4

Environmental Wellbeing



CATEGORY	ID #	RFX QUESTION EXAMPLE
	4.4	<p>Reducing Carbon Emissions</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>

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 Wellbeing’, then ‘ID# 1.1 Health and Wellbeing’ 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 Wellbeing category: 1 = High importance, 2 = Medium, 3 = Desirable. These priority ratings are based on the categories’ respective abilities to directly contribute to solving the region’s challenges. Ratings may change over time as priorities change.

COMPLIANCE	DEFINITION	KEY WORDS	DEFICIENCY	SCORE OPTIONS
Significantly exceeds	Significantly exceeds the requirement in a way that provides Hawke’s Bay Regional Council significant added value.	Significant added value		85, 90, 95, 100
Exceeds	Exceeds the requirement in some aspects and or offers Hawke’s Bay Regional 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

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 to the right.

Score Guidelines provided support scoring the non-price ‘Sustainable Outcome’ attributes for each Tenderer.

# 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%		

# 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%
5.	100%	Non-compliant: Partially met	1.25-9%
		Non-compliant: Not met	0%

SECTION 1

Social Wellbeing



CATEGORY	ID #	EVALUATION GUIDE
	1.1	<p>Health and Wellbeing</p> <p>Evaluate whether the organisation provides any health and wellbeing initiatives and who these are accessible to.</p> <p>Further evaluation considerations:</p> <p>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.</p> <p><i>Note: whether initiatives will be provided on an ongoing basis or during the project/contract duration only.</i></p>
	1.2	<p>Community Sponsorship and Support</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.
	1.3	<p>Local Stakeholder Engagement</p> <p>Evaluate whether the supplier will support, consult or engage with any local groups or stakeholders that have an interest in the project.</p> <p>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 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.

SECTION 1

Social Wellbeing



CATEGORY	ID #	EVALUATION GUIDE
	1.4	<p>Future Generations</p> <p>Evaluate whether the supplier supports the development of young people/rangatahi in the Hawke's Bay Region and surrounds.</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> • Mentoring or support of young people (directly or indirectly); • Funding of community youth projects; • Evidence of successfully raising the aspirations of youth/rangatahi and contributing to their personal, educational or career development.

SECTION 2

Cultural Wellbeing



CATEGORY	ID #	EVALUATION GUIDE
	2.1	<p>Mana Whenua Engagement</p> <p>Evaluate based on the intended level of engagement with mana whenua, Mātāwaka 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, Mātāwaka 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 and/or hapū that may have an interest in the contract/project or area that the project is based.
	2.2	<p>Māori Cultural Heritage and Worldview</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 Hawke's Bay Regional Council has an obligation to recognise and protect Māori rights and interests in line with Te Tiriti o Waitangi.</p> <p>Or for professional services</p> <p>Explain how awareness of Māori culture, values and perspectives are incorporated into your organisation, noting that Hawke's Bay Regional Council has an obligation to recognise and protect Māori rights and interests in line with Te Tiriti o Waitangi.</p>
	2.3	<p>Diversity and Inclusion</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 ethnicity, culture, gender, 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.

SECTION 3

Economic Wellbeing



CATEGORY	ID #	EVALUATION GUIDE
	3.1	<p>Innovation</p> <p>Evaluate the likelihood that the suppliers bespoke or innovative initiatives will support solutions to Hawke's Bay's key challenges by contributing to the districts livability, prosperity of its people, and environmental protection and enhancement:</p> <p>Further evaluation considerations:</p> <p>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.</p>
	3.2	<p>Employment</p> <p>Evaluate based on the:</p> <ol style="list-style-type: none"> 1. Committed number of FTEs; 2. Duration of hire period <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> • Consider the skill level of the hires – do they help shift local labour from low to higher skilled employed ? • Will they invest in training of local people to prepare them for roles?
	3.3	<p>Employing Priority Groups</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 Groups that the hire falls into. <p>Priority groups include: 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.</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> • Specifically consider whether Māori 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 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 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 group.</i></p>

SECTION 3

Economic Wellbeing



CATEGORY	ID #	EVALUATION GUIDE
	3.4	<p>Upskilling and Training</p> <p>Evaluate who training and upskilling is available to (consider how widely spread the opportunities are, and specifically whether priority groups benefit). For example, Māori or Pasifika, other priority groups, full-time employees only, contractors, small-medium businesses, volunteers, and all parties involved in the project.</p> <p>Evaluate the impact on upskilling Hawke's Bay'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 groups.)</p> <p>Further evaluation considerations:</p> <ul style="list-style-type: none"> • Consider whether Maori and/or Pasifika 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.
	3.5	<p>Local Supply Chain</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>

SECTION 4

Environmental Wellbeing



CATEGORY	ID #	EVALUATION GUIDE
	4.1	<p>Environmental Guardianship</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>
	4.2	<p>Responsible Water Management</p> <p>Evaluate how the supplier will ensure that water use, 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> <p>Evaluate based on the measures the supplier will take to address: waste water 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>
	4.3	<p>Waste Management</p> <p>Evaluate based on the measures the supplier (and prime contractors/sub-contractors, as applicable) will take to ensure waste to resource recovery is increased, and the impacts of hazardous waste on the environment is mitigated.</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, resource recovery or similar • Evaluate whether any waste management suppliers to be used are locally sourced, ethical and support any sustainable outcome values.
	4.4	<p>Reducing Carbon Emissions</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> <p>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>

STEP 4: Measurement Guide

Sustainable Outcomes Key Performance Indicators (KPIs) are used to measure an organisation's progress against sustainable outcomes goals within a specific timeframe 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, KPI'S 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 the Hawke's Bay region'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.

Use the Measurement Guidelines below to score the Non-Price 'Sustainable Outcome' Attribute for each Tenderer.

SECTION 1

Social Wellbeing



CATEGORY	ID #	MEASUREMENT GUIDE
	1.1	<p>Health and Wellbeing</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. A list of the health and wellbeing programmes they have provided for their employees and/or contractors. 2. The number of employees who are taking part in the programmes. 3. Who the programmes were available to. 4. Evidence of how the programmes have been made known within the organisation. 5. Average number of paid sick days per employee. 6. Number of employees on parental leave. 7. Number of part time employees. 8. Number of employees with flexible working arrangements (i.e. work from home arrangement). 9. 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>
	1.2	<p>Community Sponsorship and Support</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. A list of the charities/social enterprises supported. 2. Amount donated to charitable organisations/social enterprises. 3. Number of supplier employees engaged in voluntary work. 4. Average number of paid volunteer hours utilised per employee. 5. 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>

SECTION 1

Social Wellbeing



CATEGORY	ID #	MEASUREMENT GUIDE
	1.3	<p>Local Stakeholder Engagement</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>
	1.4	<p>Future Generations</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 young people provided with: <ol style="list-style-type: none"> a. Mentoring; b. Funding to support development; or c. Support programmes, by your organisation. 2. The % of young people (25 years and under): <ol style="list-style-type: none"> a. Internal to the organisation; or b. External to the organization that . <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>

SECTION 2

Cultural Wellbeing



CATEGORY	ID #	MEASUREMENT GUIDE
	2.1	<p>Mana Whenua Engagement</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, Mātāwaka or iwi specific). • Name of suppliers' dedicated mana whenua, Mātāwaka or iwi contact to support meaningful engagement. • High-level details of investment value commitment to mana whenua or Mātāwaka (as applicable). <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>
	2.2	<p>Māori Cultural Heritage and Worldview</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>
	2.3	<p>Diversity and Inclusion</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>

SECTION 3

Economic Wellbeing



CATEGORY	ID #	MEASUREMENT GUIDE
	3.1	<p>Innovation</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. 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 Hawke's Bay's key challenge areas. <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>
	3.2	<p>Employment</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 [full-time] / [contract] employees working on this contract who are based in the Hawke's Bay and surrounds 2. Duration of contracts 3. Skill and pay level of employees

SECTION 3

Economic Wellbeing



CATEGORY	ID #	MEASUREMENT GUIDE
	<p>3.3</p>	<p>Employing Priority Groups</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 [full-time] / [contract] employees 2. Number of [full-time] / [contract] employees that fall within a priority group 3. Within the number of priority groups, break down the number that fall within each of the following categories: <ol style="list-style-type: none"> a. Māori b. Pasifika c. Woman d. Ethnically diverse (e.g. refugee background) e. Apprentices/Cadets/Graduates f. Long-term unemployed g. Persons with a disability h. Mental health history i. Criminal history f. Vulnerable youth and vulnerable society members. 4. Number of dedicated mentors/pastoral care employees or contractors provided to support the success of priority groups. 5. Average length of service for all employees 6. Average length of service for priority groups, as follows: <ol style="list-style-type: none"> a. Māori b. Pasifika c. Woman d. Ethnically diverse (e.g. refugee background) e. Apprentices/Cadets/Graduates f. Long-term unemployed g. Persons with a disability h. Mental health history i. Criminal history f. Vulnerable youth and vulnerable society members. <p>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.</p>

SECTION 3

Economic Wellbeing



CATEGORY

ID #

MEASUREMENT GUIDE



3.4

Upskilling and Training

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

1. Number of employees who were provided with and attended training opportunities overall
 2. Number of employees in question 3.3 that fall into a 'priority group', specifically:
 - a. Māori
 - b. Pasifika
 - c. Woman
 - d. Ethnically diverse (e.g. Refugee Background)
 - e. Apprentices/Cadets/Graduates
 - f. Long-term unemployed
 - g. Persons with a disability
 - h. Mental health history
 - i. Criminal history
 - f. Vulnerable youth and vulnerable society members.
 3. Average expenditure on employee training per head within the organisation.
 4. Number of employees provided with each of the following and specific 'priority group' they fall into:
 - General upskilling (NVQ1-4)
 - Trades specific upskilling (levels 4-6)
 - Tertiary or higher
 5. Confirmation of mentors/pastoral care provided to support priority group success.
- Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.

SECTION 3

Economic Wellbeing



CATEGORY

ID #

MEASUREMENT GUIDE

3.5

Local Supply Chain

Council may require the supplier to provide evidence of the following during the project/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
 - Airfreight
 - 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.



SECTION 4

Environmental Wellbeing



CATEGORY	ID #	MEASUREMENT GUIDE
	<p>4.1</p>	<p>Environmental Guardianship</p> <p>Council may require the supplier to provide evidence of the following during the project/contract, as part of an annual report or upon completion:</p> <ul style="list-style-type: none"> • Number of environmental complaints received over course of project/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). <p>Council reserves the right to do appropriate due diligence through audit or interviewing to validate the data provided above.</p>
	<p>4.2</p>	<p>Responsible Water Management</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>

SECTION 4

Environmental Wellbeing



CATEGORY

ID #

MEASUREMENT GUIDE



4.3

Waste Management

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

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 materials
 - Total waste (thousand tonnes).
 - Non-hazardous waste.
 - Hazardous waste.
 - Recycled materials.
 - Incineration waste (boiler fuel).
 - Landfill waste.
 - Other disposal methods.
 - Composted waste.

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

SECTION 4

Environmental Wellbeing



CATEGORY

ID #

MEASUREMENT GUIDE

4.4

Reducing Carbon Emissions

CARBON FOOTPRINT AND ENERGY CONSUMPTION

Council may require the supplier to provide evidence of the following during the project/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 travelled 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 travelled by employees
- Mode of transport for each employee
- Average CO2 emissions per supplier employee (t CO2 e)
- Number of employees who 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



In keeping with the spirit and goals of our Sustainable Outcomes journey, Hawke's Bay Regional Council has partnered with a small Māori owned business to produce this Toolkit.

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.

Hawke's Bay Regional Council and Height recognise the importance of engaging with Iwi, Māori trusts, and social enterprises to support the growth of cultural heritage and the socio-economic prospects of Māori.

TOOLIKIT 4600720

HAWKE'S BAY REGIONAL COUNCIL

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TE KAUNIHERA Ā-ROHE O TE MATUA-A-MĀUI



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