

Wellington City Council

Me Heke Ki Pōneke

Broader Outcomes Strategy

2022

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Our Values



He tangata, he tangata, he tangata
We put people at the heart of what we do



Mahi ngātahi
We collaborate



Whakapai ake
We're always improving



Mana tiaki
We care for our places

Purpose

This Broader Outcomes strategy guides and is supported by the Wellington City Council Me Heke Ki Pōneke (Council) Policies and Procedures that are applied across all Council procurement and commercial activities.

Council will ensure that its procurement and commercial activities that pursue Broader Outcomes are aligned with and enable the delivery of: [2021-2031 Long Term Plan](#); [Tūpiki Ora Māori Strategy](#); [Te Atakura First to Zero; the Economic and Wellbeing Strategy](#) and Te Upoko o te Ika a Māui.

Introduction

Council procurement

Every year Wellington City Council spends over \$500m on external suppliers to help the Council run its operations and deliver its projects. This includes a wide range of works, goods and services across all Council functions that together enable the delivery of community infrastructure, facilities, and services for the residents of Pōneke.

Commercial Partnerships work together with Business Units to enable Council to partner with organisations to deliver on commercial outcomes that align with our organisation's values, are guided by our vision, and upholds our commercial principals. Positive social, cultural, economic, and environmental outcomes for Pōneke are at the heart of our commercial decision making.

Kia mahi ngātahi mō Pōneke mō tōna āpōpō.

Working together for Wellington's future.

Broader Outcomes terminology

Broader Outcomes as a defined term refers to positive social, cultural, economic, and environmental outcomes for Pōneke being embedded in Council commercial decision making. Alternative terms the market may be familiar with include: social procurement, sustainable procurement, social wellbeing, or social impact. All are referring to the same purpose of Broader Outcomes.

Strategy scope

The scope of this strategy encompasses all Council commercial activities. The strategy is intended to reflect the commercial role at Council in leading the introduction, development, and implementation of Broader Outcomes through a commercial lens, in partnership with the wider organisation, public sector and industry.

This strategy is also available for reference and use by our Council Controlled Organisations (CCOs), suppliers, including sub-contractors and industry representatives/bodies. Broader Outcomes is a key expectation and deliverable for our supply chains, and it is critical that all parties collaborate on shared values and outcomes, as well as partnering for success.

Executive Summary - He Whakarāpopotanga

Implementing Broader Outcomes at Council

The approach to achieving Broader Outcomes means that Council will actively seek to realise a range of social, cultural, economic, and environmental outcomes for Pōneke through our commercial function.

Target outcomes to be pursued

Due to the nature and breadth of our categories of spend at Council there are multiple opportunities to identify, prioritise and implement Broader Outcomes. Commercial Partnerships team together with relevant internal partners agreed four target outcome areas to focus on through its commercial and project activities. These four target outcome areas are directly aligned with the Council four dimensions of wellbeing, and are as follows:

| | |
|---|---|
|  | Māori We are committed to developing trusted relationships and partnerships that are mutually beneficial, collaborative that ensures the rights and aspirations of mana whenua are upheld and protected. We pro-actively support partnership with Māori and iwi-owned businesses throughout our supply chains to grow Māori economic development. |
|  | Taiao (environment) We recognise and protect te taiao by prioritising commercial solutions that enable us to make sustainable investments and partnering with our wider supply chains who share our sustainability goals and invest in climate-positive outcomes. |
|  | Pāpori (social/community) We champion a diverse, safe, inclusive, and accessible workforce, to ensure positive pāpori (social/community) outcomes throughout our supply chains and investment partners. |
|  | Ōhanga (economy) We pro-actively support a sustainable and diverse local ōhanga (economy) through partnering and collaborating with local Wellington business to ensure a thriving Capital city. |

Key objectives/Success factors

The extent to which Broader Outcomes are explored or pursued will vary depending on the nature of the programme, project or commercial activities being undertaken. Target outcomes are influenced by many

factors including geographic location, market dynamics, local/regional/ national capability and capacity, overall value, and community objectives/ aspirations.

They are further impacted by unintended negative consequences, which must be considered and managed when planning for Broader Outcomes. To help achieve Broader Outcomes several key objectives and success factors have been developed to guide application.

| Māori | |
|---|---|
| Key objectives | Key Result Areas |
| <ul style="list-style-type: none"> Proactive and sustainable partnership with Māori and iwi-owned businesses¹ committed to under Te Upoko o Te Ika a Māui Commitment. Proactive and meaningful engagement with iwi and hapū to activate mana whenua aspirations in contract delivery. Te Reo Māori and Te Ao Māori is normalised in our city through greater access, investment, and more opportunities to celebrate across our supply chains. | <ul style="list-style-type: none"> Spend targets per annum with Māori businesses to increase opportunities to grow iwi and Māori businesses Quarterly mana whenua hui with Commercial Partnerships representation to increase understanding of iwi aspirations. Cultural competency development initiatives requirement on Council projects of significance. Associated results/outcome areas in Tūpiki Ora |
| Taiao (environment) | |
| Key objectives | Key Result Areas |
| <ul style="list-style-type: none"> Prioritisation of sustainability focused requirements and solutions that are backed by science based targets (carbon, resource efficiency, waste, biodiversity and preservation of the natural environment) aligned with Te Atakura First to Zero and the Carbon Neutral Government Programme. Increase understanding of carbon and ecological implications of commercial decisions so negative impacts can be mitigated or managed. Proactive partnership with local organisations and wider supply chain who invest in climate-positive outcomes and offer regenerative solutions to our sustainability requirements. | <ul style="list-style-type: none"> Supplier and supply chain demonstration of commitment to environmental outcomes, science-based targets and certification or audit compliance with relevant policy, legislation, and strategic commitments. Report on progress or adherence to environmental targets specific for project AND/OR Alignment of contract targets with Te Atakura - First to Zero three key goals: <ul style="list-style-type: none"> Reduce city emissions by 57% by 2030, and to net zero by 2050. Reduce the Council emissions to net zero by 2050. |

¹ A Māori business can be defined as being a business that is at least 50% of the ownership is held by Māori (including individuals, collectives and/or businesses); or uses the current Inland Revenue eligibility to be a Māori authority (i.e., is eligible for a Māori authority tax code)

Pāpori (social/community)

| Key objectives | Key Result Areas |
|--|--|
| <ul style="list-style-type: none"> • Increase in local and diverse people² reflected in the inclusive workforces of our supply chains working on our projects. • Proactive investment in job creation, employment stability and inclusive workforce development on our projects. • Evidence of supplier and supply chain investment in communities through partnerships with local groups (community, sports, arts, schools) to enhance co-creation and inclusivity on our projects. | <ul style="list-style-type: none"> • Local employment targets. • Relevant diversity and inclusion targets on Council projects of significance³. • Successful audit of Living Wage requirement. • Increase in local community investment initiatives requirements on Council projects of significance. |

Ōhangā (Economy)

| Key objectives | KRAs |
|--|---|
| <ul style="list-style-type: none"> • Proactive and sustainable partnership with local Wellington businesses to support a prosperous local economy. • Increased focus on supplier diversity initiatives to contribute to a healthier, diverse supplier⁴ market. • Integration of mentoring and business development opportunities on our projects to enhance economic wellbeing of local supplier markets as part of the Economic and Wellbeing Strategy. | <ul style="list-style-type: none"> • Effective use of spend targets with diverse businesses. • Relevant mentoring and business development initiatives on Council projects of significance. |

Strategy Implementation - Mahia Te Mahi

Council roles & responsibilities

The Commercial Partnerships team will collaborate with key partners, business units and other subject matter experts to develop and implement Broader Outcomes.

² Diverse people include but are not limited to people who identify as/with Māori, Pasifika, disability, LGBTQI+, refugees/migrants, people experiencing long-term or cyclical unemployment, Not in Education/Employment/Training (NEET), re-entering the workforce from childcare/ill-health (physical or mental)/correctional sentence or transitioning workforce sectors.

³ Council projects of significance are any projects over \$1 million in value or contracts greater than 5 years in duration.

⁴ Diverse suppliers or businesses include but are not limited to small-to-medium and locally owned enterprise, Māori and Pasifika enterprise, and social enterprise.

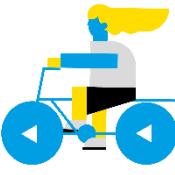
By partnering with these business groups, the Commercial Partnerships team can ensure outcomes are aligned to organisational objectives, strategies and policies as well as supporting the operational application to commercial activities. Roles and responsibilities for internal Council partners are defined here:

| Business Unit | Role & Responsibility |
|--|--|
| Commercial Partnerships team | <ul style="list-style-type: none"> Co-develop with Council SMEs guidance on the implementation and application of Broader Outcomes at Council. Provide advice and commercial guidance to enable Broader Outcomes to be pursued on projects and commercial activities. Lead the capability uplift of Broader Outcomes within Council |
| ELT, Managers & Contract Managers | <ul style="list-style-type: none"> Ensure business group commercial activities embed Broader Outcomes where appropriate. Ensure collaboration is maintained with the Commercial Partnerships team on the application of Broader Outcomes. Maintain required reporting and monitoring mechanisms for Broader Outcomes. |
| Te Mataaho Aronui | <ul style="list-style-type: none"> Co-develop Māori and iwi-related targets in relation to projects that are aligned to Tūpiki Ora and Broader Outcome objectives. Support engagement with iwi Māori, mana whenua and Māori business/enterprise through commercial activities. |
| Planning & Environment Group | <ul style="list-style-type: none"> Lead and support the application of environmental, sustainability and urban design matters in relation to Te Atakura - First to Zero and Broader Outcomes. Co-develop environmental targets in relation to projects that are aligned to environmental and climate-related policy and Broader Outcome objectives. Work with Climate Change Response team. |
| People & Culture Group | <ul style="list-style-type: none"> Ensure business unit accountable for people, culture and diversity related strategies are connected to the pursuit of Broader Outcomes. Provide advice and guidance to Commercial Partnerships team of effective outcomes to be pursued on project that align with the Inclusion and Diversity strategy. |

Key success partners

Council recognises that success requires partnership with not only our internal business units and suppliers, but also other external enterprises and SMEs. Council has identified relationships with potential key success partners to support the pursuit and successful implementation of Broader Outcomes.

Success partners may be able to provide specialist support, guidance, and assistance to Council projects/initiatives across each of the four target outcomes to ensure Broader Outcomes pursued are reflective of the aspirations of the community.

| Target Outcomes | Internal Success Partners | External Success Partners |
|--|---|---|
| Māori  | <ul style="list-style-type: none"> Te Mataaho Aronui Māori Group Tira Poutama Iwi Partnerships Tatai Heke Māori Chief Māori Officer | <ul style="list-style-type: none"> Taranaki Whānui Ngāti Toa Rangatira Amotai Te Awe Wellington Māori Business Network Te Puni Kōkiri |
| Taiao (environment)  | <ul style="list-style-type: none"> Planning & Environment Group Environmental Reference Group Safe and Sustainable Transport Reference Group | <ul style="list-style-type: none"> Sustainable Business Network Sustainability Trust Waste Forum Wellington Region Climate Change Working Group |
| Pāpori (social/community)  | <ul style="list-style-type: none"> People & Culture Group Accessibility Advisory Group Rainbow Advisory group Youth Council Pacific Advisory Group | <ul style="list-style-type: none"> Ministry of Social Development Multi-Cultural Council of Wellington Whaikaha Ministry for Disabled People |
| Ōhanga (economy)  | <ul style="list-style-type: none"> Economic Wellbeing teams | <ul style="list-style-type: none"> Wellington Business Network Chrysalis Wellington Women in Business Network Ākina |

Procurement lifecycle process & minimum expectations

While the Commercial Partnerships team can support, guide, and advise on a project-by-project basis the following are expectations on how Broader Outcomes should be incorporated into commercial activities.

| Commercial Lifecycle | Minimum Expectations |
|---------------------------|--|
| Plan - Whakatakoto | <u>Initiate project</u> <ul style="list-style-type: none"> Work with internal teams and key success partners early to identify broader outcome opportunities and define fit-for-purpose target outcome areas. Check with the Commercial Partnerships team to determine if this category or a similar project has previously been implemented to ensure prior lessons |

| Commercial Lifecycle | Minimum Expectations |
|----------------------|---|
| | <p>learned can be applied.</p> |
| | <p><u>Analyse the market</u></p> <ul style="list-style-type: none"> • Analyse or test the market's appetite on Broader Outcomes. • Work with Commercial Partnerships to establish what success partners could support Broader Outcomes. |
| | <p><u>Plan approach to market and evaluation</u></p> <ul style="list-style-type: none"> • Create and agree with partners and SMEs the defined target outcome areas and appropriate methodology for delivery including reporting requirements. <p><i>Note: If unsure of the potential implications that these commitments may create, please check with your relevant Project Sponsor, Commercial Partnerships, Legal teams, or SME.</i></p> |
| Source - Kaitaonga | <p><u>Approach the market and select supplier</u></p> <ul style="list-style-type: none"> • Ensure sourcing documents incorporate Broader Outcomes and that evaluation methods allow for meaningful responses to be given by suppliers. • Confirm likely costs, challenges, and opportunities to implement Broader Outcomes. • Clarify any opportunities, issues, or misunderstandings with suppliers. |
| Manage - Rauhī | <p><u>Negotiate and award contract</u></p> <ul style="list-style-type: none"> • Identify key Broader Outcomes requirements for negotiation, including critical deliverables, risks, metrics, reporting methodologies and frameworks. • Ensure success partners and SMEs are utilised where necessary to support delivery, co-development of reporting and achieving benefit realisation. • Confirm benefits and associated timelines that measure the impact of Broader Outcomes overtime (social impact assessments or social value ratios) |
| | <p><u>Manage contract, reporting and relationships</u></p> <ul style="list-style-type: none"> • Measure short and long-term impact of Broader Outcomes, project success and performance of success partners where agreed. • Distribute reports to relevant parties (Climate Change team, Te Mataaho Aronui, Commercial Partnerships) to meet organisational reporting commitments. |

| Commercial Lifecycle | Minimum Expectations |
|----------------------|---|
| Review - Arotake | <ul style="list-style-type: none"> Identify constraints and additional areas of support required for optimisation and continuous improvement. Conduct lessons learnt sessions with suppliers, partners, and SMEs to determine success of Broader Outcomes. Ensure any lessons learnt are shared with Commercial Partnerships. |

Conclusion - Kupu Whakamutunga

Delivering value for money and meaningful social, cultural, economic, and environmental outcomes for Pōneke is at the heart of our Council commercial decision making. Commercial Partnerships are committed to ensuring Council is supported to evolve into an organisation that can achieve Broader Outcomes and fulfil its strategic commitments to our communities.

This strategy will evolve overtime as the social, cultural, economic, and environmental outcomes requiring focus and investment evolve. Commercial Partnerships will manage how Broader Outcomes needs to adapt, including associated training and co-development of reporting, monitoring or reviews with the appropriate business units.



Document control

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| Policy owner | Commercial Partnerships |
| Date approved | 2022 |
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| Review period | 2 years |

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