

# BROADER OUTCOMES GUIDANCE FOR THE CONSTRUCTION SECTOR

June 2022



MINISTRY OF BUSINESS,  
INNOVATION & EMPLOYMENT  
HĪKINA WHAKATUTUKI

MODULE ONE

**MODULE TWO**

MODULE THREE



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## VERSION

## DATE

November 2021	v1.0
June 2022	V1.1

# BROADER OUTCOMES GUIDANCE OVERVIEW

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The Construction Sector Accord has identified an opportunity to develop 'broader outcomes Guidance' ('Guidance') to support government agencies to embed broader outcomes into their construction procurement activity.

## PURPOSE OF THE GUIDANCE:

- **For consistency** in interpretation of broader outcomes
- **Ease of use** for construction sector stakeholders
- **Improved transparency** on what government buyers are looking for
- **To make progress** by all moving in the same direction

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## THE GUIDANCE SHOULD BE REGARDED AS A LIVING DOCUMENT

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# GUIDANCE AND MODULE ORIENTATION

## WHO ARE YOU?

### BUYER

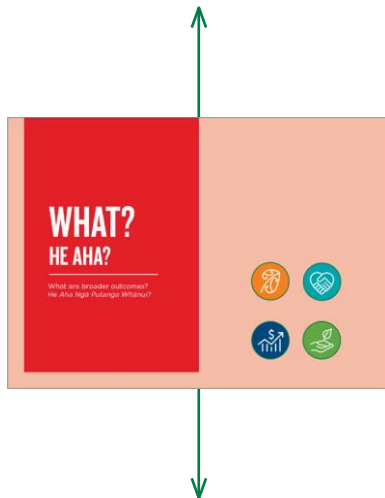


### SUPPLIER



## WHICH PARTS OF THE GUIDANCE SHOULD YOU LOOK AT?

As a government buyer you can grow you and your team's understanding on what broader outcomes are and get clear on where the priority broader outcomes fit in.



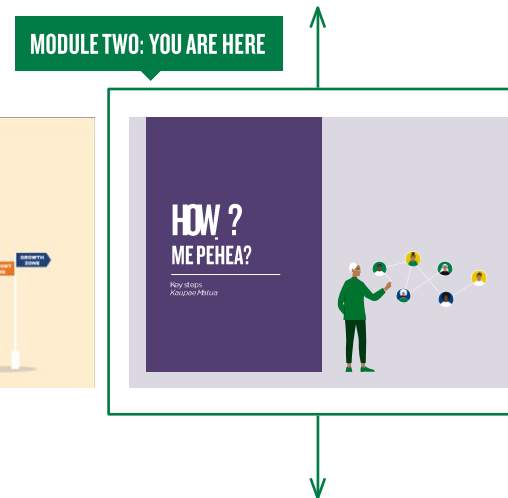
Grow your understanding around what broader outcomes are, de-jargon the procurement world and know what government buyers are looking for when they ask about broader outcomes.

As a government buyer you can get clarity on 'the why' and what broader outcomes delivery may look to achieve.



Get clarity on 'the why' and what broader outcomes delivery may look to achieve.

As a government buyer, understand at a high level how you might embed broader outcomes throughout the procurement process.



As a supplier, you will have transparency on how government buyers are embedding broader outcomes.

As a government buyer, this Guidance may be helpful when drafting RfX, contract documentation, evaluation of tenders and inform negotiations and KPI management.



As a supplier, you will have transparency on what broader outcomes questions government buyers may ask and how you will be evaluated.

# HOW? ME PĒHEA?

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Key steps  
*Kaupae Matua*



# ENGAGING WITH MĀORI

**Effective engagement between government buyers and Māori is key to producing better quality outcomes and Māori Crown partnerships, as per our obligations under Te Tiriti O Waitangi (Treaty of Waitangi).**

To achieve meaningful engagement it needs to be based on developing effective and enduring relationships with Māori.

## EFFECTIVE RELATIONSHIPS MUST BE BASED ON:

1. Trust
2. Integrity
3. Respect
4. Equality

In your local area you need to engage with mana whenua (iwi and/or hapū in your local area) as they need to participate in decisions that affect their people and rohe (area).

Depending on your construction project, the engagement might be required across local, regional or national levels.

By engaging early (at Business Case stage or earlier) government agencies can ensure that their construction projects deliver:

## STRONG CULTURAL, SOCIAL, ECONOMIC AND ENVIRONMENTAL OUTCOMES FOR MĀORI



Toiora Ahurea



Toiora Tāngata



Toiora Ōhanga



Toiora Taiao

The type of engagement will depend on the significance of the construction project for Māori.

For example, the spectrum of engagement methods can range from inform or consult, to co-design or empower.

*Te Arawhiti's resources regarding [Crown Engagement with Māori](#) and [Building Closer Partnerships](#) can help you through this process.*

# PRIORITISING BROADER OUTCOMES

It is important that broader outcomes are considered and planned for at the Business Case stage. It is still possible to consider broader outcomes at the Procurement Plan stage but make sure the allowed budget is considered when creating expectations for broader outcomes.

## WHO NEEDS TO BE INVOLVED?

It is important to have the right people involved in the planning for broader outcomes. Throughout this Guidance we recommend collaboration between the procurement function and project delivery team. Additional support could also be sought from sustainability managers, Treasury specialists, health, safety and wellbeing specialists and consultants depending on the broader outcome. Engagement with Māori is required to ensure that construction projects deliver strong cultural, social, economic and environmental outcomes for Māori.

## TIPS FOR PRIORITISING BROADER OUTCOMES:

- 1. Focus:** Prioritise 3-5 broader outcomes to focus on during the project or programme. Depending on the scale of your project you may choose to focus on more or fewer broader outcomes.
- 2. Alignment with organisation:** Start with your organisational objectives and map those (where applicable) to the broader outcomes
- 3. Alignment to Government priorities:** Look to Government's priority broader outcomes and see what is applicable. Construction procurement is a designated contract area for two priority broader outcomes. These include priority outcome 2: Construction Skills and Training and priority outcome 3: Health and Safety.
- 4. Early market engagement:** Engage with industry to get their feedback and to build knowledge and understanding of the goods and services available. Also consider how your agency could help develop supplier capability.
- 5. Best for project:** Make sure the broader outcomes are fit for purpose for the programme and/or project.
- 6. Best for community:** An important question to ask is 'What does the local community see as important?'

Use Step 1: [Opportunity Map](#) to work out where the best opportunities are to deliver broader outcomes in your construction programme or project.



BUSINESS CASE

## WHY BUSINESS CASE STAGE?

The Business Case is where a project is first formally scoped and costed. The Business Case process should formulate approximate costs and value (private or government savings/benefits) of broader outcomes. Targets for agencies should also be considered, if appropriate.

## THE CASE FOR EARLY ACTION:

### INCREASE SIZE AND SKILL OF CONSTRUCTION SECTOR WORKFORCE

Building a highly skilled and diverse construction workforce has to factor in a 5-10 year pipeline which includes University study and post-graduate programmes. Partnerships and collaborative initiatives will be critical.

[Procurement Guide](#)

### NET ZERO EMISSIONS ECONOMY

The biggest opportunity for reducing carbon emissions from a building across its whole-of-life is before construction starts. A Carbon Brief is recommended. When building a new non residential government owned building there are requirements to use an approved sustainable building rating system to focus on reducing whole of life carbon and construction waste.

[Procurement Guide](#)

### REDUCED WASTE FROM CONSTRUCTION SECTOR

Greater reductions in waste to landfill will be achieved by being efficient with materials and thinking about how building products and components can be reused at their end-of-life (reducing demolition waste).

### INCREASING SUPPLIER DIVERSITY, INCLUDING MĀORI SUPPLIERS

Early market engagement can enable an increase of the diversity of suppliers that submit tender bids. Early identification of Māori suppliers will ensure there is time for capacity and capability building, and increase the likelihood of achieving 5% Māori contract target.

Te Puni Kōkiri has [guidance](#) on how to improve buyer practices for progressive procurement.

### IMPROVING CONDITIONS FOR WORKERS

Considerations need to be made in scoping and costing a project which allows supply chains to comply with employment standards, health, safety and wellbeing requirements, and create quality employment opportunities.

[Procurement guide.](#)

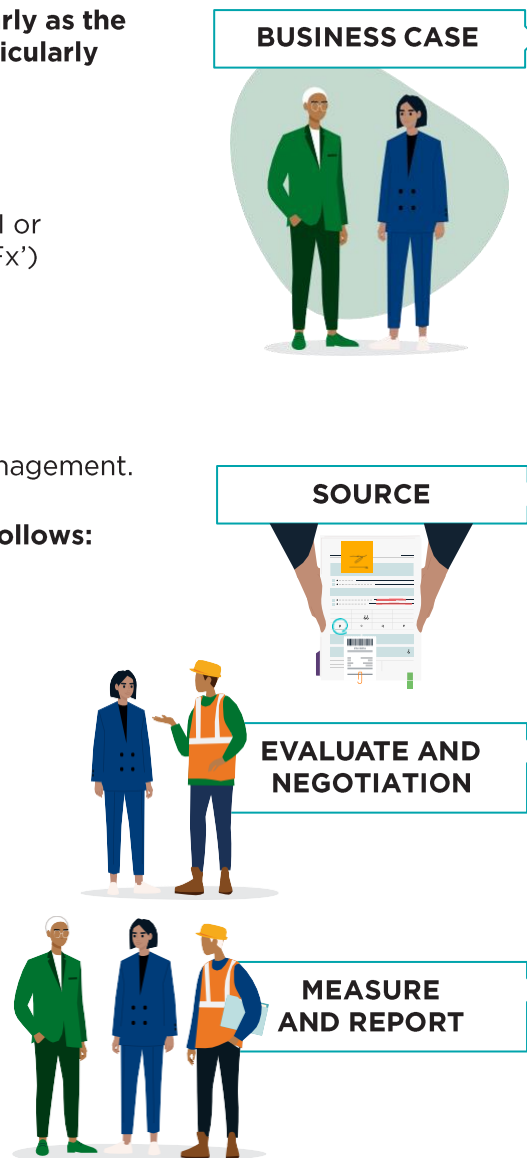
# KEY STEPS TO IMPLEMENT BROADER OUTCOMES

This Guidance should be used as early as the Business Case planning phase, particularly Step 1: Opportunity Map.

This Guidance supports:

- Drafting of the associated RFI/ROI or RFT/RFP (jointly referred to as 'RFx')
- Supplier responses
- Evaluations
- Contract negotiations and KPI management.

The key steps are broken down as follows:



## STEP 1: OPPORTUNITY MAP (EXCEL SPREADSHEET)

The procurement function facilitates this process with project/delivery teams

### STEP 1A: EXPLORE IDEAS/INITIATIVES

Review Guidance on how current priority broader outcomes can be achieved. These can be found in the Appendix.

### STEP 1B: DEFINE KEY PROJECT ACTIVITIES

Outline the various stages of the project and the activities to be delivered upon within each phase (already completed in the Business Case).

### STEP 1C: IDENTIFY BROADER OUTCOMES OPPORTUNITIES

Identify where cultural, social, economic and environmental broader outcomes could be incorporated into the project by testing the opportunities against project activities. Prioritise the most important priorities. These will become the focus for the project and will direct RFx question selection.

## STEP 2: QUESTION GUIDE

### RFx QUESTIONS

Using the opportunities identified in 'STEP 1', use the Guidance 'STEP 2 - QUESTION GUIDE' to select and tailor as required RFx questions. Note, that it is recommended only 3- 5 questions from the question guide are used in total.

## STEP 3: RESPONSE AND EVALUATION GUIDE

### CHECK HOW TO RESPOND/ EVALUATE RESPONSES

Evaluate the supplier responses using the Guidance 'STEP 3 - RESPONSE AND EVALUATION GUIDE'. Suppliers can reference this guide as they write their responses.

## STEP 4: KPIS MEASUREMENT GUIDE

### MEASURE OUTCOMES

Key Performance Indicators (KPIs) should be tailored to suit specific contract needs and moderated with successful suppliers during negotiation and clarification discussions.

# STEP 1: OPPORTUNITY MAP

The Opportunity Map may help identify and prioritise 3-5 opportunity areas for delivering broader outcomes. These will help determine the focus for the project and what RfX questions will be included.

The Opportunity Map is an excel spreadsheet that should be workshoped by the procurement function and project/delivery teams.

## FOLLOW THE STEPS BELOW:

### STEP 1A: EXPLORE IDEAS/INITIATIVES.

These can be found in the [Appendix](#).

The following steps are illustrated on the working example pictured right and will be completed in the excel spreadsheet:

### STEP 1B: DEFINE KEY PROJECT ACTIVITIES

### STEP 1C: IDENTIFY BROADER OUTCOMES OPPORTUNITIES

The full working example can be found in the Opportunity Map excel spreadsheet

### Step 1A: Explore ideas/initiatives

RS\_7.11.21Broader Outcomes Guidance\_Step 1\_Opportunity Map FINAL 13 September.xlsx - Excel

Rajvir Singh

FileHomeInsertPage LayoutFormulasDataReviewViewEnterprise ConnectTell me what you want to do...

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	A	B	C	D	E	F	G	H	I	J	K	L	M
1	WORKING EXAMPLE	CATEGORY 1	CATEGORY 2	CATEGORY 3	CATEGORY 4								
2	Civil works project ~ \$40 Million, 2 Years	CULTURAL WELLBEING Tōtara āhaua	SOCIAL WELLBEING Tōtara āhaua	ECONOMIC WELLBEING Tōtara āhaua	ENVIRONMENTAL WELLBEING Tōtara āhaua								
3	Broader Outcome	1. Improved diversity and inclusion of all ethnicities and genders	2. Improved conditions for workers	3. Quality employment outcomes	4. Empowered and connected local stakeholders	5. Increased size and skill level of domestic construction sector workforce	6. More workers have the financial means to live well	7. Increased access for Aotearoa businesses (Supplier diversity/Market accessibility)	8. Net zero emissions economy	9. Reduced waste from construction	10. Improved water protection	11. Improved environmental guardianship	
4	Opportunities	<ul style="list-style-type: none"><li>Opportunity to improve organisational diversity and inclusion e.g. Māori, Pasifika, females</li><li>Opportunity to increase diversity in management or senior leadership positions particularly for female, Māori and Pasifika</li><li>Opportunity to employ or encourage more female and/or non-binary individuals into construction professions.</li></ul>	<ul style="list-style-type: none"><li>Opportunity to implement employee health and wellbeing initiatives</li><li>Opportunity to provide specific support to vulnerable workers mental health, domestic abuse, substance abuse</li><li>Opportunity to improve ethical labour practices within supply chain, particularly international suppliers where audits are difficult</li></ul>	<div>RISE 1A</div> <ul style="list-style-type: none"><li>Opportunity to hire Māori (Pasifika)</li><li>Opportunity to hire long-term unemployed and/or Youth/NEET</li><li>Opportunity to hire those with barriers to employment e.g. Drug and alcohol abuse, criminal history, people with disabilities</li></ul>	<div>RISE 1B</div> <ul style="list-style-type: none"><li>Opportunity to support or involve community groups, local Boards and other interested local stakeholders</li><li>Opportunity to support local communities through charity and/or social enterprise support</li></ul>	<div>RISE 1C</div> <ul style="list-style-type: none"><li>Opportunity to provide upskilling or training to people from priority social groups during project</li><li>Opportunity to take on apprentices, cadets or graduates during the project</li><li>Opportunity to provide upskilling or training during the project</li></ul>	<div>RISE 1D</div> <ul style="list-style-type: none"><li>Opportunity to pay the Living Wage to more workers</li></ul>	<div>RISE 1E</div> <ul style="list-style-type: none"><li>Opportunity to contract with small / local business provider(s)</li><li>Opportunity to contract with social enterprise providers</li><li>Opportunity to contract with Māori owned business provider</li><li>Opportunity to contract with Pasifika owned business provider</li><li>Opportunity to contract with and support female owned business provider</li></ul>	<div>RISE 1F</div> <ul style="list-style-type: none"><li>Opportunity to reduce whole-of-life embodied carbon in materials (Largest in DESIGN)</li><li>Opportunity to reduce fuel consumption / CO2 emissions</li><li>Opportunity for energy efficiencies to be used and/or renewable energy</li></ul>	<div>RISE 1G</div> <ul style="list-style-type: none"><li>Opportunity to minimise waste through reusing, recycling, upcycling or similar</li><li>Opportunity to manage and reduce hazardous waste to landfill</li></ul>	<div>RISE 1H</div> <ul style="list-style-type: none"><li>Opportunity to be resourceful with water consumption and / or water recycling</li><li>Opportunity to ensure waste water is managed and least impact on environment</li></ul>	<div>RISE 1I</div> <ul style="list-style-type: none"><li>Opportunity to retain, protect or enhance New Zealand's natural environment</li><li>Opportunity to ensure protection of wildlife</li></ul>	
5	Project Activities												
6	Handover to delivery team			Medium Potential		High Potential	High Potential	High Potential	Medium Potential	High Potential	High Potential	High Potential	
7	Establishment / Mobilisation		High Potential		High Potential			High Potential				High Potential	
8	Procurement of materials							High Potential	Medium Potential				
9	Hiring of resources	High Potential				High Potential	High Potential	High Potential					
10	Stakeholder and community engagement plan												
11	Survey and Geotech Investigation			High Potential									
12	Establishment works / Environmental												

Instructions1. Explore Ideas + InitiativesWORKING EXAMPLE Opportunity Map2. Map Oppc ...

### Step 1B: Define key project activities

### Step 1C: Identify opportunities

# STEP 2: SELECTING RFX QUESTIONS

RFX questions should be written in a way that is transparent and fair to all suppliers. Agencies should also clearly articulate what they need so that it is obvious to suppliers what they will be evaluated on. Once a buyer has identified the broader outcomes areas they want to include in the contract, they can select RFX questions from this Guidance.

A 'question bank' of example questions have been provided to encourage consistency in how broader outcomes questions are included in construction tenders. We've indicated where a question is best used for a particular stage (design or construction) and whether performance is best assessed at organisation or project level.



## DESIGN

**When to use:** At design/engineering stage when consultants have the most influence over these broader outcomes.

**Example question:** *Detail how operational and whole-of-life embodied carbon will be reduced on this project.*

OR



## CONSTRUCTION

**When to use:** At the physical works stage when the main contractor will have the most influence over these broader outcomes.

**Example question:** *Detail how you will separate waste streams on the construction sites.*



## ORGANISATIONAL

**When to use:** When a buyer wants to assess how a supplier is already adopting broader outcomes principles through its organisation. This will also incentivise long term outcomes that won't start/end during the project.

**Example question:** *What does your organisation do to make people with disabilities feel welcome and valued at work.*

OR



## PROJECT

**When to use:** When a buyer wants to assess how a supplier proposes delivering this broader outcome on the project that is being tendered for. Use when outcomes are reasonably able to start and finish within the project time period.

**Example question:** *Detail how you will help increase the capacity and capability of the workforce by taking on apprentices and cadets through the project.*

## HOW SPECIFIC SHOULD THE QUESTIONS BE?

Questions in the RFX question guide are across the spectrum from 'open' to more 'specific'.

A buyer might use an 'open' question when trying to encourage innovative solutions from the market, or if they do not yet know the local community context.

*'How will you reduce waste on this project?'*

*'What does your organisation do to support Māori/Pasifika/ females into leadership and management roles?'*

A buyer might use a more 'specific' question when they have a target they want to achieve, or a level of performance to assess:

*'How will you ensure xx% of materials come from recycled sources?'*

*'How will you ensure all employees in your organisation receive wellbeing training?'*

# STEP 3: EVALUATION GUIDANCE

There are simple things buyers can do to support the delivery of broader outcomes. Below we have provided some general advice buyers should take into account in order to select the best evaluation model for the project and to ensure the evaluation process runs smoothly and successfully.

## EVALUATION MODEL:

- ✓ The selected evaluation model needs to consider broader outcomes in a meaningful way and to the extent that the result may be impacted.
  - For example, "lowest cost conforming" can not meaningfully consider broader outcomes in a way that will influence the result.
- ✓ Broader outcomes weighting can be between 10% - 30%, or more or less, This will depend entirely on the project size, scope and purpose.



## QUESTIONS AND CLARIFICATIONS:

- ✓ Where possible, avoid being too prescriptive in your questions so suppliers can respond with innovative solutions.
- ✓ Keep suppliers updated on the process and progress. Be sensible with clarification questions and keep it focused to respect a supplier's time.
- ✓ Include as part of questions, additional clarification or even suggestions on things to cover.
  - For example, To support question "Explain how you will reflect te ao Māori values and heritage in the design?" you could add underneath it "We are particularly focused on...."

## EVALUATORS:

- ✓ Select a panel with diverse perspectives and the skills to adequately evaluate broader outcomes.
- ✓ Brief evaluators on how to evaluate broader outcomes and give advice on what to focus on.



If you are looking for more detailed advice – [NZGP evaluation methodology guidance](#)

*\*This doesn't mean you can not use "lowest cost conforming". It can be useful for low spend tenders.*

# STEP 4: KPI MEASUREMENT GUIDE



## WHAT GETS MEASURED, GETS MANAGED.

**This Guidance includes potential Key Performance Indicators (KPIs) that can be incorporated into contracts. The intention is that they will be monitored, managed and reported on during the months and years of the project.**

Broader outcomes KPIs are used to measure an organisation's progress against cultural, social, economic and environmental broader outcomes within a specific time frame (the project) and to make more informed decisions as a result.

There is complexity and subjectivity around what exactly broader outcomes success looks like. However, tracking achievement and recognising the connections between tangible, reportable results and more difficult to measure goals will improve the chances of delivering broader outcomes when compared to not tracking at all.

### TIPS FOR DATA COLLECTION DURING THE PROJECT

- Understand supplier capability and capacity for collecting data
- Use a simple excel spreadsheet to break down the steps required to collect data. Example headings could include:
  - Broader outcome
  - KPI
  - How the data will be collected (survey, existing systems)
  - How often data will be collected (start and end of project)
- Consider what broader outcomes reporting your agency needs to do and be proactive in collecting the necessary data/information ahead of time.

Check out the [New Zealand Government Procurement's broader outcomes data collection template](#) for ideas.

## IMPORTANCE OF DEVELOPING SMART KPIs

The intention of this Guidance is to support Operations and Project Teams in the delivery of broader outcomes promises and measure supplier 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.

Actual delivery of broader outcomes is essentially supplier-led, so final KPI targets must be realistic and data shouldn't just be collected for the sake of it.

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



### SPECIFIC

Clear and concise to avoid any misinterpretation of goals with a focus on broader outcomes



### MEASURABLE

Quantifiable results



### ACHIEVABLE

Practical and reasonable given the resources available, timelines and conditions



### RELEVANT

Relevant to broader 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

# APPENDIX

## ĀPITIHANGA

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# BROADER OUTCOMES SUCCESS PARTNERS (1/2)

The Construction Sector Accord believes that success in delivering broader outcomes requires strong partnerships and collaboration

Below are possible partners that both buyers and suppliers can engage with for specialist support, guidance and in some cases co-funding on projects/initiatives. We want to grow this list and it will be updated as opportunity for revision arises.



**Cultural consultants (various):** They can support and build cultural competency and capability building within project teams and the wider organisation

**Women in construction partners:** [National Association of Women in Construction Aotearoa](#); [BCITO](#); [Māori & Pasifika Trades Training](#).



**Ākina Foundation:** Ākina's [fwd](#) programme for social procurement support connection with certified social enterprise for delivery of indirect positive cultural, social, economic and environmental impact.

**Ministry of Health:** Could co-fund, co-deliver initiatives if wider health benefits are possible through inclusion of broader outcomes in a project.

**CHASNZ:** Charitable Trust set up to help transform the standard of health and safety performance across the construction industry. Working with the industry, CHASNZ has developed a number of health and safety initiatives, including Tōtika prequalification framework and Covid-19 protocols.

**Mates in Construction:** Charitable organisation that engages with workers through on-site training and provides those identified as at risk with case management support that connects them to suitable professional support

**Employment New Zealand:** Access their '*Procurer's Approach to Ethical and Sustainable Work Practice*' resources. Buyers and suppliers can grow their understanding of processes they can put in place to support fair treatment of workers.

Continued on next page

# BROADER OUTCOMES SUCCESS PARTNERS (2/2)



**Ministry of Social Development:** Can co-fund and/or co-deliver employment opportunities on projects and initiatives. (Māori Trades and Training Fund, Apprenticeship Support Programme, Mana in Mahi, He Poutama Rangatahi (NEETs)).

**Department of Corrections:** Could co-fund and/or co-deliver when employment of those previously incarcerated and benefits lead to reduced recidivism rates.

**Targeted Training and Apprenticeship Fund:** Access to free Trades Training for any new workers that suppliers may take on.

**Amotai:** Enable accessibility, visibility and meaningful connections with Māori and Pasifika businesses.

**Toi Kai Rawa** - a regional Māori economic development Agency working across the wider Bay of Plenty.

**Kānoa - Regional Economic Development & Investment Unit:** Access Regional Apprenticeship Initiative funding

**Te Puni Kokiri:** Overseeing the [Te Kupenga Hao Pāuaua](#) (progressive procurement policy - 5% Māori contracts) and their regional managers can assist Māori businesses.

**Pacific Business Trust:** Could co-fund, co-deliver initiatives that support Pasific businesses.



**The Zero Waste Network:** Access their [Construction and Demolition toolkit](#). Suppliers can get inspired and be more connected to local Aotearoa businesses finding easy ways to reduce waste to landfill. Buyers can grow awareness of what is already taking place to include in the Business Case and support early market engagement.

**Toitū/ Enviro-care:** Can support certification programmes, and provide tools such as Carbon zero operational business rating tool (Toitū/NZGBC).

**Sustainable Business Network/ Sustainable Business Council:** Professional service providers can join networks to support sustainable practices.

**New Zealand Green Building Council (NZGBC):** NZGBC operates a range of rating tools that provide guidance and best practice metrics that can support the measurement of environmental broader outcomes. They also offer training for engineers, architects, construction firms, builders and others on how to deliver on sustainability.

**Infrastructure Sustainability Council (ISC):** ISC operates a range of third party verified rating tools for infrastructure that provide guidance and best practice metrics to support the measurement of broader outcomes across all categories. They also offer training for all in the supply chain and support a network of sustainability professionals.

# STEP 1A: EXPLORE IDEAS / INITIATIVES

## PRIORITY BROADER OUTCOME: INCREASED SIZE AND SKILL LEVEL OF DOMESTIC CONSTRUCTION SECTOR WORKFORCE (RULE 18)

These are initiatives that suppliers can deliver to support this priority broader outcome. Buyers can also select initiatives and embed corresponding KPIs in contracts to increase the capacity and capability of Aotearoa's construction workforce. Ensuring the fair treatment of workers is fundamental to increasing the size of the construction workforce in that it ensures the retention of existing and attraction of new workers.



short of what we need  
in our construction  
workforce  
Source: BCITO

### NEW WORKERS

### EXISTING WORKERS



See [procurement guide "Construction skills and training"](#)

\*Priority social groups are defined within the Government Procurement Rules as displaced workers and groups with traditionally high rates of unemployment or low labour force participation (specifically women, Māori, Pasifika, disabled people and youth)




# STEP 1A: EXPLORE IDEAS / INITIATIVES

**4.4**  
MILLION  
TONNES

of construction  
waste per year

## PRIORITY BROADER OUTCOME: REDUCED WASTE FROM CONSTRUCTION SECTOR (RULE 20)

Below are some ideas around reducing waste on projects at different phases. We recommend you have these assessed at the Business Case stage so that suppliers can price these accurately in tenders.

  	DESIGN	DEMOLITION / DECOMMISSION / RELOCATION	EARTHWORKS/ENABLING	CONSTRUCT
	<b>Designing out waste:</b>  Specification for accurate quantities of materials. Target for Suppliers around avoidance of waste e.g. % utilisation of materials  Off-site construction and prefabrication  Design to standard material sizes to reduce waste and offcuts			<b>Create space and storage on site for diversion activities:</b> require separation of waste streams [protected from weather, e.g. timber lengths]  Engage subcontractors and material Suppliers early
		<b>Deconstruct rather than demolish:</b>  Specify and pay/price for deconstruction including on-site sorting and reuse/recycling of minimum % of materials  Reuse of residential homes. <a href="#">See case study here.</a>  Create a circular economy market for building materials	Establish % targets for reuse of spoil on site / other local sites [avoid landfill]  Identify services that accept (and even pay) for unwanted materials	Buyers and main contractors identify innovative businesses to bring in to supply chain - provide more than one pricing option  Build into bid the cost to do resource recovery and waste management (provide more than one pricing option)  Timber, non-ferrous metals, plasterboards, steel - secondary markets  Aggregates in roading crushed and reused on other projects
	Resource efficiency made part of design criteria, e.g. in roading projects specify use of recycled materials	Engage a commercial recycling company		Compactors on site to minimise materials such as soft plastic, polystyrene by 40:1 - producing bales for recycling and reuse (and minimising truck movements)  Engage a commercial recycling company
<b>Education/ Awareness/ Behaviour Change</b>	Incentivise good waste management practices and resource recovery efforts	Use tools and resources to help support behaviour change on site	Grow awareness of how more recycled materials can be used in business-as-usual	<b>NOTE: Ideas and Initiatives</b>

**NOTE: Ideas and initiatives presented are Indicative only and always under development**

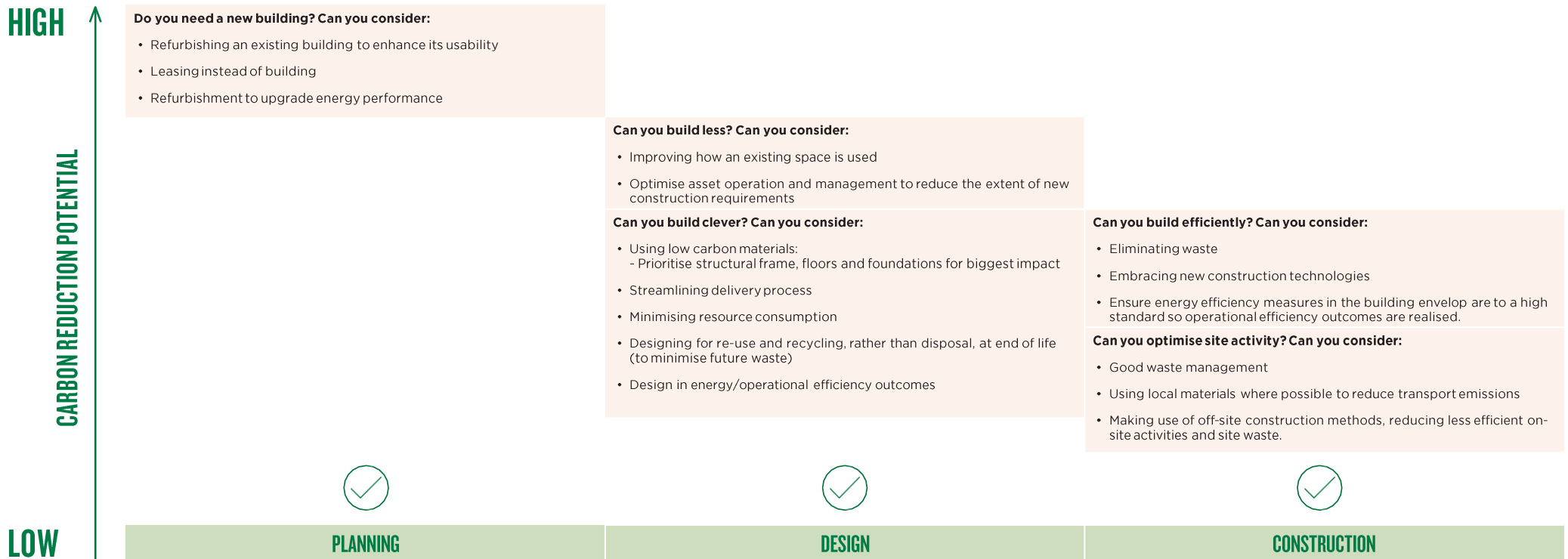
# STEP 1 A: EXPLORE IDEAS / INITIATIVES



of Aotearoa's carbon footprint is linked to construction  
Source: Building for the Future

## PRIORITY BROADER OUTCOME: NET ZERO EMISSIONS ECONOMY (RULE 20)

Below are some ideas around reducing carbon on projects at different phases. The biggest carbon reduction potential is during the planning and design phase, however there are still some things that can be done during the construction phase. Ideas have been adapted from the [procurement guide to "Reducing carbon emissions in building and construction"](#)



The Government has made a commitment to show leadership on climate change and transitioning New Zealand to a low-emissions economy and has put in place a number of programmes of work to support this objective. This includes the [Carbon Neutral Government Programme](#) which aims to accelerate the reduction of emissions across the public sector. It requires mandated agencies to measure and publicly report on their emissions and to offset any they can't cut by 2025.

[The Building for Climate Change programme](#) has developed two frameworks for reducing embodied and operational carbon emissions from buildings. These include regulatory requirements to report and limit emissions from all new buildings across their lifetime, including from the manufacture of materials used in construction, the construction process, construction waste, building operation and maintenance and the disposal of a building at the end of its life.

**NOTE: Ideas and initiatives presented are indicative only and always under development.**

# STEP 1A: EXPLORE IDEAS / INITIATIVES

## PRIORITY BROADER OUTCOME: INCREASED ACCESS FOR NEW ZEALAND BUSINESSES (RULE 17)

Below are tips on relational and contractual things that buyers and main contractors can do to help achieve this priority broader outcome.

### RELATIONSHIP BUILDING

As early as possible when you know you are working in a particular region, establish links with local community business networks

Think about work that could be fulfilled by local suppliers - be careful not to make assumptions about their capability and capacity

Look at the goods and services that you already buy from New Zealand based suppliers. Could they do more?

Attend networking events through SME networks, or host your own workshops/webinars

Work with the businesses to understand how they can become part of your supply chain, either as a primary supplier or a subcontractor

You could also consider holding cultural training/ workshops for your procurement/contract team to help give them a better understanding of supplier diversity

Agencies can work with main contractors to help them to engage with Māori and Pasifika businesses as subcontractors

Experiment with agile and innovative ways to engage with SMEs that reduce the resources required to respond to opportunities

### CONTRACTUAL

For tips on how to procure in a way that effectively involves Aotearoa businesses while still being fair to all suppliers: [Removing barriers for New Zealand businesses](#)

Reduce amount of tender documentation especially for lower value and lower risk contracts

Consider reducing the value of liability insurance required for small businesses

For large construction projects or programmes, consider unbundling procurement contracts to increase bids from small businesses

#### Contracting with Māori businesses:

- Be open to joint ventures. You can support Māori suppliers to do this by:
  - building in more time to your procurement process
  - indicating you are open to joint proposals, and
  - providing opportunities for suppliers to engage with each other, for example through joint briefings
- Once engaged, manage the contract and relationship with the Māori business to ensure successful delivery of the contract. This includes providing feedback for supplier growth and receiving feedback from your supplier

There are some simple things that you can do to improve access for Māori, Pasifika, and regional businesses: [Supporting Māori, Pasifika, and regional businesses](#)

