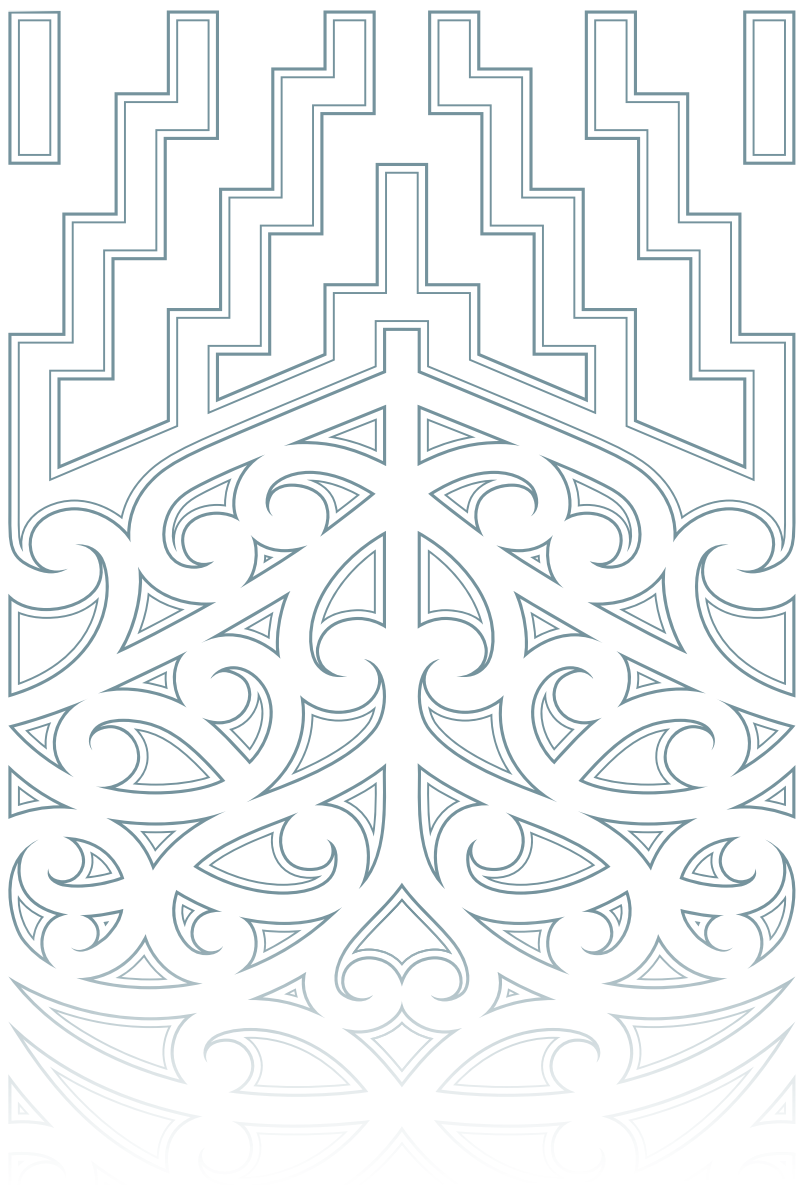




Social Procurement Strategy for Greater Wellington Regional Council

2024 -2027





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Introduction

Greater Wellington is an organisation in a key position to influence positive social, environmental and cultural change for the Wellington Region. Greater Wellington actively works with mana whenua, local councils, our communities and many other partner organisations on work programmes that deliver on the vision of an extraordinary region, thriving environment, connected communities, and resilient future.

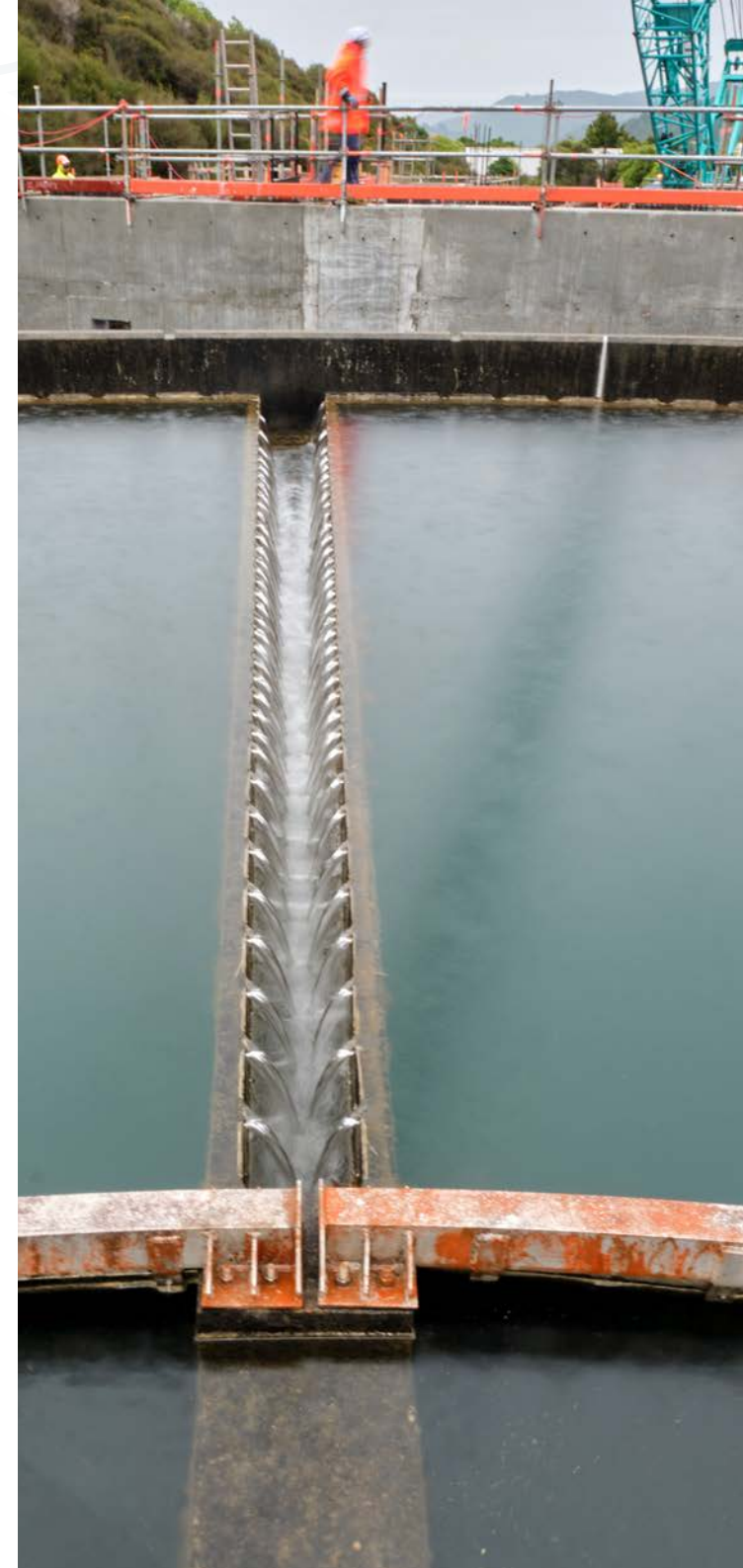
Greater Wellington relies on our supply chain and externally contracted parties to deliver a lot of its services from pest control to running public transport. All of these services have an opportunity to deliver even more positive impact into the Wellington Region using the concept of social procurement. The procurement decisions that Greater Wellington makes can shape our local market and impact on the lives of those in our community.

Social procurement means using the process of purchasing goods and services as a strategic lever to deliver wider social, environmental, economic and cultural outcomes in addition to the things we are buying.

Social procurement is not a new concept, and is also called sustainable procurement, progressive procurement, and Broader Outcomes. It is a concept being used across the world to achieve big outcomes.

Greater Wellington is proud of what work has already happened to deliver social procurement outcomes in some major projects and set our organisation up for success, and this strategy aims to build on that progress and set long term aspirations to work towards. Greater Wellington has a key role to play as a regional council, making sure we actively collaborate with others on this journey to achieve the best collective outcomes for the region.

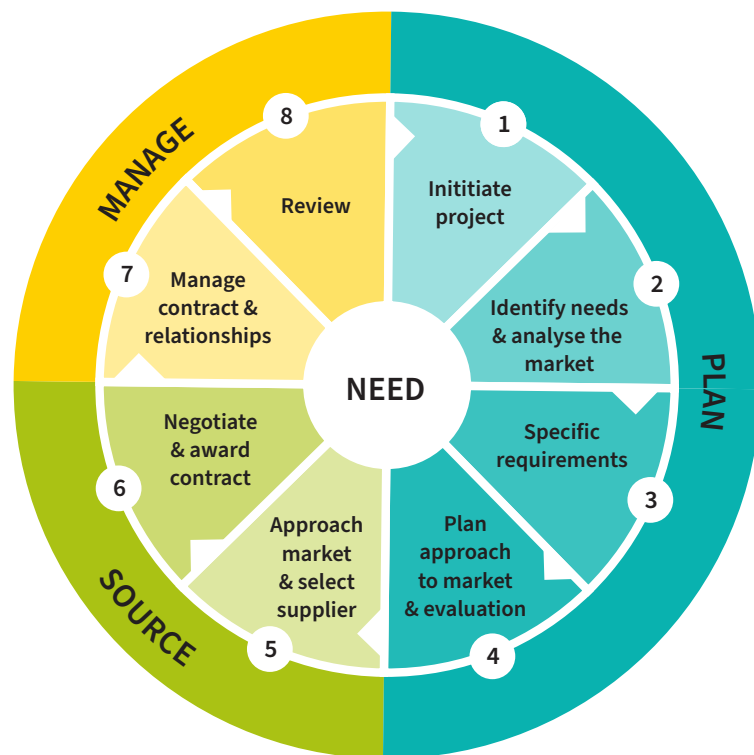
This strategy document outlines Greater Wellington's priority areas for our supply chain, and what success looks like. Each Priority Impact Area is supported by long term goals. It aims to give clear direction for all staff so that they feel supported to build social procurement practice in their work. It also helps us to communicate our direction and expectations with our external suppliers and partners.





Our Approach – How it will Happen

Greater Wellington already delivers extensive environmental protection and climate adaptation work and works with mana whenua partners to improve Māori outcomes. These projects are designed to deliver good outcomes, and the role of social procurement is to manage the supply chain aspects of delivering a project, with the Procurement team being a key partner.



The scope of the social procurement strategy is therefore captured throughout the procurement lifecycle, shown in figure 1. Early engagement is critical to delivering good outcomes:

- **Plan:** Supporting the organisation plan for positive outcomes that can be delivered by suppliers and capturing how they can be delivered through a procurement process and contract.
- **Source:** Redesigning procurement processes to enable equitable opportunities for businesses to win contracts and increase innovation in social procurement.
- **Manage:** Impact reporting and management built into our contract management process so that suppliers are accountable for delivery on the outcomes. Consistent reporting across the organisation.

Through this strategy we aim to support an increase in quality local job creation, business growth, more local spending and improved outcomes for Māori in the region. We also have a strong focus to reduce our scope 3 emissions (emissions created in our supply chain) and manage resource use which directly supports Greater Wellington's Climate Emergency Action Plans for the region.

The strategy will be delivered by any Greater Wellington staff member that procures and/or manages contracts. They will have the support and advice of the procurement team.

The strategy will be delivered in collaboration with key partners in the Wellington Region and beyond. Collaboration and building on each other's successes and learnings will be critical to success.

Our suppliers are also important partners in this work. We will support our existing suppliers and those interested in working with us to understand what this strategy means for them.

Figure 1.
Taken from the [New Zealand Government Procurement](https://www.nzta.govt.nz/procurement/) website.

How to read the strategy

- The strategy outlines the influencing factors that drive the strategy, our **Action Areas** for organisational change, and our **Priority Impact Areas** for creating positive impact in the supply chain.
- The **Action Areas** are led by the procurement team and integrated into the organisation to enable the success of the strategy.
- The **Priority Impact Areas** are for everyone at Greater Wellington to align on what the focus is right now - we can't do everything at once! The Priority Impact Areas are broken down into focus areas, which may or may not apply to any one procurement, creating flexibility in the application. These areas capture what we can influence in a procurement process and require active management from suppliers. In this way it is different to Greater Wellington's internal planning or specifications process, for example resource consenting.



The strategy is influenced by:

NZTA Waka Kotahi
and NZGP Rules

Broader
Outcomes

Council Partners
Te Matarau a Māui

Strategy

International
frameworks

Buy Local

The strategy aligns with and enables:

Long Term
Plan

GW Vision
and Values

Te Whāriki

Māuri Tuhono

GW Transport
Strategy

Climate Emergency
Action Plans

Te Upoko o te Ika a
Māui commitment

The strategy is integrated with and delivered through:



There are 6
action areas for
organisational change

Governance
and
Leadership

Procurement
Policy and
Process

Training and
Development

Measurement
and Reporting

External
Comms and
Collaboration

Taking
Action

There are 3 Priority Impact Areas and 9 Focus Areas

Decent Work

Human
Rights

Living Wage

Quality
Employment
and Training

Supplier Diversity

Māori
Business

Pasifika
Business

Social
Enterprise

Environment

Emissions

Circular
Economy

Impact on
Fresh
Water and
Biodiversity



The Opportunity

In 2023 Greater Wellington's leadership approved seven recommendations to activate social procurement at Greater Wellington. These recommendations are underway and woven through this strategy. The Council agreed that Greater Wellington would become Living Wage Accredited and the supply chain impacts of Living Wage are captured in the social procurement strategy.

In 2024 and 2025 the Procurement team at Greater Wellington are reviewing their operating model and internal services, templates and tools to improve efficiencies and create better public value. These changes will support the maturing of the function and enable a shift to strategic procurement. As part of this, the social procurement strategy and its outcomes will be integrated and designed into these new ways of working. It's an exciting opportunity to rethink how procurement can enable this work over the long term.

Greater Wellington works with over 1600 suppliers to deliver services for the community. Social procurement will capture spend with those suppliers, and their own subcontractors and suppliers. This creates a vast supply chain that will include local, national and international suppliers.

Social procurement activates the breakdown of barriers in procurement processes to create more equitable opportunities, especially for Māori and Pasifika businesses and small businesses. These businesses are often excluded from opportunities due to the structural barriers and hurdles of traditional procurement processes. However, these businesses have the potential to deliver outcomes more quickly by being closer to their communities.

Simplifying our processes and increasing our cultural responsiveness in procurement makes it easier for our local businesses to work with us and make Greater Wellington a Buyer of choice.



Social procurement supports how we deliver Our Vision, and Community Outcomes

Our social procurement strategy supports us to deliver on [GW's organisational direction](#) with greater return on outcomes for the money we spend.

Each of our four Focus Areas can benefit from social procurement approaches:

- Active mana whenua partnerships and participation for improved outcomes for Māori
- Holistic approaches to deliver improved outcomes for te taiao
- Leading action for climate resilience and emissions reduction
- Improved access to services and equity of outcomes through participation with communities

This strategy directly enables the delivery of two key pou of Te Whāriki, Greater Wellington's Māori outcomes framework

- Strong, prosperous and resilient Māori communities
- Engagement for equitable outcomes

The strategy also supports and influences the outcomes of the two other pou:

- Effective partnering
- A capable workforce

Social procurement also aligns with and supports strategies, policies and plans, such as:

- Te Upoko o te Ika a Māui, our commitment to supplier diversity in our region
- Our Procurement Policy
- Our Climate Emergency Organisational action plan and Emissions management and reduction plan
- New Zealand Government Procurement's (NZGP) Broader Outcomes



The diagram below demonstrates how Greater Wellington's Community Outcomes and Vision are supported by the delivery of the Social Procurement Strategy

GW Focus Areas	Social procurement activities	Short term outcomes		Medium term outcomes	Long term outcomes
Improved access to services and equity of outcomes through participation with communities	Paying a Living Wage to suppliers	People in GW communities live with dignity and participate in society		GW supports an economically resilient region	Connected communities
	Identifying and remediating modern slavery and worker exploitation	Increased identification and remediation		Reducing the ability for MS to occur	
	Creating quality employment opportunities for diverse communities	More quality local jobs		Increased diversity in our indirect employment	
Active mana whenua partnerships and participation for improved outcomes for Māori	Reducing barriers to access contracts for Māori, Pasifika and social enterprise	Increased numbers of Māori, Pasifika and social enterprise businesses in our supply chain	Increased spend with Māori, Pasifika and social enterprises	GW's supply chain reflects the Greater Wellington Region	Resilient future
Leading action for climate resilience and emissions reduction	Asking suppliers to track and reduce emissions	Suppliers increase innovation in sustainability		Scope 3 carbon emissions are reduced	Thriving environment
Holistic approaches deliver improved outcomes for te taiao	Managing impact on fresh water and biodiversity in contracts	Suppliers increase innovation in sustainability		Increase in water quality, biodiversity and nature based solutions	
	Managing resource use and considering the Circular Economy in contracts			Reduced waste to landfill and new resource use	

Social procurement creates resilience in the supply chain

Social procurement supports good procurement practice. It increases the resilience of our supply chain, helping us to manage unexpected forces such as natural events and economic shocks. Diversifying procurement by increasing the use of smaller, locally based businesses and building local market capability and competition stimulates job creation in our region. It also means we aren't reliant on a small number of businesses to deliver critical services, and it creates opportunities to get better value for money.

Social procurement doesn't necessarily mean that it will cost more, which is a common misconception. Amotai, an intermediary that verifies Māori and Pasifika owned businesses, reported in August 2024 that their Buyers saved an average of 8.5% of procurement costs through using smaller Māori and Pasifika owned businesses. Often this is seen through a reduction of overheads.





Bringing it to Life

Organisational Change: Action Areas

Our organisational change includes setting up the systems, processes and readiness of the organisation to successfully deliver the outcomes in the Priority Impact Areas. Many of these activities can be developed with support from our local partners and in some cases, work is already well underway.

Our Māori outcomes framework, Te Whāriki, will be integrated into our Action Areas to ensure our processes allow us to effectively partner with Māori and create equitable outcomes in the procurement process.

1. Governance and Leadership

- Developing a governance model to ensure the strategy can be delivered over the long term
- Including targets and goals in organisational Key Performance Indicators

2. Changes to Procurement Policy and Process

- Aligning on terminology and definitions for social procurement across the organisation*
- Updating our procurement policy to capture our social procurement intentions and enable the strategy*
- Reviewing and redesigning procurement processes for inclusion, accessibility and cultural awareness*
- Integrating considerations for all Priority Impact Areas across the procurement lifecycle*
- Designing a framework for evaluating positive impact in tender responses and contract management support for delivery of outcomes*
- Developing a practical toolkit for staff to enable best practice in social procurement at Greater Wellington*

- Designing accessible and user friendly guidance and templates for both staff and suppliers

- Developing and publishing a Greater Wellington Supplier Code of Conduct

3. Training and development for staff and suppliers

- Training staff on how to deliver on our strategy in their own work programmes and projects
- Providing training for suppliers to meet Greater Wellington's requirements and how to work with us

4. Measurement and reporting

- Setting up our financial system to track and report on our supplier diversity spend targets*
- Developing a success measurement framework for the Priority Impact Areas with key indicators
- Creating a consistent reporting tool for capturing social procurement outcomes in contracts
- Developing processes and data management plans for managing impact data in contracts and in aggregate*

5. External communication and collaboration

- Identifying opportunities to collaborate with other Councils, support organisations, mana whenua and business support networks*
- Promoting opportunities for contracts with GW more directly with suppliers and our community
- Sharing case studies and examples of success or opportunities to learn
- Inviting feedback on our processes and opportunities so that we can improve

6. Taking action

- Working across the organisation to identify opportunities to test social procurement approaches
- Developing a pipeline of opportunities to meet our goals and targets
- Creating opportunities to think about doing things differently through early planning
- Requiring social procurement plans for significant and strategic procurements

*Underway

Action Area	Year 1	Year 2	Year 3
Governance and Leadership	Design and set up programme governance Publish social procurement strategy	Continue programme governance Inclusion of spend targets in organisational KPIs	Continue programme governance Inclusion of spend targets in organisational KPIs
Policy and Process	Procurement policy updated Build social procurement criteria into new procurement operating model, including reduction of barriers	Update procurement processes, templates and guidance to include social procurement	Review policy annually to ensure alignment with any new legislative requirements
Training and Development	Publish and communicate guidance for staff and suppliers Develop staff and supplier training sessions Launch an internal support network	Deliver staff and supplier training sessions Refine training and guidance with feedback from use	Refine training and guidance with feedback from use
Measurement and Reporting	Set up financial system to report on baseline spend data Develop reporting metrics for Priority Impact Areas and reporting process Investigate a reporting tool for suppliers	Roll out measurement and reporting framework and reporting tool Publish case studies from trial projects Refine the reporting metrics and process	Publish first report on outcomes achieved Refine the reporting metrics and process
External Communication and Collaboration	Publish procurement page on the Greater Wellington website Launch local council Kāhui on social procurement Engage with mana whenua, partners, business networks on opportunities	Publish case studies Engage with mana whenua, partners, business networks on opportunities	Publish case studies and first report Engage with mana whenua, partners, business networks on opportunities Include social procurement in Long Term Planning process
Taking Action	Trial approaches in specific procurement projects	Develop a pipeline of opportunities to meet social procurement goals	Maintain a pipeline of opportunities



Our Priority Impact Areas

Decent Work

Human Rights	Quality Employment and Training
Living Wage	

Supplier Diversity

Māori Business	Pasifika Business
	Social Enterprise

Environment

Emissions	Impact on Fresh Water and Biodiversity
Circular Economy	

Alignment to Broader Outcomes

These Priority Impact Areas reflect Greater Wellington’s priorities as outlined in our Long Term Plan and in design with key internal teams. Many of these areas align to Broader Outcomes. New Zealand Government Procurement’s Broader Outcomes is a requirement for some of our procurement activity where co-funding is provided by New Zealand Transport Authority (NZTA) Waka Kotahi.

Local Business

The nature of Greater Wellington’s work in our activity groups is local, and many of our suppliers are locally based to be able to deliver that work at the right time. Local business allows us to meet many of our Priority Impact Areas through emissions reduction from travel, local employment, and supplier diversity. To avoid duplication with other diverse supplier types and to meet procurement rules with NZTA Waka Kotahi, Buy Local is included as an influencing factor and we will consider local in all Priority Impact Area delivery.

Prioritisation

We do not expect all focus areas to be covered in every procurement. Instead, we expect early planning with the Procurement team and/or the project team to identify the most relevant focus areas for a specific procurement.

Decent Work

Long term goal

Greater Wellington's supply chain represents the best possible employment standards, creating training opportunities in the region and reducing exploitation in the supply chain.

Focus Areas

Living Wage

Human Rights

Quality
Employment and
Training

Why it's important

All three focus areas work together to provide good jobs in our supply chain that contribute to economic prosperity in the region, along with increased wellbeing. Our programmes have a significant opportunity to create quality local jobs and skills development opportunities as our work is delivered in the region and for the region.

This Priority Impact Area aligns with Greater Wellington's goals of getting people home safe and well every day from their work and extends that goal into our supply chain. A lot of Greater Wellington's work involves high health and safety risk, but it is also meaningful work that directly impacts communities.

Payment of Living Wage creates economic stimulation and increases wellbeing of people. Increasing opportunities for skills development and creating career pathways allows for upward movement. This directly contributes to economic prosperity including for Māori, a goal of our Te Whāriki framework.

Greater Wellington will work to identify and reduce any instances of modern slavery, especially in our local supply chain.



Living Wage

Alignment with Broader Outcomes: Improving conditions for New Zealand workers

Definition: An hourly pay rate designed to allow a person to live with dignity. It allows for the necessities of life including savings and participating in society. It is different to the minimum wage set by the government and is not managed by the government. It is not a maximum rate.

Success looks like:

- Greater Wellington pays our own employees and all employees delivering services (with exemptions based on our scope) for us within our supply chain at least the Living Wage, stimulating economic growth in the region through a significant proportion of our supply chain being locally based.
- Greater Wellington is working towards Living Wage Accreditation through Living Wage Aotearoa and we are aiming to achieve this milestone in year 2 of this strategy, with much of the work already underway.

Key external partners: Living Wage Aotearoa

Indicators of success

Short term

- **Greater Wellington becomes Living Wage Accredited.**

Medium term

- **Number of contracts with Living Wage declaration forms and/or contract clauses.**

Long term

- **Number of contracts that are paying Living Wage.**

Indicator: A measure that shows the state of something either positive or negative. Indicators in this strategy are used to show progress towards the overall goal, and don't yet have targets.

Human Rights (Modern Slavery)

Alignment with Broader Outcomes: Improving conditions for New Zealand workers

Definition: Modern Slavery is described as severe exploitation that a person cannot leave due to threats, violence or deception. It includes forced labour, debt bondage, forced marriage, slavery, and human trafficking. It is distinct from worker exploitation which can be defined as non-minor breaches of New Zealand employment law.

Modern slavery has the potential to be in any supply chain and it is important to realise that modern slavery does exist in New Zealand. According to the [Walk Free slavery index](#), 8000 people are estimated to be in slavery conditions at any one time in New Zealand.

Success looks like:

- Greater Wellington has a robust due diligence and remediation framework to prevent and identify breaches of human rights in its supply chain and has rolled this through the procurement process.
- Instances of modern slavery are reduced and those that are found are dealt with in a decisive way that supports victims.
- Greater Wellington is set up for future government legislation.

Key external partners: New Zealand Government Procurement

Indicators of success

Short term

- Percentage of supply chain mapped for risk areas.

Medium term

- Number of tenders in risk areas with modern slavery questions for evaluation.
- Number of contracts with a modern slavery clause.

Long term

- To be developed as part of the work programme

Quality Employment and Training

Alignment with Broader Outcomes: Improving conditions for New Zealand workers. Construction Skills and training.

Definition: Providing inclusive, meaningful and safe training and employment opportunities for local diverse communities in our contracts and subcontracts. Quality employment requires:

- Equitable approaches to recruitment, pay, training and career progression for diverse employees.
- Improving worker conditions through inclusion and cultural awareness and health and safety management.

Success looks like:

- Greater Wellington's supply chain offers quality opportunities for the diverse communities of the Wellington Region including for Māori, Pasifika, women and young people or any other diverse group.
- Greater Wellington's indirect employment reflects the diverse communities of the Wellington Region.
- Greater Wellington's suppliers continue to improve on what good employment looks like.

Indicators of success

Medium term

- Quality employment is captured as a criterion in relevant procurement processes.

Short term

- Number of contracts with indirect diverse employment and training targets.

Long term

- Percentage make-up of indirect workforce compared to population level statistics.
- Percentage of businesses in the region who provide quality employment for diverse communities.

Supplier Diversity

Alignment with Broader Outcomes: Increasing access for New Zealand business

Long term goal: Greater Wellington's supply chain accurately reflects the diverse communities of the Greater Wellington Region. A total of **30%** of our annual supply chain spend is being directed to diverse businesses by 2034.

The combined total of our targets for Māori and Pasifika business and social enterprise over the next 10 years explored in further detail over the next few sections.

Focus Areas:

Māori business

Pasifika business

Social enterprise

Why it's important

Procuring with diverse businesses amplifies the positive impact we can create in our Priority Impact Areas.

Māori and Pasifika businesses and social enterprises are often excluded from opportunities due to the structural barriers and hurdles of traditional procurement processes including the complexity of processes, assumptions about capability and contracts that require multiple services to be delivered by one business.

Māori and Pasifika businesses are more likely to employ Māori and Pasifika people, and the profits are more likely to stay within communities. Social enterprises are often run by or employ more women, more people with disabilities and more young people as part of their kaupapa. There is a lot of cross over between Māori and Pasifika business models and social enterprise models.

All diverse businesses are more likely to contribute to environmental goals, increase innovation in the supply chain and be local businesses in the Wellington Region. A large proportion of these businesses are small or medium-sized and create public value through the reduction of overheads and high efficiencies not found in large organisations.

Greater Wellington will work hard to increase the diversity of its supply chain, with a focus on increasing the proportion of spend with Māori, Pasifika and social enterprises alongside the number of businesses in our supply chain. Doing this delivers on our commitment to the Te Upoko o te Ika a Māui commitment, the Te Matarau a Māui economic strategy, and our Te Whāriki framework. The Action Areas in this strategy play a significant role in reducing barriers for diverse businesses to access contracts in a mana enhancing way.

For the first year of the programme we will prioritise Māori businesses, reviewing our work programmes and opportunities with external partners to build a strong pipeline of opportunities.

Māori business

Definition: Greater Wellington aligns with the definitions used and provided by Amotai and The Cabinet Economic Development Committee:

- A business that has more than 50% ownership by people who whakapapa Māori (Māori genealogical lineage).
- A Māori Authority as defined by IRD
- A partnership where at least 50% of each class of partnership interest is owned by a Māori person(s) and that ownership is reflected in the partnership agreement.

Greater Wellington partners with our local mana whenua in the form of Tuapapa funding and Kaupapa investment arrangements to enable us to achieve collective outcomes. For the purposes of this strategy, Tuapapa and Kaupapa agreements are not counted towards the supplier diversity targets.

Success looks like:

- **17% of GW's influenceable spend* is with Māori businesses by 2034.**

This is the population of Māori in the Wellington Region as at 2023 (stats nz 2023 census data).

- Creating opportunities for Māori businesses to win work, build capability and grow.
- Māori businesses win work through competitive bids and the procurement process recognises and values Te Ao Māori and Mātauranga Māori.

**Influenceable spend is spending covered by our Procurement Policy. It excludes payment of rates, funding agreements and property leases.*

Target for FY 24/25: 1% of influenceable spend is with Māori businesses.

Key external partners: Te Matarau a Māui, Our mana whenua partners WellingtonNZ, Amotai, other Councils in the region

Indicators of success

Short term

- Spend with Māori businesses.
- Average value of contracts with Māori businesses.
- Number of Māori businesses we contract with.
- Number of contracts we have with Māori businesses.
- Feedback on the process from Māori.
- Feedback on the process from GW staff.

Medium term

- Number of MBI participating in open tenders.
- Number of GW business units actively identifying opportunities to consider Māori businesses.
- Feedback on the process from Māori.
- Feedback on the process from GW staff.

Long term

- Number of employees in Māori businesses in our supply chain.

Increasing outcomes for Māori in procurement

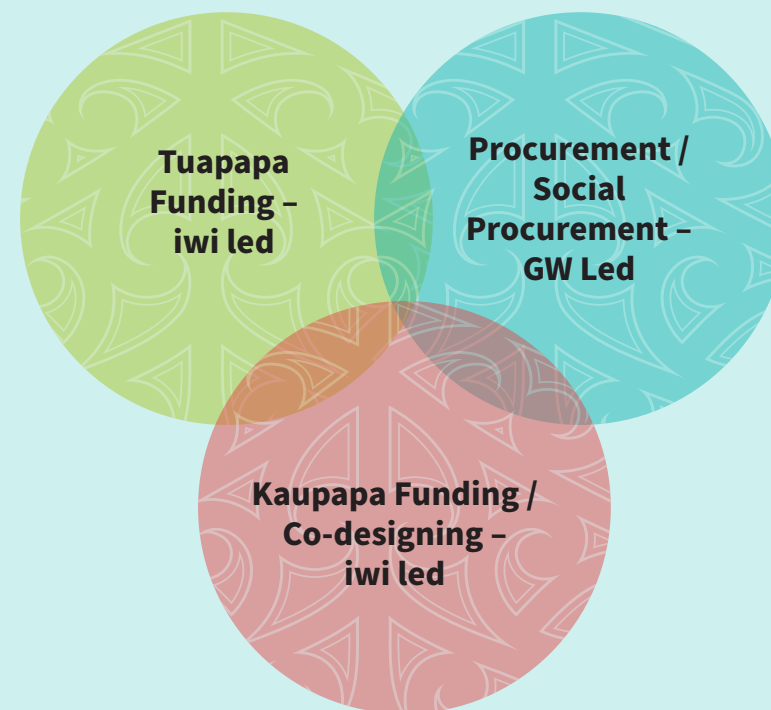
In addition to a general focus on increasing spend and contract with Māori businesses, Greater Wellington works in partnership with the six mana whenua of the region, especially in our environmental management. To further support mana whenua in their aspirations this strategy has a strong focus on Māori business, but also on Māori outcomes overall which we can deliver in partnership with mana whenua.

Greater Wellington and each mana whenua have Tuapapa and Kaupapa agreements, designed to fund capacity and capability building for mana whenua and allow for true partnership and codesign approaches.

Our approach here will be developed collaboratively with the Procurement team, Environment group and Te Hunga Whiriwhiri, our Māori outcomes team in conversation with mana whenua. When procurement involves mana whenua in any capacity we must consider iwi wants and aspirations. The social procurement strategy enables the whole organisation to be aligned to an approach.

Some examples of what we will explore

- Prioritisation of mana whenua on panels for environmental management
- Opportunities to support mana whenua to be ready for procurement opportunities of interest
- Appropriate recognition of mātauranga Māori in supplier responses, evaluations and pricing
- How to evaluate for outcomes for Māori in alignment with Te Whāriki across all Priority Impact Areas
- Increase the cultural capability of our wider supplier base, not just Māori businesses
- Explore partnership and codesign for significant procurements that impact mana whenua.



Procurement, Tuapapa and Kaupapa agreements may overlap. Some projects are codesigned and delivered through the kaupapa agreements where there is agreement between mana whenua and GW. Where it is a GW led requirement, mana whenua may be on a panel, or other suppliers are invited to bid as part of a procurement process.

Pasifika business

Definition: Greater Wellington aligns with the definition used and provided by Amotai:

- A business that has more than 50% ownership by indigenous Pasifika peoples.
- A partnership where at least 50% of each class of partnership interest is owned by an indigenous Pasifika person(s).

Success looks like:

- **9% of Greater Wellingtons' influenceable spend is with Pasifika business by 2034.** This reflects the current population of Pasifika people in the region (Stats NZ Census 2023).
- Creating accessible procurement processes for Pasifika businesses to have opportunities to win work.
- The procurement process is responsive to Pasifika customs.

Key external partners: Pacific Business Trust, Amotai

Indicators of success

Short term

- Spend with Pasifika business.
- Average value of contracts with Pasifika.
- Number of Pasifika businesses we contract with.
- Number of contracts we have with Pasifika business.
- Feedback on the process from Pasifika people
- Feedback from GW staff

Medium term

- Number of Pasifika businesses participating in open tenders.
- Number of GW business units actively identifying opportunities to consider Pasifika businesses.
- Feedback on the process from Pasifika people
- Feedback from GW staff.

Long term

- Number of employees in Pasifika businesses in our supply chain.

Social enterprise

Definition: An organisation that trades to deliver its social, environmental and cultural purpose and reinvests profits into the delivery of its purpose. Greater Wellington uses the Social Enterprise World Forum definition of social enterprise, a global standard:

- **Purpose:** The organisation exists to solve a social, cultural and/or environmental problem
- **Operations:** The organisation prioritises purpose, people and planet over profit in operational decisions
- **Revenue:** Has a self-sustaining revenue model
- **Use of surplus:** Reinvests the majority of any surplus (profits) towards its purpose.
- **Structure:** Chooses legal structures and financing that protect and lock-in purpose long-term

Success looks like:

- **4% of Greater Wellingtons' influenceable spend is with social enterprise by 2034.**
- The positive impact offered by social enterprise is valued and considered in the procurement process.

Key external partners: N/A

Indicators of success

Short term

- Spend with social enterprise.
- Average value of contracts with social enterprise.
- Number of social enterprises we contract with
- Number of contracts we have with social enterprise.

Medium term

- Number of social enterprises participating in open tenders.
- Number of GW business units actively identifying opportunities to consider social enterprises.
- Feedback on the process from social enterprise.

Long term

- Number of employees in social enterprises in our supply chain.

Environment

Long term goal

Our supply chain aligns to and supports Greater Wellington's climate and environment goals.

Focus Areas

For the Environment Priority Impact Areas, focus areas are where we have influence on the outcomes using the procurement process, selection of suppliers and requires active supplier contribution. It is different to the environment outcomes that can be impacted at a planning or resource consenting level. Not all focus areas will be covered in every procurement, and questions relating to these focus areas should ask about both mitigation and additional benefits.

Emissions

Impact on Fresh Water and Biodiversity

Circular Economy

An organisational climate related risk assessment is in the final stages of development. The next step will be the development of an organisational adaptation plan that will inform the next and ongoing Long Term Planning processes. The social procurement strategy will include these considerations at the next review (2027).

Why it's important

Greater Wellington completes a lot of work on the whenua in the region and this impacts the quality of the physical environment, and the emissions created. We also contract across all categories that may have a significant impact on the environment, but not specifically in our region. For example, the technology we use where servers are based outside of Wellington, or even Aotearoa.

Environment impacts on the local environment are already well considered at the time of project design, engineering, or resource consenting before procurement occurs. This strategy provides additional support to deliver on or manage the impacts on the environment throughout the life of the contract.

Currently, Greater Wellington reports on some of our scope 3 emissions (emissions captured within our supply chain) and we have a requirement from the Local Government Funding Agency (LGFA) to explore opportunities for further inclusion of supply chain emissions.

Greater Wellington needs to create better transparency across its supplier base about what impacts are occurring on the environment, across all categories of spend. This helps us to maintain our LGFA climate loan funding eligibility and supports our Climate Emergency Action Plans.

Emissions

Alignment with Broader Outcomes: Reducing emissions and waste

Definition: Greenhouse Gas emissions. Greater Wellington's highest emission areas through supplier contracts are:

- Diesel use in trains, buses, fleet, heavy machinery
- Electricity use
- Grazing related emissions on GW owned lands.

Greater Wellington's work requires strong environmental planning and emissions consideration in the design phase of a project. This focus area is designed for our suppliers, where Greater Wellington has done as much as possible before going to market.

Success looks like:

- Contracts of a high emissions risk will be required to have an emissions reduction plan.
- Suppliers that operate with low emissions output or have a strong emissions reduction proposal (compared to industry) are reviewed favourably in procurement processes.
- All contracts of high emissions risk provide regular reporting on their emissions to Greater Wellington and progress on their emissions reduction obligations. Greater Wellington supports the market to understand what good looks like.

Indicators of success

Short term

- **Number of relevant procurements with an emissions reduction plan for the life of the contract.**

Medium term

- **Number of suppliers who have reduced contract emissions over time.**

Long term

- **Number of suppliers with emissions meeting their emissions reduction targets.**

Impact on Fresh Water and Biodiversity

Definition: Where supplier activities create an impact on the physical environment and may impact fresh water quality, or biodiversity within a catchment area.

Success looks like:

- Contracts that will impact the physical environment in any way mitigate the risk of negative impact.
- Suppliers who actively create positive impacts as part of their activities are reviewed favourably in procurement processes.
- Impact on fresh water and biodiversity through suppliers is measurable and reportable so that we can support suppliers to improve.

The current state is that the environment group does a good job of managing environmental impact through requirements in the work specifications for contracts. This section is to support that work, and widen it to capture all work at Greater Wellington.

Indicators of success

Short term

- **Impact on fresh water and biodiversity is captured as a criteria in procurement processes.**
- **All procurements with high impact risk have reporting requirements built into their contracts.**

Medium term

- **Number of suppliers meeting their reporting requirements and their mitigation or improvement targets.**

Long term

- **Number of contracts having a net positive increase on water quality and biodiversity.**

Circular Economy

Definition: The whole lifecycle of a resource is managed from raw material sourcing to end of life. Resources should be sourced from reused, repurposed, recycled materials as a priority to mining or using new raw materials.

Success looks like:

- Contracts of a high resource use will be required to have a circular economy or waste reduction plan with resource use targets.
- Suppliers can speak to their resource use in a contract and have processes in place to minimise new resource use and waste to landfill.
- Procurement processes look favourably on innovation in material use and are open to new approaches.
- All applicable contracts provide regular reporting and progress updates on resource use targets.
- Greater Wellington actively works holistically across programmes and contracts to repurpose resources and promote supplier collaboration.

Indicators of success

Short term

- Relevant procurements ask specific questions about material innovation, repurposing resources and new resource use.

Medium term

- Number of contracts with a high resource use have circular economy or waste reduction plan with targets.

Long term

- Volume of waste to landfill
- Volume of new resource use.

