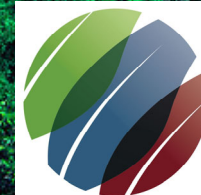




SBEnc PROJECT 2.76
SUSTAINABLE PROCUREMENT

National Local Government Roundtable (4/6/21)

Chair: Davina Rooney CEO GBCA
Project Leader: Associate Professor Yingbin Feng WSU



**Sustainable
Built Environment**
National Research Centre
AUSTRALIA

Sustainable Built Environment National Research Centre (SBEnc), Australia



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Sustainable Built Environment National Research Centre

The Sustainable Built Environment National Research Centre (SBEnc) offers a unique industry-government-research collaboration to improve Australia's built environment industry.

The SBEnc has the broadest built environment research alliance in the country, with Core Members including BGC, the Western Australian and Queensland Governments, Curtin University, RMIT University and Griffith University; all of which are represented on the Centre's Governing Board.

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Leadership & Partnership

Governance

Resilience

Circular Economy

Supply Chain Collaboration

Modern Slavery

Regional Participants

Sustainable Products

Marginalised Group



How we buy matters

WESTERN SYDNEY UNIVERSITY



aurecon



Project Development Process



Lack of information and assessment regimes of sustainability
Advice to clients on sustainable procurement
---- Will Hackney

Need to see greater consideration of Whole of Life Costings in driving better sustainable procurement outcomes
---- Lionel Pero

How do you see through your supply chain to understand how you might have an impact?
---- Louis Bettini

Better delivery on what gov. is asking for in terms of environmental sustainability
---- Ashley Newcomb

Setting specific targets to assess sustainability
---- Fiona Hogg

How our provider treat the waste management (where they go) and contamination
---- Marissa Saunders

Upfront clear guidance on sustainability in procurement in projects. What is the cost?
Clear guidance needed from clients
---- Amy Elkington


Social outcomes are not always addressed. How to use the projects to achieve social outcomes
---- Karen Greaves

Transparency and tools; Consistency and simplification across various levels of gov. and private sector
---- Carl Barrett

How to be sustainable re local resources?
How we can provide guidance on modern slavery and how we can leverage on current environment post COVID-19?
---- Alisha Larkin

Strongly suggest ISO 20400 Sustainable Procurement Guidance standard is referenced in this research in terms of a 'definition' and best practice process and implementation
---- Michael Whitehead





A guideline or tool box for sustainable procurement to define best practice and offer tools (data capture or analysis etc) or case studies to assist in implementing the processes recommended.

----- Louis Bettini



Post COVID19 impacts for achieving sustainable procurement and how these impacts may be ameliorated.

Effective contract management and supply chain monitoring processes.

Consider industry rating tools.

----- Michael Whitehead



Need for sustainability incentives by client organisations.

Need for procurement commercial decision making.

Important to examine the role of stakeholders in transforming practices.


----- Lionel Pero



Link the targets to existing organisational procurement policies, tender evaluation, supplier/contractor selection.

Whether assessment of value is only limited to meeting organisational targets.

----- Sherif Mohamed



I'd like to see this project simplify sustainable procurement – KISS principle.

Extends beyond basic human rights into broader social advancement.

Consistency and simplification in processes

----- Carl Barrett





Industry Challenges

- Vast investment in housing, building and infrastructure
- Environmental and social impact
- Supply chain collaboration and engagement
- Justify procurement decisions
- Changing practices



Industry Needs

- What actually constitutes sustainability in terms of the procurement application?
- What is expected from procurement for sustainability?
- How to identify the products or services that genuinely support sustainable procurement goals, achieve the targeted outcomes and concurrently represent value-for-money in achieving those goals.



Industry Needs

- Social sustainability
- Local industry sustainability issues
- Whole-of-life waste management and circular economy
- better mechanisms that encourage recycled or sustainable products.
- Opportunity for growing social enterprises
- Sustainable issues across the procurement life cycle (i.e., planning, sourcing, and contract management)



Industry Needs

- verify the sustainability claims made by suppliers of products or services
- set specific targets to assess the sustainability components and performance of suppliers
- data on the size and value of the opportunity in addressing sustainable procurement.
- procurement commercial decision making to consider whole of life benefit and reduced environmental and social impact.



Industry Needs

- monitor suppliers practices, evaluate their sustainability performance, and identify the risks
- tracking imports to achieve social sustainability outcomes and improving visibility on the sustainability of imported products
- sustainable procurement in a post COVID19 setting



Industry Needs

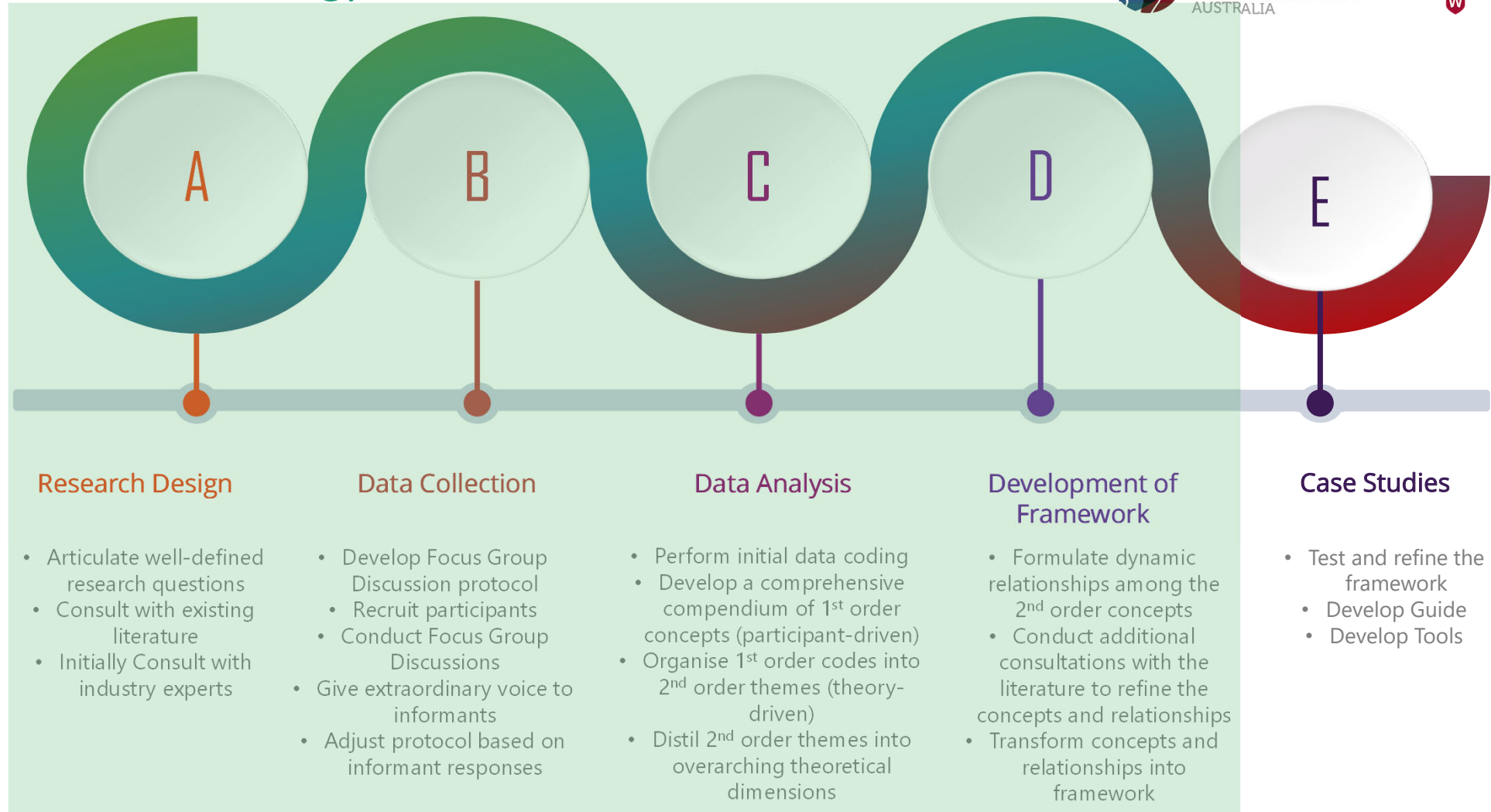
- Consistency and simplification across various levels of government and private sector
- clear guidelines, framework, processes and tool boxes for sustainable procurement
- Business as Usual
- sustainability incentives by client
- respond to changing practices including digitisation



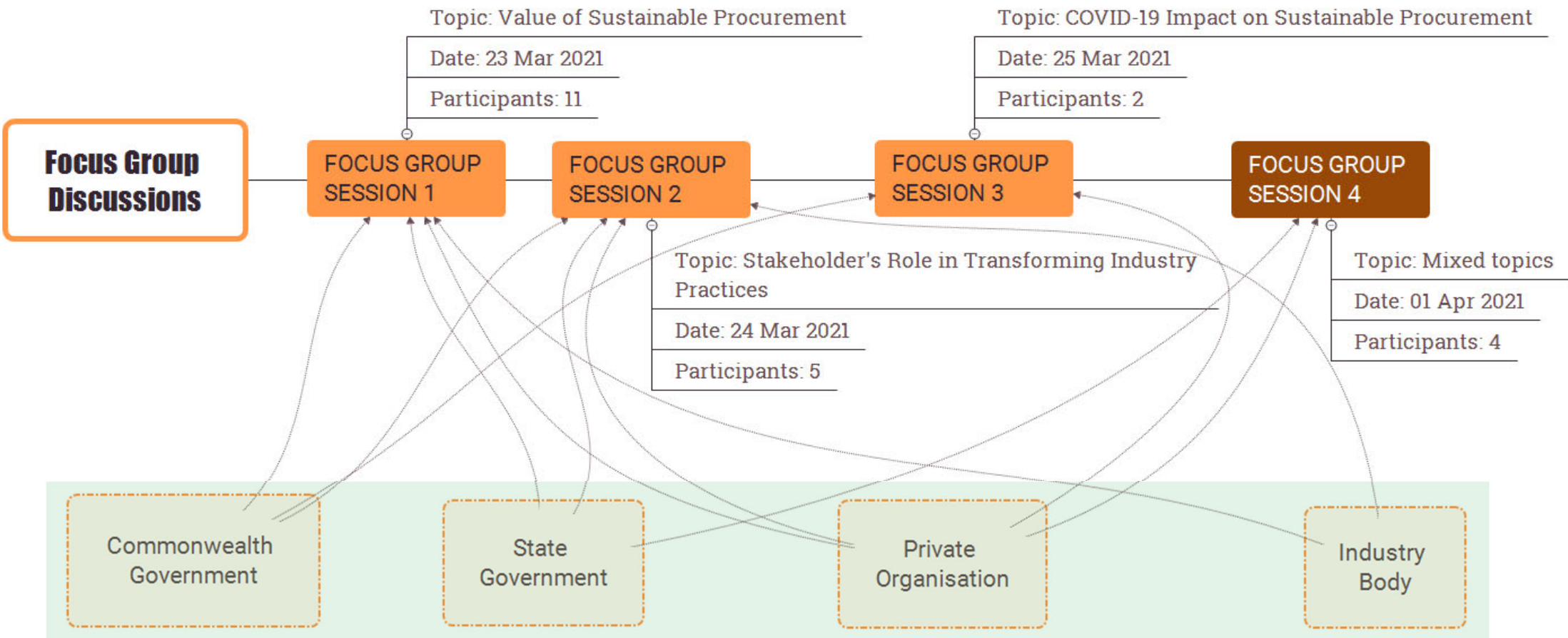
This industry-driven research project will respond to identified industry challenges by examining key issues across the procurement life cycle (i.e., planning, sourcing, and contract management) to improve environmental, social and economic sustainability outcomes in the housing, building and infrastructure sectors in Australia.

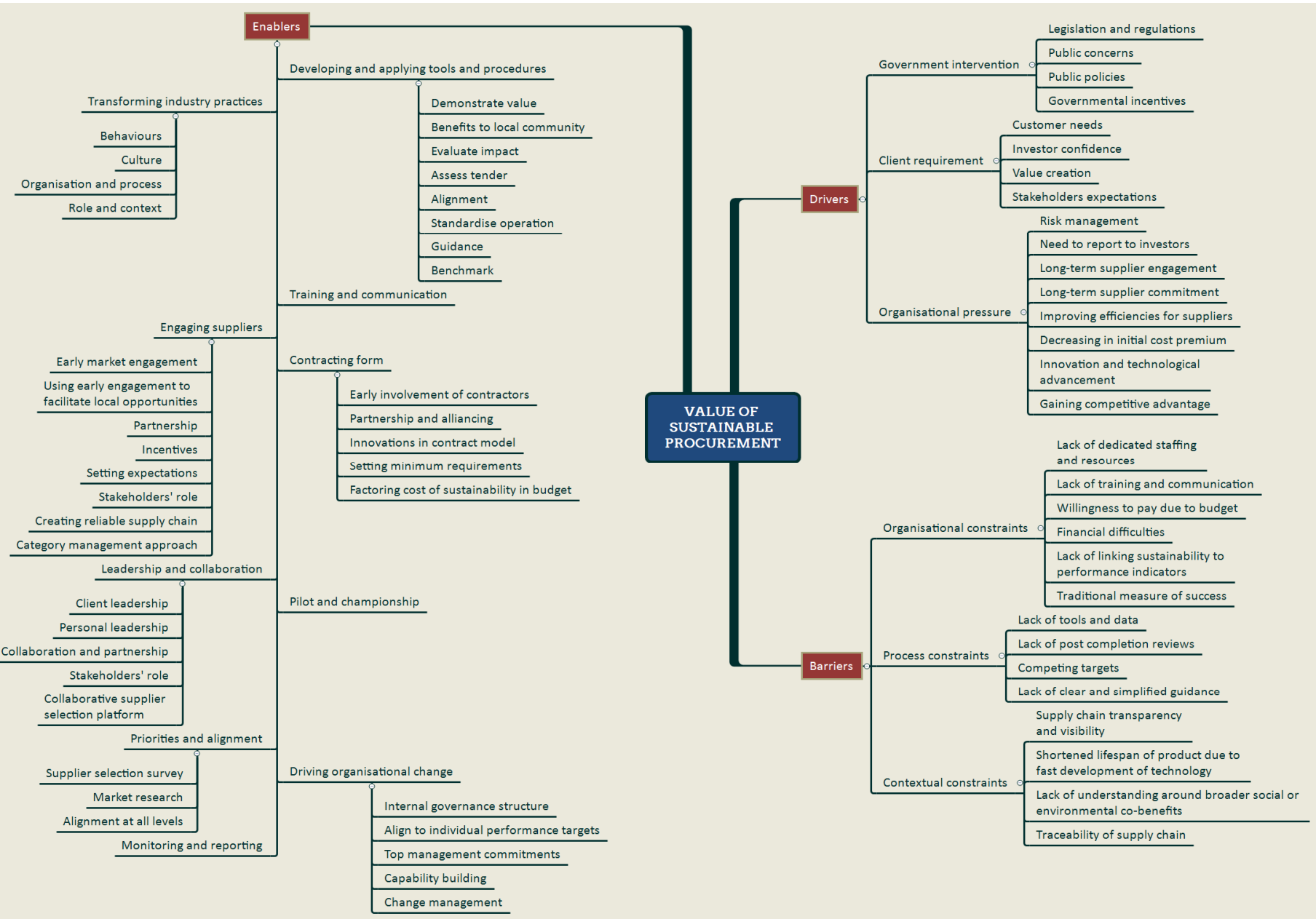
Research Aim

Research Strategy



Focus Group Discussions - Overview





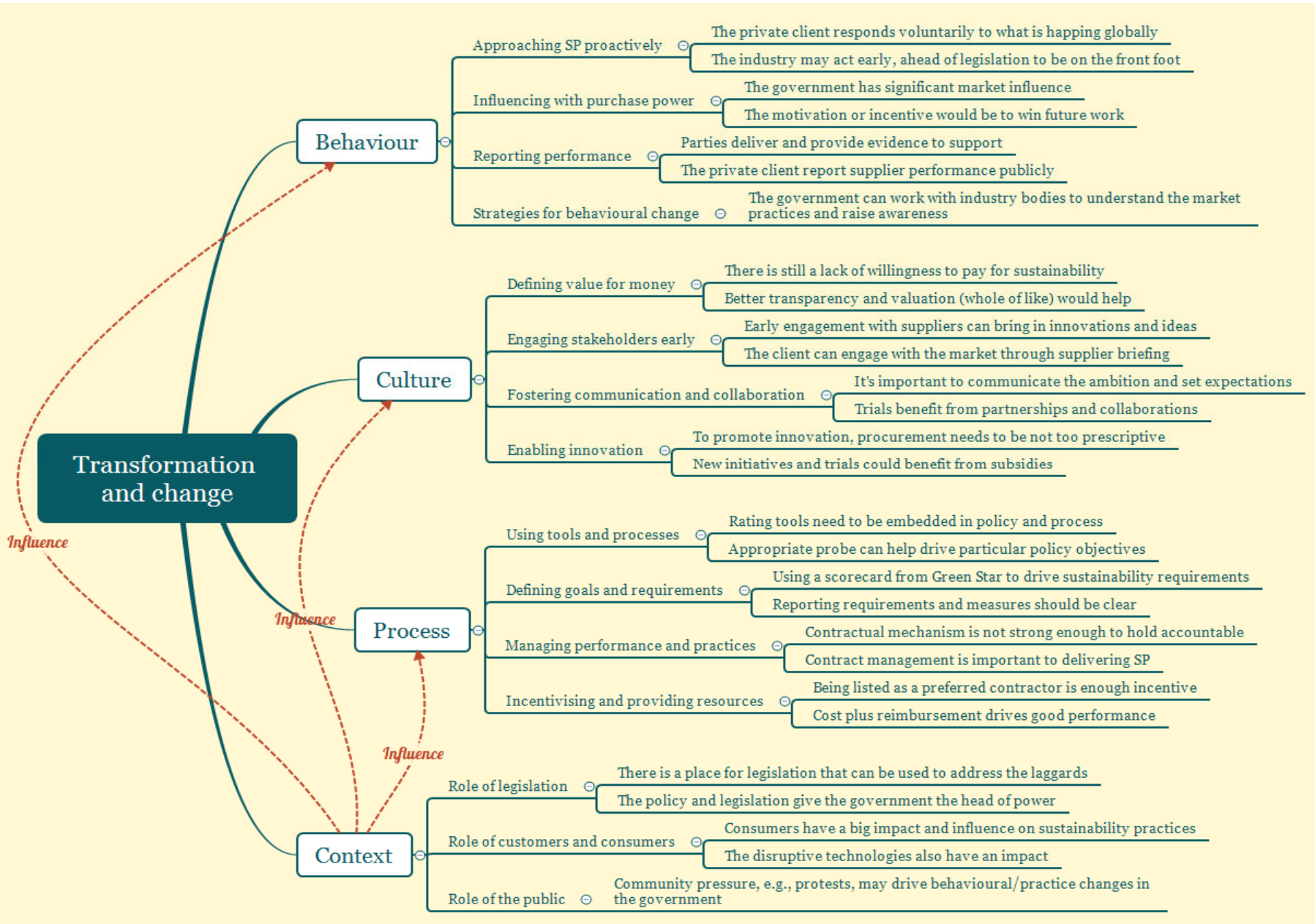
77 First order themes (participants-driven)



16 Second order themes (researcher-driven)



3 Aggregated categories



COVID-19 Impact on Sustainable Procurement

Effects of Covid-19 on sustainable procurement

- Supply chain disruptions
 - Increasing pressure on the supply
 - Changes to the supply chain timeframes and overbuying as a preparatory measure
- Sudden spike in demand
 - Difficulties in sourcing essential products (e.g: hand sanitizers)
 - Scarcity of materials and products for ongoing building and infrastructure developments
- Triggered cultural and structural changes
 - Positive cultural changes such as virtual work engagements
 - Prompt action and rapid forecasting to manage supply chain as well contractors
 - Clear communication of expectations related to sustainable procurements

Rapid development of reactive procurement responses

- Immediate safety and sourcing measures
 - Continuous efforts to put safety measures in place through the cleaning, increase resources or people, resources to deliver and thereby reduce the impact
 - Stockpiling popular products as a measure to address disruptions.
 - Rapid transition to single use plastics as a covid-19 safety measure
- Fair and progressive operational approaches
 - Adopted a fair approach to progressively tackles job retention challenges
 - Proactive actions from contractors with specific initiatives and scope
- Selective on-site and digital engagement
 - Prioritised and conducted on-site engagement as needed and where electronic alternatives were not viable
 - Adoption of digital approaches and introduction of a new system to electronically process information

Leverage for post Covid-19 sustainable procurement

- Reliable, transparent and local supply chain
 - Critical need for reliable supply chains
 - Explore future opportunities of advancing local manufacturing and associated costs
 - Clear and transparent auditing processes and reporting
- Leverage innovative tools and digital engineering approaches
 - Rethink innovative approaches to address the Covid-19 impacts
 - Leveraging available tools such as Informed 365 through a mediating industry body
 - Introduction of a new system to electronically process information
- Coalition between government and industry
 - Possible coalition between government and industry and government's role in leading and facilitating industry/regulators
 - Private organisations publicly claiming the efforts directed towards sustainable procurement
- Purposeful integration of modern slavery act and procurement guidelines
 - Embedding Modern Slavery requirements to the contract
 - Chain of evidence for materials
 - Indigenous engagement
- Multi-level risk assessment
 - Understanding benefits and risks of global supply chains as an opportunity to broaden horizons
 - Managing risk through shifting the organisation's programmes to allow for the limited resources
 - Engage with contractors who complies to set of defined specifications

83 First order themes (participants-driven)

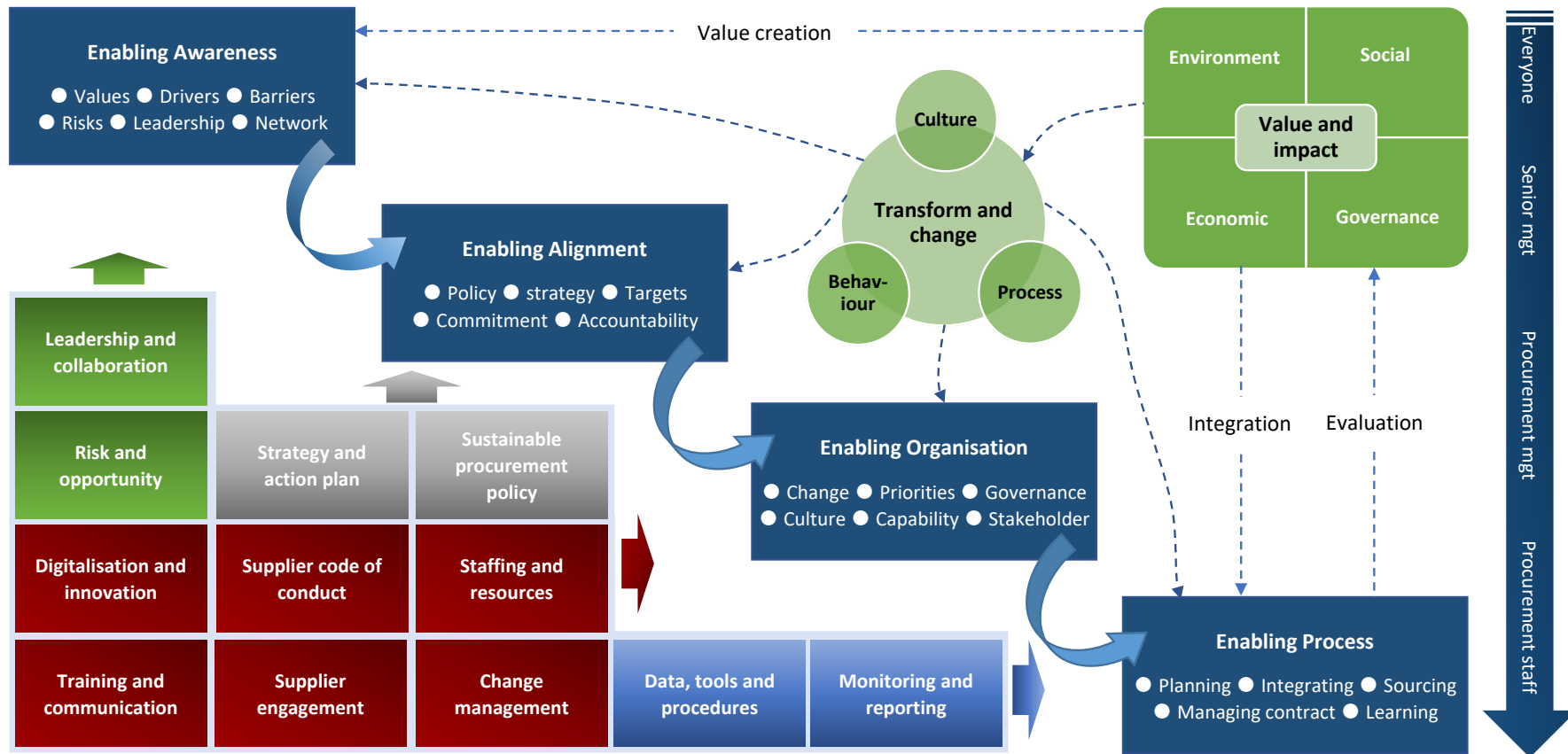


11 Second order themes (researcher-driven)



3 Aggregated categories

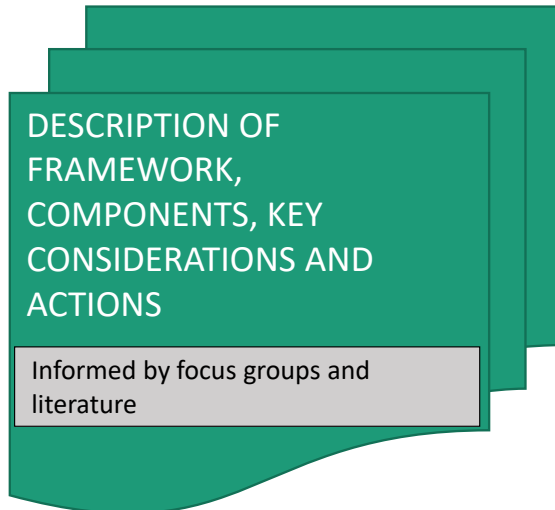
Framework for enabling sustainable procurement



Next Steps: Guide and Tools (proposed)



**GUIDE TO ENABLING
SUSTAINABLE
PROCUREMENT**



**DESCRIPTION OF
FRAMEWORK,
COMPONENTS, KEY
CONSIDERATIONS AND
ACTIONS**

Informed by focus groups and literature



**BEST PRACTICES MAPPING
TOOL**

Informed by focus groups and literature



**STAKEHOLDERS' INTERESTS
AND INFLUENCE MAPPING
TOOL AND MATRIX**

Informed by focus groups and literature



AUSTRALIAN CASE STUDIES

Informed by Case Studies

Case studies

- Green concrete
- Recycled contents
- Modern slavery
- Regional participants
- Marginalised groups



Next project (under development):

Driving for Supply Chain Sustainability and Resilience: The Influence of Clients in Building Capability of SMEs

Goal

how clients fluence the capability building of SMEs and in particular, local and indigenous businesses for sustainability and resilience through procurement and collaborative practices

Identify

the technical, organisational, and societal characteristics that support sustainability and resilience of SMEs and in particular, local and indigenous businesses across the construction supply chain

Develop

a sustainable and resilient construction supply chain capability maturity model to evaluate the supply chain capabilities

Assess

the impact of client-driven initiatives and innovations on supply chain capabilities and performance through case studies with major public and private clients in the Australian construction industry

Propose

a model of leadership and collaboration for building sustainability and resilience capability of SMEs in the construction supply chain based on the above empirical insights



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