



April 2022 Sustainable Procurement in Infrastructure

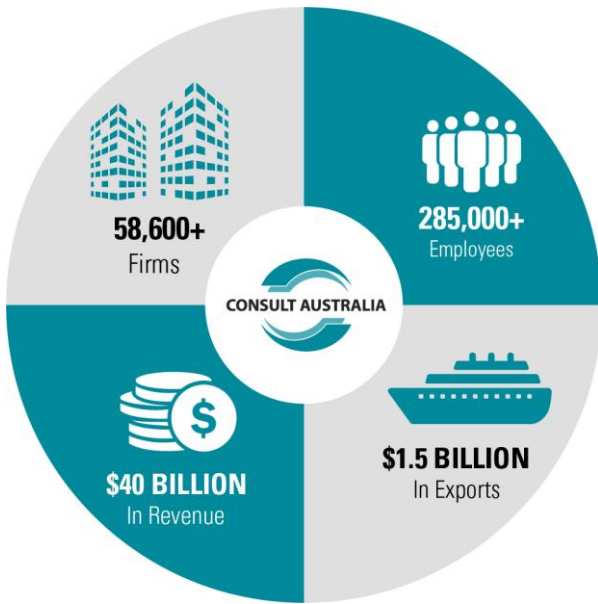
SUBMISSION TO TRANSPORT FOR NSW

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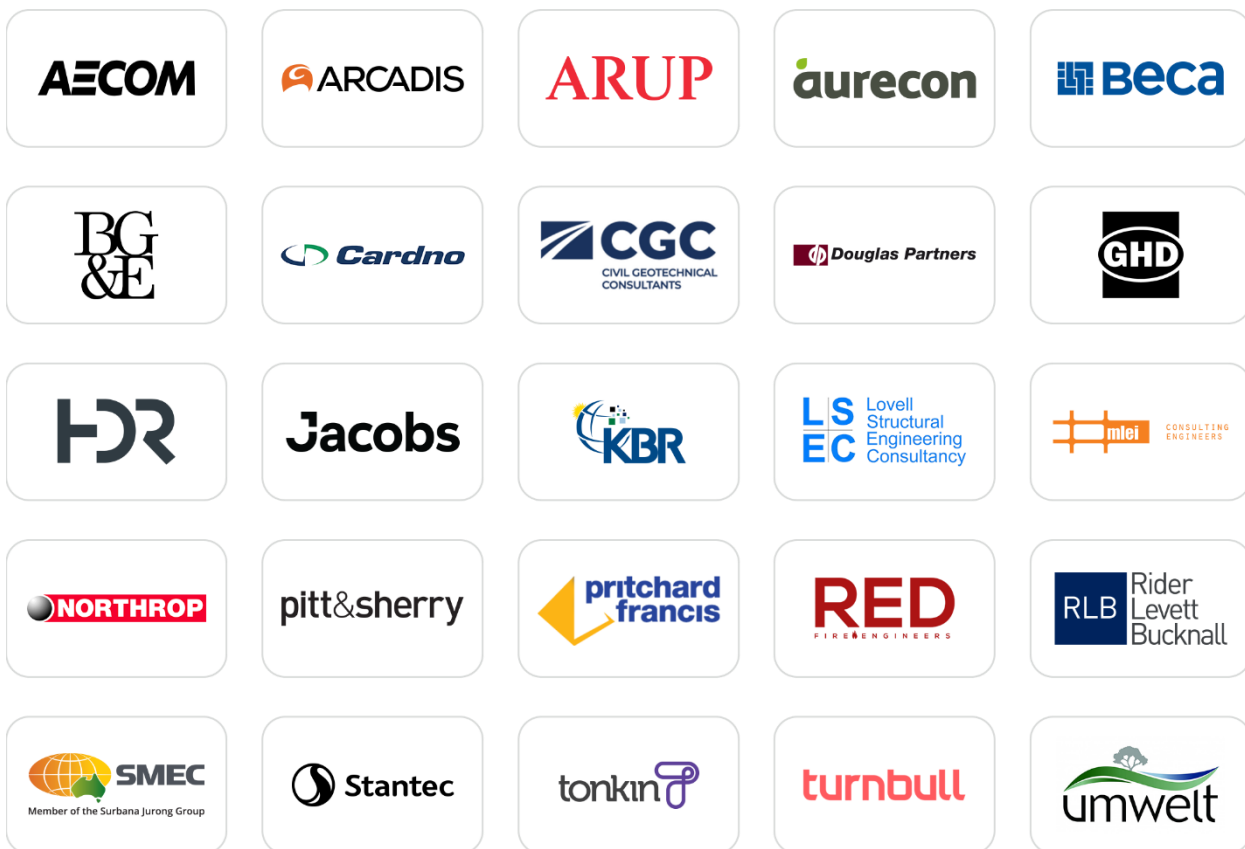
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ABOUT US



Consult Australia is the industry association representing consulting businesses in design, advisory and engineering, an industry comprised of over 58,600 businesses across Australia. This includes some of Australia’s top 500 companies and many small businesses (97%). Our members provide solutions for individual consumers through to major companies in the private sector and across all tiers of government. Our industry directly employs over 285,000 people in architectural, engineering and technical services and many more in advisory and business support. It is also a job creator for the Australian economy, the services we provide unlock many more jobs across the construction industry and the broader community.

Our members include:



A full membership list is available at: <https://www.consultaustralia.com.au/home/about-us/members>

EXECUTIVE SUMMARY

Consult Australia welcomes the opportunity to contribute to and be involved in Transport for NSW's consultation on the *Sustainable Procurement in Infrastructure* discussion paper, as well as future aspects of this initiative. Consult Australia is solutions focussed and is keen to co-design a sustainable procurement initiative with TfNSW.

Embedding sustainability considerations in procurement is an admirable goal, and Consult Australia appreciates the importance of consideration of the social and environmental impact of projects in the built environment and infrastructure investment.

In reviewing the discussion paper, we have concerns about realising the goals of TfNSW's proposed sustainable procurement framework, given the current market we all operate in. For example, the discussion paper talks about procurement that '*encourages innovative solutions*' to produce '*effective and efficient outcomes*' and realising '*leading global best practice through an integrated approach to digital engineering.*' Without behavioural changes across the infrastructure ecosystem, implementing the proposed framework will be challenging.

Therefore, to assist TfNSW achieve these aspirations Consult Australia is keen to help TfNSW embed the following first:



collaboration as culture – embracing and embedding collaboration as the cultural norm in contract design and tendering approaches, including TfNSW displaying [Model Client](#) behaviours



go slow to go fast – adopting and supporting an approach for all projects that ensures best practice in due diligence right at the start of projects, inclusive of scope for innovation and risk management



digital by default – driving innovation by committing to and pushing for consistent digital investment at all stages and on all projects so businesses, particularly small business, have the confidence to do the same



thinking smarter about skills – investment in a range of initiatives to tackle the deepening skills shortage in engineering and related design professions



smarter pipeline of projects – adopting and supporting an approach to the pipeline of projects that provides certainty to the industry and increases accessibility for small to medium businesses.

Noting that TfNSW's initiative is in its initial stages, this is the optimal time to embed the behavioural changes outlined above so that we can explore in detail and without the current barriers, how sustainability in procurement will be able to flourish.

We understand that TfNSW is committed to collaborating with industry to obtain insights into opportunities and barriers and to promote supply chain innovation. Given this, we welcome opportunities to work with TfNSW to implement an ecosystemic change to procurement practices, enabling a more resilient and thriving industry and a more productive public service that incorporate sustainability within procurement.

OUR SOLUTIONS

Having considered the discussion paper in its entirety, Consult Australia has focussed on three key elements:

- how effective the proposed reforms will be in supporting improved sustainability in projects
- barriers that might affect business operations
- additional issues for consideration.

Our solutions are underpinned by the aspiration of a strong ecosystem where business and government work together to achieve optimal infrastructure outcomes that strengthen the economy, improve community connectivity, and adopt opportunities for sustainable practices.

However, to achieve this goal, practices need to shift from the status quo to focus on collaboration, upfront communication, digital investment, skills and capacity, and pipeline transparency.

Collaboration as culture

Currently, the efficiency and effectiveness of project outcomes is negatively impacted by the adversarial nature of contracting behaviours industry wide. Consult Australia has called on clients to [uplift productivity](#) by prioritising collaboration and communication at all stages of a project from pre-tender to post-completion. Further, our [Model Client Policy](#) calls on government, at all levels, to behave better as clients by creating collaboration as culture. Having a collaborative culture involves a shared commitment to shift away from disputation and embed a positive culture complimented by clear communication upfront.

Consult Australia recognises disputation across the market as having a significant impact on industry productivity, accessibility and affordability of professional indemnity (PI) insurance and the health and wellbeing of people.

Adopting collaborative forms of contracting and procurement practices can significantly reduce the costs and resources (for both government and industry) throughout the project lifecycle, uplift productivity, and uplift innovation, noting that the value-add services our members provide is finding solutions to wicked problems, most significantly transitioning to a net-zero economy. By adopting collaboration as culture, the opportunities and appetite for innovative solutions to sustainable procurement will be strengthened and realised.

As a recent example where TfNSW could embed collaboration as culture is in Project Streamline. Consult Australia has provided significant feedback to TfNSW on how the new proposed standard suite of contracts could embrace change for the benefit of industry and government.

'Go slow to go fast'

Consult Australia advocates for the adoption of a 'go slow to go fast' approach for all projects where the emphasis in project development is placed on preliminary due diligence to enhance project outcomes. The investment of time and resources up front will also reduce project risks making it more likely that clients will be meet financial settings and reduce financial loss, industry will meet delivery deadlines, and industry will deliver the right outcomes.

We understand that TfNSW seeks to review '*standards, processes and contract requirements to balance fitness-for-purpose, asset lifespan and sustainability*'. Consult Australia welcomes TfNSW's commitment to collaborate with industry on these considerations, and we re-emphasise the value of collaborative practices in achieving productivity and innovation gains across the ecosystem.

In terms of project specific solutions, the greatest opportunities to ensure the best solution for the end-user happen at the earliest stages of the project during problem identification, project origination, and design. Improving how projects are conceived, planned, designed, and assured in these early stages has long been regarded the most effective mechanism owners have to consistently deliver superior project outcomes, and therefore the best place to discuss innovation opportunities for sustainable infrastructure.

Digital by default

Consult Australia welcomes TfNSW's focus on '*leading global best practice through an integrated approach to digital engineering*', which aligns with our advocacy on digital by default. Digital by default means job growth, global leadership, increased productivity, risk management, and digital solutions to improve accessibility and innovation. There are numerous ways in which digital by default can be delivered, from data sharing during projects, digital project controls, using digital tools to manage project risks and delivering building information modelling (BIM) and/or digital twins of assets.

However, consistency across the market is vital to see the true value of digital by default. Digital standards and requirements vary widely not only within and across states, but also across project. Accommodating highly varied requirements on projects is resource intensive and consumes time that could be invested in innovation.

Differing applications of digital principles across the market restrict productivity and performance. By going digital by default, with a consistent approach coordinated across projects and across Australia, businesses (especially small businesses) will see the cost of digital tools as an investment rather than burden and will deliver better outcomes by reducing risk and increasing innovation.

Thinking smarter about skills

Consultants design the future. With every design, advisory and engineering service provided by our membership, there is a positive impact on job growth, community connectivity and economic productivity. But without investment in resources, the capacity to deliver on pipeline demands is significantly constrained.

Thinking smarter about skills means not only investing in education and migration initiatives but also addressing the issues that currently impact on workplace mental health and cause burnout of people. By doing this, we can ensure we have a thriving workforce to deliver the current and future pipeline of projects.

Consult Australia welcomes opportunities to collaborate with TfNSW, to unlock greater productivity and performance by focussing on clarity and transparency of pipeline with consideration to industry capacity.

Smarter pipeline of projects

Opportunities to improve industry productivity are dependent on transparency of upcoming project pipelines. Improving pipeline transparency enables industry the ability to predict, prepare and plan the resources required to meet demand, including the creation and maintenance of a dynamic workforce. Further opportunities exist in breaking mega projects up into smaller packages to enable small to medium businesses greater access to pipelines.

CONTACT

We would welcome any opportunity to further discuss the issues raised in this submission and be involved as a key industry partner to work with TfNSW on its initiatives over the next twelve months to shape sustainable procurement across infrastructure projects. Please contact:

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