

# Transport Procurement Strategy

March 2023

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# 1. EXECUTIVE SUMMARY

This document sets out the strategic approach to transport related procurement of works and services by Hutt City Council (Council). It supersedes the 2019 Hutt Valley Procurement Strategy previously endorsed by the New Zealand Transport Agency (Waka Kotahi) in May 2020.

## 1.1 KEY ISSUES AND OPPORTUNITIES

The following key issues and opportunities have been identified:

Key issues:

- Increasing growth in Lower Hutt.
- Specific transport initiatives (Road Safety, RiverLink, Cycling Micromobility Programme and Cross Valley Connections).
- Market conditions.
- Resourcing.

Opportunities to obtain value for money:

- Continue with unbundled contracts to get greater focus on maintenance activity but this does not preclude opportunities such as collaborative processes to ensure best value for money.
- Increased focus on asset management system (RAMM) data quality in new contracts.
- Continue with term contracts where appropriate for physical works and increase in-house delivery of professional services.

The management of procurements will be used to contribute significantly to the Councils' procurement objectives:

- To achieve value for money.
- To encourage development of local suppliers.
- To ensure a high standard of health & safety is embedded in procurement.

The development of the local supplier market will provide, in the longer-term, better value through a more resilient and reliable resource for these services. It will also ensure that the suppliers' services are available at competitive prices for other businesses in the City.

## 1.2 RECOMMENDATIONS

It is recommended that:

- The procurement strategy is endorsed.

### 1.3 ENDORSEMENT

This Procurement Strategy has been reviewed and approved as per below:

Hutt City Council	
Signature:  <b>J Miller</b> CHIEF EXECUTIVE	Date:

## 2. INTRODUCTION

The current Transport Procurement Strategy's approval, revised in March 2020, expires in May 2023.

This new Procurement Strategy has been developed to be applicable to the next three years planned procurements. Its development has incorporated recent revisions to the Waka Kotahi's Procurement Manual, particularly those outlined in General Circular no. 19/03 (Amendment 5).

Over the next three years, Council intends to procure term contracts to undertake the following main physical works:

- Asphalt Resurfacing and pavement rehabilitation and reconstruction.
- Maintenance reseals.
- Wainuiomata Hill Road resurfacing.
- Street Maintenance.
- Street utility cleaning and,
- Vegetation control.

There are also a number of smaller contracts for professional services and other street works plus some project specific contracts.

The aim of this strategy is to outline procurement methods that will contribute significantly to the Council's procurement objectives:

- To achieve value for money.
- To encourage development of local suppliers.
- To ensure a high standard of health & safety is embedded in procurement.

The detail and processes in this procurement strategy are consistent with the value of the planned procurements. However, the reference made to Waka Kotahi's Procurement Manual requirements mean that the strategy could be applicable to a large unplanned procurement. If a significant departure is required from this strategy for a large procurement and other emergency powers are not relevant, then it is expected that a project specific strategy would be prepared for approval prior to the procurement proceeding.

The market information used in this strategy comes from information provided by market analysis undertaken over the past year for Waka Kotahi for the Wellington Region.

## 3. HUTT CITY ROADS

### 3.1 PHYSICAL ENVIRONMENT

Hutt City comprises areas of urban development along the flood plains of the Hutt River confined within the hillsides of the Hutt Valley itself. Lower Hutt extends from the south coast to the boundary with Upper Hutt City to the north. Hutt City also shares boundaries with Wellington City, Porirua City and South Wairarapa District Council.

State highways in the city include SH2 and SH58. There are main trunk railway lines through the city connecting to Wellington, Melling and north to Upper Hutt and the Wairarapa.

The Hutt River also flows through the city to Wellington Harbour at Petone. In extreme weather events the river has been known to flood so is protected by stopbanks. Some commuter car parking beside the river is designed to flood to protect the city.

The presence of the state highway, the river, several streams, and railway lines mean that the road network for Hutt City includes a large number of bridges that enable suburbs in the western hills to connect to the city centre.

Most of the City's roads are urban but there are a few (approximately 6%) that are rural. All roads are sealed.

### 3.2 OTHER INFLUENCING DOCUMENTS

Other documents that also influence this strategy include:

Council's Procurement Policy	Council's District Plan and Proposed District Plan
HCC Procurement Guide	Regional Land Transport Plan
Council's Infrastructure Strategy	Government Policy Statement
Council's Long-Term Plan (LTP)	Local Government Act 2002
Council's Annual Plan (AP)	Land Transport Management Act 2003
Council's Transport Activity Management Plan (AMP)	Waka Kotahi Procurement Manual
Council's Integrated Transport Strategy	Government Procurement Rules
Council's Delegations Policy	Council's Delegations Register
Council's Financial Strategy	Health and Safety Contractor Management Assessment
Contractor Health & Safety Management Procedure	Council's Integrated Transport Strategy 2022
HCC Cycleways Panel – Procurement Plan	

### 3.3 HEALTH & SAFETY

Council recognises its obligations under the Health and Safety at Work Act (HSWA) 2015 and as such requires all suppliers to take practical steps to ensure safe work practices are employed. Council requires all suppliers comply with these requirements also recognising that in a contracting chain there are shared responsibilities under HSWA to consult, cooperate and coordinate activities with suppliers and contractors.

Council requires its suppliers to actively explore ways to promote best practice health and safety throughout the procurement lifecycle, including ensuring that the key principle of 'health and safety by design' is considered and met.

Council's Health and Safety team provide advice on procurement including the procurement planning stage, tender document preparation, contractor health and safety plan reviews, and audits, as appropriate. A comprehensive health and safety training programme is provided to staff by the Health and Safety team and external providers.

The Health and Safety Contractor Management Assessment provides a systematic approach to contract management, including meeting any overlapping duties and other requirements under HSWA.

Tenderers must provide information relating to their health and safety management system, and performance. This will be considered as part of the full tender evaluation process. Most tenderers can provide evidence of meeting Council's Health and Safety requirements through tender pre-qualification processes when used on larger tenders. Health and safety performance is monitored throughout each contract.

Information required is based on the level of risk related to the contract.

## 4. POLICY CONTEXT

### 4.1 STRATEGIC OBJECTIVES AND OUTCOMES

Council has current purchasing guidelines that are required to be followed in the procurement of goods and services. Their goals align with those set out in the Local Government Act 2002, NZ Government Procurement Rules and in Waka Kotahi's procedures.

Council is driving improved procurement practices across the entire organisation including ensuring that procurement pays particular consideration to:

- Contributing to the achievement of Council's strategic objectives as expressed in the Procurement Policy.
- Demonstrating best value for money spent using the principles of 'best value over whole of life'.
- Demonstrating transparency and accountability in decision making.
- Promoting consistency of approach to deliver efficient and continuous improvement.
- Delivery of broader outcomes – particularly supporting suppliers that provide, cost-effective, environmentally responsible products and services.
- Developing strategic partnerships with the supply chain.

Council recognises that successful contracts are based around strong relationships and can have two, three or more parties jointly contracted to deliver a single outcome. This relationship involves a sharing of skills, risk and jointly promoting innovation to improve value of the service delivery and is relevant from the smallest of contracts to the largest performance based, long term contracts.



Strong contractual relationships with the supply chain:

- Promote stability in the marketplace.
- Provide confidence to both Council and the contracting industry.
- Encourage investment in systems, training and equipment.
- Place a value on local knowledge and skills.

Note this approach by Council is consistent with the Government's procurement charter.

There are no other relevant contextual factors, such as other Council policies, wider Council procurement plans, or any other regulatory requirements that supersede this procurement strategy for the purchase of services for managing the transport assets.

The objectives in adopting this procurement strategy are to create:

- A system that enables Council to satisfy the Office of the Auditor General and the Waka Kotahi requirements that protect Council's ability to receive subsidy from Waka Kotahi,
- A system that facilitates rather than stifles delegated authority to staff,
- A system that gives control to senior management allowing them to consider large expenditure items, before they happen, and
- A system that has a minimum of bureaucracy.

This procurement strategy needs to achieve the goals outlined below.

Council's goals in co-ordinating and managing the procuring of goods and services are to:

- Conform with any Statutory provisions.
- Protect Council in a business-like manner; and
- Maximise ratepayer benefit from public funds committed.

To summarise the objectives that Council is aiming to achieve with the procurements are:

- To achieve value for money.
- To encourage development of local suppliers.
- To ensure a high standard of health & safety is embedded in procurement.

## 4.2 GOVERNMENT POLICY STATEMENT (GPS)

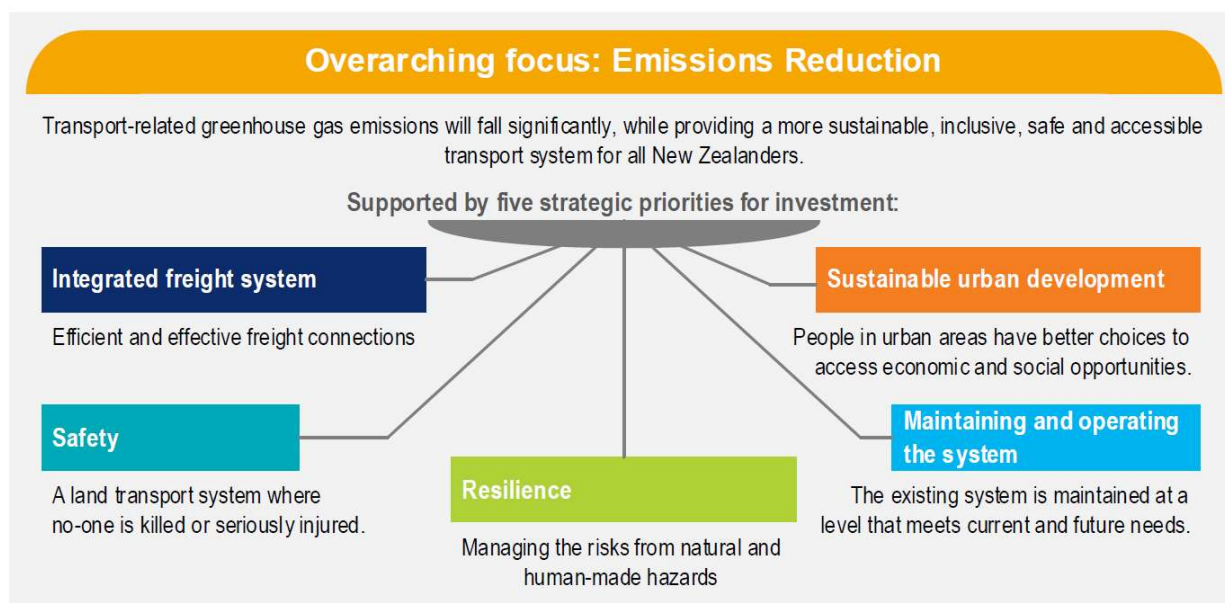
The Government Policy Statement (GPS) on land transport highlights the government's outcomes and priorities for the land transport sector and sets out an investment range for different activities over a 10-year period. The current GPS (2021) highlights four clear priorities:

- a safer transport network free of death and injury,
- accessible and affordable transport,
- reduced emissions, and
- value for money.

Waka Kotahi applies the GPS to its investment decision-making through an Investment Assessment Framework. In this context, increasing the value for money from public transport investment, and making the most of urban network capacity is a priority.

### Indicative priorities for GPS 2024

The Ministry of Transport (MoT) have released the indicative priorities for GPS 2024.



**Figure 1 Ministry of Transport Framework for Strategic Priorities**

These priorities are not final. They have been provided as an early signal of likely directions and the results that the Government is intending to achieve through GPS 2024.

They propose emissions reduction to become an overarching focus for GPS 2024, to ensure that the implications for emissions reduction are a core consideration for all investment decisions. This will be supported by five proposed strategic priorities:

- sustainable urban development
- safety
- integrated freight system
- maintaining and operating the system
- resilience

The Government has signalled the indicative transport priorities signed off by Cabinet last year will change in the wake of Cyclone Gabrielle.

MoT are currently working to ensure the draft GPS has a greater focus on reconstruction of damaged infrastructure, as well as building greater resilience so our transport network can better withstand the increasing frequency of extreme weather events.

No decisions on funding have been made and they are still working through the full extent of the damage inflicted by Cyclone Gabrielle.

MoT expect to begin consultation on the Draft GPS24 in mid 2023.

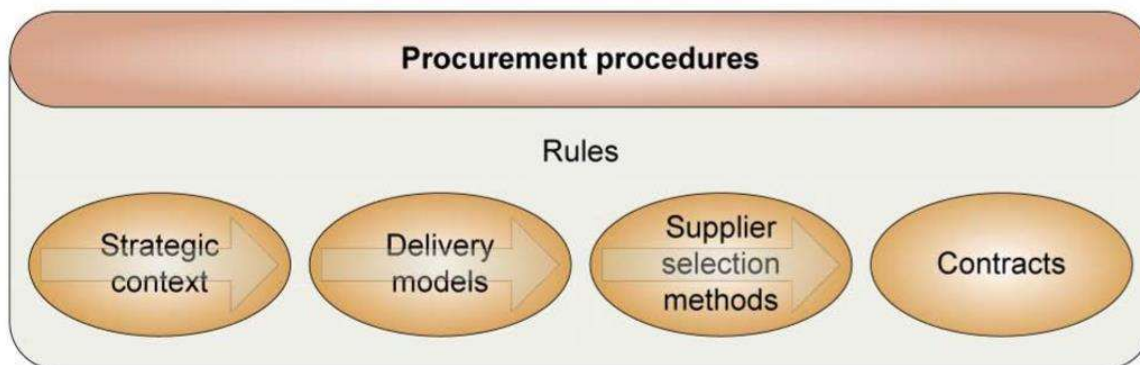
### 4.3 WAKA KOTAHI PROCUREMENT REQUIREMENTS

Waka Kotahi is committed to the concepts of sustainability, value for money, maintaining competitive and efficient markets, and fair competition among suppliers. Waka Kotahi's Procurement Manual contains procurement procedures approved by Waka Kotahi under s 25(1) of the Land Transport Management Act 2003 (LTMA).

The procurement procedures contained in the manual are approved for use to purchase the goods and services required to deliver the activities that have been funded under s 20 of the LTMA.

This procurement strategy has been developed in full compliance with the requirements of Waka Kotahi's Procurement Manual and with well recognised good practice. This procurement strategy uses the same terminology and approach for describing the procurement processes and for addressing the associated key issues.

The diagram below, extracted from the Waka Kotahi Procurement Manual, which considers each of the aspects of a fully comprehensive procurement procedure has been used in the development of this procurement strategy.



**Figure 2 Summary of Procurement Procedures**

The development of this strategy has specifically considered:

- The changes included in amendment 6 of Waka Kotahi's Procurement Manual.
- The requirement to comply with the Government Procurement Charter, and
- The requirement to consider how procurement can contribute to the Government's Broader Outcomes.

#### 4.3.1 Waka Kotahi Procurement Manual Amendments 5 and 6

In addition to the changes brought about by the rewriting of the **Government Procurement Rules (GPR)** the following changes have been made to the Waka Kotahi Procurement Manual:

- The Health and Safety expectations are strengthened. Waka Kotahi requires that Approved Organisations consistently embed health and safety controls and standards within the procurement lifecycle and that health and safety forms a key consideration in every procurement decision.
- Information about Waka Kotahi involvement is included in the **Construction Sector Accord**. It also states that Waka Kotahi expects Approved Organisations to contribute, where appropriate, to the priorities outlined in the Construction Sector Accord.
- There is a redefinition of **Value for Money**, intended to align with the GPR concept of **Public Value**, so that procurement delivers "best value for money".

#### 4.4 GOVERNMENT'S PROCUREMENT CHARTER

The Charter sets out Government's expectations of the way agencies should conduct their procurement activity to achieve public value.

*The New Zealand Government directs agencies to:*

**Seek opportunities to include New Zealand businesses.** *Openly work to create opportunities for local businesses and small-to-medium enterprises to participate in procurement processes.*

**Undertake initiatives to contribute to a low emissions economy and promote greater environmental responsibility.** *Ensure that economic and social development can be implemented on a sustainable basis with respect for the protection and preservation of the environment, reducing waste, carbon emissions and pollution.*

**Look for new and innovative solutions.** *This requires that the technical requirements of a procurement are not overprescribed and that procurements give businesses the opportunity to demonstrate their expertise.*

**Engage with businesses with good employment practices.** *Ensure that the businesses contracted with operate with integrity, transparency and accountability, and respect international standards relating to human and labour rights. For businesses operating within New Zealand, ensure that they comply with all New Zealand employment standards and health and safety requirements.*

**Promote inclusive economic development within New Zealand.** *Engage with Māori, Pasifika, and regional businesses and social enterprises in order to actively contribute to our local economy. Openly working to include and support these businesses and enterprises through procurement is expected to promote both skills development and a diverse and inclusive workforce.*

**Manage risk appropriately.** *Responsibility for managing risks should be with the party – either the agency or the supplier – that is best placed to manage the risk. Agencies and suppliers should work together on risk mitigation strategies.*

**Encourage collaboration for collective impact.** *Look to support greater collaboration, both across-agency and across-businesses, to give likeminded groups the opportunity to find common solutions within your procurement opportunities.*

## 4.5 CONSTRUCTION SECTOR ACCORD

Priorities for Accord 2.0 have emerged:

- “Retaining capacity to address critical sector- wide issues of the day, including consenting, and workforce and supply chain issues
- Māori eco-system development, including developing SME capability, procurement equity and leadership development for Māori and Pasifika
- Environmental responses, including use of sustainable products and practices, and building environmental leadership capability
- Use of data, including early signals of crisis, system performance indicators and data flows across the sector
- Innovation, digitisation and advanced construction methods and products.”<sup>1</sup>

Some of these priorities are encapsulated by the government’s broader outcomes outlined below.

## 4.6 GOVERNMENT’S BROADER OUTCOMES

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<sup>1</sup> 2021 Construction Sector Accord Progress Report

## The broader outcomes are;

-  **Environmental** – preventing and reversing environmental degradation
-  **Economic** - building a diverse and prosperous local economy
-  **Social** – shared and equal opportunity for community prosperity
-  **Cultural** – finding opportunities to genuinely partner with mana whenua.

The broader outcomes include consideration of climate change and sustainability principles as mentioned in resources such as:

- Toitū Te Taiao Waka Kotahi Sustainability Action Plan - action plan, reporting framework and associated Resource Efficiency Policy (aiming for net zero land transport greenhouse gas emissions by 2050 and for zero deaths on the road).
- MBIE's Whole-of-Life Embodied Carbon Emissions Reduction Framework – this is particularly relevant for both existing and new structures.
- NZGP's Procurement guide to reducing carbon emissions in building and construction – again, particularly for structures.

It is expected that the following actions are taken to achieve these broader outcomes:

Enabling investment for long term outcomes, through embedding sustainability principles into the decision-making approach; and establishing early strategic impact assessment for both near and long-term sustainability outcomes.

Enable balanced assessment of outcomes to support transparent consideration of monetised and non-monetised social and environmental outcomes, benefits and costs.

Embed the investment hierarchy into investment decision-making to ensure a broad range of options and alternatives, including non-transport solutions, are considered.

### 4.6.1 How Broader Outcomes will be Incorporated

The New Zealand Government provides Government Rules of Procurement which focus on broader outcomes in terms of social, economic, environmental, and cultural benefits to the local community their suppliers operate in. Procurement should be used to 'support wider social, economic, cultural and environmental outcomes that go beyond the immediate purchase of goods and services'

([www.procurement.govt.nz/broaderoutcomes/](http://www.procurement.govt.nz/broaderoutcomes/))

HCC will be seeking contractors with a sustainable approach to their work such as:

- supporting the local economy through provision of opportunities for local businesses and organisations to participate in the procurement of services and materials
- demonstrated environmental considerations and approach to emissions reduction
- strong Mana Whenua relationships

- demonstrated wider social outcomes particularly in relation to their workforce such as cadetships/training programmes, health benefits, employee support programmes, commitment to the living wage.

All contractors are required to provide the living wage as a minimum for their staff in line with Council policy. They are required to work sustainably wherever possible in line with the Wellington Region Waste Management Minimisation Plan 2017-2023 and Council's Sustainability Plan.

## 5. PROCUREMENT PROGRAMME

### 5.1 CURRENT ASSETS AND FUNDING

Further distillation is currently being undertaken to determine the key transport projects including how and when they will be procured. Table 2&3 refer to the key projects that will form part of the information for the next LTP.

**Table 1 The road network asset within the City Council's network consists of:**

Urban Sealed	Rural Sealed	Total Length	Footpaths inclusive of walkways and shared pathways	Bridges	Tunnels/ Underpasses
94%	6%	486 km	683 km footpaths and approximately 20 km of walkways and shared pathways	65 (RAMM Database as at March 2023)	6

**Table 2 The operational and capital funding for land transport services across the Council comprise:**

	2023/24	2024/25	2025/26	2026/27
Maintenance & Operation (Payments to staff and suppliers)	\$15,700,000	\$16,113,000	\$16,504,000	\$16,981,000
Finance and internal charges	\$5,221,000	\$6,003,000	\$6,867,000	\$7,586,000
Capital Projects (renewals and improvements)	\$30,840,000	\$34,750,000	\$32,823,000	\$31,917,000
<b>Total Funding</b>	<b>\$51,760,000</b>	<b>\$56,866,000</b>	<b>\$56,194,000</b>	<b>\$56,484,000</b>

Source: LTP 2021-2031

**Table 3 Transport Key Projects - (from Infrastructure Strategy LTP 2021-2031)**

Key project	Response Area	Explanation	Cost	Time period
Seismic strengthening of Cuba Street overbridge	Climate change and natural hazards.	Minimising the risk of bridge collapse or damage in the event of a significant earthquake has significant benefits, both in terms of protection of life and prevention of injury, and minimising property damage and reducing disruption.	\$1.3M	2023 to 2024





Key project	Response Area	Explanation	Cost	Time period
		<p>city centre to connect to the proposed Riverlink Walking &amp; Cycling Bridge. This is being delivered under Transport Choices. Construction in 2023/24 (estimated \$5 - \$7M).</p> <p>Likely projects in 2024 – 27 are:</p> <ul style="list-style-type: none"> <li>Jackson Street to Esplanade - Cycle friendly crossings and neighbourhood streets to connect The Esplanade and Jackson Street. Currently under design. Construction in 2024/25 (approximately \$4M)</li> <li>Hutt Central Schools - Shared paths connections to schools along The Beltway. Currently under design. Construction in 2024/25 (approximately \$6M)</li> <li>Esplanade Cycleway and optimisation – a cycleway or shared path to connect Te Ara Tupua and Tupua Horo Nuku and associated traffic optimisation improvements. The design has been completed. This will be put forward for consideration for the 2024-27 NLTP (approximately \$26M).</li> </ul> <p>These projects will increase the cycling opportunities in Te Awa Kairangi Lower Hutt and thereby respond to changes in demand; in particular, the increasing uptake of alternative means of transport.</p>	<p>\$5M</p> <p>\$4M</p> <p>\$6M</p> <p>\$26M</p>	<p>2023/24</p> <p>2024/25</p> <p>2024/25</p> <p>2025/26</p>
Road network improvements	<p>Response to ageing infrastructure and investment in renewals.</p> <p>Growth and demand.</p> <p>The effects of climate change and natural hazards.</p> <p>Technological advancements.</p>	<p>The Preferred Programme for the <b>Cross Valley Transport Connections</b> is staged across three phases; the major work signalled for after 2029 will align with other related projects. The general network improvement timeframe allows for considering technological advancements, for instance in using techniques or materials that maximise the effectiveness and efficiency of the road networks or in making improvements in preparation for accommodating driverless cars. The improvements are expected to be continued with a provision in the budget from 2041 to 2051.</p> <p>Business case work on the phase one cycleway or shared paths is expected to commence in 2024/25 (approximately \$2M for</p>	<p>Approx \$2M – business case</p> <p>\$10M+/- initial construction</p>	<p>2024/25</p> <p>2025/26</p>

Key project	Response Area	Explanation	Cost	Time period
		design). Construction is anticipated to start in 2025/26 (cost TBD).  The design of phase two, Gracefield Interchange, and phase three, a new link road, is expected in 2026/27 with construction following the completion of Riverlink.		

The procurement programme for Hutt City Council for the next 3 years, that this procurement strategy covers, includes replacement of the contracts listed in the following table.

**Table 4 Physical Works Contracts**

Contract Name	Start	Term	Estimated Annual Value (to nearest \$100k)	Preferred Supplier Selection Method
Road Pavement Reconstruction, Rehabilitation and Asphalt Resurfacing	July 2023	3+1+1	\$5,000,000	Price/Quality
Maintenance Reseals	July 2023	3+1+1	\$1,500,000	Price/Quality
Wainuiomata Hill Road Safety Resurfacing	July 2025 <sup>2</sup>	3+1+1	\$800,000	Price/Quality
Street Maintenance	October 2023	3+1+1	\$4 million	Price/Quality
Street Lighting Maintenance	July 2023	3+1+1	\$2,300,000	Price/Quality
Street Utility Cleaning	November 2024	3+1+1	\$2 million	Price/Quality
Vegetation Control	July 2024	3+1+1	\$350,000	Price/Quality
Roadmarking	July 2023	3+1+1	\$300,000	Price/Quality
Street Sign Maintenance	July 2023	3+1+1	\$300,000	Price/Quality

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<sup>2</sup> Assuming successful extension of existing contracts

Other Physical Works Contracts that may be Procured Separately or with other Contracts				
Contract Name	Start	Term	Estimated Annual Value (to nearest \$100k)	Preferred Supplier Selection Method
Reconstruction Improvements and Sub-standard Road Upgrades	TBC	TBC	\$500,000	Price/Quality
Traffic Safety improvements	TBC	TBC	\$1,000,000	Price/Quality
Bridge Maintenance	TBC	TBC	\$500,000	Price/Quality
Parking Operation and management	TBC	TBC	\$300,000	Price/Quality

**Table 5 Professional Services**

Contract Name	Start <sup>3</sup>	Term	Estimated Annual Value	Preferred Supplier Selection Method
Road Resurfacing and Pavement Treatment	July 2026	3+1+1	\$600,000	Quality
RAMM Condition Rating and Roughness Surveys	June 2025	3+1+1	\$125,000	Price/Quality

In-house staff and consultants will prepare tender documentation and the scope of work that these contracts will cover, including the annual works programme. Staff will determine whether any of the above term contracts will be extended to include any of the additional capital projects or whether these will be separately procured as budgets become available. The in-house capability is being strengthened to provide a consistent design approach where possible. External consultants will still be used for specialised work or other occasions where there are limited inhouse resources.

The procurement has two segments, professional services and physical works. It is not expected that new work commitments will exceed \$100M in any one year, with the exclusion of the Cross Valley Connection which will be considered as a separate transport initiative.

## 5.2 PROFESSIONAL SERVICES

Council is working towards bringing key tasks inhouse and supplementing those skills with external consultants, where required. The design of network improvements and the Cross Valley Transport Connections will be managed inhouse with discrete packages of work out-sourced when extra resources or specialised expertise are required.

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<sup>3</sup> Start dates subject to successful extensions of existing contracts

### 5.3 **PHYSICAL WORKS**

Refer to the proposed contract schedule in section 5.1 Table 4. The cycleways and Micromobility suite of contracts are being managed under a cycleway procurement plan and panel arrangement. This is in accordance with the agreed procurement plan as approved by Waka Kotahi.

### 5.4 **UNPLANNED PROCUREMENTS**

If there is a procurement required because of some unplanned event it will be determined, at the time, if the procurement fits within this strategy or whether a particular procurement strategy and plan needs to be developed.

### 5.5 **OTHER CONTRACTS**

The street lighting energy supply contract is included with other council wide procurement of utilities for council purposes to obtain best value for money from bulk supply discounts. It is reviewed as part of overall council operations and charged to the Transportation Group through internal charging. Past costs show an annual value of \$500,000 but this is expected to reduce with the change to LED lighting.

Similarly, an allowance is made for graffiti removal of approximately \$300,000.

## 6. PROCUREMENT ENVIRONMENT

### 6.1 MARKET ANALYSIS

#### 6.1.1 Wellington Region

Resolve Group undertook a Wellington Regional Market Analysis in 2020, updated 2022. This concluded that:

- KiwiRail's IREX project will increase demand pressures in the short term (next two years). This project is as big as RiverLink or Let's Get Wellington Moving (LGWM) but moving much faster.
- Regional workforce demand is approximately 3,500 and 4,000 FTE's per annum and is steady for at least nine years. Site labour, truck drivers and welders are in demand. Younger workers with some experience will be hard to hold as international travel opens post Covid.
- Similarly, materials, particularly those with an imported component such as bitumen, have increased in costs substantially.
- Local aggregates supply will become heavily reliant on out of region supply within 10–12 years if not addressed now. Aggregate and sand will increasingly be imported into Wellington, adding significantly to the cost of infrastructure and Wellington will become less cost competitive with other regions.
- Structural steel, cement, ITS supply chains are mostly mature. A high proportion is imported. End user costs are highly influenced by international demand, shipping, port handling charges and energy costs. These input costs have been increasing at >6% per annum at present.
- Bitumen supply chain is completely new and will no doubt have initial teething problems as markets adjust.
- Fuel and energy costs affect just about everything and are set to increase.
- Demand for engineers and senior managers is predicted to increase over the next 18 months to three years until most major projects are in their construction phases.

The Transmission Gully and the Peka Peka to Otaki bypass projects have now been completed. Major works are still underway in Manawatū with the completion of Te ahu a Tūranga anticipated in 2024. Work has already started to engage professional services for the next stage of works on state highway one from Otaki to north of Levin and the Let's Get Wellington Moving project is also likely to need more professional services to be delivered.

The contracting market in the Wellington region is notable for:

- Three (3) major contractors dominating the major capital and long-term transportation maintenance contracts; being Fulton Hogan, Higgins, and Downer all of which are major national providers.
- Several local contractors undertaking large developments in the region.
- The Wellington Transport Alliance has been signed between Waka Kotahi, Fulton Hogan and WSP to maintain state highways in the greater Wellington region.

#### 6.1.2 Hutt City

Council is served by a combination of large/national/regional and smaller/local suppliers. Historically there has been a reasonably high level of interest in tenders and generally sufficient competition between suppliers.

There are two exceptions for specialist suppliers; street lighting, where there were only two tenders for a recent RFP, and road marking where there are only two local firms that provide this service.

The cost of labour is increasing with a generally low unemployment rate and forecast rises to the minimum wage (7%) which will impact the living wage that Council requires for all contractors providing regular ongoing services.

Minor contractors are available for small works, often subcontracting to one or more of the major contractors.

### 6.1.3 Professional Services

The supplier market has several local consultants who provide professional services in the Wellington area. The services available range from land surveying, structural and geotechnical advice to traffic analysis and reporting. These professionals provide services to other councils, Waka Kotahi, the local community and developers. There are also large National and International consultants with their bases in Wellington or the Hutt Valley.

Key buyers for professional services are local councils and central government with some demand from developers or landowners.

The current demand for these services is exceeding the local supply. Fortunately, Council has managed to recruit and strengthen the in-house expertise so that Council is not so reliant on as many external consultants as in the past. (See organisation chart in Appendix I).

### 6.1.4 Physical Works

The size of the work programme is enough to be of interest to national as well as local suppliers.

The RiverLink project is also likely to attract interest from national contractors.

Skilled personnel, labour and truck drivers are likely to still be in demand. Even more so, since the effects of cyclone Gabrielle on Northland, Coromandel, Tairāwhiti and Hawke's Bay regions. Works to repair infrastructure in these regions are likely to demand resources from other regions. The scale of road remediation required in these regions is still being assessed but this is likely to reduce the availability of labour and truck drivers.

Limited resources and the increased costs of fuel and imported goods are likely to mean that budgets may be stretched to cover the cost of works.

Nevertheless, the recent downturn in land development may encourage more competition amongst local suppliers to ensure a steady work stream for their workforce.

## 6.2 PROCUREMENT SPEND PROFILE

The table in section 5.1 shows the budgets over the 3 years from 2023/2024 to 2025/2026.

Procurement for work starting in July 2023 include three significant maintenance/renewal contracts:

- Road Resurfacing and Pavement Reconstruction (estimated \$15 million over three years).
- Maintenance Reseals (estimated \$4.5 million over three years) and
- Street Maintenance (estimated \$12 million over three years).

These are significant sized contracts, particularly the street maintenance contract, so should be of interest to national as well as local suppliers.

There are a few local suppliers with the necessary size to compete for these contracts, and several who could provide sub-contracting assistance for the street maintenance.

### 6.3 **IMPACT OF PROCUREMENT**

*How will the market be managed to ensure there is healthy competition for Council work.*

As mentioned, in the previous sections, the physical works contracts are of a reasonable size and should attract interest from local and national suppliers. This should ensure healthy competition for the work.

The larger size of these contracts means that there are opportunities to include consideration of broader outcomes in the procurement that can help the industry as a whole and be of benefit to the local community.

The size and nature of the professional services procurements under this strategy will mean that suppliers should be able to continue to provide services to other clients.

The procurements are intended to support a number of local suppliers remaining in the local area which will benefit other clients and businesses in the Lower Hutt area.

## 7. DELIVERY OF WORK PROGRAMME

This section sets out the approach taken to procure the resources required to deliver the Transport Services work programme.

### 7.1 STRATEGIC OBJECTIVES

To achieve the best value, in the long term, the Council's procurement needs to be flexible, collaborative and encourage development of the local market. This will benefit local businesses and the local economy.

The procurement objectives are:

- To achieve best public value for money.
- Deliver broader outcomes to the community - the broader outcomes are;
  - Environmental – preventing and reversing environmental degradation (reduced emissions, improvements to the environment (e.g. waterway enhancement, better runoff treatment, reduced waste, and managing the effects of climate change).
  - Economic - building a diverse and prosperous local economy – (value for money) – creating opportunities for new business start ups and non-primary sector jobs. Support the evolution of a more diverse, innovative and knowledge-based economy.
  - Social – shared and equal opportunity for community prosperity – (a safer, connected, transport network free of death and injury and fairer working conditions), providing equal opportunities to create prosperity across the community and address employment inequalities, providing pathways for the unemployed or low paid to move to skilled employment.
  - Cultural – finding opportunities to genuinely partner with mana whenua – (providing accessible and affordable transport, building partnerships with mana whenua to guide decision making).
- Demonstrate transparency and accountability in decision making .
- Promote consistency of approach to deliver efficient and continuous improvement.
- Develop strategic partnerships with the supply chain.
- To encourage development of local suppliers.
- To ensure a high standard of health & safety is embedded in procurement.

The Integrated Transport Strategy 2022 is seeking the following outcomes:

- Improved community health.
- Increased community cohesion.
- Safer communities.
- Increased social inclusion.
- Greater resilience.
- Economic growth.
- Reduction in carbon emissions and
- Better access to opportunities.



These objectives are consistent with Waka Kotahi’s Procurement Manual and the Government’s Procurement Charter and Broader Outcomes.

## 7.2 PROPOSED DELIVERY MODEL(S) AND SUPPLIER SELECTION METHODS

The procurement approach taken to engaging Contractors and Professional Services will utilise either an open or closed procurement process, depending on the contract values, and in compliance with the requirements of the Waka Kotahi’s procurement manual.

There are a range of small to medium sized roading related projects that will be procured separately from the Street Maintenance or renewals term contracts. The procurement approach for each of these works will be assessed on its own merits. The procurement will consider both the approach that will deliver the best public value for money, and how it will continue to contribute to a healthy and sustainable market in the region.

The proposed delivery models and their usage are described in the table below. Note the value limits are as set out by Waka Kotahi’s Procurement Manual. Most procurement for term contracts will be open tender using weighted attributes where price is a weighted attribute following the Waka Kotahi Price/Quality method.

The direct appointment model will usually only be used when the value of the work is estimated to be less than **\$100,000<sup>4</sup>**. Above this value a closed contest (minimum of three invited tenderers) could be considered up to a contract value of \$200,000 in accordance with Waka Kotahi guidance.

Transportation contracts over \$200,000 will all be procured through open tender.

Supplier Selection Method	Expected Usage	Typical Maximum Value	Price weight [%]
Direct Appointment (similar work, known performance and track record)	Generally	Up to \$100k	NA
Direct Appointment (new supplier)	Rarely	Up to \$100k	NA
Closed Contest (LPC) (similar work, known performance and track record)	Occasionally	Up to \$200k <sup>5</sup>	100
Closed Contest PQ	Occasionally	Up to \$200k	30
Lowest Price Conforming (new suppliers or open tender)	Rarely	All	100
Price quality (physical works)	Generally	>\$200k	50-70
Price quality (professional services)	Generally	>\$200k	30-50
Purchaser Nominated Price	Rarely	NA	0

<sup>4</sup> HCC Procurement Policy as at February 2022 for Construction contracts

<sup>5</sup> HCC Procurement Plan 2022 Professional fees less than \$100k and Construction Contracts less than \$200k may be procured through a closed tender process.

Supplier Selection Method	Expected Usage	Typical Maximum Value	Price weight [%]
Quality Based	Rarely	>\$1M	0
Prequalification (health and safety)	Generally	All	N/A

The procurements will be kept simple and relatively low risk. The limited size of each procurement will mean that the overall risk to the programme will be low.

The proposed delivery model will ensure the procurement process costs do not exceed the capacities of the local suppliers.

The other procurement models are included in case they are required for some unplanned procurement that may arise from an emergency event.

## 7.3 PROCUREMENT APPROACH

Council wishes to retain as much flexibility in the procurement approach as possible so that opportunities for increased value and achievement of the broader outcomes are realised.

### 7.3.1 Aggregation, Bundling and Contract term

Currently, the approach is not to aggregate different projects of work. The approach is to size the work packages to match the resources in the local market.

However, where the same work is being undertaken by other transportation authorities this could be bundled to make joint procurements, if the other parties are willing, and it would lead to more competition in the market. For example, by working with Upper Hutt City Council to produce joint strategies or similar plans.

The term of the engagement will match the project's or task's duration.

Longer term contracts encourage investment in people or other resources, they also allow contractors to plan their workload. Term contracts are favoured where there could be opportunities for staff development and training or where other investment may be needed (e.g. creation of a new depot) to increase return on investment.

### 7.3.2 Public value for money, and efficient markets

The procurement approach is designed to not preclude large National and International contractors or consultants bidding but they will need to compete with smaller local suppliers with potentially lower overhead costs. The continued development of the local supplier market will provide longer term value and ensure these resources are available locally for businesses.

### 7.3.3 Risk management

The highest risk to professional service delivery and physical works projects at present is the amount of competition for resources within the Wellington Region.

The demand for professional services is expected to continue over the next eighteen months to three years. The procurement approach will manage this risk by growing in-house capability where possible and developing a relationship with the smaller local suppliers through several small contracts. The number of small contracts spreads this delivery risk so there is an overall low risk to service disruption by a failure of an individual procurement.

The market analysis predicted that there will be fluctuations and some resource shortages in labour and some materials which could also affect the physical works programme over the next few years. Where fluctuations are predicted, having term contracts that give suppliers certainty of future work and the opportunity to plan for this in their resourcing helps manage the risk.

#### 7.3.4 **Key attributes and best value for money**

The key attributes of this procurement approach are to size the procurements so that it is feasible for the appropriately sized local companies to bid for the work. This procurement approach will ensure competitive prices and will encourage local businesses to grow.

The approach means that in the longer term there will be:

- a more competitive supplier market,
- a more resilient supply of service to support the Council's delivery, and
- a reduced impact on the environment of the service delivery.

#### 7.3.5 **Approach to contract management**

Council recognises that successful contracts are based around strong relationships and can have two, three or more parties jointly contracted to deliver a single outcome. This relationship involves a sharing of skills, risk and jointly promoting innovation to improve value of the service delivery and is relevant from the smallest of contracts to the largest performance based, long term contracts.

Strong contractual relationships with the supply chain:

- Promote stability in the marketplace.
- Provide confidence to both Council and the contracting industry.
- Encourage investment in systems, training and equipment.
- Place a value on local knowledge and skills.

#### 7.3.6 **Market, Procurement Complexity, Innovation and Risk**

The supplier market has a number of local consultants who provide professional services in the Wellington area. The services available range from land surveying, structural and geotechnical advice to traffic analysis and reporting. These professionals provide services to the local community and developers. There are also large National and International consultants with their bases in Wellington and the Hutt Valley.

There are a few local civil engineering contractors that provide roading services to developers and private clients in Hutt City. Some of these contractors assist the Street Maintenance Contractor. There are also three National contractors domiciled in the Wellington Region.

Outside the term contracts, a specialist procurement approach which encourages smaller local suppliers to bid for the work is expected to provide greater innovation. This is because these small businesses can better manage the risk which goes with innovating, so they are more likely to try new ideas.

The highest risk to both professional service delivery and physical works delivery is the amount of competition for this resource within the Wellington Region. This demand for professional services is expected to continue over the next three years. The procurement approach will manage this risk by developing a relationship with the local suppliers through several additional small contracts. The number of smaller contracts spreads this delivery risk so there is an overall low risk to service disruption by a failure of an individual procurement.

## 7.4 PROFESSIONAL SERVICES

Most of the term procurements that this strategy covers are relatively simple and routine. The procurements will be for both general and specialist services to support the in-house team. The services planned to be procured are bridge engineering, geotechnical engineering, design for low-cost low-risk and improvement projects, and asset management support. These procurements are not complex.

The procurement approach is to encourage local suppliers who know the city and understand the challenges. This will be achieved by keeping any new work packages relatively small, combined with low bidding costs. This will mean the work package and bidding costs will match the resource level available in the local suppliers.

This approach will not preclude large National and International consultants bidding but they will need to compete with small local suppliers with lower overhead costs.

The development of the local supplier market will provide longer term value and ensure these resources are available locally for other local businesses.

This approach to procurement will achieve the procurement objectives by ensuring local suppliers can compete for work on an equal basis with the large National and International suppliers. This will achieve the objectives of value for money and development of local suppliers.

There are currently two term contracts for professional services:

- Road resurfacing and pavement treatment – Professional services.
- RAMM Condition Rating and Roughness Surveys.

These contracts are due for renewal late in the three-year term of this strategy but could be brought in-house subject to capacity. These contracts were term contracts as they develop and build knowledge of Council's assets. Regular inspections and assessments enable professionals to measure the rate of any deterioration and prioritise remedial works. They also work with Council to gain knowledge of treatments that work and those that need improvement. These term contracts provide opportunity for local companies to manage their recruitment and up-skill their staff in council requirements. They may also provide opportunities for staff secondments between council and the term consultants to help with staff training and retention.

Council have retained the option to contract out the detailed design of network improvements and cross valley transport connections. Council has a significant capital works programme to deliver this over a number of years. Working with consultants and contracting out the site surveys and detailed design for road improvements is cost effective and enables council to concentrate on the overall safety and improvement strategies.

Professional services are also used for some bridge inspections based on an offer of service where required. Routine bridge inspections are undertaken in-house.

## 7.5 PHYSICAL WORKS

The procurement approach is to encourage development of local contractors. There are several local contractors of the size necessary to manage the proposed term contracts. These contractors in turn use local sub-contractors. The sizes of the term contracts are designed to ensure that contractors can manage their resourcing and recruitment. They will be able to provide continuity of employment and train/upskill their staff as necessary.

There is also a range of other work that will require separate procurement including some safety improvements, specialised pavements and separate projects within the Cross Valley Connections programme.

This approach will not preclude large National and International Contractors bidding but they will need to compete with small local contractors with lower overhead costs.

The development of the local contracting market will provide longer term value and ensure these resources are available locally for other businesses.

This approach to procurement will achieve the procurement objectives by ensuring local contractors can compete for work on an equal basis with the large National and International contractors. This will achieve the objectives of value for money and development of local suppliers.

## 7.6 **CUSTOMISED PROCUREMENT**

If there is a procurement required because of some unplanned event it will be determined, at the time, if the procurement fits within this strategy or whether a particular procurement strategy and plan needs to be developed.

There will be consideration given to a longer period professional service contract for assessment of assets, such as bridges and other structures. The longer-term procurements, if undertaken, will be subject to a separately approved procurement strategy and plan.

There is no other anticipated requirement for variations to the procurement rules.

## 8. IMPLEMENTATION

### 8.1 CAPABILITY AND CAPACITY

The Transport team:

Council retains an in-house team to plan and manage the delivery of the transport projects with its major purchases being professional services and physical works. Council also continues to provide professional services in-house to improve the effectiveness of strategic alignment and delivery (e.g. the preparation of funding applications and the design of small / low risk transportation and safety improvement projects).

The Transport team currently outsource road pavement treatment design assessments, RAMM condition rating, bridge inspections, and other specialised professional services when additional capacity is required. However, Council is looking to bring as much of this in-house as possible so that Council can retain asset knowledge and manage the risk of limited external professional service resources.

### 8.2 INTERNAL PROCUREMENT PROCESSES

The Council's Procurement Team provides oversight of procurements and is responsible for Council's procurement policy which sets out how goods and services should be purchased. Council's procurement policy is aligned with the Government procurement rules.

Council's Procurement Team provide the overall framework for procurement with the Transport Team providing the specific transport technical knowledge and evaluative expertise. The respective accountabilities and responsibilities are summarised in Table 6.

**Table 6 Accountabilities and Responsibilities**

	COUNCIL'S PROCUREMENT TEAM	TRANSPORT TEAM
ACCOUNTABILITIES	<ul style="list-style-type: none"><li>Procurement Framework</li><li>Ensure Procurement Committee oversight</li></ul>	<ul style="list-style-type: none"><li>Overall Transport Procurement activity</li><li>Funding arrangements with Waka Kotahi</li><li>Procurement in accordance with Waka Kotahi.</li></ul>
RESPONSIBILITIES	<ul style="list-style-type: none"><li>Government Electronic Tender Service (GETS) coordination</li><li>Monitoring and Reporting procurement activities</li><li>Contract Register</li></ul>	<ul style="list-style-type: none"><li>Specific technical expertise for projects</li><li>Waka Kotahi approved procurement strategy</li><li>Waka Kotahi approved evaluator/s on all evaluation panels (where Waka Kotahi funding require this)</li></ul>

The internal processes for procurement are set out for each procurement segment.

#### 8.2.1 Professional Services

The following steps will be followed for procurement of consultant services. The procurement process must follow the requirements of the Waka Kotahi Procurement Manual. These steps identify the broad process and who is responsible for completion of the Procurement Manual's requirements. The acceptance of the offers by the Head of Transport or their delegate assumes that the received offers

can be paid for within Councils' Transport budgets and the Head of Transport or relevant delegate has the appropriate Council financial delegation.

- 1 The Head of Transport or their delegate will make an initial decision whether to engage a consultant or engineering service by direct appointment, or by open or closed contest depending on the estimated procurement value. (Refer section 7.2 for size and type of tender).
- 2 For small projects in house staff or a consultant will be requested to develop a draft scope of service.
- 3 The draft scope of service will be revised and completed by Council staff.
- 4 If the procurement is to be a closed contest the Head of Transport will approve the list of consultants who are to be requested to price the work. Note for a closed contest at least 3 consultants should be asked to price the work.
- 5 Council Transport staff will send the request for service and scope to the consultant, (or consultants if a closed contest), for pricing with a requirement that it be returned by a specific closing date.
- 6 Council Transport staff will evaluate the offers received after the closing date and make a recommendation to the Head of Transport.
- 7 The Head of Transport will consider the recommendation then forward the recommendation to the person with the relevant level of Council's financial delegation to accept the offer.
- 8 The person with the appropriate Council financial delegation can make one of the following three decisions:
  - accept the recommendation,
  - decline to accept the offer, or
  - ask the evaluation team to reconsider their recommendation.Note if the declined offer was for a direct appointment, then there could be a decision made to rebid the scope of work as an open or closed tender.
- 9 If step 8 results in an awarded contract, then Hutt City Council Staff member must:
  - Notify the successful and unsuccessful bidders.
  - Log the award of the contract with the Councils' contract records system.

### 8.2.2 Physical Works

The steps detailed in this section must be followed for procurement of contractors. The processing of each step must follow the requirements of the Waka Kotahi procurement manual. The steps detailed in this section must be read in conjunction with the Waka Kotahi procurement manual's requirements. The details in this section identify the responsibilities and resources to be used for completion of the procurement.

The acceptance of the contract, detailed in step 6 below, assumes that the received contract offer can be paid for within Councils' Transport budgets and that the Head of Transport holds the relevant financial delegation from Council.

The following process steps assume that the consultant engaged to undertake the project's design will be responsible for processing and managing the procurement of the physical works contract.

- 1 In-house staff or a consultant will prepare a procurement plan for the project's physical works that implements this procurement strategy and Waka Kotahi's Procurement Manual requirements. The procurement plan needs to take account specifically of the focus on health and safety and redefinition of value for money requirements in Chapter 3 of Waka Kotahi's procurement manual. The procurement plan is to be submitted to the Head of Transport for his approval before procurement proceeds.
- 2 The Head of Transport, or his delegate, will review the procurement plan and either provide instructions to change the supplier selection method or approve the procurement plan for the project. (Refer section 7.2 for procurement method relating to size and type of tender).
- 3 If the procurement is to be a closed contest, the Head of Transport will approve the list of contractors who will be requested to price the work. Note for a closed contest at least 3 contractors should be asked to price the work.
- 4 The consultant will implement the approved procurement plan. The implementation of the procurement means being responsible for calling for tenders, responding within the contract timeframes to questions from tenderers, managing the closing of tender bids and completion of the evaluation of tenders and providing the appropriate documentation for Council to consider the recommendation from the tender evaluation team.
- 5 The Head of Transport, or his delegate, will consider the tender evaluation team's recommendation then forward the recommendation to the person with the relevant level of Council financial delegation to accept the offer. Note that contracts over \$2 million in value must be approved by the Chief Executive Officer of Council as they are the only person with the appropriate financial delegation.
- 6 The person with the appropriate Council financial delegation can make one of the following three decisions:
  - accept the recommendation,
  - decline to accept the offer, or
  - ask the evaluation team to reconsider their recommendation.
- 7 If the above step 6 results in an awarded contract, then the Consultant must:
  - Notify the successful and unsuccessful bidders.
  - Log the award of the contract with the Councils' contract records system.

Note clear records of decisions are required to be kept for all contracts awarded. The Waka Kotahi Procurement Manual Appendix F identifies the data required to be collected and held by each approved organisation. These records will be analysed to determine if this procurement strategy achieved its objectives.

### 8.2.3 Inclusion of Broader Outcomes in Procurement Processes

Wherever possible, the procurement will need to incorporate Broader Outcomes as discussed in section 4.6. Ideally, broader outcomes will form part of the weighted attributes for supplier selection with appropriate key performance indicators (KPI) included in the contract performance targets. The supplier will be asked to demonstrate how their engagement will deliver benefits to the wider community in terms of social, environmental, economic or cultural outcomes.

Depending on the size of the procurement, suppliers could be asked to demonstrate their social commitment by engaging and training staff or engaging local suppliers. Suppliers could demonstrate



their commitment to the environment by using sustainable practices, reducing waste, and working towards measurable carbon emission reduction.

Where possible the size of procurement contracts will be set to encourage local businesses to tender or to form part of a procurement panel (for example, the Cycling/Micromobility project is served by a physical works supply panel that ensures that work can be easily distributed to appropriately assessed suppliers). This helps ensure that the money spent on procurement remains within the Wellington region. Larger, national suppliers will still be able to tender but may need to establish a local office or depot to provide services.

The increased competition for contracts will deliver better value for money.

Council prides itself on its cultural diversity and inclusivity, with all council staff receiving pay at or above the living wage. Suppliers will need to demonstrate their environmental and cultural sensitivity, their commitment to fair pay and working conditions and, where possible, show that they employ and train a diverse workforce.

The supplier's commitment to the delivery of broader outcomes will be assessed through the weighted attributes in the tender documents and their performance will be assessed against their commitments made in their tender.

### **8.3 PERFORMANCE MEASUREMENT AND MONITORING:**

The data identified in Waka Kotahi's Procurement Manual Appendix F will be held. Contractors will also be assessed to verify if they are adhering to their promises with regards to Broader Outcomes and their Health and Safety Outcomes as delivered.

Performance will include monitoring and evaluating the broader outcomes throughout the procurement process and beyond. This could involve tracking the social, economic, and environmental impacts of the procurement project, and reporting on them to stakeholders.

The procurement data will be analysed to determine if the Procurement Strategy's objectives are being achieved when the Procurement Strategy is updated. The analysis of the procurement data will also be reported to the Council's Head of Procurement annually.

Each major procurement exercise is monitored by the Head of Procurement from its procurement plan through to contract award to ensure fair competition, value for money and competitive markets.

Council collects information on its procurement activities through the following methods:

- Contract reviews.
- Maintenance of project files.
- Discussions with suppliers.
- Liaison with affected third parties.
- Internal discussions between technical staff.
- Customer and neighbour feedback during and after contract implementation.
- The present system obtains the information required under Section 11 of the Waka Kotahi.

Council undertakes regular reviews of the quality and quantity of information obtained, and the results of any audits, to ensure Council is working towards meeting its goals and objectives.

### **8.4 COMMUNICATION PLAN**

The Procurement Strategy will be communicated to internal stakeholders once it has been approved by Waka Kotahi.

Waka Kotahi's approval of the Procurement Strategy will be sought once it has been endorsed by Hutt City Council.

The strategy is intended to be communicated to stakeholders and suppliers (via GETS), after Waka Kotahi's approval and when service offers are sought from them.

# Appendix I

Transport Section Organisation Chart as at March 2023

