

Ōtautahi Christchurch | Te Kaunihera o Ōtautahi

TRANSPORT PROCUREMENT STRATEGY 2025



May 2025

Christchurch
City Council



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1. VERSION CONTROL

Electronic copies of this document are to be saved in TRIM using agreed versioning and naming guidelines.

Version numbering specifically for the table below are:

- Draft document numbering starts at D1.
- Released or approved numbering starts at F1 (final).

Version	Date	Author	Description
D1	29 May 2025	Tracey Atherton/Emily Taylor	Draft for review
D2	4 June 2025	Luke Stevens	Draft for internal review
D3	18 September 2025	Tracey Atherton/Emily Taylor	Revised draft for review
F1. NZTA Endorse	18 September 2025	Lynette Ellis	Final for NZTA endorsement

2. APPROVALS

This Transport Procurement Strategy has been reviewed and approved by the following authorisers:

- General Manager, Infrastructure, Planning and Regulatory Services
- Head of Transport and Waste Management
- Head of Procurement & Contracts

The Procurement Strategy has also been tabled with New Zealand Transport Agency Waka Kotahi (NZTA). This Procurement Strategy follows the format and general procurement approach as endorsed through the previous 2022 – 2025 Transport Procurement Strategy. The key change presented in this version is that financial information has been updated to align with the Transport Activity Management Plan, which provides the foundation for the Long Term Plan 2024-2034.

3. SUMMARY OVERVIEW

3.1 INTRODUCTION

The Land Transport Management Act 2003 (LTMA) requires Approved Organisations to use procurement procedures that are designed to obtain best value for money spent over the whole of life of the asset.

NZTA Procurement Manual requires Approved Organisations, of which Christchurch City Council is one, to review their Procurement Strategy at a minimum once every three years and ensure that they always remain fit for purpose.

The Christchurch City Council (The Council) has completed four previous Transport Procurement Strategies since 2011 with the fourth strategy due to expire in May 2025. Previous strategies afforded the Council an opportunity to review its approach to supplier management and increase alignment to a programme led procurement strategy and 'one organisation' management of transport suppliers. We have built on the programme led approach with continuing use of consultant and contractor panels, which have been successful for Council.

The previous consultant panel for professional services expired in October 2024 with tenders being sought for a new five year panel term. The Transport Professional Consultants Panel 2024-29 is a group of pre-approved consultants and specialist providers engaged to support the delivery of the Council's projects and services. It includes expertise across a range of disciplines such as engineering, planning, transport, architecture, and environmental services. The panel streamlines procurement by ensuring that suppliers have met CCC's quality, safety, and performance standards before they are engaged. This enables the Council to respond efficiently to project needs while maintaining consistency, transparency, and value for money. The panel was established through an open and competitive procurement process, where suppliers submitted proposals demonstrating their capability, experience, and alignment with the Council's objectives. It also fosters strong, ongoing relationships with trusted industry partners, supporting better outcomes for the city.

Three of the four Council Maintenance Contracts were awarded in 2022 with the fourth being the Banks Peninsula area Maintenance Contract awarded earlier this year. The contract type is NZS3917. The contracts have a term of five years with a right of renewal at Council's sole discretion for three years and a subsequent two years. NZTA approval has already been sought and given for a greater than five year term prior to the contracts being tendered. The right of renewal to take the contracts beyond the initial five years will require NZTA approval which will be requested in year four of the contract term. The decision to grant a renewal term depends on several performance and quality criteria. At this time, it is too early to determine whether these criteria have been met.

A market and delivery model analysis was completed as part of the procurement plan for the three Christchurch City maintenance contracts that was signed off at Council in mid-March 2022 and as part of the procurement plan for the more recent Banks Peninsula maintenance contract. This was signed off by the Finance and Performance Committee of the Whole in September 2024. We do not believe there has been significant change in the local market since the analysis was completed.

The delivery of works and services management resides with the Transport and Waste Management business unit who retain responsibility for all transport planning, service parameters and delivery performance.

This strategy will be delivered under the sponsorship of the head of Transport and Waste Management.

PURPOSE

The Council views a procurement strategy as critical to achieving organisation objectives, with the primary purpose to give direction to staff about current priorities for ongoing and sustainable improvement initiatives in sourcing, selecting and managing suppliers.

As part of delivery of our programme of works outlined in the LTP 2024-2034 (<https://ccc.govt.nz/the-council/plans-strategies-policies-and-bylaws/plans/long-term-plan-and-annual-plans/long/>), the Council sets out its procurement process and provides information to suppliers on engaging with and working with the Council through information supplied on its website (<https://ccc.govt.nz/the-council/tenders-and-contracts>), as well as a view of upcoming contracts through the six-monthly Contractor Forums.

It also enables the Council to take a strategic approach to procurement to ensure an effective and efficient programme delivery.

This strategy continues the development of a whole of organisation approach to procurement and supply chain management in line with:

Christchurch City Council's Procurement Policy 2018

<https://www.ccc.govt.nz/the-council/plans-strategies-policies-and-bylaws/policies/sustainability-policies/procurement-policy/>

Procurement Guidance

<https://cccgovtnz.sharepoint.com/teams/int-rere/sitepages/guidance.aspx>

The objective of the Christchurch City Council - Transport Procurement Strategy is to:

- Align procurement goals with the organization's overall objectives and desired outcomes.
- Define specific procurement goals, such as achieving best value for money, ensuring sustainability, and promoting innovation.
- Ensure alignment with relevant legislation, regulations, and internal policies.

3.2 LEGISLATIVE AND POLICY CONTEXT

In developing this Strategy, the Council has ensured consistency with its internal Procurement Guidance and Procurement Policy, and the external requirements of;

- The Land Transport Management Act (LTMA) 2003;
- The Public Transport Management Act (PTMA) 2008;
- Section 17A of the Local Government Act (LGA) 2002;
- The NZ Transport Agency Waka Kotahi Procurement Manual 2022; and
- The Office of the Auditor General: Procurement guidance for public entities 2008.

3.3 GUIDING DOCUMENTS

The Council's approach to procurement and its relationship with suppliers can have both direct and indirect impacts on community outcomes. Every day, the Council engages with suppliers to deliver a wide, diverse range of goods, and services and works.

Given the high level of outsourcing for core infrastructure, professional services advisory and community services there is a very direct link between supplier relationships and the Council's goals for the economic and environmental outcomes. The Council's current Long Term Plan community outcomes are:

- *A collaborative confident city;*
- *A green, liveable city;*
- *A cultural powerhouse city; and*
- *A thriving prosperous city.*

The core principles guiding all the Council's procurement activity as defined in the Council's Procurement Policy 2018 are:

- Accountability: the Council will be accountable for its performance and give complete and accurate accounts of the use it has put public funds to.
- Openness: the Council will be transparent in its administration of funds, both to support accountability and to promote clarity and shared understanding of respective roles and obligations between entities and any external parties entering into funding arrangements.

- Lawfulness: the Council will act within the law and meet its legal obligations.
- Fairness: the Council has a general public law obligation to act fairly and reasonably. The Council must be, and must be seen to be, impartial in its decision-making.
- Integrity: managing public resources must be done with the utmost integrity. The standards applying to public servants and other public employees are clear, and the Council will make it clear when funding other organisations that the same standards are expected from them.
- Sustainability: the Council will look for opportunities for its procurement activity to positively impact on the environmental, social, economic and cultural wellbeing of our communities and the world we live in, now and in the future.

In addition to the core principles above, the Council has identified its own strategic procurement principles that align with the Council's Vision, Strategic Priorities and Community Outcomes.

- Open and effective competition: Open and effective competition maximises the prospect of the Council obtaining the best procurement outcome. The Council will ensure that suppliers wishing to do business with Council are given a reasonable opportunity to do so and that the procurement and relationship management processes used ensure that suppliers look to continue to do business with the Council.
- Fostering local business: The Council believes its procurement activity should contribute to having efficient and cost-effective local suppliers that support a dynamic and innovative Christchurch economy. The Council will ensure advantages from local procurement are recognised and considered in procurement decisions, local businesses are encouraged to explore unique and innovative initiatives, social procurement initiatives are progressed to provide economic and employment opportunities to communities in Christchurch and that where practicable, tenders are free from requirements that could limit opportunities for local suppliers.
- Environmental enhancement: The Council's procurement activity will have regard to proactive strategies that deliver better outcomes for the environment. The Council will maintain a commitment to long-term, ecological sustainability through procurement that conserves resources, saves energy, minimises waste, protects human health and enhances environmental quality and safety. In a procurement sense this includes a particular focus on improving energy and water efficiency, reducing, re-purposing and recycling where appropriate, and minimising greenhouse gas emissions.
- Social equity: The Council has a commitment to promoting diversity, acceptance, fairness, compassion, inclusiveness and access for people of all abilities. A focus is placed on citizens who are underrepresented and people with less opportunity. Social equity contributes to building stronger and more resilient communities. Depending on the nature of the procurement, Council will explore opportunities to engage social enterprises to provide works, goods and services.
- Ethical behaviour and fair dealing: Applying sound ethical principles and equitable and fair opportunities for procurement promotes the likelihood of better procurement outcomes. Having high standards of professionalism in procurement processes, systems and procedures enables the Council to provide a consistent approach to procurement requirements, reducing transaction costs and risks for suppliers and building Council/supplier relationships and trust. This lowers the cost of doing business for all parties.

Procurement ultimately supports the Council's business in the delivery of efficient output focused operations through carefully planned and documented decisions. The Council will seek to leverage the procurement opportunities that can be obtained through economies of scale and innovation. However, this will be balanced with the requirement to maintain a sustainable and competitive supplier market. This strategy is also intended to assist suppliers by providing visibility of the Council's procurement model and capital programmes and how it will undertake its procurement activities.

Sustainable procurement criteria must be included in all evaluations. We have ten sustainable procurement objectives.

- Energy efficiency
- Greenhouse gas emission reduction
- Solid waste reduction
- Improve water usage efficiency
- Increase Community participation

- Include people with less opportunity
- Engage Social enterprise
- Increase local employment
- Living Wage
- Resilience

Achievement of the objectives will differ in each procurement activity but in all cases:

- All ten objectives must be included in the RFx evaluation criteria
- Table 7a, 7b, 7c: Evaluation Criteria within the Council Procurement Manual, also included here, shows the recommended minimum/maximum criteria and suggested attributes for each gateway. Where appropriate these can be adjusted to best evaluate each RFx. To ensure the right weightings are selected for the criteria these should be evaluated in conjunction with the development of contract specifications.
- Sustainability is used as a mandatory pass / fail in lowest price conforming.

Table 7a : Two Stage Gateway: Lowest Price Conforming

Criteria		MIN	MAX	Gateway Mechanism
1. Mandatory (Pass / Fail)		P/F	P/F	PASS / FAIL
Example	Capability			
Example	Health and safety			
Mandatory	Sustainable Objectives			
Example	Resilience			
2. Price		100%	100%	FINAL Measure
Mandatory	Price	100%	100%	

- Sustainability is a weighted attribute in 2 Stage Gateway: Weighted Attribute

Table 7b: 2 Stage Gateway: Weighted Attributes

Criteria		MIN	MAX	Gateway Mechanism
1. Mandatory (PASS / FAIL)		P/F	P/F	PASS / FAIL
Example	Capability			
Example	Health and safety			
Example	Resilience			
2. Weighted Attribute			100%	FINAL Measure
Mandatory	Sustainable benefits	10%	20%	
Mandatory	Price	20%	40%	
Example	Past performance	20%	40%	
Example	Technical skills	20%	40%	
Example	Methodology	20%	40%	

- Sustainability is a weighted non price attribute in 3 Stage Gateway Non Price / Price Model

Table 7c: 3 Stage Gateway: Non Price / Price Attributes

Criteria		MIN	MAX	Gateway Mechanism
1. Mandatory Criteria (Pass / Fail)		P/F	P/F	PASS / FAIL
Example	NZ Standards Compliance			
Example	Health and safety			
Example	Resilience			
2. Non Price Attributes		40%	70%	Shortlist based on Capability
Mandatory	Sustainable benefits	10%	20%	
Example	Past performance			
Example	Technical skills			
Example	Methodology			
3. Price		30%	60%	FINAL Measure

- Sufficient weighting of a minimum of 10% must be given to sustainable objectives when using either a 2 Stage Gateway: Weighted Attribute or 3 Stage Gateway Non Price / Price model.

4. PROCUREMENT CONTEXT

4.1 PROCUREMENT OBJECTIVES AND OUTCOMES

NZTA have the following procurement objectives aimed at ensuring effective and efficient delivery of transport projects:

- Value for Money
- Strong Supplier Relationships
- Market Health
- Strategic Procurement
- Commercial Partnerships

The Council have the following procurement objectives:

- Value for Money
- Sustainability
- Transparency and Accountability
- Ethical Behaviour
- Quality and Timeliness

All procurement activity will seek to achieve both sets of objectives, noting there is significant overlap between the two.

4.2 CURRENT PROCUREMENT PRACTICE

The Council's centre-led procurement team provides guidance and support to staff in all areas of expenditure with suppliers.

The Transport and Waste Management Unit has a number of staff with wide procurement experience and is continuing to build this capability within the Unit. The Council is well placed to leverage this knowledge across all of the infrastructure activity within this Plan.

In the context of a Procurement Strategy it is important to recognise that in addition to its role as a client the Council is an experienced provider of infrastructure services as outlined below.

PROFESSIONAL SERVICES AND ADMINISTRATION

The Transport and Waste Management Unit and the Technical Services & Design team undertake a range of planning, consultation, consenting, design and project management activities. The Council manages their in-house delivery to ensure efficiency and effectiveness is provided across all activities. Outsourced professional services will be used where capacity is extended or special expertise is required. Approximately 90% of professional services are carried out in-house. The main exception to this is for renewals and improvements to transport structures where the majority of the work will be outsourced due to the specialist expertise required.

In-house Professional services – For funding purposes these expenses are charged directly to the project or programme of works. To ensure this is managed in a cost effective environment, charge out rates are managed following standard accounting practices consistent with best practice adopted by local authorities. This process is reviewed annually to ensure competitive figures are applied.

Outsourced Professional services - a Transport Panel for professional services has been in place since 2009 (retendered in 2013, 2019 and again in 2024).

Administration – For funding purposes administration costs are applied on a percentage to each activity. The process has been endorsed by NZTA and percentage amounts are reviewed prior to each Long Term Plan.

The benefits of maintaining the above in-house services include;

- Stronger value for money and a longer-term view of strategic activities;
- Greater flexibility and responsiveness;
- Knowledge continuity and the development and retention of IP;
- Strong relationships are developed with contractors, consultants and other service providers;
- Community engagement; and
- Risk is more effectively managed in-house.

4.3 PROCUREMENT CAPABILITY & CAPACITY

The Council's business units are responsible for the procurement and purchasing of goods, services and works in accordance with relevant legislation, approved policy, strategies and category plans whilst following published procedures and internal procurement requirements. The Procurement Team works closely with all business units to ensure that the Procurement Framework meets businesses procurement needs and complements the Council Asset Planning Frameworks.

With a whole of Council forecast annual spend of approximately \$1.6 billion, the Council can be considered a significant procurement organisation in New Zealand terms. To ensure that best value for money is achieved, the Procurement Team and staff located within the business units are required to have an appropriate level of experience and expertise, and adequate resource levels. Management will ensure that the Council has access to sufficient experienced and qualified professionals to undertake key procurement tasks. This will include ensuring that sufficient numbers of qualified tender evaluators are available throughout the Council. A qualified tender evaluator endorses the transport tender documents and is present for evaluation of all tenders with an estimated value of over \$200,000, over the life of the contract.

5. PROCUREMENT PROGRAMME

5.1 COUNCIL'S LONG TERM PLAN

The transport activity in the Draft Long Term Plan (LTP) 2024-34 document covers three main areas: Transport Access, Transport Environment, and Transport Safety.

5.1.1 Transport Access

Objective: To support access for all, provide travel choices, and contribute to a prosperous, liveable, and healthy city.

Key Measures:

- Increase access within 15 minutes to key destinations: Aim to have at least 51% of residential units within a 15-minute walking distance to essential services by 2027-34.
- Maintain footpath condition: Ensure at least 82% of footpaths are rated in good condition (1, 2, or 3).
- Improve resident satisfaction with footpath condition: Targeting a satisfaction rate of at least 44% by 2027-34.
- Maintain roadway condition: Ensure at least 75% of the sealed local road network meets the national standard.
- Resurface sealed road network: Aim to resurface at least 4% of the network annually in the first two years, increasing to 5% from the third year onwards.
- Respond to customer service requests: Ensure at least 80% of requests related to roads and footpaths are completed or inspected within specified timeframes.
- Maintain customer satisfaction with parking facilities: Targeting at least 50% satisfaction for both on-street and off-street parking facilities.

5.1.2 Transport Environment

Objective: To ensure networks and services are environmentally sustainable and increasingly resilient.

Key Measures:

- Increase the share of non-car modes in daily trips: Aim for at least 38% of trips to be undertaken by non-car modes by 2027-34.
- Increase infrastructure for active and public modes: Target a total combined length of 685 km of bus priority lanes, shared paths, cycle paths, cycle lanes, and marked quiet streets by 2027-34.
- Improve perception of Christchurch as a cycling-friendly city: Targeting at least 67% resident satisfaction.
- Increase daily cyclist detections: Aim for at least 19,000 average daily cyclist detections by 2027-34.
- Improve customer satisfaction with public transport facilities: Targeting at least 74% satisfaction with the quality of bus stops and bus priority measures.

5.1.3 Transport Safety

Objective: To protect the safety of all road users.

Key Measures:

- Reduce death and serious injury crashes: Aim to reduce the number of such crashes by 4 less than the previous financial year, with a long-term goal of 40 fewer crashes by 2027-34.
- Limit crashes for cyclists and pedestrians: Targeting no more than 12 crashes per 100,000 residents.
- Deliver school cycle skills and training: Aim to train between 3,000 to 3,500 students annually.

5.1.4 Financial Overview

Cost of Services: The projected cost for transport services increases from \$189.4 million in 2024/25 to \$288.5 million in 2033/34.

Operating Revenue: Expected to rise from \$45.3 million in 2024/25 to \$55.2 million in 2033/34.

Capital Revenues: Projected to range from \$72.8 million in 2024/25 to \$48.0 million in 2033/34.

Vested Assets: Expected to increase from \$7.8 million in 2024/25 to \$9.6 million in 2033/34.

5.2 COUNCIL'S MAINTENANCE ACTIVITY

The maintenance activity for Transport in the Draft Long Term Plan (LTP) 2024-34 focuses on ensuring the transport infrastructure is kept in good condition and meets the needs of the community. The needs of the community and how we meet them are defined in the Transport Activity Management Plan which defines Levels of Service and performance targets or outputs.

The Christchurch City Council area is divided into four areas for the purposes of the long term maintenance contracts, Northern, Central, Southern, and Banks Peninsula. These contracts apply to the majority of the carriageway maintenance work. The Banks Peninsula work also includes the maintenance of road landscapes. Dividing the city geographically fosters competition in the local market as no one contractor is responsible for the entire city and Banks Peninsula area. A single contractor would need to invest heavily in resources and equipment to be of suitable size to service the entire area which would in turn limit the ability of other contractors to provide competitive tenders when the contract is re-tendered. Few, if any, contractors would be able to scale up the operations in the time required if the contract were to be awarded to a new contractor.

The maintenance needs also vary depending on location. The central city has differing maintenance needs to those of Banks Peninsula and separate contracts allow focus and investment suitable to each contract.

There are a number of smaller city-wide contracts for specialised maintenance areas as well. Due to the size and nature of this work, it is more efficient to have one contractor rather than split the work into smaller geographical packages.

Maintenance Contracts – Total Annual Spend of \$69M

Contract name	Est. annual spend	Term (years)	Current approved end date	Contract type
North Roding Maintenance	\$16.0M	5+3+2	30-Sep-2027	NZS3917
South Roding Maintenance	\$16.4M	5+3+2	30-Sep-2027	NZS3917
Central Roding Maintenance	\$7.8M	5+3+2	30-Sep-2027	NZS3917
Banks Peninsula Roding Maintenance and Landscapes	\$8.4M	5+3+2	30-Jun-2030	NZS3917
Road Landscapes Maintenance	\$6.7M	3+1+1	30-Jun-2028	NZS3917
Traffic Signal Maintenance	\$3.5M	3+1+1	31-Mar-2026	NZS3917
Streetlighting Maintenance	\$7.1M	2+2+1	31-Jan-2029	NZS3917
Bus Shelter Maintenance, Supply and Installation	\$2.4M	3+1+1	31-Jan-2028	NZS3917
Graffiti Removal Services	\$0.7M	3+1+1	30-Sep-2025	NZS3917

5.3 CAPITAL PROGRAMME

The capital programme for Transport in the Draft Long Term Plan (LTP) 2024-34 includes several key projects and funding sources aimed at improving the transport infrastructure in Christchurch.

These projects and funding plans aim to enhance the transport infrastructure, improve safety, and promote sustainable transport options in Christchurch. Our approach to setting improvement goals, as well as how we measure our progress, is outlined in the Long Term Plan.

The capital programme is funded by a mixture of Crown recoveries, subsidies and grants for capital expenditure, development contributions, the proceeds of asset sales, and debt.

Lower risk, lower value improvement projects	Professional services	Direct appointment to the Transport Professional Consultants Panel 2024-29 if less than \$100,000. Request for quote to the Transport Professional Consultants Panel 2024-29 if between \$100,000 and \$400,000.
	Physical works	Lowest price conforming tender to Council's prequalified roading contractors using the Council's NZS3910 contract
Higher risk, higher value improvement projects	Professional services	Tender to all Transport Professional Consultants Panel members via GETS if project greater than \$400,000 but less than \$1M. Open market tender via GETS for all projects exceeding \$1M.
	Physical works	Price quality tender to Council's prequalified roading contractors using the Council's NZS3910 contract
City streets reseals	Professional services	Internal request to Council's Technical Services and Design Unit
	Physical works	Allocation to one of Council's three maintenance contractors using the Council's NZS3917 contract*
Traffic signals renewals	Professional services	Direct appointment to capable lighting designer
	Physical works	Allocation to maintenance contractor using the Council's NZS3917 contract
Streetlighting renewals	Professional services (design)	Allocation to maintenance contractor using the Council's NZS3917 contract
	Physical works	Allocation to maintenance contractor using the Council's NZS3917 contract
Bus infrastructure renewals	Professional services (design)	Allocation to maintenance contractor using the Council's NZS3917 contract
	Physical works	Allocation to maintenance contractor using the Council's NZS3917 contract
Lower risk, lower value transport structures projects	Professional services	Direct appointment to the Structural and Geotechnical Engineering Consultancy Panel or internal request to Council's Technical Services and Design Unit
	Physical works	Lowest price conforming tender to Council's prequalified roading contractors using the Council's NZS3910 contract
Higher risk, higher value transport structures projects	Professional services	Direct appointment to the Structural and Geotechnical Engineering Consultancy Panel or internal request to Council's Technical Services and Design Unit
	Physical works	Price quality tender to Council's prequalified roading contractors using the Council's NZS3910 contract
	Early contractor involvement	For projects where it is determined that the contractor is able to contribute to or undertake design, early contractor involvement (ECI) or design and construct contract models will be considered.

*Although it is preferable to assign City Streets Reseal packages to the maintenance contractor responsible for the area, this allocation is not guaranteed. Packages may be assigned to a different maintenance contractor if the original contractor fails to meet acceptable performance standards or cannot complete the work within the required timeframe.

The risk assessment for projects is about determining the level of risk to the Council in doing the activity (not the procurement itself).

Risk is calculated over 6 Factors:

FACTOR	DEFINITION
Customer Impact	Risk of community group and citizen impact
Environmental Impact	Risk of environmental impact
Reputation / Image	Risk of negative media coverage, comment or impacted stakeholder confidence
Infrastructure / Operations	Risk of disruption to or failure of citywide infrastructure
Degree of Innovation	Risks associated with unknown, untested approach
Legislative	Risk of judicial review or non-compliance with regulatory requirement

Risk Factors are classed as Insignificant, Minor, Moderate, Major, or Extreme. An insignificant operational risk would have no measurable disruption to delivery or negligible performance impact. An extreme operational risk would be a core service delivery failure for extended and/or re-occurring periods.

Each factor is assessed on the likelihood of it occurring and the impact the occurrence would have. Each risk factor is entered into the Risk Assessment template along with the likelihood of the risk occurring and the likely impact. This gives a risk rating for each factor and overall project risk.

5.4 CONTRACT MANAGEMENT

Professional services contracts will be managed by the Project Manager.

For NZS 3910 and 3916 contracts, contract management will be undertaken as follows:

- Principal: the Project Manager will act as the Principal for day-to-day contract management with issues escalated via the relevant project control hierarchy and delegated authority.
- Engineer: the Engineer will be an external consultant selected from our suite of Engineer to Contract agreements with
 - Cathy Forrest (Aecom)
 - David Spriggs (Aecom)
 - Bryce Cater (Beca)
 - Richard Holyoake (Beca)
 - David McLernon (Octa)
 - Arthur Amputch (Riley Consultants)
- Engineer's Representative: the primary source of Engineer's Representative resource will be Council's Technical Services & Design Unit with capacity and capability supplemented by the Transport Professional Consultants Panel 24-29.
- Performance measurement will be done using the PACE methodology with scoring being agreed between Principal, Engineer and Contractor.

For NZS 3917 contracts, contract management will be undertaken as follows:

- Principal: the manager responsible for the maintenance activity will act as the Principal for day-to-day contract management with issues escalated via the relevant project control hierarchy and delegated authority.
- Engineer: the Engineer will be an external consultant selected from our Engineer to Contract agreements with
 - Cathy Forrest (Aecom)
 - David Spriggs (Aecom)
 - Bryce Cater (Beca)
 - Richard Holyoake (Beca)
 - David McLernon (Octa)
 - Arthur Amputch (Riley Consultants)
- Engineer's Representative: the Engineer's Representative will be a dedicated Engineer's Representative from Council's Procurement & Contracts Unit.
- Performance measurement will be done using the methodology described in each of the maintenance contracts.

6. PROCUREMENT DELIVERY ENVIRONMENT

6.1 DELIVERY MODELS

A delivery model is the form of relationship established between the Council and the supplier to enable the procurement of the output required to deliver an activity. The Council will utilise a range of delivery models to procure goods, services and works, these are described below. When selecting an appropriate delivery model the Council will consider a range of factors including; complexity, scale, urgency, potential for innovation, risk profile and the nature of supplier market.

Staged (Traditional)	Under a Staged approach, activities are delivered through a single or staged series of separate contracts (e.g. investigation, design only, construction only). This is a well understood and widely used approach to procurement and is often described as the "Traditional" approach.
Design and Build/Implement	<p>A design and build/implement delivery model uses a single supplier to complete all detailed design and construction/operation. This usually involves a lump sum price arrangement with more risk accepted by the supplier.</p> <p>Under a design and build/implement, the purchaser prepares a brief, which includes the output/service specification and quality requirements. A design and build/implement contract is then awarded to carry out design, and construction/operation of the final output/service. Can also include a combination of Design/Build/Operate and Maintain</p>
Shared Risk	<p>A shared risk delivery model uses an integrated team comprising purchaser and supplier participants, which may include designers, builders and material suppliers.</p> <p>Team members are incentivised to work collaboratively and impartially to deliver what is best for the project and to achieve high performance standards. Successful collaboration demands that all parties' commercial interests be aligned. Risk is shared by all parties and there are only two possible outcomes to working together: either all parties succeed or all parties fail. No team member can win at the expense of another. The shared risk delivery model includes alliances and competitive alliances.</p>
Maintenance Services	<p>Maintenance services are procured on a combination of:</p> <ul style="list-style-type: none"> ▪ 'fix when fail' (reactive); ▪ Cyclic/frequency based planned maintenance cycles; and ▪ Predictive or Condition Based Maintenance. <p>The application of these services is based on the lifecycle and criticality of the asset. The procurement of these services can include a single contract with elements of all three maintenance applications, or just a single service type requirement.</p>
Supplier Panel	<p>The supplier panel delivery model establishes a relationship with a group of suppliers that will be used to deliver a bundle of outputs for a group of activities. This does not imply an exclusive arrangement between the purchaser and the panel. Occasionally, the purchaser may engage suppliers that are not panel members to deliver similar outputs.</p> <p>This model enables the purchaser to appoint a range of suppliers that, as a panel, offer the best combination of skills and experience required to deliver the</p>

	outputs. The supplier panel model uses a two-stage process. In the first stage, suppliers are appointed to the panel. In the second stage, tasks are allocated to panel members. Tasks may be allocated to a preferred panel member by direct appointment or through a competitive process involving two or more panel members.
All of Government Panel	Electricity for the Street Lighting operation is sourced through the All of Government contract for electricity. This procurement approach represents the best value for money option for the Council.

Note: Shared Risk and Supplier Panel are considered advanced delivery models by NZTA and use of these models for NZTA funded activities will require specific approval by NZTA.

6.2 MARKET SUMMARY

The roading construction and maintenance market in Canterbury is a dynamic sector driven by ongoing infrastructure development and maintenance needs.

Several prominent companies operate in this sector, including Fulton Hogan, HEB, Higgins, Downer and Fletcher Construction. These companies handle large-scale projects and maintenance contracts. There is a growing emphasis on sustainable practices, such as using concrete for roads, which has been shown to be more cost-effective and environmentally friendly over the long term.

The market is increasingly adopting new technologies and materials to improve the durability and efficiency of road construction and maintenance. Innovations like drone surveillance, VR/AR, and advanced project management software are being utilised.

There is a significant shortage of skilled labour in the construction industry, making it difficult to find qualified workers. This issue has been exacerbated by the aging workforce and the lack of new talent entering the field.

Delays and disruptions in the supply chain can lead to project delays and increased costs. This has been a particularly pressing issue in recent years due to global events affecting material availability.

Keeping up with changing regulations and ensuring compliance can be a complex and time-consuming task.

Ensuring steady cash flow is crucial for contractors, but it can be challenging due to delayed payments from clients and the need to cover upfront costs for materials and labour.

Overall, the market is focused on delivering high-quality, sustainable infrastructure to support the region's growth and development.

6.3 MARKET ANALYSIS

During the formulation of a procurement plan, a detailed market analysis is conducted on all major and open market tenders. The following key areas are analysed during the market analysis stage:

- Complete internal and external Market Analysis (Councils Procurement and Contracts Unit provide a template for this)
- Additional market/industry reports, if applicable, such as IbisWorld
- Kraljic Matrix to inform the following key points:
 - The key suppliers and their market shares (supply) are [insert – include international as well as domestic if appropriate].
 - The key buyers and their influence on the market (demand) are [insert].
 - Competition is primarily based on [choose or insert other factors: price / quality / level of support services / product types and range / delivery time / brand image].
 - The degree of competition is [insert].

- Existing pricing methodologies are [insert]. Factors affecting pricing include [insert]
 - The availability of alternative or substitute goods/services is [insert].
 - The nature and quality of the supply chain is [insert].
 - In summary, current market behaviours are [insert] and these impacts on buyers by [insert].
 - Future market behaviours that would better support successful delivery are [insert].
 - The gaps between current and future behaviours are [insert]. Strategies to close these gaps are [insert].
 - The likely impacts that this procurement will have on the market are [insert].
- Attractiveness of Category to Supplier to inform the following key points:
 - The value of the agency's account and the attractiveness of the account have been assessed.
 - The agency is seen as [choose: nuisance / exploitable / development / core]. This means [insert].
 - Power and dependency matrix to inform the following key points:
 - An assessment of the levels of power and dependency between the agency and suppliers has been undertaken. This shows that [choose: the buyer and supplier are independent / the supplier is dominant / the buyer is dominant / the buyer and supplier are interdependent].
 - This means [insert].
 - Strategies to address this include [insert].
 - Market management matrix to inform the following key points:
 - Given the proposed length of the contract, the level of desired trust and communication with the supplier and the approach to managing risk the agency will seek a [choose: strategic collaborative / tactical competitive relationship with the successful supplier].
 - This means [insert].

SUPPLIER	CAPACITY & CAPABILITY
	• Current known contracts (internally and other organisations)
	• Current known contracts (internally and other organisations)
	• Current known contracts (internally and other organisations)

The market analysis is vital in informing the strategy for sourcing and the following aspects from the market analysis will influence the procurement strategy:

- Does any pre-market engagement need to take place, if so, what format will this take and how will it be managed?
- Will presentations or site visits be required and how will these be managed and measured as part of the evaluation?
- Are there any real or perceived Conflicts of Interest that have a management plan, if so, how will this be factored into the procurement activity?
- Noting that the purposes of evaluation criteria is also to address risk, how have the identified risks above been incorporated into evaluation criteria and what is expected from responses to mitigate these risks?
- Based on the information provided in the procurement plan, how and why does this analysis determine the best way to approach the market i.e. direct award, 3 quotes, closed RFX or open market approach?
- If the strategy is to direct award and request approval from the PRD Committee to proceed with this approach, how will you expect the market to respond – RFQ, RFP, RFT or other formal means? How will a secure contract be drafted from this?
- If the project is in stages, how will future stages still enable competition i.e. knowledge transfer?

- What sustainable outcomes can be met (social, economic, environmental and cultural) and how we can we push this procurement to deliver these?

6.4 RISK MANAGEMENT

Where appropriate, each business unit will provide guidance as to what is simple or complex procurement under the following conditions:

- NZTA procurement manual - NZTA procurement manual guidelines are to be used for all expenditure greater than \$100k when NZTA subsidised. This will provide consistency and leverage use of a well-developed and maintained procurement manual. For non-subsidised activity the portfolio owner will follow Christchurch City Council's Procurement Manual to ensure common and consistent practice and alignment to Christchurch City Council's Procurement Policy.
- Procurement plans – The Christchurch City Council's Procurement Manual will be followed to ensure common and consistent practice and alignment to Council's Procurement Policy, this means any spend over \$50k must have a form of procurement plan. The Procurement team will own development of the Procurement Plan template(s).
- Value: the value of the procurement is assessed as the total budget for the project or contract. Services are not to be unbundled from projects (e.g.: \$20,000 of professional services fees in a \$500,000 capital project is part of a complex procurement). Also the value is based on the total value of the contract over the total term of the contract (e.g.: \$400,000 for a five year \$80,000 pa contract is a complex procurement). For any panel agreements, the value is a realistic assessment of how much a single supplier might earn over a contract term if they performed well and were awarded their full programme allocation or estimate.
- Delegations: Although the business unit owner will prescribe procedures for simple and complex procurement, the Council standard delegations will determine who is responsible for authorising any approval steps required.
- The Financial Delegated Authority levels are:

	CAPEX	OPEX
CEO & Mayor	\$15M	\$10M
CEO	\$10M	\$5M
General Managers	\$5M	\$5M
Heads of Service	\$1M	\$1M
Direct Reports	\$250K	\$250K

The design and construction contract tender for the Pages Road Bridge Renewal Project is the only project expected to require approval by the Council and Mayor during the term of this procurement strategy.

7. PROCUREMENT ENVIRONMENT

7.1 ANALYSIS OF SUPPLIER MARKET

Council makes use of a Pre-qualified Roading Contractors list for the bulk of its capital roading projects. When procuring under the Roading Pre-qualification List, a detailed market analysis is not required as the market is well known.

Council also has a number of panel agreements in place, mostly for professional and consultancy provisions. When procuring under these panel, a detailed market analysis is not required as the market is well known.

When procuring outside of the Pre-qualified list and Panels; a market analysis is required under the procurement plan. The detail of the analysis is determined on the risk profile of the procurement. Council makes use of various tools when researching the market to form the analysis, these tools include, but are not limited to: Internal spend analysis and market knowledge, IBISWorld, NZ Companies Register, Google Search and other public entities supplier registries.

7.2 COUNCIL SUPPLIER SELECTION MODELS & PROCUREMENT APPROACH

Once the most appropriate delivery model has been selected, the Council will select suppliers using one of the selection methods outlined below. These selection methods remain the same as the previous TPS1 and TPS2 and are based directly on the Waka Kotahi Procurement Manual.

Direct Appointment - Used for low dollar value contracts, contracts where there is a limited or monopolistic supplier market, emergency reinstatement, or where value for money would be compromised by a competitive process.

Lowest Price Conforming (LPC) - Where the Council determines that best value for money will be obtained by suppliers competing on price alone. Of the suppliers that meet the requirements of the tender (conforming), the one with the lowest price will be awarded the contract.

Price Quality Method (PQM) - PQM is a supplier selection method where the preferred supplier is selected by balancing price and quality through the use of a formula. PQM should be used where the Council determines that best value for money will be obtained by having suppliers compete on both price and quality and selecting the supplier that offers the best combination of the two.

Quality Based Method (QBM) - QBM is a method where quality attributes of suppliers who meet the requirements of the tender are graded and the preferred supplier is selected solely on that basis. Price is then negotiated with the preferred supplier, based on their price proposal. This method will only be used for professional services.

Other factors which will also influence the supplier selection method and resulting attribute weightings used include;

- Scale – What is the overall scale or value of the procurement?
- Complexity – What is the level of complexity involved in the technical and commercial aspects of the procurement and what are the opportunities for the supplier to deliver innovation.
- Risk – What is the overall level and nature of the risks in the procurement and project contract management and who is best placed to manage them?
- Market – What is the current supplier market and expected level of market interest in the procurement given resource availability and economic drivers?
- Impact – What is impact of the procurement on the transport network?

- Stakeholders – What is the impact of the procurement on the Council customers, and level of influence of wider stakeholder groups?

7.3 NON-PRICE ATTRIBUTES

For all supplier selection methods the Council will evaluate proposals using the following non-price attributes:

Mandatory	Relevant Experience	The supplier's previous experience in areas relevant to the outputs being purchased
	Relevant Skills	The competence of the personnel that the supplier proposes to use, with particular regard to the skills and experience in areas relevant to the outputs being purchased.
	Methodology	The procedures the supplier proposes to use to achieve the specified end result.
	Health & Safety	The ability of the supplier to meet the required Health and Safety standards.
	Sustainability	The ability of the supplier to meet the Council's values and expectations with regarding to sustainability (Environmental, Social & Economic).
	Financial Viability	The supplier's ability to access the financial resources required to deliver the outputs to be purchased.
Optional (note not an exhaustive list)	Track Record	The supplier's record of delivering works or services to the quality standards required, on time and within budget.
	Resources	The equipment, including facilities and intellectual property that the supplier proposes to use to deliver the outputs.
	Functional Requirements	The ability of the supplier's solution to meet the functional or technical specifications required.
	Financial Viability	The supplier's ability to access the financial resources required to deliver the outputs to be purchased.

In all cases the Registration or Expression of Interest (EOI) or Request for Proposal / Tender (RFP/T) will describe, which attributes will be evaluated, the weighting to be applied to each attribute, or whether the attribute will be assessed as a pass/fail.

NON PRICE WEIGHTING FOR PQM TENDERS

The Council allows a combined non-price weighting of between 30% and 90% to be applied to the non-price attributes under PQM. When using PQM the Council will:

- Undertake a sensitivity analysis to ensure the weightings set will result in a realistic supplier quality premium (SQP);
- Ensure there is an awareness of potential resultant SQP prior to the outset of the tender process;
- Consider the use of LPC when low price non-price weightings (less than 40%) are planned to be used;

- Consider the use of QBM to remove the potential price risk of a resultant high SQP, when high non-price weightings (greater than 70%) are planned to be used; and
- Consider scaling the resultant SQP's where a non-price evaluation results in what is considered an unrealistic SQP. This should only be undertaken in exceptional circumstances and reasons will be fully documented in the Tender Evaluation Report.

Generally, the Council apply a 70/30 or 60/40 (non-price /price) for physical works and 80/20 for professional services. On occasion, the Council will use 100% non-price, through the Brooks Law method for very large and complex professional services engagements.

7.4 PRE-QUALIFICATION OF SUPPLIERS

Pre-qualifying or shortlisting prospective suppliers has the ability to promote value for money by:

- Reducing the costs of tendering by reducing the number of full submissions;
- Ensuring only high quality suppliers are selected for work; and
- Reducing the administrative burden of evaluating tenders.

However it is recognised that shortlisting could have potential disadvantages including decreasing overall market sustainability and competitiveness, and creating barriers for entry to new suppliers. Used incorrectly, shortlisting could increase the time and cost associated with the procurement process.

The Council uses supplier shortlisting in three instances.

Firstly, for proprietary Council-approved works. This applies to:

- Authorised Drainlayers; and
- Authorised Water Supply Installers.

Secondly, for Transport Consultancy Services where a Transport Panel for professional services has been in place since 2009 (retendered again in 2013, 2019 and 2024). This panel covers a range of services including:

- Transport Policy and Strategy Planning
- Business Case preparation and Scheme Planning
- Transport Engineering and Design
- Transport Contract Management and Physical Work Delivery
- Transport Project Management
- Transport Safety and Audits
- Transport Quantity Surveying

Approval to utilise a Professional Services Panel was sought and gained from NZTA in 2009. In 2016, Council developed and delivered the successful MCR Consultant and Contractor Panels.

Finally, since 2005/2006, the Council has been developing a Pre-Qualifying Contractor Register. The purpose of the pre-qualification system for roading Contractors is to streamline the tendering process whereby work will be classified by its estimated value into four levels. Contractors will be permitted to tender for work in the value classification for which they are pre-qualified and no higher. Contractors wishing to apply for the pre-qualification must be established and experienced roading contractors to the level as defined in the Council documented manual for this and will go through a stringent pre-qualification process. We seek to balance the

need for stringency against the possibility of discouraging suitable candidates from applying with an overly onerous process. Updates to the pre-qualification list for contractors is carried out when the contractor's pre-qualification expires after three years. Council sends a reminder to the contractors prior to the three year expiry date, as there is an expectation that they re-apply at least three months before the expiry date. The requirements for pre-qualification can be found in the Manual at the bottom of the Council website page showing the list of current pre-qualified roading contractors.

<https://ccc.govt.nz/consents-and-licences/construction-requirements/approved-contractors/roading-construction/>

The Contractor Register is based on bands of Contractors (A), (B), (C), and (D) where (A) rates and represents the greatest contracting resource capacity and capability.

Work classification level key

A = Over \$5 million
B = \$1 to \$5 million
C = \$0.1 to \$1 million
D = up to \$0.1 million

Requests for Tender are published using Government Electronic Tender Service (GETS) as an open market request to all pre-qualified Contractors within the appropriate work classification level.

7.5 USE OF DIRECT APPOINTMENT

Direct appointment may only be used to select a supplier and establish a contract when for NZTA funded work:

- The contract is of low value (<\$100k Capital Expenditure); or
- The supplier selection process commenced as a competitive tender, but only one confirming tender was received; or
- A monopoly supplier situation exists; or
- A contract is for an emergency reinstatement or to address a serious health and safety issue; or
- It is determined that there is only one practical supplier with sufficient capacity and capability for a proprietary, specialist type service/works;
- An approved Panel Agreement arrangement is in place; or
- It is determined that competition will not deliver value for money.

When selecting a supplier using the direct appointment method the Council will use the following evaluation procedure:

- Step 1 – Undertake market research to determine potential suppliers
- Step 2 – Identify the preferred supplier and select on the basis of the suppliers experience and skills with activities of the same or similar nature
- Step 3 – Negotiate contract terms with the preferred supplier.

Where an authorised Council supplier is required (s5.4) and has been established for a particular discipline, step one will not be required, as selection will be made from the register.

For non-subsidised activity the portfolio owner will follow Christchurch City Council's Procurement Manual to ensure common and consistent practice and alignment to Christchurch City Council's Procurement Policy.

Value	Method	Market Requirement
Up to \$100,000	Direct Tender	One written quote
\$100,000 and up to \$200,000	Request for quote	Open or closed request posted via Government Electronic Tender Service (GETS) (minimum three quotes requested)
Over \$200,000	Request for tender or proposal	Open market request via Government Electronic Tender Service (GETS)

If direct award is required outside of the above table a departure process must be followed, this is a request to operate outside of Council's defined market approach thresholds. The process documents the rationale for the 'departure' and provides accountability and approval in line with the Council's standard delegations.

7.6 COMPETITIVE TENDERING

Competitive tendering is the default method by which the Council will source goods and services above the value of a minimum of \$100k. The Council has established an e-tendering portal, this is the application used by Central Government called Government Electronic Tenders Service (GETS).

Depending on the value of the procurement the Council will conduct either a closed or open tender process as detailed below;

The primary procurement approach within the Procurement Programme is as follows:

Procurement Approach Option	Used When....	Example
Direct Appoint	<ul style="list-style-type: none"> Low dollar value contracts (below \$100k) Limited or monopolistic supplier market, Emergency reinstatement, Where value for money would be compromised by a competitive process 	Safety Improvements Line Markings Signage
Closed Market Selection [Minimum 3 willing and able Suppliers]	<ul style="list-style-type: none"> Limited or monopolistic supplier market Prequalification of a Short List 	Small Bridges Intersection Improvements
Open Market Selection	<ul style="list-style-type: none"> Mature, deep market place 	Road Maintenance Contracts Bridges Arterial Improvements
Panel Selection	<ul style="list-style-type: none"> Pre-selected Planning Consultant Suppliers 	Transport Panel

Where a Supplier short list has been established for a particular discipline, selection of suppliers to participate in a closed contest will be made from the short list.

In addition to the value of procurement the Council will also consider the following when planning to undertake a competitive tender process:

- Specifications must be clear to all parties and suppliers must know their costs of delivery;
- There must be an adequate number of suppliers;
- The suppliers must be technically competent and must actually want the work; and
- There must be sufficient time for tendering to be used.

If all of these considerations are not met then tendering may not deliver a value for money solution and direct appointment may be considered.

7.7 SUPPLIERS IN THE COMMUNITY

The Council wants to actively seek ways in which it can support greater involvement of local suppliers in providing services to the Council.

The following gives examples of how the Council expects the local and small suppliers can benefit from the Council's procurement approach:

- The Council will actively promote the use of local trades and materials businesses to larger suppliers delivering complex services (such as roads maintenance contracts),
- Where it is cost effective to do so, the Council will offer contracts in packages, portions or bundles (for example, in Geographic locations) that allow small and local suppliers an opportunity to bid for all or part of the total tender,
- Business Unit Managers will attempt to actively communicate annual procurement plans to the local supply community so that local suppliers have time to assess what contracts they can develop proposals for or build relationships with other suppliers for those contracts,
- Since December 2016, Council has instigated six monthly 'Town Hall' Meetings for all contractors and consultants who deliver capital works and related services providing an overview of 'Works to market – next 6 Months'.

Where possible the Council will seek to reduce the cost of business for local suppliers through use of tools such as online transactions, short form contracts, standardised compliance management and ease of access to key contract managers.

7.8 EVALUATION OF TENDERS

PROBITY OF TENDERS

The Council considers probity of process of utmost importance. Most tenders will state a contact should suppliers have a probity procurement concern with regard to a particular procurement activity. The Council will also appoint an independent Probity Auditor for all procurements valued above \$5M where required, or that are considered high risk.

GRADING SCALE FOR NON-PRICE ATTRIBUTES

The Council will generally use the following 0 – 100 grading system when evaluating tenders. To help achieve consistency, the Council uses the Waka Kotahi recommend approach of awarding scores in steps of five and that the following grading scale is used:

90, 95 or 100	Demonstrates exceptional compliance or ability to convey exceptional provision of the requirement
75, 80 or 85	Requirements are fully covered in all material respects
60, 65 or 70	Requirements are adequately covered
50 or 55	Adequate, with some deficiencies that are not likely to have any adverse effect
40 or 45	Barely adequate and would need considerable improvement in this attribute, if selected
35 or less	Non – compliance or inability to convey provision of the requirement

DUE DILIGENCE CHECKING

The Council carries out reference checking to assist in determining whether the supplier can deliver the output described in their tender submission. Reference checking will be carried out after the tender has been evaluated on its own merits and will include;

- Reference checking with referees provided in the proposal;
- Internal reference checking of prior performance on the Council's projects; and
- Financial viability.

NEGOTIATION WITH PREFERRED SUPPLIERS

Where appropriate, the Council will negotiate with the preferred participant(s) prior to tender acceptance. The Council sees negotiation as an effective risk management tool which if used correctly and fairly can add value to the procurement process. The primary objectives of negotiation are to;

- Test the understandings and underlying assumptions that have influenced the participant(s) in preparing their proposal(s);
- Achieve clear and documented allocation of risk; and
- Achieve a reduction in costs or an increase in value, where appropriate.

NOTIFICATION OF TENDER RESULTS

The Council will attempt to notify all participants in writing of the tender outcome and offer all participants the opportunity for a debriefing. This is seen as an important part of the evaluation process as it helps ensure future market competition. No details of participants scores will be provided until the end of the evaluation process (after tender acceptance / contract award has occurred), however participants may be notified during the evaluation process if;

- Their proposal has been excluded from evaluation due to non-conformance, failing a pass/fail attribute or failing to score above 35 in any non-price attribute;
- They have been shortlisted (or not) after the first stage of a two stage (ROI/RFP) tender; or
- They are a preferred (or not a preferred) participant.

Tender debriefings will focus on the strengths and weaknesses of the participant's proposal against the evaluation criteria, rather than a comparison to other responses received. Commercially sensitive information relating to other participants proposals will not be disclosed as part of the debrief process.

PUBLISHING OF CONTRACT AWARDS

The Council will attempt to publicly publish contract awards over the value of \$100k on the procurement tender system called Government Electronic Tenders Service (GETS). Information is available on the Council's website on how to tender for a contract at the following link:

<https://ccc.govt.nz/the-council/tenders-and-contracts>

8. CONTRACT TYPES

8.1 CONTRACT TYPES

The Council Procurement Framework will contain a range of contract templates for use by the Council staff. These contracts will be (wherever possible), standard form contracts, and will have been through a legal review by the Council legal provider. Standard contract forms in use by the Council will include:

- NZS3910: 2013 – Conditions of contract for building and civil engineering;
- NZS3917: 2013 - Conditions of contract for building and civil engineering maintenance;
- NZS 3916:2013 Conditions of contract for building and civil engineering construction – design and construction
- Council Minor Works Contract
- Council Professional Services Agreement
- Council Short Form Consultancy
- ACENZ/IPENZ Conditions of Contract for Consultancy Services
- NEC3 Term Services Contract (historical Contracts only); and
- Council Services Agreement.

A significant change in procurement approach for the road maintenance and road landscapes maintenance is the adoption of contract format NZS3917: 2013 - Conditions of contract for building and civil engineering maintenance. This is a deliberate shift away from the NEC TSC format. This has been bought about through a review of the NEC effectiveness and a recognition that the New Zealand market is more familiar with the NZS 391X forms of agreement (terminology, approach, Engineer to Contract, etc.). The use of the NEC form has not delivered the anticipated gains for Council.

8.2 SUPPLIER PERFORMANCE MANAGEMENT

The Council has adopted (and is further refining) performance measuring and reporting systems as appropriate for the type of contract. Supplier performance management will:

- Promote best practice and incentivise positive supplier behaviour that aligns with the Council's objectives;
- Set benchmarks and performance targets to communicate expectations on performance;
- Provide the Council's suppliers with feedback on their performance;
- Provide period health checks on projects and vendors to be used as a management tool to identify issues and improvement opportunities; and
- Provide the Council with measures other than price to support procurement decisions.

Supplier performance management is now conducted at two discreet levels:

- Contract & Supplier Performance – carried out by the Council Business Unit Contract Managers will measure the performance of the supplier against contract performance targets; and
- Benefit Realisation – Carried out by the Council project managers to ascertain whether the project delivers the anticipated benefits detailed in the business case.

8.3 SUPPLIER PERFORMANCE INCENTIVES / DISINCENTIVES

The Council will, where appropriate, continue to include performance based incentives/disincentives into its contracts.

9. IMPLEMENTATION

9.1 CAPABILITY AND CAPACITY

Council recognises that a critical factor in achieving best public value is having the capability and capacity to successfully deliver the procurement programme. Council has capable and experienced procurement staff who are trained, experienced and capable of managing the procurement requirements. Council also has staff who are, or are training to be, qualified evaluators for assessing proposals more than \$200k.

9.2 INTERNAL PROCUREMENT PROCESSES

Council has identified in their policy that for Transportation procurement the processes and requirements that are allowed within the Transport Agency procurement manual shall be given precedence. Endorsement of this approach has been included through Council's approval of this strategy.

9.3 PROCUREMENT PERFORMANCE MEASUREMENT AND MONITORING FRAMEWORK

Due to the large and complex nature of the Council's procurement activities, it is appropriate that the procurement of key projects and programmes will be externally reviewed (if required) to assess their efficiency, effectiveness, value for money and benefit realisation. It is expected that all high risk procurements and a selection of lower risk procurements will be externally assessed by an independent probity advisor where appropriate.

The Council's procurement performance will also be benchmarked against similar organisations to demonstrate to external parties that the Council's procurement processes:

- Are customer and output focused;
- Support sustainable supplier markets;
- Where applicable, support innovative and collaborative relationships;
- Operate in an open, fair and transparent manner; and
- Minimise transaction costs.

The procurement function itself will also be the subject of periodic internal and external reviews to ensure that it continually improves and adjusts to changing market conditions. Lessons learned will be used to improve future procurement activities and initiate changes to the Procurement Framework.

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

- Contract reviews
- Maintenance of project files with all key information
- Discussions with suppliers
- Liaison with affected third parties
- Internal discussions between technical staff
- Customer and neighbour feedback during and after contract implementation

9.4 REVIEW PLAN

This strategy will be reviewed following the next Section 17a Review. After that, further reviews or updates will be made when there is any significant change to the strategic direction the Council wishes to take toward the procurement of services, or every three years, whichever comes first. Generally, this strategy will be updated at least every three years to ensure that the procurement processes are consistent with the objectives of the Council LTP.

9.5 COMMUNICATIONS PLAN

The main audience for this procurement strategy is Christchurch City Council, NZTA and suppliers. The endorsed Transport Procurement Strategy 2025-2028 will be communicated to all relevant parties within the organisation and made publicly available through publication on the Council website.

9.6 SUMMARY CONCLUSION AND RECOMMENDATIONS

This strategy has built on the foundations of previous strategies. The Council's procurement function has matured and provides regular support and enablement, for all transport works and services through its centre-led approach.

With the ongoing implementation of the Transport Procurement Strategy, Christchurch City Council will continue to:

- Review the procurement strategy at least every three years or as needed to reflect changes in the procurement environment.
- Seek renewal of the strategy's endorsement from NZTA after each review.
- Key Considerations
- Ensure all procurement activities comply with relevant legislation, regulations, and internal policies.
- Maintain detailed records of all procurement activities, decisions, and approvals.
- Ensure transparency in the procurement process by openly advertising opportunities and providing feedback to suppliers.

LAND TRANSPORT MANAGEMENT ACT

Under the Land Transport Management Act (LTMA) the Council requests NZTA to endorse and approve the following recommendations:

- a) Endorse the Christchurch City Council Transport Procurement Strategy 2025-2028
- b) Approve the use of an approval under s.26 of the LTMA for Christchurch City Council to employ in-house professional services, with much the same scope and scale as in the past.
- c) Approve the continued use of a variation to the Procurement Manual, section 10.5 Procurement procedure advanced components for the Christchurch City Council Transport Consultancy Services Panel
- d) Approve the continued use of a variation to Procurement Manual, section 10.5 Procurement procedure advanced components for the Christchurch City Council Major Cycleways Panel

10. APPENDICES

APPENDIX A CAPITAL PROGRAMME

Capital Programme	Professional Services	Physical Works
Improvement projects		
Burwood & Mairehau Intersection Improvement	\$1,004,160	\$4,016,639
Cranford Street/Grassmere Street Intersection Upgrade	\$708,000	\$2,832,000
East Papanui Outline Development Plan (ODP) Upsize Carriageway Widening (Grassmere)	\$1,102,607	\$4,410,428
Cycle Connections - Northern Line	\$640,729	\$2,562,914
Delivery Package - Minor Road Safety Improvements	\$1,466,559	\$5,866,236
Delivery Package - Minor Safety Interventions	\$274,070	\$1,096,278
Delivery Package – New Footpaths (FY25 - FY27)	\$700,139	\$2,800,555
Delivery Package - School Speed Zones	\$859,761	\$3,439,045
Evans Pass Road & Reserve Terrace Remedial Works	\$1,587,801	\$6,351,204
Gardiners Road Shared Path - Wilkinsons to Claridges Road	\$290,742	\$1,162,970
Harewood Road Traffic Signals - Harewood/Gardiners/Breens Intersection And Harewood School	\$1,064,044	\$4,256,175
Improving Bromley's Roads - Stage 1 and 2	\$1,193,640	\$4,774,560
Lincoln Road Passenger Transport Improvements (Curletts to Wrights)	\$2,968,495	\$11,873,981
Little River Link Cycle Connections - Simeon Street	\$317,260	\$1,269,038
New North-South Corridor Oram Ave (A3)	\$1,918,968	\$14,072,430
Northern Corridor - Package of improvements	\$186,000	\$744,000
Pages Road Bridge Renewal	\$16,689,392	\$66,757,566
Pound & Ryans Road Corridor Improvements	\$1,537,134	\$6,148,534
PT Futures - Package of improvements	\$932,288	\$3,729,150
Radcliffe Road Corridor Improvement	\$766,310	\$3,065,238
Radcliffe Road Railway Crossing	\$1,238,476	\$4,953,902
Road Markings and Signs	\$45,369	\$862,007
Te Aratai College Cycle Connection	\$811,234	\$3,244,937
Major Cycleway - Heathcote Expressway Route - Scruttons Road Kiwirail Crossing	\$1,447,257	\$5,789,026
Major Cycleway - Northern Line Route (Section 1) Blenheim to Kilmarnock & Restell Street	\$6,128,281	\$24,513,122
Major Cycleway - Ōpāwaho River Route (Section 1) Princess Margaret Hospital to Corson Avenue	\$2,431,725	\$9,726,898
Major Cycleway - Ōtākaro Avon Route (Section 1) Fitzgerald to Swanns Road Bridge (OARC)	\$1,682,028	\$6,728,111
Major Cycleway - Southern Lights Route (Section 1) Strickland to Tennyson	\$841,635	\$3,366,539
Major Cycleway - Wheels To Wings Route (Section 1) Linking Nor'West Arc And Northern Line MCRs	\$1,742,755	\$6,971,021
FY25 Emergency Works Package	\$759,652	\$4,304,692
LCLR Targeted Fund (2024-27) - Mitigation Of Cluster Flooding Programme	\$902,853	\$3,611,410
LCLR Targeted Fund (2024-27) - Dyers Pass Road	\$142,516	\$570,064
Crown Resilience Fund - New Retaining Walls Programme	\$1,630,741	\$6,522,965

Capital Programme	Professional Services	Physical Works
Renewal Packages *		
Carriageway Reseals - Asphalt (Up to FY27)	\$1,967,294	\$22,623,883
Carriageway Reseals - Chipseal (Up to FY27)	\$3,858,169	\$44,368,946
Delivery Package - Bridge Renewals	\$824,542	\$3,298,170
Delivery Package - Coloured Surfacing Renewals (Up to FY27)	\$29,778	\$342,448
Delivery Package - Footpath Renewals (Up to FY27)	\$991,353	\$11,400,561
Delivery Package - Guardrail Renewals (Up To FY27)	\$46,994	\$540,433
Delivery Package - Kerb & Channel Renewals - Minor Works	\$282,243	\$3,245,790
Delivery Package - Off Road Cycleway Surfacing Renewals (Up to FY27)	\$52,611	\$605,031
Delivery Package - Railway Crossing Renewals	\$697,400	\$2,789,599
Delivery Package - Retaining Walls Renewals	\$786,169	\$3,144,678
Delivery Package - Road Lighting Reactive Renewals (Up To FY27)	\$107,583	\$968,248
Delivery Package - Road Lighting Renewals (Up to FY27)	\$1,051,427	\$9,462,839
Delivery Package - Road Metalling Renewals (Up to FY27)	\$241,358	\$2,775,617
Delivery Package - Signs Renewals (Up To FY27)	\$61,873	\$711,535
Delivery Package - Traffic Signal Cabling Renewal (FY22 - FY27)	\$393,779	\$4,528,459
Delivery Package - Traffic Signals Renewals (Up to FY27)	\$2,769,939	\$11,079,755
Road Pavement Rehabilitations (Up to FY27)	\$1,625,366	\$18,691,714
Road Revocation Projects - Resurfacing and Pavement	\$576,000	\$6,624,000
Road Revocation Projects - Streetlight Repairs	\$40,000	\$460,000
Rural Roads Drainage Renewals (Up to FY27)	\$169,873	\$962,616
Street Reconstruction		
Amyes Road - Street Renewal (Shands Rd to Springs Rd)	\$1,465,750	\$5,862,998
Bryndwr Road Street Renewal	\$1,154,528	\$4,618,114
Chancellor Street (Shirley Road To Julius Terrace) And Julius Terrace - Street Renewal	\$279,636	\$1,118,546
Corson Avenue - Street Renewal (Waimea – Eastern)	\$679,167	\$2,716,667
Courtenay Street - Street Renewal	\$23,000	\$92,000
Hay Street - Street Renewal (Linwood North – McGregors)	\$1,215,704	\$4,862,818
Percival Street - Street Renewal (Tennyson – Longfellow)	\$307,564	\$1,230,254
Petrie Street - Street Renewal (Averill – Warden)	\$393,792	\$1,575,166
Rawhiti Avenue - Street Renewal (Marine Parade – End Of Street)	\$153,844	\$615,378
Simeon Street - Street Renewal (Coronation St to Diamond Ave)	\$183,547	\$734,187
Stapletons Road - Street Renewal (North Avon – Randall)	\$258,162	\$1,032,650
Stourbridge Street - Street Renewal (Lyttleton St to Barrington St)	\$750,729	\$3,002,917
Street Asset Renewal – Supporting Harewood/Gardiners/Breens Intersection Traffic Signals	\$260,000	\$1,040,000
Street Asset Renewal – Supporting Major Cycleway - South Express Route (Section 1) Hei Hei to Jones	\$88,574	\$354,297
Wellington Street - Street Renewal (Olliviers – Clive)	\$422,212	\$1,688,847
Wyon Street And Hulbert Street - Street Renewals	\$875,028	\$3,500,113
* where packages form a continuous rolling programme, the budget shown is for the NLTP 24-27 period only.		