



Greater Wellington Regional Council's Procurement Strategy for Transport Activities 22 to 24

MARCH 2022-JUNE 2024

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Revision History

Rev	Date	Details	Submission to Waka Kotahi for feedback
1.1	20/09/21	Strategic Context section- reviewed by Waka Kotahi	Greater Wellington
1.2	4/10/21	Procurement Programme- reviewed by Waka Kotahi	Greater Wellington
1.4	15/10/21	Communications plan and Monitoring and review reviewed by Waka Kotahi	Greater Wellington
1.5	22/10/21	Further feedback from Waka Kotahi	Greater Wellington
2-6	28/10/21	Additional feedback from Waka Kotahi incorporated	Greater Wellington
6	11/1/22	Response to Waka Kotahi feedback	Greater Wellington
6.1	21/1/22	Further refinement of version 6 finalising executive summary	Greater Wellington
7	2/2/2022	New revision	Greater Wellington
7.1	21/3/2022	Review for flow and readability	Greater Wellington

1. Executive Summary

1.1 Introduction

This Transport Procurement Strategy is Greater Wellington Regional Council's (Greater Wellington's) Procurement Strategy for Transport Activities 2022-2024 as required by the Waka Kotahi Procurement Manual. The Land Transport Management Act (LTMA) requires Approved Organisations receiving investment from the National Land Transport Fund (NLTF) to use approved procurement procedures which are designed to obtain best value for money; enable fair competition; and encourage competitive and efficient markets. All procurement activities that attract NLTF investment will be compliant with the procedures and rules of the Waka Kotahi Procurement Manual.

1.2 Purpose

This Procurement Strategy aims to ensure that procurement reflects Greater Wellington's core values, corporate aims and objectives and maps out the development and improvement of Greater Wellington's procurement functions.

1.3 Progression of Greater Wellington's Procurement Processes

The previously approved procurement strategy was focused on procuring new bus services under the Public Transport Operating Model (PTOM). The public transport service contract providing rail, bus and ferry are in place and being delivered through existing contracts and this procurement strategy does not seek approval for any PTOM procurement processes. There remains a strong focus on contract performance improvements and building partnerships with PTOM operators.

Greater Wellington will seek procurement approvals for public transport service contracts when it next seeks endorsement for its procurement strategy from Waka Kotahi in 2024¹. The focus of procurement in the next two to three years is on capability building, better data management systems and improving contract management and supplier relationships.

Greater Wellington is developing a Broader Outcomes strategy and is considering how to apply the themes from that strategy through its procurement. This work will be finalised in late 2022 and will flow through to the Greater Wellington Procurement Policy and Strategy.

Transport procurement activities will predominantly be to support facilities maintenance, public transport technology and the development of business cases.

1.4 Key priority issues

Greater Wellington has started to plan for a decarbonised public transport fleet, consistent with its aims of responding to the climate emergency. While no specific fleet procurement is planned for 2022-24 there is considerable work being undertaken to consider the best value for money procurement and ownership model.

The national skills shortage in the construction industry and professional services is evident in Wellington and increases in costs are occurring as a result. There are a mix of small and medium sized suppliers for physical works. Greater Wellington will continue to be adaptable and coordinate with the key sector players to ensure best value for money.

¹ Or earlier as required

A key focus for Greater Wellington is the continuation of capacity and capability building for procurement and contract management. Over the next two years, Greater Wellington is increasing its procurement team from two people to six to allow professional support to assist with the planning and leading of more procurement activities which are currently carried out by technical staff. Procurement staff are undertaking training to become qualified tender evaluators and new corporate systems are being introduced to capture contract information and monitor performance.

Metlink have established a Business Programme Delivery team whose aim is to support the business in the delivery of the benefits from the contracts and to apply an overarching contract management philosophy with contract managers.

Future procurement of public transport services (bus, rail, ferry) will implement the outcomes of the Public Transport Operating Model (PTOM) review. Towards the end of this strategy the procurement of rail rolling stock for the longer distance passenger rail services for the Wairarapa, and Palmerston North is planned. This activity is a key priority for achieving the priorities within Te Mahere Waka Whenua Tūmatanui o te Rohe o Pōneke 2021-31 the Regional Public Transport Plan (RPTP), to increase public transport capacity and travel choice. Due to the contract scale the procurement will require endorsement from Waka Kotahi.

1.5 Recommendations

Greater Wellington Regional Council recommends that Waka Kotahi:

- Endorses the Greater Wellington Procurement Strategy 2022-24.
- Notes any future procurement of public transport services will continue to implement the Public Transport Operating Model.
- Notes any activities which attract NLTP funding and have an estimated contract value over \$100m will require further endorsement from Waka Kotahi.

1.6 Corporate ownership

The sponsors for the Procurement Strategy are the Kaiwhakahaere Matua Waka-ā-atea General Manager Metlink and Kaiwhakahaere Matua Ratonga Rangapū General Manager Corporate Services Group. The Procurement Strategy was approved by the Chief Executive before being submitted to Waka Kotahi for endorsement.

1.7 Implementation of the Transport Procurement Strategy

This Transport Procurement Strategy will be implemented throughout Greater Wellington when procuring transport activities². It is integrated with the broader outcomes sought by Greater Wellington and is also an important resource for suppliers and sub-contractors to provide them with an overview of Greater Wellington's transport related procurement activities.

² 'Transport activities' refers to any activities which attract NLTP funding.

2. Policy Context

Greater Wellington Regional Council's (Greater Wellington) role is guided by legislation, including the Local Government Act 2002 (LGA).

The LGA requires local authorities to be accountable and to ensure that their decision-making processes are open to the influence and scrutiny of their communities. Greater Wellington's responsibilities under the Land Transport Management Act (LTMA) include contributing to an effective, efficient, and safe land transport system in the public interest. It is also under the LTMA that Waka Kotahi has a role in approving procurement procedures designed to obtain best value for money spent by Waka Kotahi and Greater Wellington as an Approved Organisation (AO).

This Procurement Strategy will be used to implement Greater Wellington's procurement programme in accordance with the Regional Public Transport Plan and Long-Term Plan (LTP) and the Waka Kotahi Procurement Manual.

Greater Wellington's 2021-31 LTP includes an integrated strategy with four key overarching priorities for the Wellington Region over the next 10 years:

- Improving outcomes of mana whenua and Māori
- Responding to the climate emergency
- Adapting and responding to the impacts of Covid-19
- Aligning with Government Direction

These overarching priorities have been taken into consideration through the development of this Procurement Strategy. Within the LTP Activity Group "Ngā waka Tūmatanui- Metlink public transport" the levels of service and performance measures for public transport services are set out. Greater Wellington manages the Metlink public transport network and delivers public transport services to the regional population. This includes an integrated network of bus routes, five passenger rail lines and the harbour ferry service. Greater Wellington also administers the Total Mobility scheme in the Greater Wellington region to meet the needs of those with disabilities that are unable to access public transport.

2.1 Strategic Procurement Context

When preparing this procurement strategy, Greater Wellington has drawn on the following to form the strategic context:

- Ko Te Pae Tawhiti Greater Wellington Regional Council's Long-Term Plan 2021-2031 - overarching strategic priorities
 - Improving outcomes for mana whenua and Māori
 - Responding to the climate emergency
 - Adapting and responding to the impacts of Covid-19
 - Aligning with Government direction
- Ko te Mahere ā-Rohe Waka Whenua o Pōneke Regional Land Transport Plan 2021-investment priorities
 - Build capacity and reliability into the Wellington Region's rail network and the Wellington City public transport network to accommodate future demand
 - Make walking, cycling and public transport a safe and attractive option for more trips through the region
 - Improve access to key regional destinations, such as ports, airports, and hospitals, for people and freight
 - Improve safety, particularly at high-risk intersections and on high-risk urban and rural roads
 - Build resilience into the region's transport network by strengthening priority transport lifelines and improving redundancy in the system
- Strategic focus areas in the Regional Public Transport Plan (RPTP)
 - The RPTP activities would contribute to the regional target of a 40% increase in regional mode share from PT and active modes by 2030: and
 - Focus on reducing public transport emissions by accelerating the decarbonisation of the vehicles fleet; and
 - Continue to improve customer experience across all aspects of the network.
- The Waka Kotahi Procurement Manual
 - Best value for money
 - Competitive and efficient markets
 - Fair competition amongst suppliers

2.2 An Effective Partnership with Mana Whenua

Greater Wellington is committed to working with Māori to build strong, connected, and successful whānau, hāpu and iwi and protect our natural resources. Greater Wellington's partnership with mana whenua is guided by ensuring we proactively seek opportunities to co-design, co-develop and co-deliver with Māori.

The RPTP includes the policy "Partner with mana whenua to improve our responsiveness to Māori customers."³ To implement this policy Greater Wellington, with the assistance of its procurement and Māori advisory (Te Hunga Whiriwhiri) teams will ensure that Māori values are considered for example, in the built environment through engaging Māori in the development and implementation of Te Ao Māori design principles and by providing employment opportunities and career pathways for Māori.

³ Pg 82 RPTP

2.3 Strategic planning relevance to procurement

The major focus for this Procurement Strategy is achieving ‘public value’, ensuring the optimum utilisation of Council’s financial resources. This approach recognises that cost alone is not the only indicator of value.

The LTP and RLTP allocate investment to transport activities that will then be procured by Greater Wellington through this strategy. The allocation of funding is an important first step prior to any procurement being undertaken. The activities to be funded and subsequently procured must contribute to the LTP overarching strategic priorities and investment priorities in the RLTP. Most activities will also work through an investment approval process to obtain funding from the National Land Transport Programme administered by Waka Kotahi. The RPTP in comparison describes the long-term goals and objectives for public transport and Total Mobility.

2.4 Broader outcomes

The LTP strategic framework describes our Community Outcomes which are thriving environment; connected communities; and resilient future which reflect the four wellbeing’s described in the Local Government Act by considering the social, economic, environmental, and cultural wellbeing of people and communities, the need to maintain and enhance the quality of the environment, and the needs of future generations. This is in line with the shift in the Government Procurement Rules (4th Edition) 2019 to focus on ‘broader outcomes’ as shown in .

Figure 1.

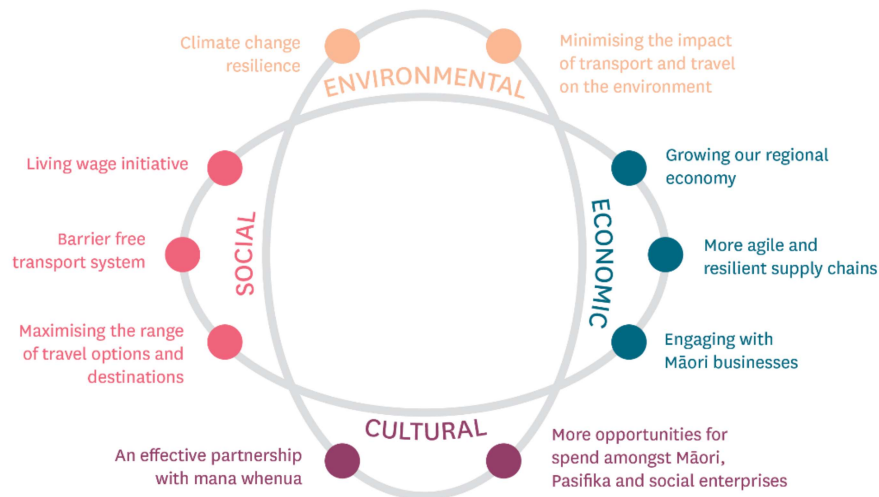


Figure 1 Broader Outcomes modified from MBIE

The finalisation of Greater Wellington’s Broader Outcomes strategy is expected to be endorsed in 2022, which will then flow through the Greater Wellington Procurement Policy and Procurement Manual. Further detail will be available through Greater Wellington’s Procurement Manager.

2.5 Government Procurement Rules

Greater Wellington's procurement approach will apply the Government Procurement Rules, including the Principles of Government Procurement. The five overarching principles of government procurement are:

- Plan and manage for great results
- Be fair to all suppliers
- Get the right supplier
- Get the best deal for everyone
- Play by the rules

2.6 Land Transport Management Act

The Land Transport Management Act including section 25, requires Waka Kotahi to approve one or more procurement procedures designed to obtain best value for money. Section 24(4) requires approved organisations to use a procurement procedure for any expenditure from their land transport disbursement account (unless exempt under s26).

2.7 Waka Kotahi Procurement Manual

The Waka Kotahi procurement policy gives effect to its statutory function under s25 to approve procurement procedures and is contained in the Procurement Manual. There are three criteria for approving procurement procedures:

- Best value for money
- Competitive and efficient markets
- Fair competition amongst suppliers

2.7.1 Best value for money

The procurement manual also explains the process for maintaining or enhancing best value for money through procurement. The components of this process include:

- Taking a strategic approach to procurement
- Optimising whole-of-life best value for money
- Using an approved procurement procedure
- Allocating and managing risk appropriately
- Proactively manage contract delivery
- Monitoring performance

Greater Wellington recognises that the achievement of best value for money starts before procurement. Together, these processes can maintain or enhance the 'best value' of the specified output by delivering it on time, to budget and to the specified quality standard.

2.7.2 Competitive and efficient markets

Encouraging competitive and efficient markets requires careful planning, ongoing engagement with suppliers and taking on board feedback and good practice. The current Covid-19 environment and market conditions emphasis the need to be flexible to adapt to rapidly changing political and economic factors, whilst still allowing for innovation. The strategy for encouraging competitive markets is not fixed and will be continuously monitored.

2.7.3 Fair competition amongst suppliers

Greater Wellington ensures fair competition in the market is maintained. This strategy is designed to ensure that the transport activities procured achieve best value for money spent and promotes a whole of business strategic approach. That approach is endorsed by this Strategy.

The principal means of achieving this objective is by giving confidence to the market that everyone who is willing and able to provide the outputs necessary to undertake an activity has a fair chance of obtaining work, in an environment, where they know all the rules.

2.8 Public Transport Operating Model

The Public Transport Operating Model (PTOM) is under review. Once the outcomes of the review are known these will be applied in a revised procurement strategy for the next public transport services tendering. The Government review acknowledges the improvements made to date including an increase in services and more integrated networks, however the Government wants to ensure drivers' wages and conditions are protected when a council contracts services. The Government has also set targets to decarbonise the public transport fleet and it wants to make sure the PTOM framework supports these goals.

Greater Wellington believes that asset ownership is best held by local government whilst still working in partnership with bus operators. This position is included in the Greater Wellington Regional Council's submission to the PTOM review. The submission states that the investment required for a decarbonised fleet makes this ownership model the more logical approach from a funding perspective.

Consistent with consideration of Broader Outcomes, Greater Wellington is also committed to seeking ongoing improvements to the terms and conditions, including pay rates, of our public transport workforce. The PTOM review suggested three possible options for improving driver wages and conditions which Greater Wellington supported.

2.9 Greater Wellington Regional Council Procurement Policy and Manual⁴

Greater Wellington has its own up to date Procurement Policy and Manual. The objective of these documents is to ensure procurement at Greater Wellington is consistent, fair, and lawful. The policy sets out the rationale, responsibilities, and application, it has a wider application in comparison to this procurement strategy, covering all aspects of the Council's procurement.

The policy notes that the approach taken is consistent with the requirements of the Waka Kotahi procurement manual. Procurement activities must be compliant with the delegations set out in the latest version of the Delegations Manual. This policy also covers the management of conflicts of interest.

2.10 Greater Wellington Regional Council Delegations Manual

The primary purpose of the Delegations Manual is to set out the delegations given to officers (and elected members in some instances) in relation to certain administrative and financial matters and delegations made in relation to Council's statutory duties, responsibilities, and powers.

⁴ Greater Wellington Procurement Manual Version 1.0 July 2021

There is a separate document setting out the Terms of Reference for committees and advisory groups, and delegations for committees for the current triennium⁵. This delegates responsibility to the Transport Committee for overseeing the development, implementation, and review of policies for transport and mode-shift. The Regional Transport Committee has statutory functions set out in the LTMA primarily around the preparation of the Regional Land Transport Plan.

2.11 The meaning of public value

When assessing procurement options, Greater Wellington uses ‘public value’ as a means of determining the best outcomes from funds to be spent. The principle of public value is not solely focused on price but is also about getting the best possible results over the whole-of-life of goods, services or works. This includes using resources effectively, efficiently, economically, and without waste, and taking into account the total costs and benefits (total cost of ownership), and its contribution to the results Greater Wellington is trying to achieve (such as social or environmental outcomes).

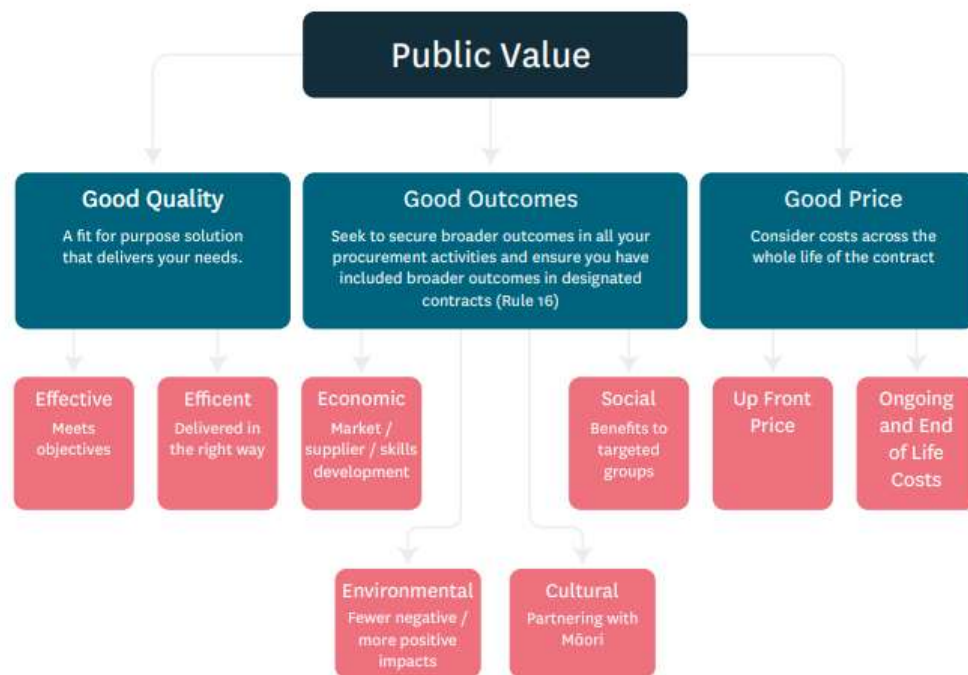


Figure 2 Public Value (Government Procurement Rules (4th Edition) 2019)

The concept of public value does not minimise the importance of achieving a good price (costs across the whole of life of the contract) but encourages employees to consider a broader range of benefits that can be achieved through the procurement of goods and services.

2.12 Health and safety

Greater Wellington recognises its obligations under the Health and Safety at Work Act (HSWA) 2015 and as such requires all its suppliers to take practicable steps to eliminate risks to health and safety and to minimise those risks where it is not reasonably practicable to eliminate them. Greater

⁵ http://www.gw.govt.nz/assets/Uploads/Approved-Terms-of-Reference-for-2019-22-triennium_5.pdf

Wellington recognises there are shared responsibilities under HSWA to consult, cooperate and coordinate activities with suppliers and contractors.

In every procurement decision Greater Wellington requires all its suppliers to actively explore ways to promote best practice health and safety throughout the procurement lifecycle, ensuring the key principle of 'health and safety by design' is considered and met.

Greater Wellington'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.

Greater Wellington have adopted the Construction Health and Safety New Zealand (CHASNZ) TOTIKA scheme for all suppliers who perform high risk work. It is envisaged that all such suppliers will be required to be part of this scheme within Q3 of 2022, with contracts currently being let including this requirement.

3. Greater Wellington Procurement Programme

3.1 Future Public Transport Services Unit Procurement

This strategy does not include the procurement of any public transport units. Prior to the commencement of tendering for public transport services across the network the procurement strategy will be revised to cover the Public Transport Operating Model, this information will be included in the 2024-27 Procurement Strategy, or earlier as required.

More details on the existing units and exempt services are in Appendix 1.

3.2 Planned procurement

Over the next three years Greater Wellington's procurement activity will be focused on:

- Professional services
 - Travel behaviour change
 - Transport planning advice
 - Advice for public transport technology
 - Development of business cases
- Infrastructure
 - End of life station replacement and upgrades
 - Upgrades in the rail network to increase resilience against storm events
 - Level crossing upgrades
 - Renewal of maintenance contracts for infrastructure
 - Customer service initiatives- integrated ticketing across bus, ferry, rail
- Total mobility

3.3 Professional services

Greater Wellington engages both in-house and external professional services to undertake its transport activities.

3.3.1 Professional services- internal

Greater Wellington maintains a management team to oversee its transport activities (refer to the capability and capacity section for the staff positions and functions). The team is supported by other in-house professionals where there is capability and capacity as detailed below:

- Communications
- Customer services
- Engineering for assets and traffic management
- Finance
- Information management
- Legal and procurement
- Information technology

In-house professional services costs are captured as an internal corporate overhead charge. The allocation to Public Transport is set through the Long-Term Plan and updated each year through the Annual Plan. Metlink staff are managed as a business unit (the Public Transport group). The corporate overhead and Metlink staff costs are allocated to the applicable Waka Kotahi work category.

Internal professional services are managed through Council's internal procedures.

3.3.2 Administrative services for Greater Wellington Rail Limited

Greater Wellington's rail assets (excluding land) are held by the wholly owned subsidiary Greater Wellington Rail limited (GWRL) which is a council-controlled trading organisation, as required by the Land Transport Management Act 2003⁶ and in accordance with the Crown's Metropolitan Rail Operating Model. The Directors of this company are appointed by Greater Wellington and include councillors.

GWRL owns the rail passenger service trains and various station structures, overbridges and underpasses, carparks, and maintenance facilities.

GWRL's function is a legal entity for asset ownership purposes, and this is set out in its management contract. To ensure that it can provide this function in the most efficient manner possible GWRL does not employ staff, and instead procures asset management and administrative services from Greater Wellington.

Any procurement activity that Greater Wellington undertakes on GWRL's behalf under the management contract is undertaken in accordance with this procurement strategy.

3.3.3 Professional services- External

External professional services are typically provided by transport consultants, planners, technology specialists, engineers, legal advice, and marketing. The work undertaken is broad and can include strategy, policy development, planning and advice, investigation and design, revenue collection systems, real time information, community consultation, engineering support and communications.

The following table outlines the professional services that Greater Wellington currently procures or that may be procured within the next three years. Most of these contracts are likely to be within the low dollar value as specified in the Waka Kotahi Procurement Manual, section 10.9. See [Table 7](#) for Greater Wellington's procurement thresholds.

Table 1 Professional Service Contractors- Direct appointments and closed contest

Professional Service	Current provider	Contract start date	Contract duration
Legal services	Various (no panel or preferred supplier). Legal services sought on advice from in-house legal team based on expertise.	As required	As required
Transport planning and/or passenger transport consultancy services	Various	As required	As required
Total Mobility eligibility assessment provider	Laura Fergusson Trust, Royal NZ Foundation for the Blind,	As required	As required

⁶ Section 27(1) of the LTMA requires any local authority interest in a public transport service to be held in a council-controlled trading organisation.

	Multiple Sclerosis Wellington Society Motor Neuron Disease Support Group Mary Potter Hospice Te Omanga Hospice Wellington City Mission Kimi Ora School Pathways Health		
Marketing consultant	Various	As required	As required
Graphic screen printers	Various	As required	As required
Radio advertising	Various	As required	As required
Print advertising	Various	As required	As required
Media advertising	Various	As required	As required
Tender evaluation	Various	As required	As required
Financial consultancy	Various	As required	As required
Specialist technical services (IT/communications)	Various	As required	As required

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3.4 Travel choice and travel demand management

Greater Wellington has travel choice and travel demand management activities, which are predominantly provided in-house. Advertising, contractors, and marketing material is produced externally when required in accordance with Greater Wellington's procurement policy.

3.5 Wellington Transport Analytics Unit

The Wellington Transport Analytics Unit is a cross agency organisation funded by Wellington City Council, Waka Kotahi and Greater Wellington to collate and share consistent transport planning data. The unit has been established through a Memorandum of Understanding (MoU).

The Unit captures cost data in a manner that is consistent with the in-house professional services for Greater Wellington. Funding partners are invoiced annually in accordance with the MoU.

3.6 Let's Get Wellington Moving

Let's Get Wellington Moving is a joint initiative between Wellington City Council, Greater Wellington, and Waka Kotahi. Its focus is the area from Ngauranga Gorge to Miramar including Wellington Hospital, and the airport.

The programme partners retain their individual decision-making power whilst working together collaboratively. There is a governance group to provide a critical interface between the three partners at the governance level as well as a partnership board. This procurement strategy covers the Greater Wellington Regional Council's procurement programme including any relevant 'Let's Get Wellington Moving' projects.

3.7 Infrastructure

The purpose of Greater Wellington's Public Transport Asset Management Plan dated June 2021 is to communicate our 30- year investment plans for the prudent management of our public transport network for the period 2021 to 2051. It demonstrates the alignment from our organisational and

public transport objectives through to the levels of service, our service providers, the condition of our assets, and the consequent forecast programme of works.

The assets that we own are contained within three asset classes:

- rail station infrastructure: except for Wellington Railway station, we own all the station buildings, overbridges, subways, lighting, fences, bike racks, and other minor rail station infrastructure in the region.
- bus and ferry infrastructure; and
- customer information assets.

Except for Wellington City and the Wairarapa, bus shelters and signs are owned and maintained by Greater Wellington. The facilities maintenance contract is currently under negotiation.

Table 2 Infrastructure Maintenance Contracts

Contract	Current provider	Value	Contract start	Contract end
Bus stop maintenance and cleaning	Directionz	\$921,249.77	01/03/2020	1/03/2023
Routine cleaning and minor maintenance	Service Resources Ltd	\$633,204	1/10/2012	30/06/2022
GWRL Wellington Metro Stations Heavy Maintenance	Service Resources Ltd	\$7,725,749	1/07/2016	30/03/2022
Wellington Station Customer Information System	Barton Sound System Ltd	\$1,449,569	22/03/2019	31/03/2022
CCTV and audio installation-Maintenance PT0584	Red Wolf High Level Security	\$820,146	1/07/2017	30/06/2022
CCTV- Bus Hub project	Red Wolf High Level Security	\$626,438	20/12/2019	30/06/2022
Commuter Carpark Maintenance and Reseals	Fulton Hogan	\$65,880	1/07/2024	30/06/2024
Lease agreement 248 Thorndon Quay Bus Layover Facility	NZTA	-	1/08/2021	31/12/2024
Station Cleaning and minor maintenance	Service Resources Limited	\$3,301,539	1/08/2021	30/06/2024
Platform and car park lighting on the Wellington Rail Network	Commercial signs	\$220,000	31/12/2021	30/06/2023

3.7.1 Total mobility services

The expenditure for Total Mobility (TM) services is dependent on the number of trips users take each year. The contracts for total mobility services are being updated and will be procured in accordance with Procurement Procedure 4 Total Mobility Scheme as set out in the Waka Kotahi Procurement Manual. The current operating budget for TM is approximately \$2-2.5m.

Table 3 Annual Total Mobility Contract Value (July 2020-June 2021)

Location	Value	End date	Suppliers
Airport & City Shuttles	\$60,271	30/06/2022	Wellington City to Kāpiti
Driving Miss Daisy	\$585,162	30/06/2022	Whole of the region
Freedom Companion Drivers	\$117,673	30/06/2022	Kāpiti Coast Wellington City- Porirua Lower Hutt and Upper Hutt
Golden Oldies	\$84,218	30/06/2022	Upper Hutt
Hutt & City Taxis Ltd	\$719,379	30/06/2022	Lower Hutt and Upper Hutt
Kiwi Cab Ltd	\$66,083	30/06/2022	Wellington City
Masterton Radio Taxis Ltd	\$55,336	30/06/2022	Wairarapa
Masterton Shuttles	\$9420	30/06/2022	Wairarapa
Paraparaumu Taxis Ltd	\$392,057	30/06/2022	Kāpiti Coast
Porirua Taxis Ltd	\$202,339	30/06/2022	Porirua
Wainuiomata Taxis	\$7,722	30/06/2022	Wainuiomata
Wellington Combined Taxis Ltd	\$1,021,994	30/06/2022	Wellington City- Porirua

Selecting a supplier under procurement procedure 4 does not involve a competition between suppliers. Instead, all suppliers that meet the criteria for joining the scheme an assessment of this will be undertaken prior to contract negotiations. In addition to the funding of TM trips Greater Wellington may provide funding assistance for the provision of new or retrofitted wheelchair equipment for vehicles fitted with either a hoist or ramp.

3.7.2 On-demand public transport

Greater Wellington has initiated a trial of an on-demand service in Tawa⁷. The on-demand service makes use of recently purchased and Greater Wellington owned mini-vans and the contract is designed in a way that anticipates a competitive tender if the trial of the service meets the trial success criteria⁸.

3.7.3 Rail Public Transport Service

See Table 13 for existing contracts in Appendix 1.

⁷ Note this trial is not funded through the NLTP

⁸ See Transport Committee Agenda 14 October 2021 pg43 https://archive.gw.govt.nz/assets/council-reports/Meeting_Documents/7719_Agenda_Transport%20Committee%2014%20October%202021,%20order%20paper.pdf for the Tawa on-demand success criteria

Procurement approval will be sought separately for long distance passenger rail services for the Wairarapa and Manawatu lines. The Lower North Island Integrated Mobility (LNIRIM) business case identifies a recommended preferred delivery strategy split into three components:

1. Rolling stock and depot
2. Station upgrades; and
3. Stabling facilities and track upgrades

This procurement strategy signals this work is progressing and provides assurance that appropriate procurement approvals, consistent with PTOM, will be sought in due course.

Aside from the long-distance passenger rail the next procurement phase for passenger rail is planned post 2030. The procurement strategy will be updated prior to procurement occurring.

3.8 Pending high risk or large-scale procurement activities

All planned procurement activities will be undertaken using approved procurement procedures with the exception of the procurement of long-distance rail and rolling stock investments. The planned procurement process for the rail rolling stock for the longer distance passenger rail services for the Wairarapa and Palmerston North will be a high value contract and will require more specific procurement approval from Waka Kotahi. All other projects are expected to be captured via the Waka Kotahi National Land Transport Funding programme for Significant Investments.

4. Procurement Environment

4.1 Analysis of the supplier market

Greater Wellington has identified an increasing programme of work, with more complexity. The capacity and capability of the market to deliver this programme is a concern and will require Greater Wellington to be adaptable and coordinate with the key sector players to ensure the best value for money. Core functional work can be undertaken by the local supplier market supported by specialised expertise.

Significant scale projects like the Manawatu and Wairarapa fleet renewal and service increases require bespoke procurement plans developed collaboratively with Waka Kotahi.

The national skills shortage in the construction industry is evident in Wellington and increases in construction costs are also occurring. Where possible, Greater Wellington will work with other Approved Organisations on the national ticketing system or by coordinating the timing of procurement to ensure the best outcomes.

For physical works activities, including station upgrades and bus infrastructure, there are a mix of small to medium sized suppliers and large multinationals with a strong presence in the region. Larger companies draw on their national expertise to undertake technically specialised projects with regards to both physical works and professional services.

Wellington, as the capital city, has more access to a range of professional service expertise compared to other locations. Competition for recent business case tenders in other parts of the North Island is strong and with careful planning, this competition can be encouraged for Greater Wellington's professional services contracts. A supplier panel is being developed to provide a coordinated approach to the procurement of professional services.

4.2 Current Contract Expiry dates

There are no public transport services expiring during the 2022-24 period covered by this strategy. At this time there are no contract extensions contemplated for any other contracts including facilities management. There are procurement processes underway to renew expiring maintenance contracts with the support of the procurement team.

If in the unlikely event that a service contract was handed back this event would be managed on a case-by-case basis in accordance with the Waka Kotahi procurement manual.

4.3 Analysis of other procurement programmes

Discussions were held with members of the Association of Consulting and Engineering New Zealand (ACENZ) in early October 2021 to obtain industry input into this procurement strategy. The market is buoyant, and suppliers will be more likely to compete for projects with clearly described outcomes and ones where they have pre-engagement prior to the tender process. Suppliers are looking for authenticity in the Request for Tender (RFT); for example, if the RFT talks about collaboration it should be written in a way that enables collaboration.

Resourcing will continue to be an issue and it is likely that staff, especially younger staff who have missed out on their OE (overseas experience), will travel once the Covid-19 travel restrictions end. For example, there is a substantial volume of work in Australia in rail infrastructure in the order of \$160b. Industry feedback suggests the focus should shift from relevant experience and track record

on to succession planning and innovation-enabling the responses to be more forward looking. Providing broad open-ended questions where there is an opportunity to be innovative could shift the industry from compliance to innovation e.g., Health and Safety pre-qualification compared to developing best practice.

A preliminary discussion was held with the Bus and Coach Association (BCA) however there is no procurement planned for bus services in the next three years. BCA is supportive of the move to decarbonise bus fleet, however there is also a need to plan for the management of the existing bus fleet.

5 Preparation and planning for procurement

Prior to approaching the market Greater Wellington will have undertaken a strategic procurement planning process, this process is documented and approved in the Greater Wellington Procurement Memo (the Memo).

The Memo provides background to the project and establishes the available budget. The roles and responsibilities of the project team with the right mix of skills and experience are established. The procurement planning process is then documented in the procurement plan which will refine and provide clarity on the project aim. A clear project aim assists in engaging well with the supplier market. Well established accountability and governance measures should be in place prior to the procurement phase along with identification of key stakeholders. Suppliers should be engaged with during or immediately after this memo is approved. Early engagement with the market will improve the tender responses received and encourage competition.

Through this process the risks and opportunities can be clearly identified, and these can be developed into evaluation criteria or pre-conditions as appropriate. The procurement plan takes into consideration broader outcomes for example Greater Wellington's aspirations to implement procurement approaches that advance the aspirations of mana whenua along with environmental, social, and economic objectives

The procurement plan undertakes an analysis of the supplier market. The plan will consider options for the most suitable delivery model based on an analysis of the best allocation of risk and make a recommendation on the most suitable supplier selection method.

5.1 Delivery models

Greater Wellington uses a range of delivery models to achieve the procurement outcomes described above. In selecting the appropriate model Greater Wellington assesses the activity against:

- Complexity
- Risk profile
- Innovative potential
- Timing and urgency
- Scale
- Size of the supplier market
- Uncertainty
- Stakeholder requirements
- Internal capability and capacity
- Contract value

The range of delivery models that Greater Wellington may use to procure goods and services are:

Table 4 Greater Wellington Delivery Models

Delivery model	Description
Staged (used most commonly)	Under a staged approach, activities are delivered through a staged series of separate contracts (e.g., Investigate, design or construct only, sequential staged where full design completed before construction commences, and accelerated staged where construction starts with design partially completed). This is a traditional approach and widely used.

	<p>Best suited to small to medium projects where Council wishes to maintain some form of involvement/control over the activity. Complexity, uncertainty, and risk are low. Scope is well defined and the opportunity for innovation is low.</p>
Design and construct	<p>A traditional design and construct (also known as Design-Build) model uses a single contract to complete the detailed design and construction phases. This may also incorporate an Early Contractor Involvement (ECI) approach, whereby the supplier engages the contractor after the initial investigations and seeks to maximise the value that can be achieved from a design and construct model. The design and construct model generally awards contracts as separable portions, conditional on the successful completion of the previous stage.</p> <p>Best suited to medium to large projects where complexity, uncertainty and risk are correspondingly higher as well. More opportunity for supplier to innovate during delivery. Council wishes to transfer some of the risk to the supplier.</p>
Shared risk	<p>A shared risk delivery model uses an integrated team comprising of the buyer, consultants and contractors and material suppliers. The team members are incentivised to work collaboratively and impartially to deliver what is best for the project and to achieve high performance standards. Risk is shared by all parties – no party can win at the expense of another. An alliance is an example of a shared risk delivery model. Council will require the necessary capabilities and resources to organise and manage a shared risk model. A shared risk delivery model is defined by Waka Kotahi as an advanced delivery model and as such can only be used with prior written approval from Waka Kotahi under s25 of the LTMA.</p> <p>Best suited to medium to large projects where complexity, uncertainty and risk are high. A single supplier is unlikely to be able to undertake the contract alone. Innovation potential is high.</p>
Supplier panel	<p>A supplier panel delivery model appoints a group of suppliers that, as a panel, offer the best combination of skills and experience required to deliver a specified group of outputs. Suppliers are appointed to the panel in the first stage of this process, before the allocation of tasks to each appointed supplier in a second stage. This second stage may be by direct appointment or a competitive process with two or more of the panel members. A supplier panel delivery model is defined by Waka Kotahi as an advanced delivery model and as such can only be used with prior written approval from Waka Kotahi under s25 of the LTMA.</p> <p>Best suited to programmes with a succession of similar or related activities and/or the volume of work may be too large for one supplier⁹ to undertake, or where supplier consistency and establishing a longer-term relationship with suppliers provides value. This method is also valuable where specialist skills or equipment are required; there are several suppliers who can provide the required outputs; and/or there is an advantage in having a choice of suppliers to select from at reasonably short notice.</p>

⁹ This delivery model can apply to consultants, contractors, or suppliers

Collaborative	Under a collaborative delivery model, activities are delivered by leveraging agreements already put in place by other organisations, including MBIE. Common collaborative arrangements include All of Government (AoG) contracts, Common Capability Contracts and Syndicated Contracts, and are expected to provide direct savings as well as reduce demand on Council's procurement capacity.
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5.2 Risk management framework

Greater Wellington is committed to managing risk to the organisation and community in an ongoing and proactive manner. Effective risk management enhances the ability of Council to achieve its intended objectives and meet its statutory obligations.

Risk management is embedded throughout the procurement process and contributes to creating a comprehensive understanding of the significant threats and opportunities. This enables the minimisation of risk, maximising opportunities for innovation, and the fair and transparent allocation of risk.

To be effective, risk management begins at the procurement planning stage and continues throughout the process until delivery of goods or end of service contract - a full life cycle approach, the programme manager takes responsibility for identifying and allocation of risk.

5.3 Public Transport Specific Considerations

The current public transport service contracts include the Public Transport Operating Model (PTOM) requirements. Future tendering will occur prior to these contracts expiring and will include the PTOM requirements and any amendments.

5.4 Advanced Components

The advanced components signalled within this strategy are the planned establishment of a supplier panel for professional services and a future approval process for the Manawatu and Wairarapa Line fleet renewal and service increases.

5.5 Approaching the market

Greater Wellington chooses its approach to the market based on applying the procurement objectives which are future oriented; optimal; adapted to ensure resilience to social and environment change and coordinated with other local and central government partners. Adaptability is particularly important in the response to Covid-19 where the impacts are difficult to predict.

The procurement plan will consider complexity and uncertainty, scale, timing and urgency, potential for innovation, risk, and an understanding of the supplier market. The analysis within the procurement plan, the broader outcomes sought by Greater Wellington along with the procurement objectives will provide the context for identifying the best approach.

There are broadly two methods of approach- direct or competitive.

Table 5 Competitive approaches

	Used for	Methods
Open Invitation for all interested suppliers to tender	Higher value, higher risk goods and services	Request for tender (RFT) Request for proposal (RFP) Request for quote (RFQ)
Closed Invitation to suitable supplier to tender	Low-value, low-risk goods, and services	Verbal quote Written quote RFT RFP RFQ
Multi-stage Open invitation for all interested suppliers to respond. Greater Wellington then assesses all responses and short-lists supplied suppliers then submit tenders	Higher-value, higher-risk, complex or unique goods and services, seeking innovation	Open call for registrations/expressions of interest (ROI/EOI) Closed request to shortlisted suppliers for proposals or tenders (RFT or RFP) e.g., a pre-qualification system.

Greater Wellington uses the Government Electronic Tendering Service (GETS) to advertise tenders and manage the tender process. The GETS system is used for managing all supplier questions and answers relating to tender queries.

5.6 Direct approaches

Table 6 Direct approaches

	Used for	Methods
Buy direct from any supplier	Very low value, low risk purchases (typically goods). One-off purchases	Three competitive quotes Electronic purchase orders Credit cards Emergency situation
Buy directly from a pool of suppliers through a standing procurement arrangement	High value, low risk goods or services	Syndicated contract Panel contract e.g. All of Government panel Standing offer

		Collaborative or cluster arrangement
Buying selectively from a specific supplier	Higher value, higher risk procurements where there are special circumstances (typically specialised professional services such as transport planning, valuations, legal services)	Contract with individual supplier

Waka Kotahi funded projects have direct appointment and closed contest thresholds of \$100,000 and \$200,000 respectively. The Greater Wellington Procurement Manual sets the following procurement thresholds see [Table 7](#), where there is a difference between the thresholds the lower limit will be applied.

Table 7 Greater Wellington Procurement thresholds

\$ excl. GST	Pricing information	Procurement memo	Deviation authority
1 to 20,000	Quotation	Not required	Delegated financial authority
20,001 to 60,000	Market testing not usually required	Required	Delegated financial authority and Procurement team
60,001 to 200,000	Preference for market testing	Required	Delegated financial authority and Procurement team
>200,000	Mandatory market testing	Required	Delegated financial authority and Procurement team

Greater Wellington's Procurement Manual sets the expectation that any procurement activity will be authorised. The procurement memo is a tool used to document the procurement planning process for an activity, it is followed by the development of a procurement plan. The memo must provide an overview of the activity including the background, scope and risks and covers the planned procurement approach taking into consideration market conditions.

5.7 Supplier selection

In determining the supplier selection method, Greater Wellington considers the relative importance of price and quality. Quality will include broader outcomes (environmental, social, economic, and cultural) and this is where Greater Wellington's commitment to working with Māori, to build strong, connected, and successful whānau, hāpu and iwi and protect natural resources can be encouraged. Considerations are:

- Focus on price- all participants must meet the quality requirements and the supplier is then chosen based on price
- Focus on price and quality- the quality attributes of the supplier are graded, and the preferred supplier is selected by balancing price and quality
- Focus on quality- the preferred supplier is selected based on quality with price being negotiated afterwards.

5.7.1 Supplier selection methods

Table 8 Supplier Selection Methods

Evaluation method	Considerations
Lowest Price Conforming The preferred supplier meets all the requirements set out in the RFT/RFP/RFQ and offers the lowest-priced proposal.	Physical Works Used for tenders falling within the low to low/medium risk. Professional Services Only be used in circumstances where the output can be very clearly specified, and where it can be shown to both deliver best public value and meets the requirements as set out in the RFT/RFP/RFQ.
Price/Quality method¹⁰ The quality attributes of suppliers whose proposals meet the RFP's requirements are graded, and the preferred supplier is selected by balancing price and quality using a formula. Supplier quality premiums are influenced by: <ul style="list-style-type: none"> • The price estimate • Chosen non-price attributes • How the non-price attributes are graded (the spread of grades) • Weights given to the non-price attributes • Weight given to price. 	Physical Works Used for tenders where there are specialised levels of expertise required to manage the risks or complexity. Professional Services Used where the specified outputs can be priced by the supplier and where Greater Wellington determines that best public value will be obtained by selecting the supplier that offers the best combination of price and quality requirements as defined in the RFT/RFP/RFQ
Purchaser Nominated Price (Target Price) A supplier selection method where Greater Wellington fixes the price to be paid and proposals are evaluated based on quality (non-price attributes) only.	Physical Works It is not recommended for physical works or routine professional services engagements. Professional Services This method is typically used for such activities as strategy studies, feasibility studies transportation studies and investigations.
Direct Appointment A supplier selection method in which the purchaser selects a single supplier and negotiates the contract terms, including price.	Physical Works Direct appointment, and a closed contest involving at least three suppliers can only be used where: <ul style="list-style-type: none"> • There are specific risks that limit available suppliers, and/or • It can be demonstrated that an open tender would not add value for money. • An emergency exists. • There are not enough suppliers for a competitive process. Professional Services

¹⁰ The weighted attributes supplier selection method cannot be used for activities co-funded in partnership with Waka Kotahi

	<p>Direct Appointment of a supplier for Professional Services can be used where the value of the work is less than \$60,000. However, this method should only be used in circumstances noted above.</p>
<p>Quality based (Brook's Law) Where the scope of the outputs (works or services) cannot be fully described, and the best public value will be obtained by selecting the supplier based on supplier quality alone. There is no competition on price.</p>	<p>Physical Works This method is not to be used for physical works.</p> <p>Professional Services This method is generally used for high value/high risk professional services contracts, and/or where Council has determined that best value can be obtained by selecting the best quality supplier and then negotiating the price with that supplier. Note, in this context, this method does not constitute an 'advanced' mechanism in Waka Kotahi terms.</p>

5.8 Approach to Contract Management

Greater Wellington applies the three 'pillars' of contract management which are relationship management, service delivery management and contract administration. The approach undertaken varies depending on the nature of the relationship with the supplier.

There are specific PTOM requirements relating to the public transport service unit contracts including:

- Commerciality ratio
- Principles for collaborative partnership
- Approach to contract management

More information on how these have been applied can be found here
<https://archive.gw.govt.nz/bus-contracts>

6. Implementing the strategy

6.1 Capability and capacity

Greater Wellington realises that capacity and capability are critical factors in successfully delivering the procurement programme. A procurement team has been established to provide specialist support and guidance to staff members, and to grow the capability and capacity. This team is supported by specialist areas from across the organisations (for example risk management, finance, health, and safety) with contracted experience as required.

The capacity and capability of the procurement team is increasing with recruitment underway for a Procurement Manager and additional team members. Existing team members are progressing through the process to become Waka Kotahi qualified tender evaluators. Systems and processes are also being upgraded to enable better contract management and reporting.

Once the current recruitment process has concluded the procurement team will have the resources and skills to support good practice procurement and provide greater support to the procurement of transport activities by working closely with transport team members.

The focus for the Metlink team is on contract management and enhancing performance, this is achieved by utilising the principles for collaborative partnership and working on annual business planning. Meetings are held at all levels from operations through to senior management with PTOM partners.

6.2 Roles and Responsibilities

Figure 3 shows the Greater Wellington management structure and how the team work together.

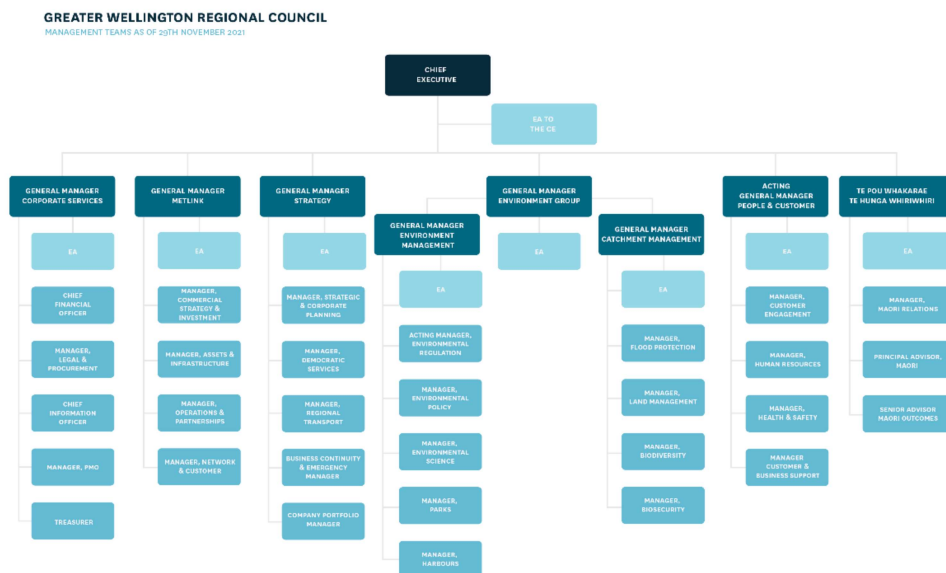


Figure 3 Greater Wellington Management Structure, March 2022

Table 9 Roles and Responsibilities

Role	Responsibility
Elected members	Set the community outcomes and approve the Long-Term Plan, approve the award of contracts where there is no delegation.
<i>Te Tumu Whakarae</i> Chief Executive	Overall responsibility to the Greater Wellington Regional Council for all passenger transport operational activities and transport policy (including RLTP and RPTP).
<i>Kaiwhakahaere Matua Waka-ā-atea</i> General Manager Metlink	Oversees the management of Metlink, which covers all passenger transport operational activities including the RPTP. Responsible for improving the management and oversight of public transport contracts.
<i>Kaiwhakahaere Matua Ratonga Rangapū</i> General Manager Corporate Services Group	Oversight and management of finance, facilities and business intelligence functions including IT and project management.
<i>Kaiwhakahaere Matua</i> Manager Strategy	Oversees the development of the Regional Land Transport Plan and the community programmes.
<i>Kaiwhakahaere Matua Manger Legal and Procurement</i>	Oversees the management of legal and procurement activities within Greater Wellington
<i>Manager Procurement</i>	Responsible for the procurement strategy. Maintains the contracts register and works with specialist teams across Greater Wellington to improve procurement outcomes supported by a team.
<i>Programme manager(s)</i>	Overall responsibility for the integrity and coherence of the programme.
<i>Contract manager(s)</i>	Responsibility for administering and managing contracts, as well as overseeing the process of creating and executing contracts.

6.3 Actions underway to enhance procurement

Greater Wellington is undertaking a range of actions to improve procurement and contract management across the organisation. These actions include a review of Greater Wellington's procurement and contract management practices by Price Waterhouse Cooper with the aim of developing recommendations to develop and improve internal capacity and capability in these areas. This work will be informed by developing and monitoring the contract register, work which is also underway.

Greater Wellington is also undertaking work to investigate innovative ownership models to advance the decarbonisation of the bus fleet and to partner with mana whenua to improve responsiveness to Māori customers. Prior to tendering any public transport services this strategy will be updated to implement the outcomes of the Public Transport Operating Model.

6.4 Internal procurement processes

Greater Wellington's procurement processes are defined in the recent Procurement Manual¹¹ and Procurement Policy¹² and it is expected that all procurement activities will follow the guidelines and procedures with the Procurement Manual and Procurement Policy.

These internal procurement processes have recently been updated and are implemented using a procurement memo to approve all procurement over \$20,000.

6.5 Key Performance indicators and monitoring on procurement activities

Greater Wellington has a range of monitoring systems for internal performance and external reporting.

Table 10 Key monitoring indicators for the procurement strategy

Activity	Key Performance Indicator
Early sector engagement on all procurement activities	100% of all competitive approaches have early sector engagement prior to the tender processes commencing by 2023.
Greater Wellington takes a strategic approach to procurement	100% of all transport procurement above \$20,001 has an approved procurement memo by 2022 (already established).
Review the effectiveness of procurement processes looking at fairness, competitiveness, and innovation	Information on the success of procurement activities (or otherwise) is gathered and utilised.
Waka Kotahi procurement reporting requirements	<ul style="list-style-type: none">• Estimated duration of contracts and actual duration• Estimated contract cost and actual cost• Greater Wellington's satisfaction with the goods or services procured
Waka Kotahi public transport Key Performance Indicators	<ul style="list-style-type: none">• Are reported according to Waka Kotahi requirements.

6.6 Other assurance activities

The contract manager is responsible for ensuring an appropriate level of contract management is established and maintained through-out the project from project initiation through to post project review.

Review meetings would normally include agenda items such as:

- Health and safety
- Non-conformance
- Timelines or milestones
- Spend to budget
- Outstanding actions
- Tracking benefits outlined in the supplier proposal

¹¹ Dated July 2021

¹² Dated 1 August 2021

The minutes of these meetings are recorded and circulated within one week of the meeting taking place.

Outside of the transport activity Greater Wellington has developed supplier panels for maintenance contracts, in these contracts there is a documented review of every appointed panel supplier three or four months prior to the contract conclusion.

The following indicators will be monitored in accordance with the Waka Kotahi Procurement Manual. The Waka Kotahi procurement manual requires reporting on three main attributes:

- Time- estimated duration of the contract and actual duration of the contract
- Cost-estimated cost of contract and actual cost of contract
- Quality- approved organisation's satisfaction with the goods or services purchased.

Greater Wellington's activities are subject to internal audit scrutiny as well as external audits from both Waka Kotahi and the Office of the Auditor General.

6.7 Communications plan- internal stakeholders, external stakeholders, supplier market

The communications plan is an important component of the strategy as it ensures all stakeholders are aware of Greater Wellington's procurement strategy and how it impacts them.

Greater Wellington has identified the following stakeholders and developed a plan to communicate the appropriate level of information and detail relevant to their role in the procurement environment (purchaser or supplier).

Table 11 Communications Plan

Stakeholder	Key Message	Channels/Tools
Internal Stakeholders		
Council (elected members)	<ul style="list-style-type: none"> • Overview of strategy and key elements • Reasons for strategic procurement planning (MBIE process improvements) 	<ul style="list-style-type: none"> • Information paper • Decision-making where there is no financial delegation
Council employees	<ul style="list-style-type: none"> • Overview of strategy and key elements • Reasons for strategic procurement planning (MBIE process improvements) 	<ul style="list-style-type: none"> • CE messages • All staff emails • Intranet • Training sessions
External stakeholders		
Waka Kotahi	<ul style="list-style-type: none"> • Overview of strategy and significant procurement activity; compliance with the procurement manual • Reasons for strategic procurement planning 	<ul style="list-style-type: none"> • Submission of strategy to Waka Kotahi for endorsement • Strategy published on Greater Wellington website

	(MBIE process improvements)	
Approved Organisations	<ul style="list-style-type: none"> • Overview of strategy and key elements • Seek opportunities for collaboration 	<ul style="list-style-type: none"> • Regular meetings • Sharing of the strategy
Supplier market		
Strategic suppliers <ul style="list-style-type: none"> • Rail, ferry and bus operators • Engineering professional services • Asset management suppliers • Targeted groups as and when required 	<ul style="list-style-type: none"> • Introduction to the strategy including broader outcomes and public value • Overview of planned procurement activities 	<ul style="list-style-type: none"> • Regular meeting with key stakeholder • Email with link to strategy • Strategy uploaded to Greater Wellington website • Supplier feedback through contract review process
Non-strategic suppliers	<ul style="list-style-type: none"> • Introduce strategy and purpose • Explain the reason for the strategy 	<ul style="list-style-type: none"> • Email with link to strategy • Strategy uploaded to Greater Wellington website

Appendix 1 Procurement activities covered within this strategy

Table 12 Procurement Activities (as of March 2022)

Name	Phase/Type	New Contract Start Date	Duration	Procurement Method	Supplier selection method	Anticipated LTP investment (\$ million)
Additional Metro Rolling Stock for future capacity requirements	Detailed business case	2022/23	1 year	Open tender	Price-quality	0.26
Additional Metro Rolling Stock for future capacity requirements	Indicative business case	2021/22	1 year	Open tender	Price-quality	0.25
EV Conversion of Diesel Buses	Single-stage business case	2022/23	1 year	Closed	Direct appoint	0.05
EV Conversion of Diesel Buses	Implementation ¹³	TBC	Up to 8 years	TBC	TBC	5
Level Crossing Safety Upgrades	Indicative business case	2021/22	1 year	Kiwirail managed	Price-quality	.25
Level Crossing Safety Upgrades	Detailed business case	2021/22	1 year	Kiwirail	Price-quality	1.03
Level Crossing Safety Upgrades	Implementation	2022/23	8 years	Kiwirail	Price-quality	121.7
Longer-Distance Rolling Stock and Service Improvements	Implementation	2022/23	6 years	Kiwirail	Price-quality	585.4
Low cost / low risk improvements 2021-24	Public transport infrastructure	Multiple Tenders Across all three years	Multiple projects across LTP period	Open tender or direct appoint	Various	38.9

¹³ The decision to implement this project is subject to the development of the business case, funding approvals and Council's decision-making processes

Low cost / low risk improvements 2021-24	Road to Zero	Multiple Tenders Across all three years	Multiple projects across LTP period	Open tender or direct appoint	Various	0.4
National Ticketing System (NTS)	Implementation	TBC	TBC	Per Waka Kotahi	Per Waka Kotahi	45.57
New CBD Bus Layover Area including EV charging	Single-staged business case	2023/24	NA	Open	Price quality	.1
New CBD Bus Layover Area including EV charging	Implementation	2023/24	1 year	Build	Price quality	4.22
Porirua Bus Hub Improvements	Single-staged business case	2021/22	NA	In-house professional services	NA	0.1
Porirua Bus Hub Improvements	Implementation	2021/22	Unfunded currently			7.56
Rail Capacity Step Change 10 min timetable	Detailed business case	2023/24	TBC	Kiwirail	Price quality	10.5
Rail Capacity Step Change 10 min timetable	Indicative business case	2022/23	1 year	Kiwirail	Price quality	.25
Rail infrastructure resilience	Indicative business case	2021/22	1	Open	Price quality	.25
Rail infrastructure resilience	Detailed business case	2021/22	1	Open	Price quality	2.56
Rail infrastructure resilience	Implementation	2022/23	8	Kiwirail	Price quality	97
Real time information system replacement	Implementation	2021/22	2	Open	Design and build	17.5
Regional Land Transport Planning Management	Implementation	Ongoing	NA	Professional services	Direct appoint/ price quality	Various
Smarter Connections Infrastructure for PT hubs	Single stage business case	2023/24	1	Professional services	Price quality	.26

Waterloo Station Infrastructure Replacement TOD	Detailed business case	2023/24	1	Professional services	Price quality	.25
Wellington-Local Transport Models		On-going	NA	Professional services	Price quality	1.95
Wellington Rail Signal System Replacement	Detailed business case	2021/22	2	Kiwirail	Price quality (multiple tenders)	11.65
Wellington Rail Signal System Replacement	Implementation	2023/24	8	Kiwirail	Price quality (multiple tenders)	274.4

Appendix 2 Existing Public Transport Service Contracts

Table 13 Current Public Transport Service Contracts

Unit	Description	Average Annual Cost of Service Delivery ¹⁴	Contract start date	Contract end date	Supplier
1	Route 1 Island Bay-Johnsonville West/Churton Park/Grenada Village Route 19 Johnsonville - Churton Park – Johnsonville Route 19e Johnsonville - Churton Park - Johnsonville (Wellington extension) Route 23 Wellington - Newtown - Houghton Bay Route 27 Wellington – Vogeltown Route 32x Wellington - Berhampore - Island Bay - Houghton Bay (Express) Route 600-799 Wellington School Buses Route N1 After Midnight (Wellington - Island Bay - Houghton Bay - Lyall Bay) Route N5 After Midnight (Wellington - Newlands - Churton Park - Johnsonville)	\$ 11,796,505	15 July 2018	15 July 2027	Tranzit Group Limited
2	Route 2 Miramar/Seatoun-Hataitai-Wellington- Karori Route 12 Newtown-Kilbirnie-Strathmore Park Route 12e Wellington-Hataitai-Kilbirnie- Strathmore Park Route 18e Karori - Kelburn - Newtown – Miramar Route 28 Strathmore Park Shops - Beacon Hill Route 30x Wellington - Scorching Bay/Moa Point (Express) Route 31x Wellington - Miramar North (Express) Route 33 Brandon Street - Karori South Route 34 Brandon Street - Karori	\$ 16,223,726	15 July 2018	15 July 2030	Wellington City Transport Limited (t/a NZ Bus)

¹⁴ Gross first year cost, note this figure gives an indication of scale but is indicative only, as the costs may change over time for example due to timetable changes or the introduction of new fleet.

	West Route 35 Wellington – Hataitai Route 600-799 Wellington School Buses Route N2 After Midnight (Wellington - Miramar - Strathmore Park - Seatoun)				
3	Route 13 Brandon Street - Glenmore Street – Mairangi Route 20 Courtenay Place - Mt Victoria – Kilbirnie Route 21 Courtenay Place - Kelburn - Karori (Wrights Hill) Route 22 Wellington - Kelburn - Mairangi – Johnsonville Route 37 Brandon Street - Kelburn - Karori (Wrights Hill) (via The Terrace) Route 600-799 Wellington School Buses Route N3 After Midnight (Wellington - Kelburn - Karori - Northland)	\$ 4,610,951	15 July 2018	15 July 2030	Wellington City Transport Limited (t/a NZ Bus)
4	Route 24 Miramar Heights - Wellington - Broadmeadows – Johnsonville Route 25 Highbury - Aro Valley - Wellington - Khandallah Route 26 Brandon Street - Ngaio – Khandallah Route 600-799 Wellington School Buses Route N4 After Midnight (Wellington - Wadestown - Ngaio - Khandallah)	\$ 4,784,794	15 July 2018	15 July 2027	Tranzit Group Limited
5	Route 14 Kilbirnie – Hataitai – Roseneath – Wellington – Wilton Route 600-799 Wellington School Buses	\$ 4,841,280	15 July 2018	15 July 2027	Wellington City Transport Limited (t/a NZ Bus)
6	Route 3 Wellington-Newtown-Kilbirnie-Lyall Bay/Rongotai Route 36 Wellington - Hataitai - Kilbirnie - Lyall Bay Route 600-799 Wellington School Buses	\$ 4,841,280	15 July 2018	15 July 2027	Wellington City Transport Limited (t/a NZ Bus)
7	Route 7 Wellington-Brooklyn-Kingston Route 17 Wellington - Brooklyn - Kowhai Park	\$ 4,371,812	15 July 2018	15 July 2027	Tranzit Group Limited

	Route 29 Wellington - Newtown - Southgate - Island Bay - Owhiro Bay- Brooklyn Route 39 Wellington - Brooklyn - Owhiro Bay - Island Bay Route 600-799 Wellington School Buses				
8	Route 52 Wellington – Newlands – Johnsonville Route 56 Wellington – Paparangi – Johnsonville Route 57 Wellington – Woodridge Route 58 Wellington – Newlands Route 600-799 Wellington School Buses	\$ 4,886,355	15 July 2018	15 July 2027	Mana Coach Services Limited
9	Route 120 Lower Hutt - Epuni - Taita - Stokes Valley Route 121 Seaview - Lower Hutt - Naenae - Stokes Valley Heights Route 130 Petone - Lower Hutt - Waterloo - Naenae Route 145 Lower Hutt - Melling - Belmont Route 150 Petone - Maungaraki - Lower Hutt – Kelson Route 154 Petone - Korokoro – Petone Route 800-999 Hutt Valley School Buses	\$7,702,531	17 June 2018	17 June 2027	Tranzit Group Limited
10	Route 110 Petone - Lower Hutt - Upper Hutt - Emerald Hill Route 111 Upper Hutt - Totara Park - Upper Hutt Route 112 Upper Hutt - Maoribank - Timberlea - Te Marua Route 113 Upper Hutt - Riverstone Terraces Route 114 Upper Hutt - Elderslea - Trentham Route 115 Upper Hutt - Pinehaven - Upper Hutt Route 800-999 Hutt Valley School Buses Route N22 After Midnight (Wellington - Naenae - Stokes Valley - Upper Hutt)	\$ 5,931,728	17 June 2018	17 June 2027	Tranzit Group Limited
11	Route 160 Lower Hutt - Waterloo - Wainuiomata North Route 170 Lower Hutt - Wainuiomata South - Lower Hutt	\$ 3,305,466	17 June 2018	17 June 2027	Tranzit Group Limited

	Route 800-999 Hutt Valley School Buses Route N66 After Midnight (Wellington - Lower Hutt - Waterloo - Wainuiomata)				
12	Route 81 Wellington – Petone – Eastbourne Route 83 Wellington – Petone – Lower Hutt – Eastbourne Route 84 Wellington – Petone – Gracefield – Eastbourne Route 85x Wellington – Eastbourne (Express) Route N8 After Midnight (Lower Hutt – Petone – Wellington) Route N88 After Midnight (Wellington – Petone – Lower Hutt – Eastbourne)	\$ 4,201,669	17 June 2018	17 June 2030	Cityline (NZ) Limited (t/a NZ Bus)
13	Route 210 Porirua - Titahi Bay Route 220 Ascot Park - Porirua - Titahi Bay Route 226 Sievers Grove - Elsdon - Sievers Grove Route 230 Porirua - Aotea - Whitby (The Crowsnest) Route 236 Porirua - Papakowhai - Paremata - Whitby (Navigation Drive) Route 300 Titahi Bay - Porirua - Whenua Tapu Cemetery Route 400-499 Porirua and Tawa schools Route N6 After Midnight (Wellington - Porirua - Whitby - Plimmerton)	\$ 4,716,816	15 July 2018	15 July 2027	Tranzit Group Limited
14	Route 250 Paraparaumu - Raumati South - Paraparaumu Route 251 Kāpiti Health Centre - Paraparaumu - Paekākāriki Route 260-262 Paraparaumu - Paraparaumu Beach Route 264 Kāpiti Health Centre - Paraparaumu - Paraparaumu East Route 280 Waikanae - Waikanae Beach - Waikanae Route 281-290 Waikanae area Route 500-599 Kāpiti school buses	\$ 3,564,295	15 July 2018	15 July 2027	Madge Coachlines (t/a Uzabus)
15	Route 200 Martinborough - Featherston - Greytown - Masterton	\$ 1,302,646	29 April 2018	29 April 2027	Tranzit Group Limited

	Route 201-203 & 206 Masterton Town Route 204 Woodside Station - Greytown Route 309-315 Wairarapa school buses				
16	HVL Hutt Valley Line (Wellington - Upper Hutt) JVL Johnsonville Line (Wellington - Johnsonville) KPL Kāpiti Line (Wellington - Waikanae) MEL Melling Line (Wellington – Melling) WRL Wairarapa Line (Wellington - Masterton)	\$73,204,990 ¹⁵	1 July 2016	1 July 2025 (3+3 years rights of extension)	Transdev Wellington Limited
17	WHF Wellington Harbour Ferry (Queens Wharf - Days Bay)	\$485,000 ¹⁶	1 July 2019	1 July 2028	East by West Ferries
18	Route 60 Johnsonville - Tawa - Porirua Route 60e Wellington - Johnsonville - Tawa – Porirua Route 400-499 Porirua and Tawa schools	\$ 226,138	15 July 2018	15 July 2027	Mana Coach Services Limited
19	Route 291 Levin – Waikanae	\$363,656 ¹⁷	7 March 2017	June 2022	Madge Coachlines Limited (t/a Uzabus)
20	Route AX Wellington Station to Wellington Airport. (Future service. Currently in tender review and award processing. Costs are business case estimates)	\$3,000,000 ¹⁸	By 1 July 2022	Proposed to be six-year term	To be appointed

¹⁵ Per annum for the FY21

¹⁶ This is a net contract where Greater Wellington provide a subsidy; this is inclusive of the \$250,000 for the new electric ferry

¹⁷ Horizons Regional Council led contract

¹⁸ This service receives no co-investment from Waka Kotahi

Exempt (public transport) services

Exempt services are not required to be arranged into units and contracted by the regional council. Exempt services are those which are exempt under Section 130(2) of the LTMA or treated as exempt under section 153(2). Council keeps a register of exempt services.

These services are existing commercial services that are exempt from the need to operate under contract to Metlink. This is not intended to be a complete list of existing commercial services that do not form part of the Metlink network.

Table 14 Exempt Services

Route type	Route name	Route Description
Bus	80	Wainuiomata commuter to Wellington City Centre via Petone
School bus	970	Papakowhai - Chilton
School bus	971	Porirua - HIBS
School bus	973	Paremata – HIBS (via St Patrick’s Silverstream)
Rail	Capital Connection	Capital Connection is an inter-regional service which is partially funded by Greater Wellington. Its exempt service status is subject to change in accordance with inter-regional transport planning prioritisation by Greater Wellington, Horizons Regional Council, KiwiRail, Waka Kotahi NZ Transport Agency and regional transport partners
Ferry	Habour Explorer Excursions	Primarily a tourist excursion trip
Funicular	Wellington Cable Car	Lambton Quay to Botanic Gardens via Victoria University