



PROCUREMENT PROCESS AND POLICY UPDATE

Workshop 20 August 2026



Te Kaunihera ā Rohe o Ngāmotu
New Plymouth
District Council

Agenda

- NPDC Procurement Process
- Kahoot interactive session followed by a presentation
- Upcoming Procurement Policy Update
- Q & A
- Local Supplier consideration in procurement



Overview

Procurement Strategy June 2025



Vision

Achieve value-for-money outcomes while supporting local economic growth, sustainability, and cultural values

Managing Spend
Effectively

Local Prosperity

Environmental Excellence

Social Impact, Cultural
Identity and Inclusivity

Transparency and
Accountability

Delivering Compliant
Processes and Procedures

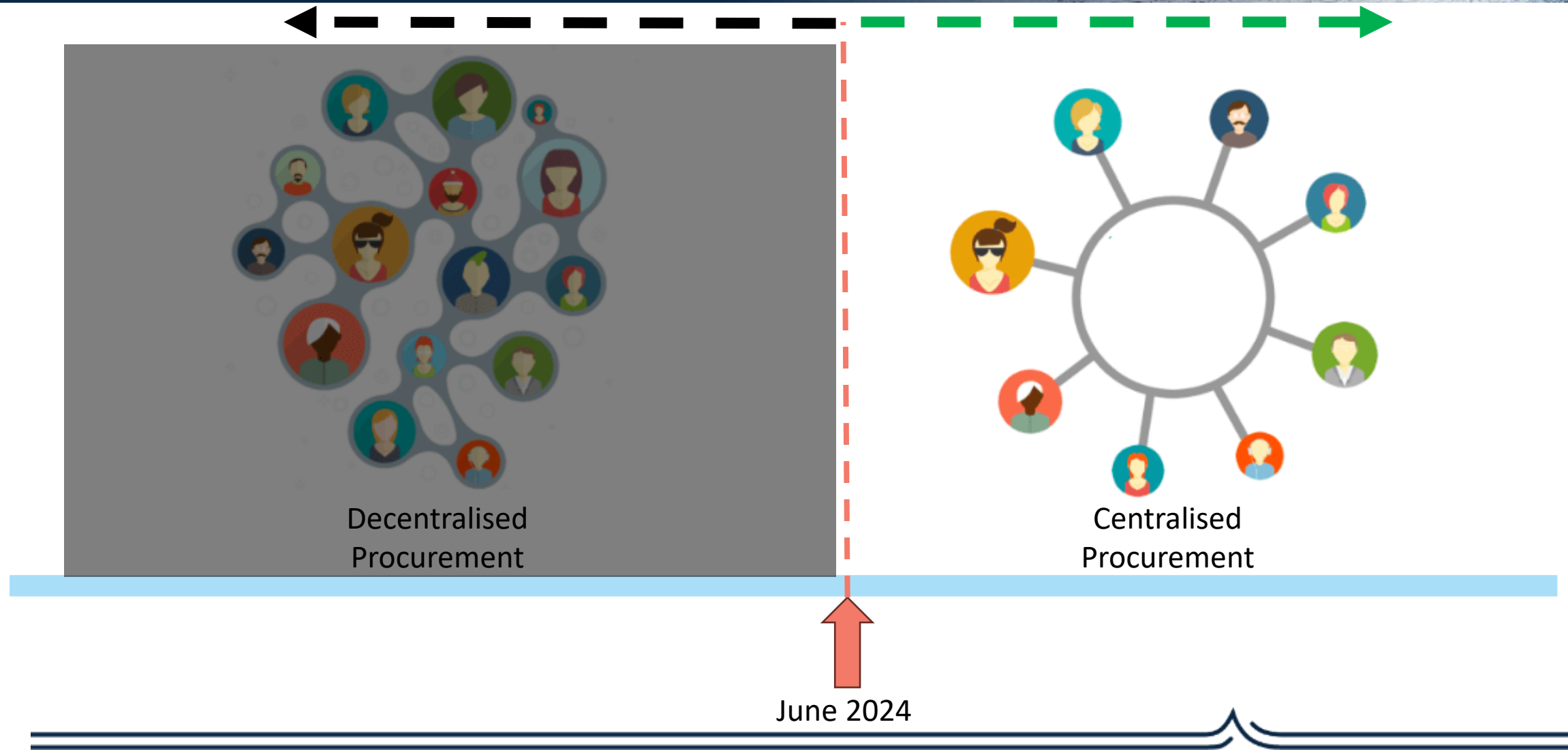
Supporting Collaborative
Procurement Efforts

Well-being and Health
and Safety

Procurement Policy



Procurement Services



What We Procure?

Do

Acquisition of any

- goods,
- services or
- works

from **external** supplier(s)



Don't

- Staff Employment
- Land acquisition
- Disposal and Sales of assets
- Donations
- Public sector agreement



Council Procurement Process

- How do we decide the procurement value?

Whole of Life (WoL) Contract Value

3 years contract
\$ 300,000

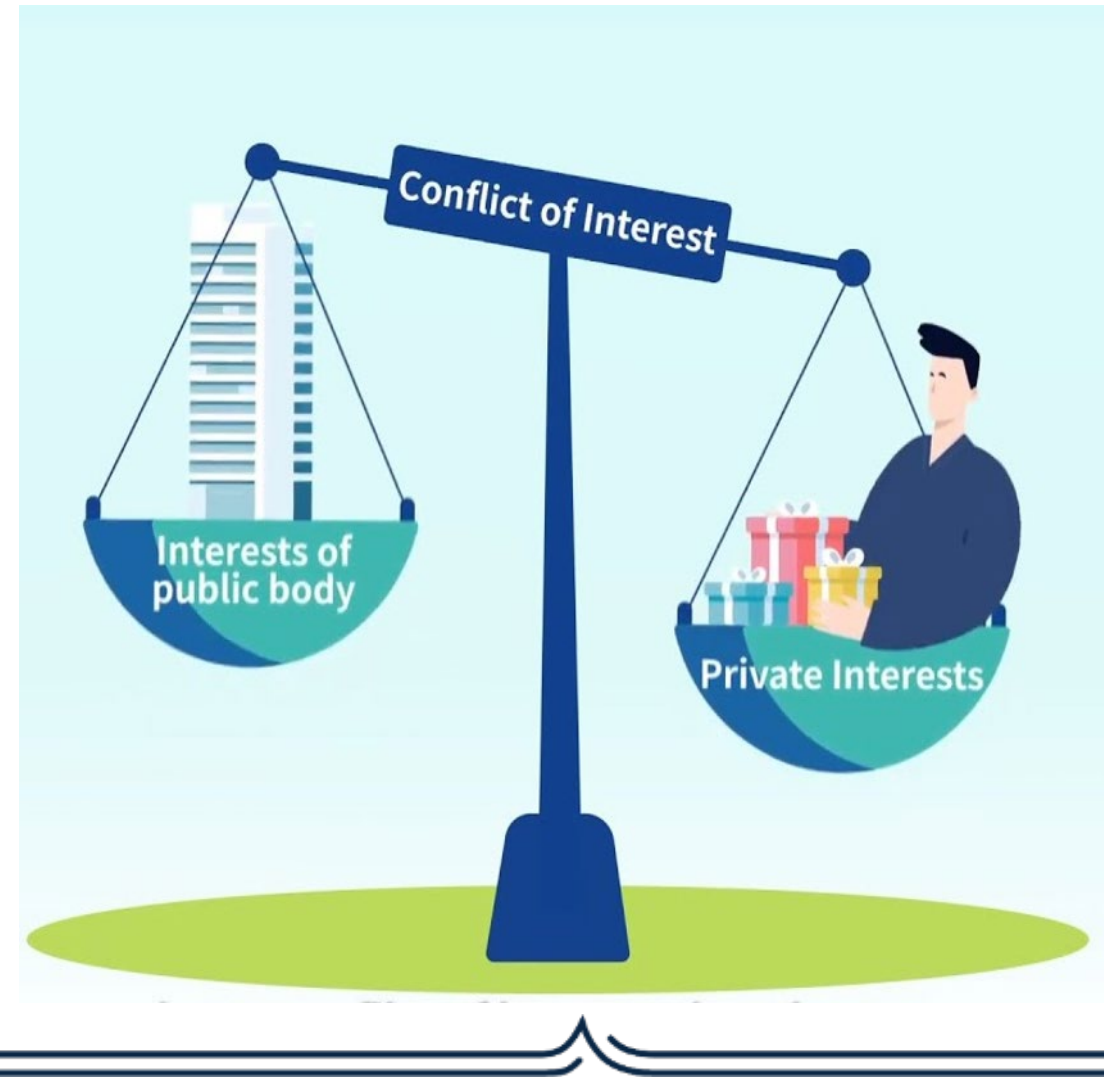
Extension further 2 years contract
\$ 200,000

\$ 500,000

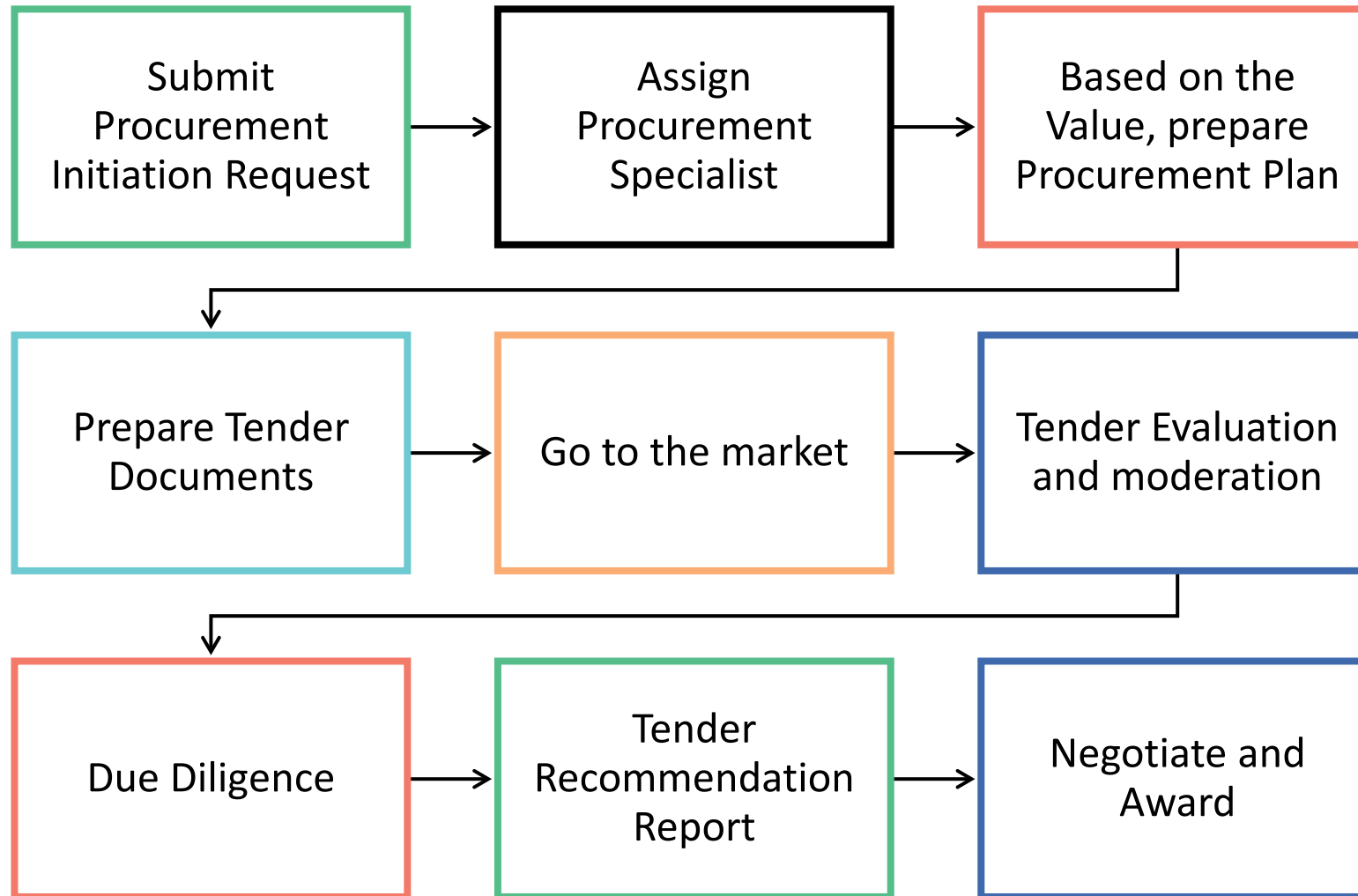


Conflict of Interest (COI)

- Must sign COI declaration and NDA forms prior to involvement in the procurement process
- If situation changes, notify immediately
- Follow agreed COI Management Plan
- If you are part of senior management team:
 - Record COI twice a year
 - Corporate COI Register



Tendering Process

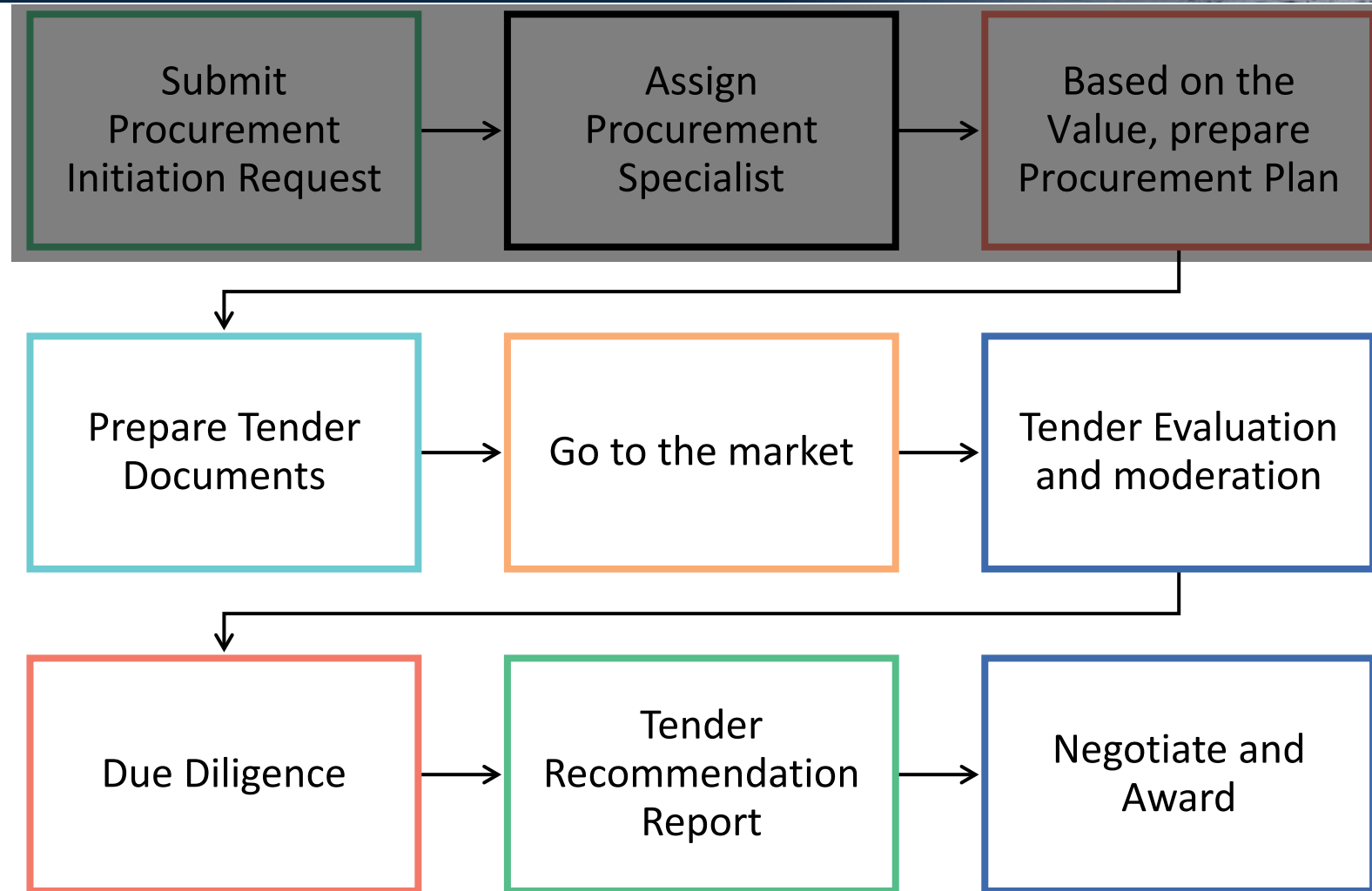


Procurement Planning

- Capture important information related to the procurement activity
- Typical content of our Procurement Plan
 - Scope
 - Market analysis
 - Approved budget
 - Budget allocated for the procurement and contingencies
 - Funding method
 - Tendering method (Open tender, closed tender, etc.)
 - Tender evaluation team and voting rights
 - Tender evaluation criteria
 - Contract duration
 - Contract type
- Once approved, no changes to the process



Tendering Process



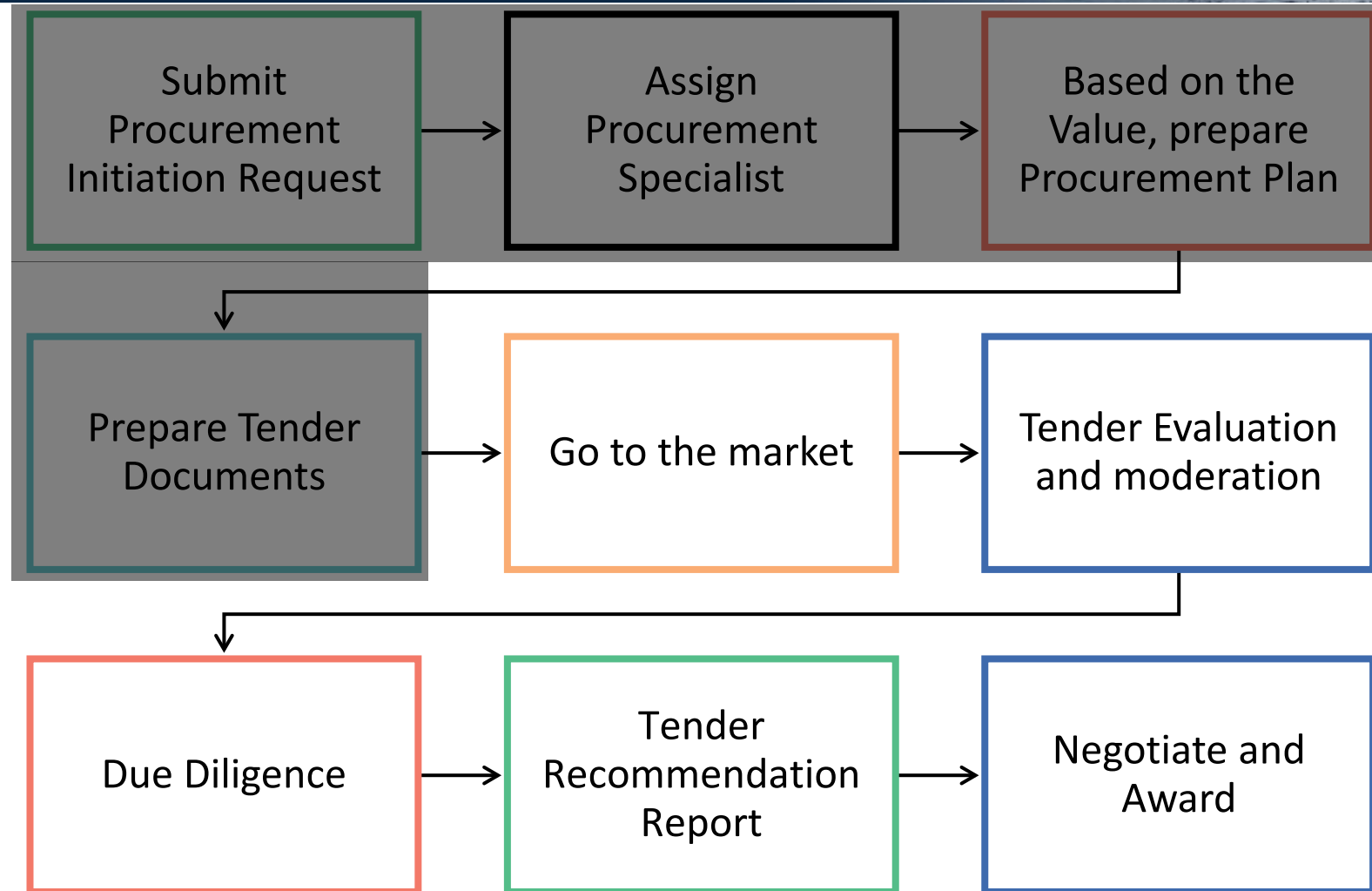
Prepare Tender Document



- Tender document to be prepared in line with the approved Procurement Plan
- Our tender document will say:
 - Scope and requirements
 - The experience, qualifications, and capabilities expected from potential tenderers
 - Site visits or tender briefing
 - How proposal will be evaluated
 - Tender submission details
 - Expected timeline for contract award
 - Draft contract document



Tendering Process



Tender Evaluation

- TET sign COI declaration and NDA before receiving any tender submissions
- TET then receives non-price submission(technical proposal) to evaluate
- Once TET finalises the technical scoring for all proposals, Cost Manager reveals the price submissions to TET
- Finalise both non-price and price scores for tenderers
- Rank the tenderers and recommend the most competent bidder



Tender Evaluation Scoring



Description	Weighting (as per PP)	Tenderer 1	Tenderer 2
Non-price attributes	60%	55%	45%
Price Attributes	40%	40% (\$ 0.5 m)	36% (\$ 0.55 m)
Total	100%	95%	81%
Ranking		1	2



Tender Evaluation Scoring

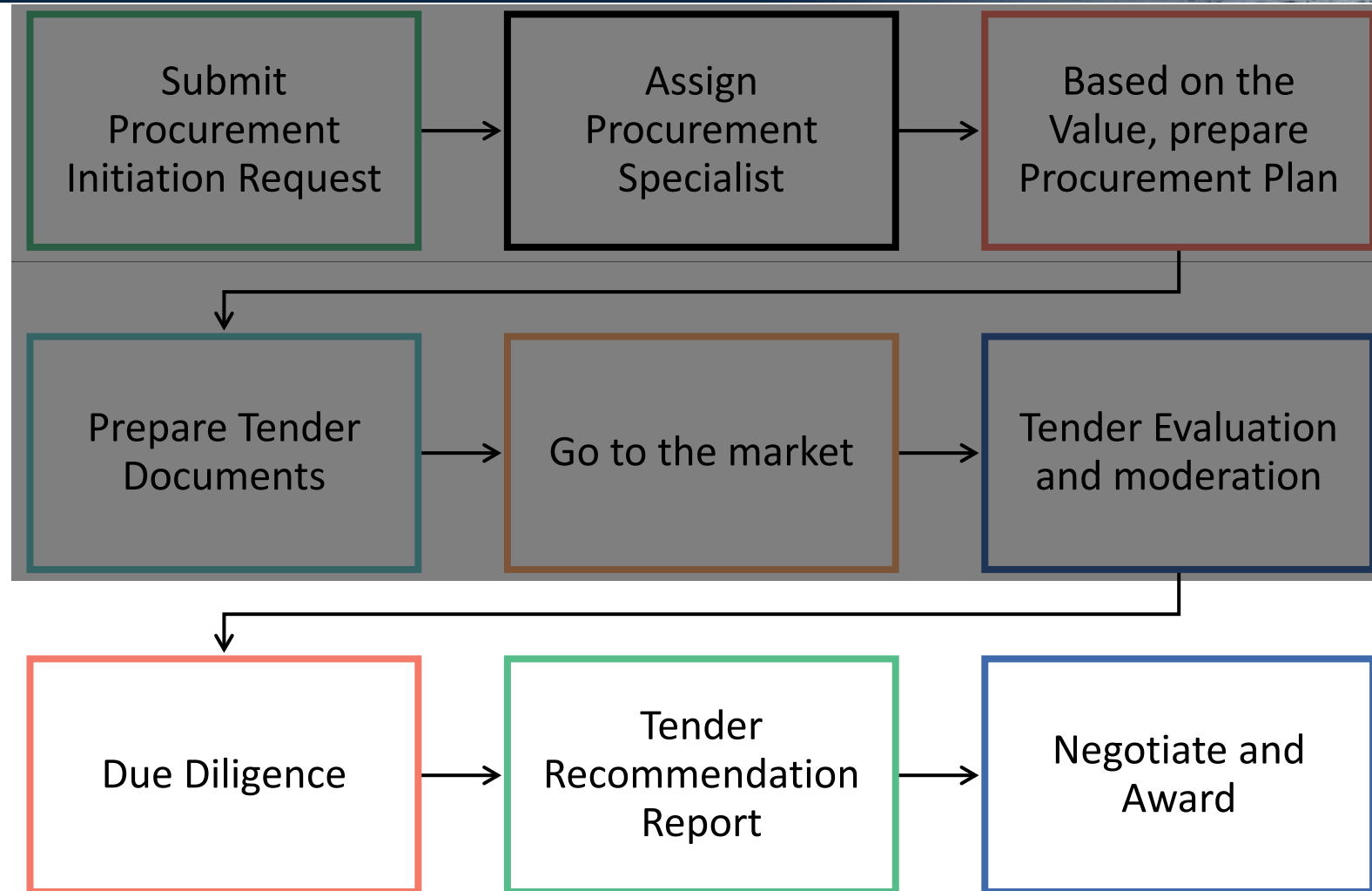
Scenario 1

Scenario 2

Description	Weighting (as per PP)	Scenario 1		Scenario 2	
		Tenderer 1	Tenderer 2	Tenderer 1	Tenderer 2
Non-price	60%	55%	45%	55%	45%
Price	40%	40% (\$ 0.5 m)	36% (\$ 0.55 m)	36% (\$ 0.55 m)	40% (\$ 0.50 m)
Total	100%	95%	81%	91%	85%
Ranking		1	2	1	2



Tendering Process

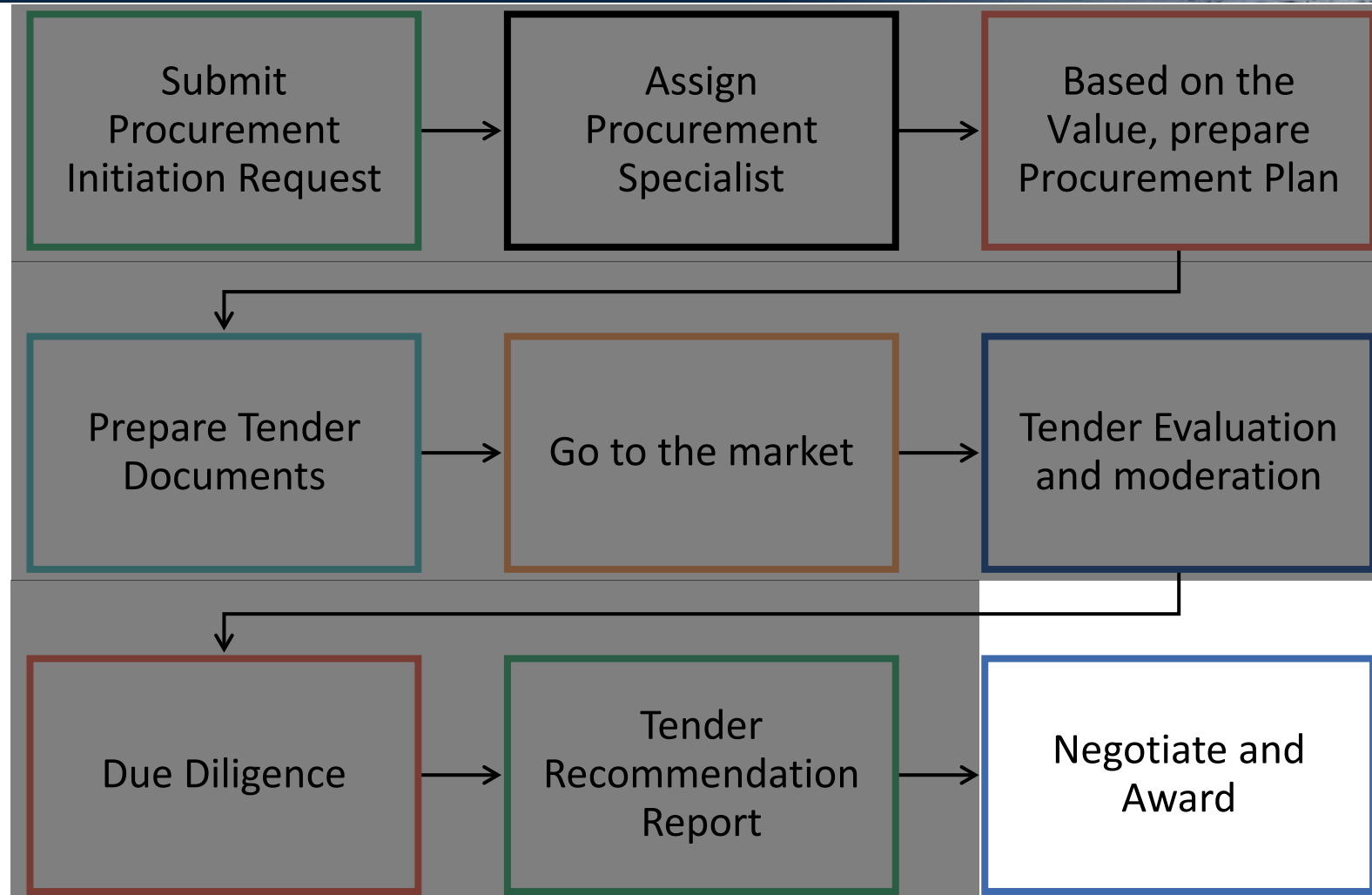


Tender Recommendation Report

- Content of our Tender Recommendation Report
 - Scope/requirement in brief
 - Tender released date
 - Number of tenders we received
 - Tenderer's final tender evaluation scores
 - Rank the tenderers based on the final scores
 - TET's recommended supplier
 - Procurement and Commercial Service management's endorsement and feedback



Tendering Process



Negotiate and Award

- Approve the Tender Recommendation Report and notify the preferred supplier
- Award and execute the Contract Agreement and hand-over to respective PM for delivery
- Notify unsuccessful tenderers of the tender outcome
- Offer debrief sessions to all tenderers



Compliance & Disclosure



- New Zealand Government Procurement Rules
- New Zealand Auditor General Office Requirements and Guidelines
- NPDC Procurement Policy
- NZ Transport Authority (NZTA) Procurement Manual
- Privacy Act 2020
- Local Government Official Information and Meetings Act 1987
- Local Government Act 2002
- Non-Disclosure agreements & Conflict of Interest Management plans



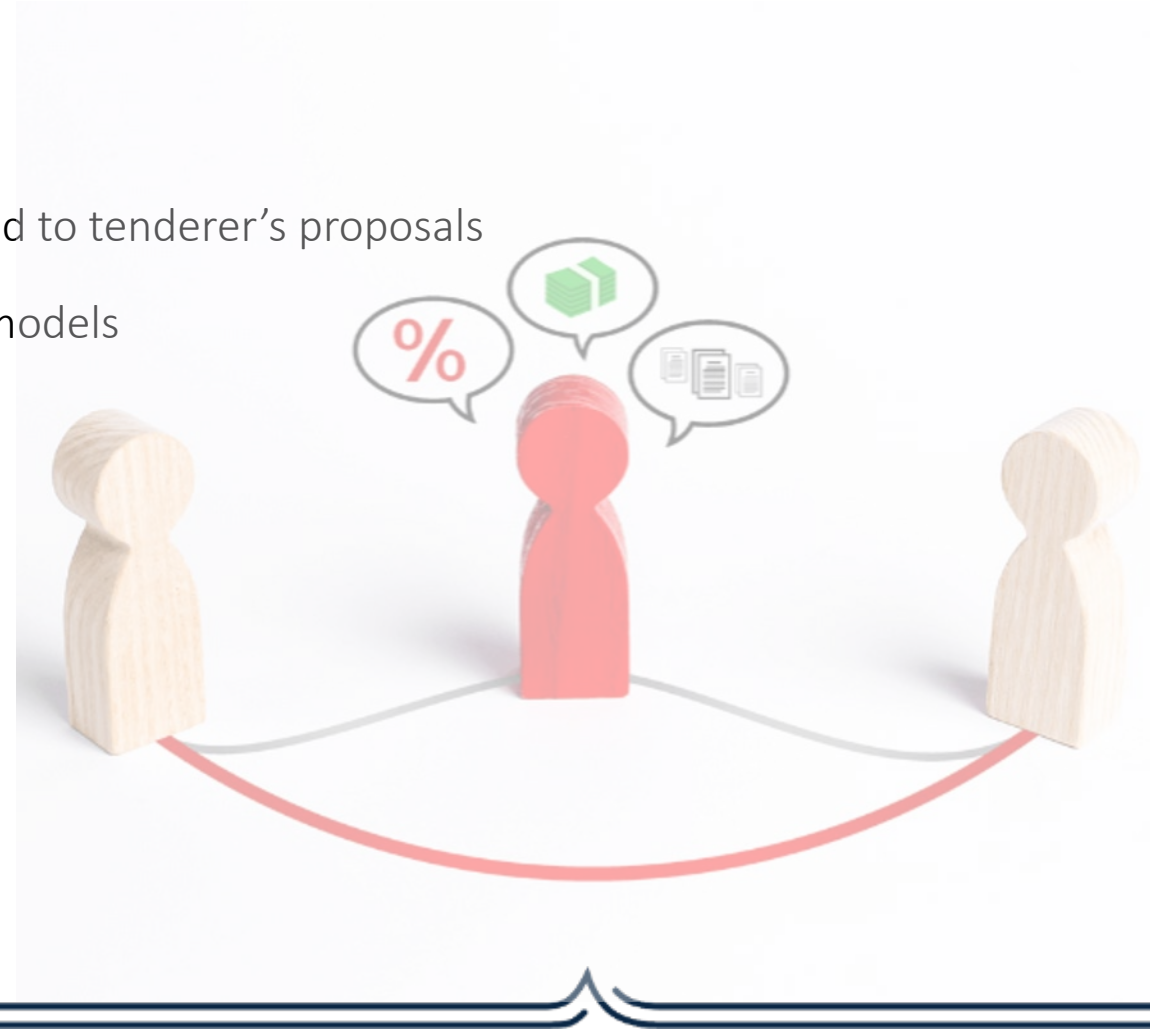
Compliance & Disclosure

- What information can we release to the public about the tendering process after contract award
 - Procurement method used
 - Tender release date and close date
 - Number of bids received
 - Awarded Contract Value or estimated spend (some exemptions)
 - Winning bidder's name
 - Contract award date
 - Contract start date and end/expiry date



Compliance & Disclosure

- What we cannot disclose
 - Unsuccessful tenderer's detailed proposal
 - Methodologies, intellectual property and trade secrets related to tenderer's proposals
 - Detailed pricing build-ups, margins, rates and cost/financial models
 - Internal evaluation notes and moderator comments
 - Price submissions of unsuccessful tenderers
 - Debrief information provided to tenderers
 - Ranking of tenderers



What is the Procurement & Commercial Service Team's Role



- Management and Procurement – Advise and Deliver
 - Translate Council's strategy, budgets and policies into appropriate procurement activity
 - Provide elected members with reliable, balanced and evidence-based advice
 - Protect confidential and commercially sensitive information
 - Design and run fair, transparent and defensible processes
 - Manage conflicts, supplier contact, evaluation and commercial risk
 - Maintain the audit trail and implement approved decisions



What is the Elected Member's Role?

- Different roles, one shared responsibility
- Elected Members – Govern and provide oversight
 - Set Council's strategic direction, priorities, budgets and procurement policy settings
 - Ask robust questions and seek assurance that the process has been fair, lawful and appropriately managed
 - Declare and appropriately manage any actual, potential or perceived conflicts of interest
 - Respect confidentiality and any restrictions applying to public-excluded or commercially sensitive information
 - Avoid directing operational procurement activity or engaging with tenderers about a live process



Upcoming Procurement Policy



Upcoming Procurement Policy

Procurement Strategy June 2025



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Achieve value-for-money outcomes while supporting local economic growth, sustainability, and cultural values

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Effectively

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Procurement Policy



Managing Spend Effectively

Procurement Value Thresholds by Total Estimated Contract Value (TECV)			
TECV	Procurement Plan	Market Approach	Evaluation/ Recommendation Report
Up to \$10,000	Not mandatory	- Direct purchase - No formal procedures but officers to ensure price reasonableness and that prices do not exceed current market rates	Not mandatory
More than \$10,000 up to \$25,000		Open or Closed Competitive Process with at least 2 written quotes to confirm price reasonableness	
More than \$25,000 up to \$100,000		Open or Closed Competitive Process with at least 3 written/email quotes to confirm price reasonableness	Selection rationale to be recorded
More than \$100,000 up to \$2,000,000	Procurement Plan mandatory	Open competitive Request for Quote (RFQ)/ Request for Proposal (RFP)/ Request for Tender (RFT)	Recommendation Report mandatory
More than \$2,000,000	Detailed/Extensive Procurement Plan mandatory	Open competitive RFQ/RFP/RFT	



Local Prosperity



- Procurement Strategy defines Local Business as
 - Has a physical presence within the geographical boundaries of the Council's jurisdiction
 - Employs local residents, contributing to local job creation and economic stability
 - Pays rates, supporting the community's infrastructure and services
- How is the impact on the local economy evaluated?
 - **Economic Benefits (Broader outcome)**
 - Non-price attributes
 - Price



Local Prosperity – Impact on Local Economy

- Specific details on how you will support employment in the New Plymouth District
- Specific details on how you support small businesses, local businesses, social enterprises, female owned businesses, Māori or Pasifika owned businesses through your supply-chain
- Specific details on providing work opportunities for youth through internships, apprenticeships, graduate schemes, placement opportunities including, youth groups and mentoring
- Specific details on charitable support
- Specific details on any investments you have or will make to the New Plymouth District that supports the sustainability and growth of our local economy



Local Prosperity – Local Economy Evaluation

- How is the impact on the local economy evaluated?
 - Economic Benefits
 - Non-price attributes
 - Price

Description	Weighting
Non-price attributes	XX %
Price Attributes	XX %
Economic Benefit	XX%
Total	100%



Local Economy Evaluation

Scenario 1

Scenario 2

Description	Weighting	Tenderer 1	Tenderer 2	Tenderer 1	Tenderer 2
Non-price	60%	55%	45%	55%	45%
Price	40%	40% (\$ 0.5 m)	36% (\$ 0.55 m)	36% (\$ 0.55 m)	40% (\$ 0.50 m)
Total	100%	95%	81%	91%	85%
Ranking		1	2	1	2



Local Economy Evaluation

Scenario 1

Description	Weighting	Tenderer 1	Tenderer 2
Non-price	60%	50%	50%
Price	40%	40% (\$ 0.5 m)	36% (\$ 0.55 m)
Total	100%	90%	86%
Ranking		1	2



Local Economy Evaluation

Scenario 1

Scenario 2

Description	Weighting	Tenderer 1	Tenderer 2	Tenderer 1	Tenderer 2
Non-price	55%	50%	50%	50%	50%
Price	35%	35% (\$ 0.5 m)	32% (\$ 0.55 m)	29% (\$ 0.60 m)	35% (\$ 0.50 m)
Economic Benefit	10%	10%	0%	10%	0%
Total	100%	95%	82%	89%	85%
Ranking		1	2	1	2

Environmental Impact



- Link to Council's adopted Environmental Sustainability Policy
 - Reduce, reuse and recycle resources
 - Mitigate and adapt to climate change
 - Protect and increase natural biodiversity
 - Sustainable transport and travel



Social Impact, Cultural Identity and Inclusivity

- Publish significant tender opportunities publicly to enhance
 - Broaden supplier diversity
 - Enhance Māori participation in the regional economy
- Work with the supplier to ensure they are equipped with appropriate guidance on Māori cultural practices relevant to contracted work
- Experience working with local iwi/hapu considered on relevant tender evaluation



Transparency and Accountability

- Conflict of Interest declaration and management
- Elective members or other governance role's involvement in procurement process
- Sole source, closed tendering and unsolicited proposals



Delivering Compliant Processes and Procedures

- New Zealand Government Procurement Rules as Council's Procurement Rules
- All other applicable legislations and guidelines
- Appropriate contract selection



Supporting Collaborative Procurement Efforts

- Use of All-of-Government (AoG) supplier panels created by MBIE
- Collaborative procurement approaches with other councils
- Knowledge sharing
- Council governed supplier panels
 - Tender once, buy many times approach, where pre-qualified suppliers compete for individual work packages over the life of the panel



Supplier Panels

- Establish a panel through an open market tender process and appoint multiple technically qualified suppliers for a specific discipline (e.g. footpath construction)
- When work is required, issue a request for quote (RFQ) or work package to panel members
- Panel suppliers compete for the work, typically price, availability, methodology and any project-specific requirements
- Award work quickly and efficiently
- Reduces procurement time and administrative effort
- Reduces tendering costs
- Monitor supplier performance regularly
- Manage underperforming suppliers
- Periodically refresh the panel



Well-being and Health and Safety

- Health and Safety pre-qualification is must for all physical work contractors
- Demonstrate compliance with health and safety standards and regulatory requirements
- Emergency procurement



Consideration of Local Businesses in Procurement



Consideration of Local Businesses in Procurement

- There are six (6) questions
- We need your opinion on these six (6) questions related to local businesses consideration in procurement process
- By answering those 6 questions, you **are not making** any decision



Thank you!

Any Questions?

