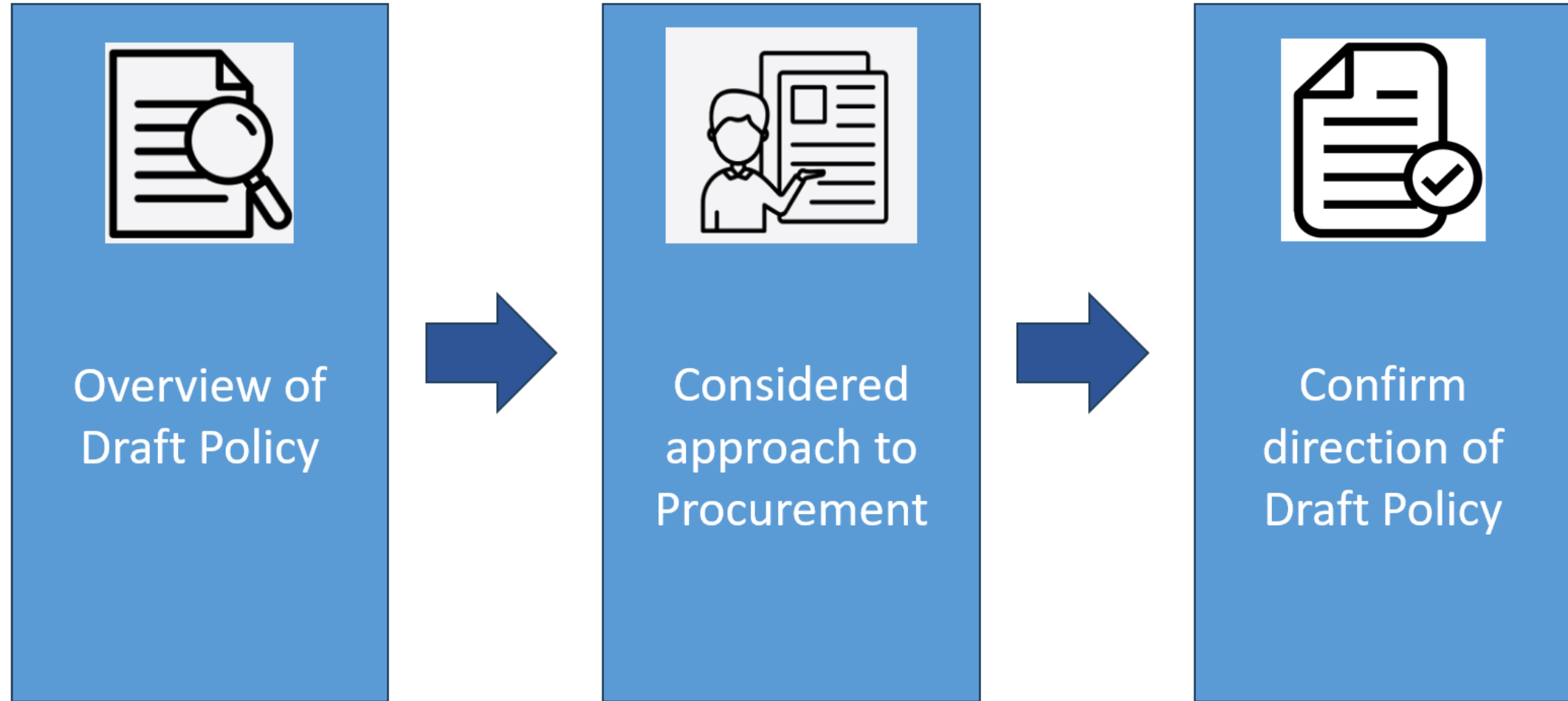


Procurement Policy Review

Workshop August 2025

Workshop Purpose



Overview of Policy Areas for Discussion

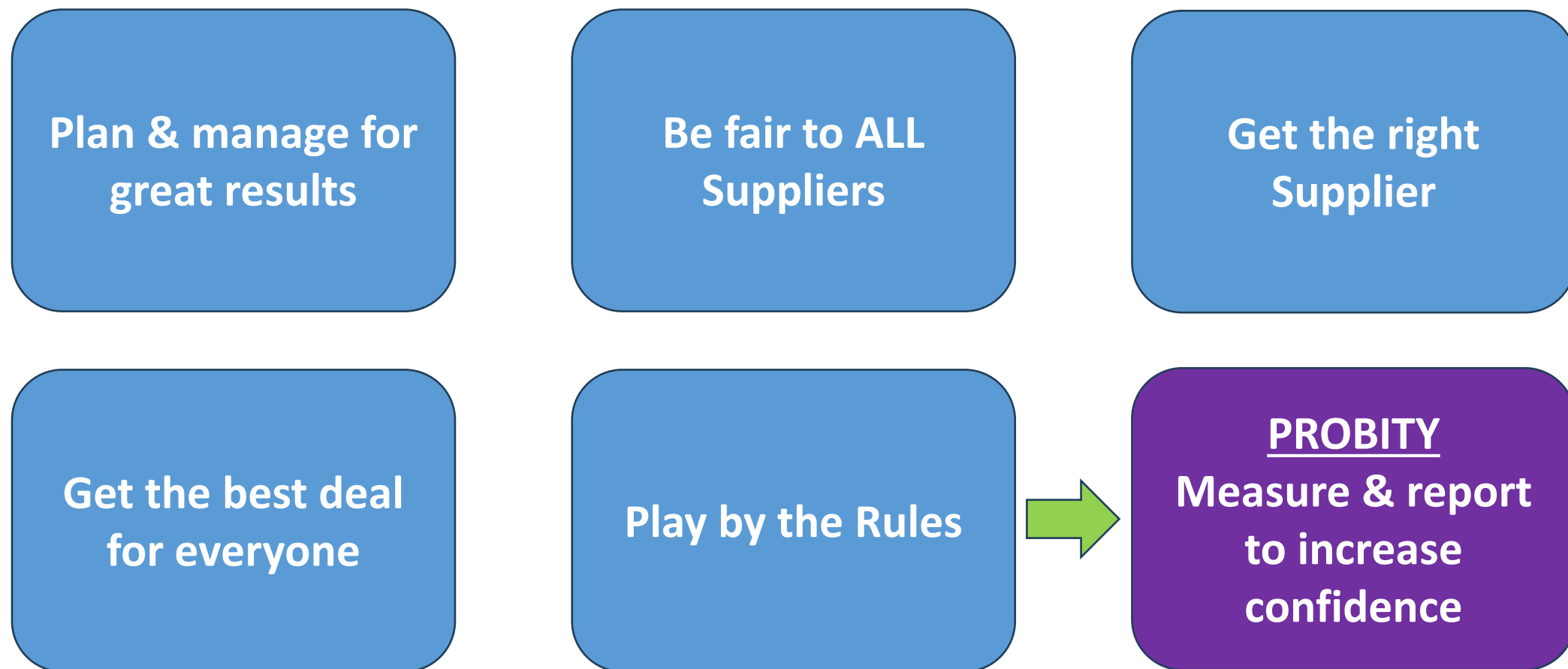
- Application of principles and considerations
 - Discuss how Council would approach outcomes like
 - Local Value
 - Public Value
 - Sustainability
- Expenditure types
 - Discuss Expenditure types
 - Value limits proposed
 - Evaluation Model options

What is a “local” supplier

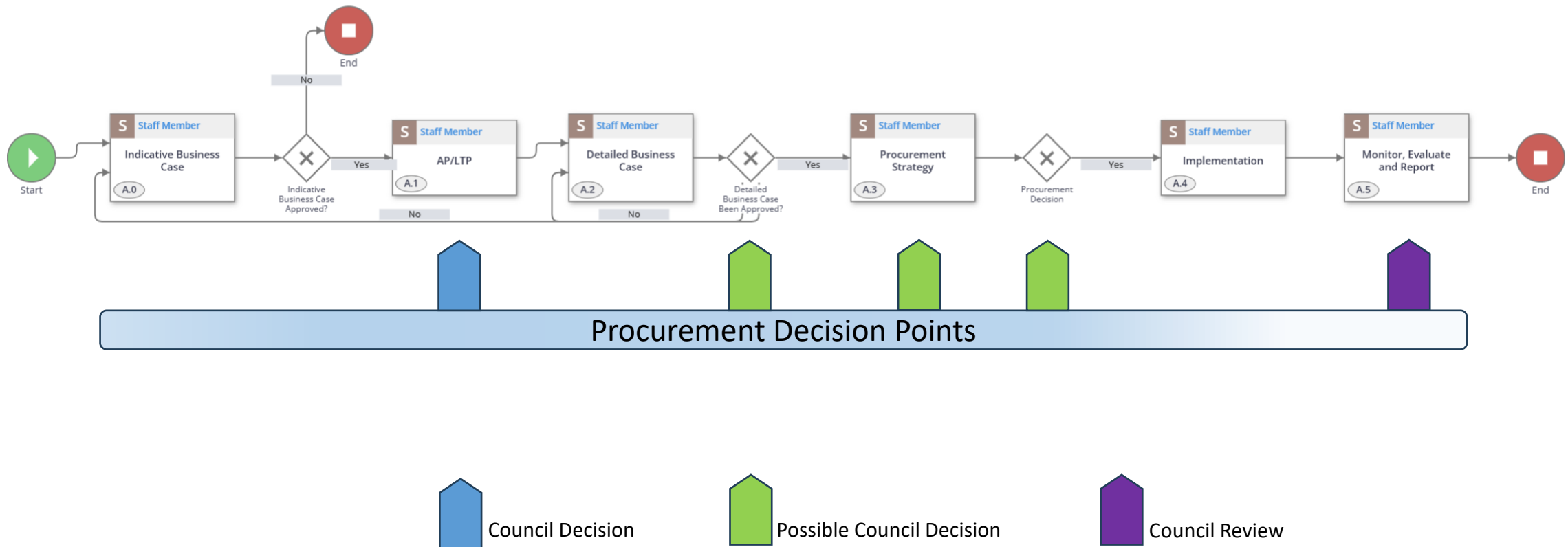
“Local Supplier means a business entity that is owned and operated with premises within Timaru District”



Existing Principles for Government Procurement



Minimum process requirements for new initiative



Procurement Process Overview - Recommendation

Expenditure Type	Procurement Strategy	Formal Contract Type	Evaluation Model	Outcome Focus
Minor Up to \$20,000	<i>Closed procurement process</i> <i>Deal exclusively with local suppliers</i> <i>(if requirements are available locally)</i>	Purchase Order	Lowest Price Conforming	Local Value
Moderate \$20,001 to \$100,000	<i>Open procurement process</i> <i>Local suppliers preferred if price is within 5% of the most competitive price</i>	Short Form Agreement or CCCS Contract	Lowest Price Conforming	Local Value / Public Value
High \$100,001 plus	<i>Open procurement process</i> <i>Evaluation criteria <u>must</u> include a Weighted Attribute addressing local benefit / broader outcomes</i>	NZS3910 / 3916 / 3917	Weighted Attributes	Public Value

Trusting the process

Lowest Price Conforming

Simple Works
Clear and measurable
Low Risk
Lower Value
Competitive Market
Little scope for public
benefit

Weighted Attributes

Complex Works
Innovation / Expertise
High Risk
Higher Value
Multiple Criteria
Balanced decisions

Exceptions

NZTA Procurement
AOG Contracts
Declared Emergencies

Authorised deviations
to policy

Standard Evaluation Criteria – Weighted Attribute - *Examples*

Capability & Capacity

Size, structure and type of organisation
Financial soundness, annual turnover.

Demonstrate clear understanding of the requirements

Relevant Skills

Experienced project team with the specialist technical resources and expertise, with strong linkages to the nominated track record contracts.

C.V.'s generally required

Broader Outcomes

Indications of internal practises that contribute to enhancing the environment, reducing emissions & waste

Evidence of previously achieving positive socially responsible outcomes

Price Attribute

Value

Total Cost of Ownership

Tags and Exemptions

Track Record

Provide examples of similar or relevant completed projects successfully delivered

Evidence of quality awards, industry recognition.

Methodology

Detail how you plan to deliver against milestones

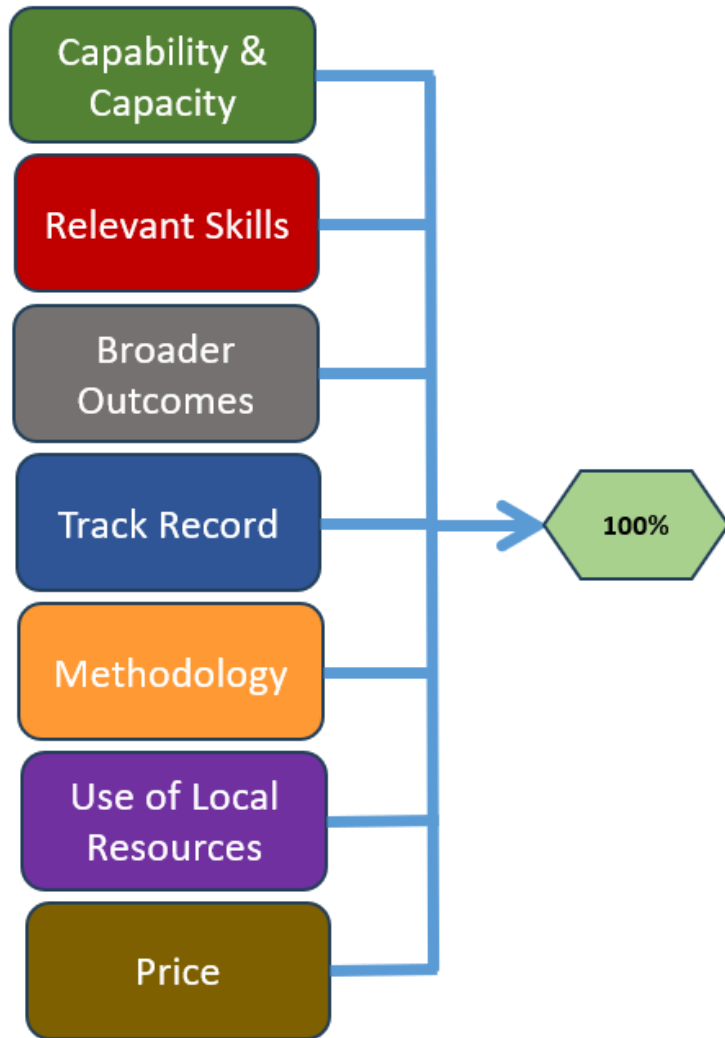
Identify and provide mitigation for key risks

Identify options for beneficial practices

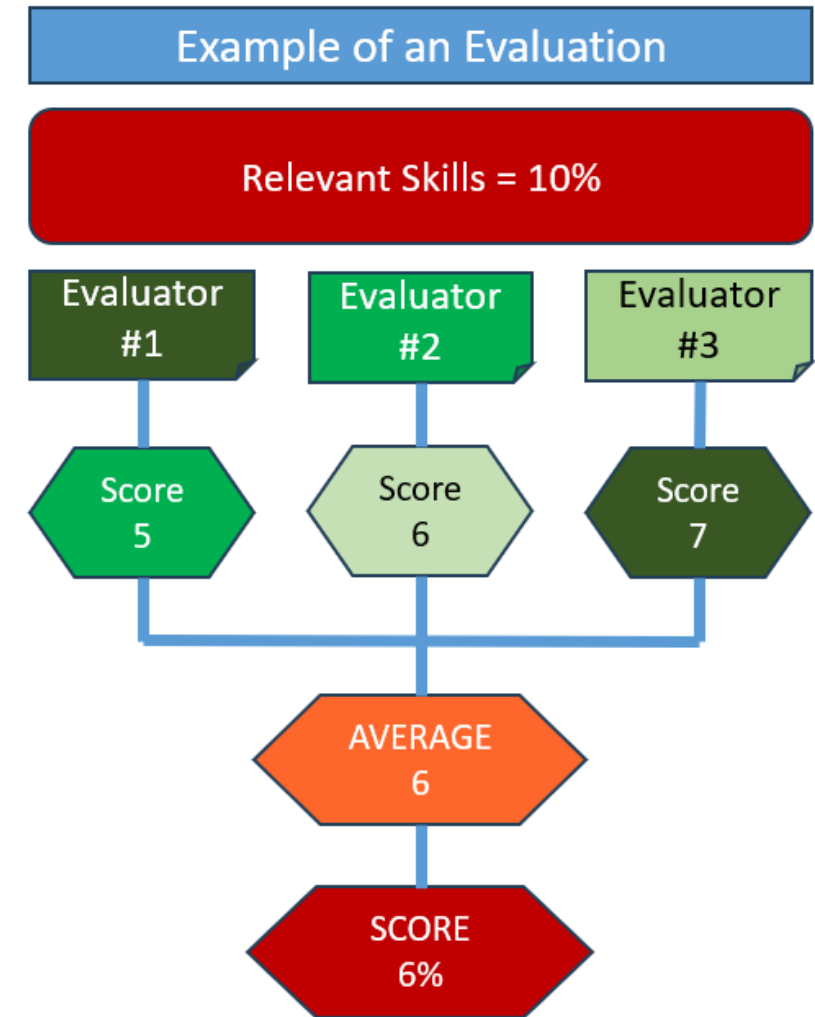
Use of local resources

Explain how you will maximise the use of local materials and resources and the community benefits that your approach and methodology will bring to the project

Evaluation Scoring Scale – Brooks Law



Rating	Score
EXCELLENT Significantly exceeds the criterion	9-10
GOOD Exceeds the criterion in some respects	7-8
ACCEPTABLE Meets the criterion in full, but at a minimal level	5-6
MINOR RESERVATIONS Marginally deficient	3-4
SERIOUS RESERVATIONS Significant issues that need to be addressed	1-2
UNACCEPTABLE Significant issues not capable of being resolved	0



Procurement Policy Review

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