



Procurement Strategy

Total Mobility

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1. Introduction

1.1 Background and context

Greater Wellington Regional Council (GWRC) delivers a customer centric Total Mobility programme that provides subsidised door-to-door transport to people who are unable to use regular public transport because of impairment due to a permanent disability.

This strategy sets out the strategic context for GWRC's Total Mobility procurement, and describes how GWRC will secure best value for money across its Total Mobility related procurement activity whilst delivering a high level customer experience. It is a 'living document' and must be reviewed when material changes occur.

The New Zealand Transport Agency (NZTA) requires GWRC to develop and implement this strategy in order to assist GWRC to comply with the procedures set out in NZTA's Procurement Manual (Manual).

This procurement strategy comprises section 8 of GWRC's Transport Procurement Strategy and gives effect to the GWRC Procurement Strategy.

1.2 Recommendations

GWRC recommends that the NZTA consider and endorse this Total Mobility Procurement Strategy.

2. GWRC's policy context

2.1 Strategic objectives and outcomes

GWRC's specific strategic objectives and outcomes are expressed in a number of documents as outlined below, including the Long Term Plan and Regional Public Transport Plan.

Long Term Plan

GWRC's strategic outcomes are set out in its Long Term Plan 2012-22 (LTP). It expects that all procurement activities will contribute to the achievement of its relevant strategic objectives and community outcomes.

In relation to achieving Greater Wellington connected community outcomes, the LTP states "People are able to move around the region efficiently and our communications networks are effective and accessible."

Regional Public Transport Plan

GWRC's Regional Public Transport Plan 2011-2021 (RPTP) provides a framework for the funding and provision of passenger transport and sets the long term direction for public transport in the region.

The RPTP [...] recognises that some people have specific needs that may be more effectively addressed through access to specialised passenger transport services and/or concession fares. Particular consideration has been given to assisting the transport disadvantaged [...].

GWRC’s main activities in this area include:

- the funding and administration of Total Mobility;
- monitoring Total Mobility to ensure effective and efficient delivery of services;
- contracting transport operators to provide adequate and appropriate Total Mobility services
- contracting assessment agencies to provide high quality eligibility assessments;
- ensuring Total Mobility drivers undergo specialist training to provide appropriate assistance to customers.

Climate Change Strategy

GWRC’s Climate Change Strategy is a non-statutory document that is intended to act as a guide for climate resilience activities across GWRC. It sets out eleven policies that each relate to one of the following three overarching objectives;

- Mitigation
- Adaption
- Engagement and Awareness

In relation to public transport, policy 1.2 states GWRC will “Promote and provide attractive and accessible low emission transport in our own fleet and in future public transport contracts.”

2.2 Objectives and outcomes for this procurement strategy

GWRC has identified the following objectives and outcomes for this procurement strategy:

Objective	Outcome
Improve overall customer experience	Procurement planning is informed by customer and stakeholder feedback to support service development. A continuous improvement approach is evident.
Improve availability of service to customers	Procurement planning takes into account GWRC, community and private vehicle ownership models. Procurement activity takes into account the geographical and vehicle accessibility needs of the customer to ensure service availability and supply meets demand.
Ensure the unique needs of the customer are reflected in the	Procurement planning takes into account, and is informed by, the needs of the customer. <hr/> Technology is used to enhance the customer

service delivery model	experience wherever possible. For example; audible point of sale information for visually impaired customers.
Ensure organisational alignment	Procurement planning reflects GWRC's core values, corporate aims and objectives
Implement efficient and effective processes	Technology is used to reduce the transactional cost and improve the efficiency and effectiveness of all aspects of the procurement process for the approved organisation, its suppliers and contractors.
Ensure a commitment to improved environmental sustainability.	Procurement planning takes into account GWRC's commitment to reducing GHG emissions across all its areas of influence.
Implement effective risk management practices	<p>Ensure that risk is appropriately managed and that all procurement remains legal, ethical and transparent, and embodies GWRC's vision and priorities.</p> <p>Effective performance monitoring and review practices are in place to ensure a continued focus on maintaining the integrity of the Scheme and reducing opportunity for misuse or abuse.</p>
Ensure accountability for actions	Improve the accuracy, availability, appropriateness, accessibility and transparency of procurement-related management information.
Meet established economic and sustainability targets	<p>Reduce the cost of the procurement process and obtain best value for money on all purchased outputs</p> <p>Identify any barriers to competition and the steps required to lower these barriers.</p>
Aggregate contracts and contract management where it is efficient and effective to do so	Take a region-wide approach to new contracts wherever possible.

2.3 What NZTA's procurement requirements mean for GWRC

This procurement strategy gives effect to the GWRC Procurement Strategy and outlines GWRC's long-term strategic approach to the procurement of Total Mobility transport activities. The following describes how GWRC will meet NZTA procurement requirements:

NZTA requirement	What it means for GWRC
Value for money	GWRC is accountable to ratepayers and government funders for how it spends money. GWRC uses resources

	effectively, economically, and without waste, with due regard for the total costs and benefits of an arrangement, and its contribution to the outcomes GWRC is trying to achieve
Whole of life	Whole of life requires taking a long-term view of the total cost attributable to an activity and not simply the initial purchase cost. A whole of life cost assessment will consider the social, environmental and economic impact of the outputs, any on-going maintenance, administrative and operational costs of the asset or service, and any costs associated with its disposal.
Fair competition among suppliers	<p>GWRC prioritises fairness and fair competition in its general procurement strategy: Public entities have a general public law obligation to act fairly and reasonably. GWRC must be, and must be seen to be, impartial in its decision-making.</p> <p>GWRC may also at times need to consider the imbalance of power in some funding arrangements, and whether it is significant enough to require a different approach to the way it conducts the relationship.</p> <hr/> <p>Supplier selection for Total Mobility services shall be conducted under a fair tender process that does not involve a competition between suppliers for the right to supply. Suppliers that meet GWRC criteria for joining will be allowed access to Total Mobility.</p> <hr/> <p>Access to Total Mobility outside of the standard tender timeframe shall only be permitted where a gap in service provision exists and a new supplier offers a service that cannot be met by current suppliers. For example where a particular geographical area is not able to be fully serviced or a shortage of wheelchair accessible service exists.</p>
Smart buyer	Procurement ultimately supports GWRCs business in the delivery of efficient output focused operations through ‘smart buying’ decisions. As a ‘smart buyer’ GWRC will seek to leverage the procurement opportunities that can be obtained through economies of scale and innovation. However this will be balanced with the requirement to maintain a sustainable supplier market, as well as fairness in approach to providing access to interested suppliers.

2.3.1 Ensuring compliance with NZTA’s requirements

As part of its procurement planning, GWRC will consider whether the proposed procurement procedure is consistent with NZTA requirements by:

- ensuring procurement processes maintain value for money outcomes by ensuring that the expected value is delivered and the expected quality is provided;
- where possible, enhancing value for money outcomes through the delivery of a quality service with more value than anticipated
- achieving the best possible outcome for the total cost of ownership (or whole-of-life cost);
- enabling competition that is fair and encourage efficient and effective markets
- weighing up the value of promoting competition in the market and minimising the cost of the procurement process

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3. Procurement Programme 2016-2019

3.1 Total Mobility procurement

Date	Procurement Activity	Procurement approach	Risk	Opportunity
Late 2016	Total Mobility Assessment Agency services	Open supplier selection process using a quality based methodology.	Failure to attract responses from new providers due to perception of no direct financial benefit (what is in it for me).	Reengage with market to extend reach and reduce assessment costs to Total Mobility by contracting organisations that are already engaging with the transport disadvantaged.
Early 2017	Total Mobility transport services	Open supplier selection process using a quality based methodology.	Increased procurement costs proportionate to the low value of the contract.	<p>Re-define eligibility criteria.</p> <hr/> <p>Consider different vehicle ownership and service models.</p> <hr/> <p>Collaborate with community organisations that provide accessible transport services in priority areas.</p> <hr/> <p>Lower barriers to competition.</p>
Mid 2017	Total Mobility wheelchair hoist installation and maintenance	Closed supplier selection process (available to current contracted Transport Operators only) and/or direct appointment based on priority by geographical location and vehicle fleet profile.	Failure to attract responses from suppliers with ability to service priority areas.	Attract current providers into priority areas.

4. Approach

4.1 Delivery models and supplier selection methods

The delivery model and supplier selection methods described below are indicative for carrying out the procurement and the delivery of the Total Mobility procurement activity that maximises the potential for obtaining best value for money. The exact approach may change closer to the time each procurement procedure is set, taking into account any significant changes.

4.2 Total Mobility wheelchair hoist installation and maintenance

4.2.1 Procurement in this area contributes to the RPTP objectives:

- Improved accessibility for communities and groups whose needs are not met by the regular public transport network
- Effective and efficient allocation of public transport funding

Outputs in this area of procurement are well specified therefore a closed supplier selection process is most appropriate (available to current contracted Transport Operators only) and/or direct appointment based on priority by geographical location and vehicle fleet profile.

4.2.2 Procurement in this area aims to maintain and/or increase the number wheelchair accessible vehicles within the Total Mobility scheme.

4.3 Total Mobility transport services

4.3.1 Procurement in this area contributes to RPTP Objective 4:

- Improved accessibility for communities and groups whose needs are not met by the regular public transport network
- Effective and efficient allocation of public transport funding

The scope of future procurement in this area is still to be determined however it is clear that priority areas are:

- Overall customer experience
- Geographical location of services provided
- Vehicle fleet profile, specifically wheelchair accessible vehicles

It is expected that an open supplier selection process using a quality based methodology will be most appropriate.

4.3.2 The small passenger transport supplier market across the Wellington Region is significant in terms of fleet and driver numbers however there remains a gap in the market's ability to meet the unique service demands of some Total Mobility customers, particular those that are wheelchair bound. Pre-conditions for future procurement in this area will include the provision of the full range of Total Mobility services and ability meet a specified ratio of wheelchair

accessible vehicles within the fleet servicing the geographical location of services provided.

- 4.3.3 Procurement in this area presents an opportunity to encourage and embrace new technologies that enhance the overall customer experience. This may include, for example, app-based booking and tracking tools and audible aids for visually impaired customers.

4.4 Total Mobility Assessment Agency services

- 4.4.1 Procurement in this area aligns with RPTP Objective 4:

- Improved accessibility for communities and groups whose needs are not met by the regular public transport network.

This area of procurement provides an opportunity to engage with communities and groups who provide support services to people with disabilities whilst reducing assessment costs for GWRC.

The community and disability support sector is significant across the Wellington Region. The procurement of Total Mobility Assessment Agency services is vital to providing customers with choice and access to agency services at little or no cost.

It is expected that an open supplier selection process using a quality based methodology will be most appropriate.

4.5 Capability and capacity

The organisational chart at Appendix 2 shows key positions in the Public Transport Team. The staff members shown are also supported by other staff.

GWRC has strong in-house capacity to deliver the Total Mobility procurement programme. It evaluates whether it has the level of expertise required to implement the procurement practices and to monitor contractual performance, and when it needs to seek outside support.

Total Mobility procurement is relatively low value, and has been managed well in the past.

4.6 Engagement

GWRC will engage with a range of stakeholders, including customers and community groups, to improve the overall customer experience, service provision and maximise the value for money outcomes of Total Mobility.

The appropriate level of engagement has been determined during the procurement strategy stage and, if necessary, will be reconsidered during the procurement planning stage.

4.7 Internal procurement processes

GWRC has several procurement policies and strategies which provide a framework for procurement decisions. Documents of particular relevance include the Code of Conduct, Contractor Management Policy, and the

Purchasing Policy which reflects the strategic priorities and legislative requirements for purchasing by GWRC staff.

The Tendering Guidelines provide a set of good practice principles however they do not cover procurement for activities funded from NZTA. It is therefore important that this strategy and the processes for procurement set out in the NZTA Procurement Manual, supplement existing policies to ensure all relevant areas are covered.

4.8 Performance measurement and monitoring

Whilst the scope of future procurement in this area is still to be determined, GWRC will measure and monitor the performance of this strategy at the end of each contract to assess whether value for money is being achieved.

4.9 Communications

The strategy will be distributed internally for feedback and comment, a revised draft will be sent to NZTA for endorsement. Following endorsement by NZTA the strategy will be finalised and approved by GWRC's Chief Executive Officer.

The NZTA endorsed strategy will be uploaded to GWRC's website for public information.

The owner of the document will be responsible for ensuring that all feedback is considered and where appropriate incorporated into this strategy.

Appendix 1: Relevant procurement policies and considerations

Policy or Guideline		Procurement consideration
GWRC	Code of Conduct	Gives guidance on issues of particular importance to GWRC and requires staff avoid or manage conflicts of interest.
	Contractor Health and Safety Management Policy	Internal procedures to ensure that GWRC effectively manages health and safety risks that may arise when engaging contractors.
	Delegations Register	A record of the current delegations made to GWRC committees, subcommittees and staff. The Register records both the financial and non-financial delegations of GWRC.
	Purchasing Policy	Sets out the approach to be taken when procuring goods and services.
	Risk Management Policy and Procedure	Sets out the responsibilities for and the process of managing risk.
External	NZTA Procurement Manual	Outlines procurement procedures for land transport procurement activities and includes guidelines and rules to help select the appropriate procedure.
	Government Rules of Sourcing	Represent the government's standards of good practice for the sourcing stages of the procurement lifecycle

Appendix 2: Organisational Chart

