I hereby give notice that an ordinary meeting of the Strategic Procurement Committee will be held on:

**Date:** Wednesday, 3 October 2018  
**Time:** 9.30am  
**Meeting Room:** Room 1, Level 26  
**Venue:** 135 Albert Street  
Auckland

**Komiti Mahi Āta Torotoro Rawa / Strategic Procurement Committee**  
**OPEN AGENDA**

**MEMBERSHIP**

**Chairperson**  
Cr Bill Cashmore

**Deputy Chairperson**  
Cr Ross Clow

**Members**  
Cr Dr Cathy Casey  
Cr Linda Cooper, JP  
Cr Alf Filipaina  
Cr Penny Hulse  
Cr Daniel Newman, JP

**Ex-officio**  
Mayor Hon Phil Goff, CNZM, JP

(Quorum 4 members)

Michelle Judge  
Governance Advisor  
27 September 2018

Contact Telephone: +64211950262  
Email: michelle.judge@aucklandcouncil.govt.nz  
Website: www.aucklandcouncil.govt.nz

**Note:** The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.
Terms of Reference

Responsibilities

The committee is established to assist the chief executive to undertake the management procedure of ensuring sound procurement processes are followed in relation to procurement of goods and services necessary to deliver on the work programme and operations outlined in the council’s adopted Annual plan.

It will ensure that reasonable purchasing procedures have been followed in awarding contracts and will provide an efficient mechanism for documenting the approvals for those contracts.

Within a framework where contracts are an operational matter delegated to the chief executive, this committee will consider all contracts beyond the chief executive’s financial delegations. The chief executive may refer contracts within his financial delegations which are sensitive or may impact on the reputation of the council.

The chief executive has power to award contracts up to $20 million alone and the power to award contracts up to $22.5 million jointly with the mayor and Finance and Performance Committee chair.

The committee will have responsibility for:

- awarding of contracts of $22.5 million or greater
- awarding of contracts less than $22.5 million which are sensitive or may impact on the reputation of the council if the chief executive refers the matter to the committee
- oversight over the procurement processes and procedures.

From time to time the committee may advise the chief executive and council on changes to the procurement and contracts probity procedures.

Powers

All powers necessary to perform the committee’s responsibilities.

Except:

(a) powers that the Governing Body cannot delegate or has retained to itself (section 2)
(b) where the committee’s responsibility is limited to making a recommendation only
(c) the power to establish sub-committees
Exclusion of the public – who needs to leave the meeting

Members of the public

All members of the public must leave the meeting when the public are excluded unless a resolution is passed permitting a person to remain because their knowledge will assist the meeting.

Those who are not members of the public

General principles

- Access to confidential information is managed on a “need to know” basis where access to the information is required in order for a person to perform their role.
- Those who are not members of the meeting (see list below) must leave unless it is necessary for them to remain and hear the debate in order to perform their role.
- Those who need to be present for one confidential item can remain only for that item and must leave the room for any other confidential items.
- In any case of doubt, the ruling of the chairperson is final.

Members of the meeting

- The members of the meeting remain (all Governing Body members if the meeting is a Governing Body meeting; all members of the committee if the meeting is a committee meeting).
- However, standing orders require that a councillor who has a pecuniary conflict of interest leave the room.
- All councillors have the right to attend any meeting of a committee and councillors who are not members of a committee may remain, subject to any limitations in standing orders.

Independent Māori Statutory Board

- Members of the Independent Māori Statutory Board who are appointed members of the committee remain.
- Independent Māori Statutory Board members and staff remain if this is necessary in order for them to perform their role.

Staff

- All staff supporting the meeting (administrative, senior management) remain.
- Other staff who need to because of their role may remain.

Local Board members

- Local Board members who need to hear the matter being discussed in order to perform their role may remain. This will usually be if the matter affects, or is relevant to, a particular Local Board area.

Council Controlled Organisations

- Representatives of a Council Controlled Organisation can remain only if required to for discussion of a matter relevant to the Council Controlled Organisation.
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<thead>
<tr>
<th>ITEM</th>
<th>TABLE OF CONTENTS</th>
<th>PAGE</th>
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<td>Apologies</td>
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<td>Information report - 3 October 2018</td>
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<td>9</td>
<td>Update on Financial Year 2019 capex forward work programme</td>
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<td>Westgate multipurpose facility (integrated library and community centre) construction: status update</td>
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<td>Update on category strategy for technical services</td>
<td>23</td>
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<td>12</td>
<td>Consideration of Extraordinary Items</td>
<td>23</td>
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</tbody>
</table>

**PUBLIC EXCLUDED**

| 13   | Procedural Motion to Exclude the Public | 25   |
| 9    | Update on Financial Year 2019 capex forward work programme |
| A.   | 20181003 - Strategic Procurement Committee - update on FY2019 capex work programme - presentation | 25   |
| C1   | CONFIDENTIAL: Westgate multipurpose facility (integrated library and community centre) construction: status update | 25   |
| C2   | CONFIDENTIAL: Update on category strategy for technical services | 26   |
1 Apologies
At the close of the agenda no apologies had been received.

2 Declaration of Interest
Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

3 Confirmation of Minutes
That the Strategic Procurement Committee:
a) confirm the ordinary minutes of its meeting, held on Wednesday, 5 September 2018, including the confidential section, as a true and correct record.

4 Petitions
At the close of the agenda no requests to present petitions had been received.

5 Public Input
Standing Order 7.7 provides for Public Input. Applications to speak must be made to the Governance Advisor, in writing, no later than one (1) clear working day prior to the meeting and must include the subject matter. The meeting Chairperson has the discretion to decline any application that does not meet the requirements of Standing Orders. A maximum of thirty (30) minutes is allocated to the period for public input with five (5) minutes speaking time for each speaker.

At the close of the agenda no requests for public input had been received.

6 Local Board Input
Standing Order 6.2 provides for Local Board Input. The Chairperson (or nominee of that Chairperson) is entitled to speak for up to five (5) minutes during this time. The Chairperson of the Local Board (or nominee of that Chairperson) shall wherever practical, give one (1) day’s notice of their wish to speak. The meeting Chairperson has the discretion to decline any application that does not meet the requirements of Standing Orders.

This right is in addition to the right under Standing Order 6.1 to speak to matters on the agenda.

At the close of the agenda no requests for local board input had been received.
7 Extraordinary Business

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“An item that is not on the agenda for a meeting may be dealt with at that meeting if-

(a) The local authority by resolution so decides; and

(b) The presiding member explains at the meeting, at a time when it is open to the public,-

   (i) The reason why the item is not on the agenda; and

   (ii) The reason why the discussion of the item cannot be delayed until a subsequent meeting.”

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

(a) That item may be discussed at that meeting if-

   (i) That item is a minor matter relating to the general business of the local authority; and

   (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but

(b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”
Te take mō te pūrongo / Purpose of the report
1. To note progress on the forward work programme (Attachment A).

Whakarāpopototanga matua / Executive summary
2. This is the regular information-only report which aims to provide public visibility of information circulated to committee members via memo or other means, where no decisions are required.
3. Note that, unlike an agenda decision report, staff will not be present to answer questions about these items referred to in this summary.

Ngā tūtohunga / Recommendation/s
That the Strategic Procurement Committee:
  a) receive the information report – 3 October 2018.

Ngā tāpirihanga / Attachments

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Page</th>
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<tbody>
<tr>
<td>A</td>
<td>Strategic Procurement Committee Forward Work Programme - 20181003</td>
<td>11</td>
</tr>
</tbody>
</table>

Ngā kaihaina / Signatories

<table>
<thead>
<tr>
<th>Author</th>
<th>Michelle Judge - Governance Advisor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authoriser</td>
<td>Jazz Singh - General Manager Procurement</td>
</tr>
</tbody>
</table>
## STRATEGIC PROCUREMENT COMMITTEE FORWARD WORK PROGRAMME FY2019

This committee deals with ensuring sound procurement processes are followed in order to deliver on the work programme and operations outlined in council’s adopted Annual Plan. It has responsibility for awarding contracts of $22.5 million or greater, awarding sensitive contracts and oversight of procurement strategies, processes and procedures.

### Priorities for 2018 will be on initiatives which:

1. **Delivery on Annual Plan Outcomes**
2. **Review delivery of Capital Projects**
3. **Endorse Procurement Category Strategies**
4. **Enhance Group Sourced Procurement**
5. **Improve Procurement Maturity**

The work of the Committee will:

- Approve award of contracts and variations within the Committee’s delegations.
- Monitor the delivery programme of major capital projects and recommend reporting to Finance and Performance Committee.
- Endorse procurement strategies and process improvements related to the Committee’s responsibilities.
- Monitor progress and make recommendations on group sourced procurement activities.

### 1. Delivery on Annual Plan outcomes (Contracts to be awarded)

<table>
<thead>
<tr>
<th>Priority #</th>
<th>Area of work</th>
<th>Reason for work</th>
<th>Strategic Procurement Committee role (decision or direction)</th>
<th>Budget / Funding</th>
<th>Expected timeframes Highlight financial year quarter and state month if known</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>City Centre Development</td>
<td>Provide an update on the strategy for procurement of city centre development programme and pipeline of forward works</td>
<td>Receive: progress update</td>
<td>$370m (total council family spend)</td>
<td>Q2 Nov 18</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Progress to date:</strong> Update received at the 13 December 2017 meeting Resolution number STR/2017/59 - Item C4</td>
<td></td>
<td>Q2 Jan-Mar</td>
</tr>
<tr>
<td>1.2</td>
<td>Ports of Auckland stormwater project</td>
<td>Approve awarding of contract to successful supplier for Ports of Auckland stormwater project</td>
<td>Decision: Approve awarding of contract</td>
<td></td>
<td>Q2 Nov 18</td>
</tr>
<tr>
<td>1.3</td>
<td>Strategic procurement plan for waste services</td>
<td>To approve a strategic plan for procurement of waste services over the next five years.</td>
<td>Decision: Agree procurement plan</td>
<td></td>
<td>Q2 Dec 18</td>
</tr>
<tr>
<td>1.4</td>
<td>St Merys Bay Outfall construction contract</td>
<td>Approve supplier recommendation report</td>
<td>Decision: Approve awarding contract</td>
<td></td>
<td>Q2 Dec 18</td>
</tr>
<tr>
<td>1.5</td>
<td>America’s Cup 36 progress update</td>
<td>Provide an update on the awarding of the Project Alliance Agreement for the construction of infrastructure needed to host the 36th America’s Cup</td>
<td>Receive: progress update</td>
<td>$212m</td>
<td>Q2</td>
</tr>
<tr>
<td>1.6</td>
<td>Organics (Food Waste) Processing, caddies and food waste bins</td>
<td>Award contract for food waste process services, caddies and bins</td>
<td><strong>Progress to date:</strong></td>
<td></td>
<td>Q4</td>
</tr>
</tbody>
</table>

**Decision** taken to approve the contract award for food waste process services, caddies and bins at 11 July 2018 meeting Resolution number STR/2018/37 – Item C2. Next update will be considered in Q4.
2. Review delivery of Capital Projects

<table>
<thead>
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</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Forward Work Programme (Pipeline)</td>
<td>Elected member oversight of pipeline of activity for capital works delivery forward work programme</td>
<td><strong>Progress to date:</strong> Update received at 11 June 2018 meeting – Resolution number STR/2018/25 – Item 10 Receive: no decision required</td>
<td>Q2</td>
<td>Oct 18</td>
</tr>
<tr>
<td>2.2</td>
<td>Westgate multipurpose facility (integrated library and community centre) construction</td>
<td>Elected member oversight of progress of Westgate multipurpose facility</td>
<td><strong>Progress to date:</strong> Update received at the 7 March 2018 meeting Resolution number STR/2018/11- Item C2. Update received at 11 June 2018 meeting Resolution number STR/2018/34- Item C3 Update received at 8 August 2018 meeting Resolution number STR/2018/38 – Item C1 Update received at 5 September 2018 meeting Resolution number STR/2018/56 – Item C3 Receive: no decision required</td>
<td>Q2</td>
<td>Oct 18</td>
</tr>
<tr>
<td>2.3</td>
<td>Capital Project Delivery</td>
<td>Elected member oversight of progress of Major Projects</td>
<td><strong>Progress to date:</strong> Update received at 6 September 2017 meeting Resolution number STR/2017/37 - Item C2. Update received at 13 December 2017 meeting Resolution number STR/2017/61 - Item C6. Update received at 7 March 2018 meeting Resolution number STR/2018/11- Item C2. Update received at 11 June 2018 meeting Resolution number STR/2018/32 – Item C1 Update received at 5 September 2018 meeting Resolution number STR/2018/54 – Item C1 Receive: no decision required</td>
<td>Q2</td>
<td>Nov 18</td>
</tr>
</tbody>
</table>
### 3. Endorse Procurement Category Strategies

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>3.1</td>
<td>Professional Technical Services</td>
<td>Implementation of professional technical services category</td>
<td>Receive: No decision required – update from approved strategy by T&amp;O 2016</td>
<td></td>
<td>Q2 Oct 18</td>
</tr>
<tr>
<td>3.2</td>
<td>ICT Technology Services</td>
<td>Create a plan for engaging the market to purchase Technology Services – Cloud, Data Centre Services, Print, Network.</td>
<td>Receive: No decision required</td>
<td></td>
<td>Q2 Nov 18</td>
</tr>
<tr>
<td>3.3</td>
<td>Professional Services</td>
<td>Create a plan to go to market and manage professional services across Auckland Council.</td>
<td>Receive: No decision required</td>
<td></td>
<td>Q2 Nov 18</td>
</tr>
</tbody>
</table>

### 4. Enhance Group Sourced Procurement

<table>
<thead>
<tr>
<th>Priority #</th>
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<th>Reason for work</th>
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<th>Expected timeframes highlight financial year quarter and state month if known</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Fleet Optimisation Update</td>
<td>Keep Committee informed on progress of Fleet changes</td>
<td><strong>Progress to date:</strong></td>
<td></td>
<td>Q2 Nov 2018</td>
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<td></td>
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<td>Update received at the 7 March 2018 meeting - Resolution number STR/2018/5 – <a href="#">Item 10</a>.</td>
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<td>Update received at the 11 July 2018 meeting – Resolution number STR/2018/39 – <a href="#">Item 5</a>.</td>
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<td></td>
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<td></td>
<td>Decision: approve business plan</td>
<td></td>
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</tr>
<tr>
<td>4.2</td>
<td>Group Sourced Procurement update</td>
<td>Keep Committee informed on progress against Group Sourced Procurement objectives</td>
<td><strong>Progress to date:</strong></td>
<td></td>
<td>Q2</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>Update provided at the October 2017 meeting Resolution number STR/2017/4 – <a href="#">Item 11</a>.</td>
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<td></td>
<td>Update received at the meeting on 7 March 2018 Resolution number STR/2018/4 – <a href="#">Item 9</a>.</td>
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<td></td>
<td>Update received at the meeting on 8 August 2018 Resolution number STR/2018/42 – <a href="#">Item 9</a>.</td>
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<td></td>
<td></td>
<td></td>
<td>Receive: No decision required</td>
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</table>

### 5. Improve Procurement Maturity

<table>
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<tr>
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</tr>
</thead>
</table>

See completed section below
### Completed

#### 1. Delivery on Annual Plan outcomes (Contracts awarded)

<table>
<thead>
<tr>
<th>Priority #</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Refuse Collections</td>
<td>Change from collection of bags to Bins for Waitakere and North Shore. Part of aligning refuse collection services across the region</td>
<td><strong>Decision:</strong> Agree to extend current contract with Veolia for a further 2 years – 6 September 2017 – Resolution STR/2017/36 – Item C3</td>
</tr>
<tr>
<td>1.2</td>
<td>Electricity Procurement</td>
<td>Approve Procurement Plan for Electricity procurement</td>
<td><strong>Update</strong> provided at the October 2017 meeting Resolution number STR/2017/47 - Item C3</td>
</tr>
<tr>
<td>1.3</td>
<td>External Legal Services</td>
<td>Council has gone out to market for external legal services. Additional scope may mean the contract value over the term of the engagement will exceed $22.5m</td>
<td><strong>Decision:</strong> Agree to contract awards for 2 years. 13 December 2017 meeting, Resolution Number STR/2017/57 – Item C2</td>
</tr>
<tr>
<td>1.4</td>
<td>Graffiti Eradication and Enforcement Services</td>
<td>Approve procurement plan for graffiti Eradication and Enforcement Services</td>
<td><strong>Decision:</strong> agree procurement plan- 13 December 2017 meeting, Resolution Number STR/2017/58 – Item C3</td>
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<td></td>
<td><strong>Decision:</strong> approve procurement plan at 2 May 2018 meeting, Resolution number STR/2018/18 – Item 10 and Resolution number STR/2018/20 – Item C1</td>
</tr>
<tr>
<td>1.5</td>
<td>Electricity supply SRR</td>
<td>Approve the supplier recommendation report for electricity supply services</td>
<td><strong>Decision:</strong> agree SRR- 13 December 2017 meeting, Resolution Number STR/2017/56 – Item C1</td>
</tr>
<tr>
<td>1.6</td>
<td>Overflow Planning Services</td>
<td>Approve the procurement plan for overflow planning services to process resource consents</td>
<td><strong>Decision:</strong> taken to approve the procurement plan at 4 April 2018 meeting, Resolution number STR/2018/15 – Item 10 and Resolution number STR/2018/13 – Item C2</td>
</tr>
<tr>
<td>1.7</td>
<td>External Recruitment Supplier</td>
<td>Current All of Government (AoG) contract expires October 2017. New AoG contracts have been negotiated by MBIE. Council will enter into AoG agreements for six months and assess whether they meet our needs.</td>
<td><strong>Decision:</strong> taken to extend AoG agreements at 4 April 2018 meeting, Resolution number STR/2018/14 – Item 9 and Resolution number STR/2018/12 – Item C1</td>
</tr>
<tr>
<td>1.8</td>
<td>Building Consents Regional Overflow Model</td>
<td>Approve the supplier recommendation for the Building Consents Regional Overflow Model</td>
<td><strong>Decision:</strong> procurement plan agreed - 13 December 2017 meeting, Resolution number STR/2017/60 – Item C5</td>
</tr>
<tr>
<td></td>
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<td></td>
<td><strong>Decision:</strong> Supplier recommendation agreed at 11 June 2018 meeting, Resolution number STR/2018/27 – Item 12 and Resolution number STR/2018/33 – Item C2</td>
</tr>
<tr>
<td>1.9</td>
<td>Waiteke Island Waste Services Contracts</td>
<td>Approve a contract extension for Waiteke Island waste services contract</td>
<td><strong>Update</strong> provided at the 11 July 2018 meeting, Resolution number STR/2018/41 – Item 11 and Resolution number STR/2018/36 – Item C1</td>
</tr>
<tr>
<td></td>
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<td></td>
<td><strong>Decision:</strong> Approved contract extension at 11 July 2018 meeting.</td>
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</tbody>
</table>
### 3. Endorse Procurement Category Strategies

<table>
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</table>
| 3.1        | Waste Solutions Procurement Strategy      | Create plan for go to market exercise for all waste collection (including food waste) and disposal activity prior to 2020 | Update provided at the October 2017 meeting Resolution number STR/2017/40 - [Item 9](#)  
**Decision:** Confirm strategy/challenge |
| 3.2        | Organics (food waste) Processing caddies and food waste bins | Create plan for go to market exercise for all aspects of the planned Organic (food waste) collection and Processing Service together with the caddies and bins required for collection. | Update provided at the October 2017 meeting Resolution number STR/2017/40 - [Item 9](#) and Resolution number STR/2017/45 – [Item C1](#)  
Update received at 11 July 2018 meeting Resolution number STR/2018/40 - [Item 10](#) and Resolution number STR/2018/43 – [Item C1](#) |
| 3.3        | ICT hardware                              | Create a plan for engaging the market to purchase ICT Hardware.                  | Update received at 7 March 2018 meeting – Resolution number STR/2018/7 – [Item 12](#) and Resolution number STR/2018/10 – [Item C1](#)  
**Receive:** No decision required |
| 3.4        | ICT Software                              | Create a plan for engaging the market to purchase Software.                     | Update received at 11 June 2018 meeting – Resolution number STR/2018/24 – [Item 9](#)  
**Decision:** agree to endorse the Software Procurement Category Strategy |
| 3.5        | Vertical Construction Category Strategy   | Development of the overall strategy for vertical construction and building       | Update received at 11 June 2018 meeting – Resolution number STR/2018/29 – [Item 14](#) and Resolution number STR/2018/34 – [Item C4](#)  
**Decision:** endorse the vertical construction procurement category strategy |

### 4. Enhance Group Sourced Procurement

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</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Sustainable Procurement Framework</td>
<td>Give effect to principles to be agreed in Group Procurement Policy</td>
<td>Update provided at the December 2017 meeting, Resolution number STR/2017/53 <a href="#">Item 9</a></td>
</tr>
</tbody>
</table>

### 5. Improve Procurement Maturity

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>5.1</td>
<td>Ariba update</td>
<td>Update Committee on implementation of procurement enabling technology</td>
<td>Update provided at the October 2017 meeting Resolution number STR/2017/4 – <a href="#">Item 11</a></td>
</tr>
</tbody>
</table>

### 6. Other

<table>
<thead>
<tr>
<th>Priority #</th>
<th>Area of work</th>
<th>Reason for work</th>
<th>Strategic Procurement Committee role (decision or direction)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1</td>
<td>Update on Waste Solutions contracts</td>
<td>Update the Committee on the current state of all waste contracts prior to the preparation of the Waste Solutions Procurement Strategy</td>
<td>Update provided at the October 2017 meeting Resolution number STR/2017/41 - <a href="#">Item 10</a> and Resolution number STR/2017/46 – <a href="#">Item C2</a></td>
</tr>
<tr>
<td>6.2</td>
<td>Review of Project 17 Contract performance</td>
<td>Update the Committee on the performance of suppliers against key performance metrics under the Project 17 Full Facilities Maintenance contracts</td>
<td><strong>Receive:</strong> No decision required. Update provided at May 2018 meeting, Resolution number STR/2018/21 – <a href="#">Item C2</a></td>
</tr>
</tbody>
</table>
Te take mō te pūrongo / Purpose of the report
1. To provide the Strategic Procurement Committee with an update of the forward work programme of currently agreed capital projects to be delivered in Financial Year 2019 (FY2019).

Whakarāpopototanga matua / Executive summary
2. This report provides a forward work programme update on all currently agreed capital projects scheduled to be delivered in FY2019.
3. The information for this report has been consolidated from the following departments:
   - Community Facilities
   - Healthy Waters
   - Development Programme Office
   - Panuku
4. The report provides a summary of 1,596 projects totalling $559 million of expenditure. This includes information on projects currently underway that will incur spend during FY2019, and new projects due to start in FY2019.
5. This includes Community Facilities spend for minor capital expenditure and projects in planning and design stage covering 1,269 projects at a total value of $77 million. Out of these, 217 projects with a value of $19 million may be undertaken by the full facilities & maintenance contractors, depending on expertise and capacity.
6. The project information has been provided by departments from different sources of information and as a result there is some inconsistency in the project information provided. This reporting will improve over time.
7. This report provides a summary of spend and some insight to the project details made available. Further work is required to provide consistency of reporting across all departments. Procurement and key spend business teams are working closely to identify strategic market approach opportunities.
8. Staff will update the forward work programme and will provide an update of the report to the Strategic Procurement Committee on a quarterly basis.
9. Targeted rates, especially in the Healthy Waters programme, added additional projects to the current programme of activity.
10. Council intends to make the FY2019 capital projects forward works programme publicly available to suppliers.

Ngā tūtohunga / Recommendation/s
That the Strategic Procurement Committee:
   a) note the forward work programme update of currently agreed capital projects to be delivered in Financial Year 2019.
Horopaki / Context

11. As part of the council budgeting and planning process, all capital projects are entered into the council’s Sentient project management system. This information has been used to provide the summary of the FY2019 capital projects forward work programme.

12. This report was originally requested by the Strategic Procurement committee to provide transparency and visibility of capital projects to be delivered or commenced in FY2019.

13. Project information was supplied by the following departments to create the summary report:
   - Community Facilities
   - Healthy Waters
   - Development Programme Office
   - Panuku

14. The report provides a summary of 1,596 projects totalling $559 million of expenditure. This includes information on projects currently underway that will incur spend during FY2019 and new projects due to start in FY2019.

15. This includes Community Facilities spend for minor capital expenditure projects in planning and design stage covering 1,269 projects at a total value of $77 million. Of these 217 projects with a value of $19 million is under $300,000 in value (per project) and may be undertaken via the full facilities and maintenance contractors, depending on expertise and capacity.

16. The project information has been provided by departments from different sources of information and as a result there is some inconsistency in the project information provided to enable the development of a cross-departmental forward work programme. This functionality will be developed by procurement in collaboration with the Operations division.

17. An update of the forward work programme report will be provided to the Strategic Procurement Committee on a quarterly basis.

18. This report provides a summary of spend and some insight to the project details made available. Further work is required to provide consistency of reporting across all departments and to also better understand when procurement support will be required for the projects.

19. There is an intention is to make the FY19 capital projects forward works programme available to the public and suppliers via the council’s website and other mechanisms, such as supplier briefings.

20. With the forward work programme being generated from Sentient, an appropriate link can be developed with the quarterly update reporting of over $5 million projects provided by the Strategic Portfolio and Programme Office.

Tātaritanga me ngā tohutohu / Analysis and advice

21. A summary of capital expenditure forward work programme activity is provided in this report. However, should committee members require additional clarification or details, council staff will seek to provide additional details and clarification in a timely manner.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views

22. Sentient reporting provides a full breakdown of projects by local board area. This is relevant to Community Facilities projects. Further work is required to include these details on other department projects.
**Tauākī whakaaweawe Māori / Māori impact statement**

23. Māori were consulted on the development of all projects that form the Forward Work Programme.

24. Consultation with mana whenua has taken place, recognizing the importance of water quality issue through various Healthy Waters projects.

**Ngā ritenga ā-pūtea / Financial implications**

25. Projects are based on the Long-term plan 2018-2028.

**Ngā raru ūpono / Risks**

26. Community Facilities forward programme is subject to budget allocation at a project level. This will be completed shortly.

27. Projects listed are based on the information available through Sentient and based on the best knowledge of project managers at the time of reporting. Delivery of these projects will also depend on consenting, design readiness to start delivery, property owner consents and stakeholder input. These are monitored at the project level and programme level to ensure programming and prioritisation is done for completion of projects within the estimated timeframes.

28. Some of the capex projects are programmed over multiple years and completion will be in future financial year/s.

**Ngā koringa ā-muri / Next steps**

29. The next updated report will be provided to the Strategic Procurement Committee in quarter three of Financial Year 2019.

**Ngā tāpirihanga / Attachments**

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
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<tbody>
<tr>
<td>A0</td>
<td>20181003 - Strategic Procurement Committee - update on FY2019 capex work programme - presentation - CONFIDENTIAL</td>
<td></td>
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**Ngā kaihaina / Signatories**

<table>
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<tr>
<th>Author</th>
<th>George Joseph - Procurement Manager- Physical Works and Technical Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorisers</td>
<td>Craig Mclroy - General Manager Healthy Waters</td>
</tr>
<tr>
<td></td>
<td>Rod Sheridan - General Manager Community Facilities</td>
</tr>
<tr>
<td></td>
<td>Dean Kimpton - Chief Operating Officer</td>
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<tr>
<td></td>
<td>Jazz Singh - General Manager Procurement</td>
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Westgate multipurpose facility (integrated library and community centre) construction: status update

File No.: CP2018/17782

Te take mō te pūrongo / Purpose of the report
1. To provide a construction status update to the Strategic Procurement Committee on the Westgate multipurpose facility construction contract with Fletcher Construction Company Limited.

Whakarāpopototanga matua / Executive summary
2. Construction of the Westgate multipurpose facility commenced on 6 March 2017, with practical completion on 31 October 2018. The building façade is nearing completion, and the internal fit-out and service work progressing.
3. The contract has incurred delays and costs due to initial pre-commencement works, design documentation changes and extension of time costs.
4. The health and safety performance demonstrated by the contractor is excellent, and quality of construction remains good.
5. Due to its higher-risk profile, the Westgate multipurpose facility construction will provide monthly status updates to the committee.

Ngā tūtohunga / Recommendation/s
That the Strategic Procurement Committee:
   a) note the Westgate multipurpose facility (integrated library and community centre) construction: status update report.
   b) note the information in this report enables transparency on the construction status update for the Westgate multipurpose facility (library and community facilities), due for discussion and approval in the public excluded part of the meeting.

Horopaki / Context
6. The Westgate Multipurpose Facility project was reported to Strategic Procurement Committee on 5 September 2018 in a report and presentation titled “Westgate multipurpose facility (integrated library and community centre) construction”. A report was given in both the open and confidential sections of the agenda.

Tātaritanga me ngā tohutohu / Analysis and advice

Health and safety
7. The contractor’s general attitude to the management of health and safety on site, aside from a previously reported incident, is excellent. This is demonstrated by independent audits undertaken on behalf of council and its own reporting.

Timeline status
8. The due date for practical completion of the main construction contract remains 31 October 2018, no change from the previous report. However, there are currently outstanding extension of time claims which may result in a later contract completion date than currently agreed.
Quality
9. Ongoing quality audits are being conducted by the architect and consulting engineers. Quality of construction audited to date has been of a good standard, and no significant quality issues have been reported.
10. These audits confirm the contractor’s attitude and attention to the management of quality construction practice on site is good.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views
11. Henderson-Massey Local Board has received monthly updates and quarterly reports.

Tauākī whakaaweawe Māori / Māori impact statement
12. Council staff are currently working with local mana whenua around the naming and signage of the facility. The mana whenua involved are Te Kawerau a Maki and Ngāti Whātua O Kaipara.

Ngā ritenga ā-pūtea / Financial implications
13. Contract variations to date are within the contract contingency sum allocated, with some still to be agreed.
14. Variations and claims not yet agreed are subject to recommendation by the quantity surveyor prior to any final agreement. Any agreed variations will seek approval from the committee.

Ngā raru tūpono / Risks
15. Risk management involving identification, mitigation and control is being continually implemented and the risk management plan is operating.
16. While no risks have eventuated over the reporting period the extension of time claim previously reported remains outstanding and the contractor has yet to agree costs related to a high proportion of design clarifications.
17. Some costs associated with these risks have been identified. Staff are working to ensure these are as minimal as possible. Staff are also working to ensure any delays to the contract delivery are minimal.

Ngā koringa ā-muri / Next steps
18. The project governance group will continue to work with the professional services team and the contractor to mitigate and control risks and minimise any additional costs.
19. Monthly status update reports will continue to be provided to the Strategic Procurement Committee for the remainder of the contract.

Ngā tāpirihanga / Attachments
There are no attachments for this report.

Ngā kaihaina / Signatories
<table>
<thead>
<tr>
<th>Author</th>
<th>John Schermbrucker – Head of Project Delivery</th>
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Update on category strategy for technical services

File No.: CP2018/17887

Te take mō te pūrongo / Purpose of the report
1. To provide an update to the Strategic Procurement Committee on the implementation of the category strategy for technical services.

Whakarāpopototanga matua / Executive summary
2. Technical services is one of the top spend categories across the Council group. A category strategy for this category was presented to the Tenders and Procurement Committee in July 2015.
3. Procurement has implemented a number of the strategies identified within the strategy, with a view to procuring these services more efficiently.
4. An update on the implementation of the category strategy for technical services will be presented in the confidential section of the 3 October 2018 Strategic Procurement Committee meeting.

Ngā tūtohunga / Recommendation/s
That the Strategic Procurement Committee:

a) note the information in this report enables transparency around the update report on the category strategy for technical services.

Horopaki / Context
5. Provision of technical services is one of the 5 top category spends across the Council group.
6. In July 2015, Procurement presented a category strategy for professional services (technical) to the Tenders and Procurement Committee. The purpose of the strategy was to increase performance, add value and maximise results through a number of suggested measures.

Tātaritanga me ngā tohutohu / Analysis and advice
7. An update on the implementation of the category strategy for technical services will be presented in the confidential section of the 3 October 2018 Strategic Procurement Committee meeting.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views
8. Local board projects will benefit from implementation of the proposed strategy, through more efficient project delivery.

Tauākī whakaaweawe Māori / Māori impact statement
9. Māori are not directly impacted by the strategy for technical services procurement. However, when developing plans and providing advice, providers of technical services are required to consider the current legislation, which includes the requirements to engage with mana whenua and value Te Ao Māori.
Ngā ritenga ā-pūtea / Financial implications
10. Financial implications will be discussed in the confidential section of the 3 October 2018 Strategic Procurement Committee meeting.

Ngā raru tūpono / Risks
11. Management of risks will be discussed in the confidential section of the 3 October 2018 Strategic Procurement Committee meeting.

Ngā koringa ā-muri / Next steps
12. The proposed next steps will be discussed in the confidential section of the 3 October 2018 Strategic Procurement Committee meeting.

Ngā tāpirihanga / Attachments
There are no attachments for this report.

Ngā kaihaina / Signatories

| Authors                        | Peter Cunningham - Head of Physical Works & Technical Services Procurement  
|                               | Persees Antia - Strategic Procurement Specialist                      |
| Authoriser                    | Jazz Singh - General Manager Procurement                               |
Exclusion of the Public: Local Government Official Information and Meetings Act 1987

That the Strategic Procurement Committee

a) exclude the public from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

9 Update on Financial Year 2019 capex forward work programme - Attachment A - 20181003 - Strategic Procurement Committee - update on FY2019 capex work programme - presentation

<table>
<thead>
<tr>
<th>Reason for passing this resolution in relation to each matter</th>
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<th>Ground(s) under section 48(1) for the passing of this resolution</th>
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<tbody>
<tr>
<td>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</td>
<td>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. In particular, the report contains information that could prejudice council’s position with suppliers.</td>
<td>s48(1)(a)</td>
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C1 CONFIDENTIAL: Westgate multipurpose facility (integrated library and community centre) construction: status update

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## C2 CONFIDENTIAL: Update on category strategy for technical services

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