

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

Date: Tuesday, 8 June 2021
Time: 10.00am
Meeting Room: Room 1, Level 26
Venue: 135 Albert Street
Auckland

Kōmiti Mahi Āta Torotoro Rawa / Strategic Procurement Committee

OPEN AGENDA

MEMBERSHIP

| | |
|---------------------------|--|
| Chairperson | Cr Greg Sayers |
| Deputy Chairperson | Cr John Watson |
| Members | Cr Dr Cathy Casey Deputy Mayor Cr Bill Cashmore Cr Linda Cooper, JP Cr Alf Filipaina Cr Tracy Mulholland |
| Ex-officio | IMSB Member Karen Wilson Mayor Hon Phil Goff, CNZM, JP |

(Quorum 4 members)

Michelle Judge
**Kaitohutohu Mana Whakahaere / Governance
Advisor**

1 June 2021

Contact Telephone: 0211950262
Email: michelle.judge@aucklandcouncil.govt.nz
Website: www.aucklandcouncil.govt.nz

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 chairperson.

The committee has 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 the 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) 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.

| ITEM | TABLE OF CONTENTS | PAGE |
|------------------------|---|-------------|
| 1 | Apologies | 7 |
| 2 | Declaration of Interest | 7 |
| 3 | Confirmation of Minutes | 7 |
| 4 | Petitions | 7 |
| 5 | Public Input | 7 |
| 6 | Local Board Input | 7 |
| 7 | Extraordinary Business | 8 |
| 8 | Summary of Strategic Procurement Committee information memoranda and briefings (including the forward work programme) - 8 June 2021 | 9 |
| 9 | Supplier recommendations for Auckland regional inorganic collection service | 17 |
| 10 | Enhanced tree and vegetation maintenance around electricity network | 25 |
| 11 | Supplier recommendation for legal services contracts | 29 |
| 12 | Consideration of Extraordinary Items | |
| PUBLIC EXCLUDED | | |
| 13 | Procedural Motion to Exclude the Public | 35 |
| C1 | CONFIDENTIAL: Supplier recommendations for Auckland regional inorganic collection service | 35 |
| C2 | CONFIDENTIAL: Enhanced tree and vegetation maintenance around electricity network | 35 |
| C3 | CONFIDENTIAL: Supplier recommendation for legal services contracts | 36 |

1 Apologies

An apology from Mayor P Goff has 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 Tuesday, 13 April 2021, 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.”

Summary of Strategic Procurement Committee information memoranda and briefings (including the forward work programme) - 8 June 2021

File No.: CP2021/04114

Item 8

Te take mō te pūrongo Purpose of the report

1. To note the progress on the forward work programme appended as Attachment A.

Whakarāpopototanga matua Executive summary

3. This is a regular information-only report which aims to provide greater visibility of information circulated to Strategic Procurement Committee members via memoranda/briefings or other means, where no decisions are required.
4. Note that, unlike an agenda report, **staff will not be present to answer questions about the items referred to in this summary.** Strategic Procurement Committee members should direct any questions to the authors.

Ngā tūtohunga Recommendation/s

That the Strategic Procurement Committee:

- a) note the progress on the forward work programme appended as Attachment A of the agenda report.

Ngā tāpirihanga Attachments

| No. | Title | Page |
|---|------------------------|------|
| A  | Forward Work Programme | 11 |

Ngā kaihaina Signatories

| | |
|------------|---|
| Author | Michelle Judge - Kaitohutohu Mana Whakahaere / Governance Advisor |
| Authoriser | Jazz Singh - General Manager Procurement |

Komiti Mahi Āta Torotoro Rawa / Strategic Procurement Committee Forward Work Programme 2021

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.

The full terms of reference can be found here: [Governing Body Terms of Reference](#)

| Area of work and Lead Department | Reason for work | Committee role (decision and/or direction) | Expected timeframes Highlight the month(s) this is expected to come to committee in 2021 | | | | | | | | | | | |
|--|---|---|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
| External Legal Services Legal | To procure external legal services. Current contracts expired in December 2020. | <p>Decision: Approval of extension of current legal contract for legal services.</p> <p>Progress to date: A report was provided in December 2020. (Resolution number STR/2020/24).</p> <p>Decision: Approval of the procurement plan for new external legal contract/services commencing June.</p> <p>Progress to date: A report was provided in February 2021. (Resolution number STR/2021/5).</p> <p>Decision: Approval of the supplier recommendations. A report will be provided in June 2021.</p> | | | | | | | | | | | | |
| Inorganic services contract Waste Solutions | To procure an inorganics service, which is an action in the Waste Management and Minimisation Plan 2018: Working together for Zero Waste. Implementing the waste plan is a legislative requirement under the Waste Minimisation Act 2008. | <p>Decision: Approval of procurement plan for new inorganic contract/services commencing February 2022. Approval of supplier recommendation report.</p> <p>Progress to date: Procurement plan approved for the inorganic collection service, and the six-month extension of the current inorganic collection contracts on 13 October 2020 (Resolution number STR/2020/19).</p> <p>A report will be provided in June 2021.</p> | | | | | | | | | | | | |
| Group Procurement Policy Procurement | To address recommendation 64 of the CCO Review which called for a revision of our Group Procurement Policy to better mandate Group Procurement activity. | <p>Decision: Approval for this policy to be tabled at the Finance and Performance Committee as part of the CCO Review Update.</p> <p>A memo will be provided in June 2021 notifying the Strategic Procurement Committee of the approval.</p> | | | | | | | | | | | | |

Item 8

Attachment A

| Area of work and Lead Department | Reason for work | Committee role (decision and/or direction) | Expected timeframes Highlight the month(s) this is expected to come to committee in 2021 | | | | | | | | | | | | |
|---|--|--|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--|
| | | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | |
| Electricity Network Resilience Tree and Vegetation Maintenance Community Facilities | To procure tree pruning services on trees covering areas around powerlines within the Auckland Council region. | Decision: Approval of procurement plan and strategy to approach market for the ongoing maintenance of tree pruning. A report will be provided in June 2021. Decision: Approval of the supplier recommendations. A report will be provided in August 2021. | | | | | | | | | | | | | |
| Corban Reserve Supplier recommendation Healthy Waters | To procure a contractor to deliver the project to divert stormwater flows from the 78 hectare Waitaro Stream catchment away from the existing culvert under the closed landfill site at Corbans Reserve by installing a new pipeline discharging to Opanuku Stream. The existing culvert under Corban Reserve is currently a high-risk asset due to the infiltration of landfill gas and leachate. | Progress to date: Procurement plan approved to approach the market for a tender to deliver Corban Reserve tunnelling project on 13 April 2021 (Resolution number STR/2021/12). Decision: Approval of the supplier recommendation report. A report will be provided in September 2021. | | | | | | | | | | | | | |
| Healthy Waters Programme Delivery model procurement plan Healthy Waters | With the growing requirements for Healthy Waters asset investments and increased capex budget to be delivered in future financial years, a more efficient and collaborative delivery model is required. Healthy Waters department is pursuing a sustainable and efficient delivery of the programme of capex projects for the next six years and beyond. | Decision: Approval of Procurement Plan and strategy to approach the market for Healthy Waters alternate programme delivery model. A report will be provided in 2021. | | | | | | | | | | | | | |

Completed

| Lead Department | Area of work | Committee Role (decision and/or direction) | Decision |
|------------------------|--|---|---|
| Community Facilities | <p>Full Facilities contract performance update</p> <p>To update the Strategic Procurement Committee on suppliers' performance under Community Facilities' arboriculture services, ecological services, and full facilities maintenance contracts.</p> | To receive the Community Facilities full facilities contracts performance update for Financial Year 19/20. | The update was received in December 2020. (Resolution number STR/2020/26) |
| Community Facilities | <p>Te Whau pathway shovel-ready funding project</p> <p>Environmental outcomes and better transport connectivity through walkways and pathways. Faster project delivery and construction to support multiple community outcomes using the shovel-ready funding.</p> | Approval of procurement plan to approach market for the main project works covered by the shovel-ready funding. | <p>Procurement plan approved.</p> <p>Authority delegated to council's chief executive to execute the procurement plan.</p> <p>Authority delegated to council's chief executive to approve the supplier recommendation report, award of contract and approval of variations.</p> <p>(Resolution number STR/202019)</p> |
| Environmental Services | <p>Biodiversity protection services delivered through the Natural Environment Targeted Rate – Category Strategy</p> <p>This procurement category strategy will support effective implementation of the council's key services related to the natural environment targeted rate work programmes.</p> | Endorsement of procurement category strategy for biosecurity protection services delivered through the Natural Environment Targeted Rate. | The Category Strategy was endorsed. (Resolution number STR/2020/4) |
| Environmental Services | <p>Update on suppliers for the Retrofit Your Home panels</p> <p>To provide an update on the suppliers who were appointed to the Retrofit Your Home panels.</p> | Establishment of supplier panels. | The establishment of the panels was approved. (Resolution number STR/2019/66) |

Completed

Item 8

Attachment A

| Lead Department | Area of work | Committee Role (decision and/or direction) | Decision |
|-----------------|---|---|---|
| Healthy Waters | <p>Healthy Waters Maintenance contracts</p> <p>To provide effective operations and maintenance of the regional stormwater network. This contributes to managing and improving the health of Auckland's harbours and waterways and responding to flooding events. This is council's responsibility under the Regional Stormwater Network Discharge Consent.</p> | <p>Award contracts to recommended suppliers for Healthy Waters operations and maintenance contracts, and the regional maintenance of catchpits and treatment devices.</p> | <p>Procurement plan for operations and maintenance services for: the southern area of the Auckland region; regional maintenance of catchpits; regional maintenance of treatment devices.</p> <p>Overall strategy approved for procuring stormwater operations and maintenance services for the northern and central areas. (Resolution number STR/2019/67)</p> <p>Emergency Committee approved the awarding of the southern and regional maintenance contracts. (Resolution number EME/2020/14)</p> <p>Procurement plan approved for the operations and maintenance contract for the northern and central area of the Auckland region. (Resolution number STR/2020/10)</p> <p>Supplier recommendation report and award of contract approved for northern and central area of the Auckland region. (Resolution number STR/2021/11)</p> |
| Healthy Waters | <p>Update on suppliers for physical works and technical services panels</p> <p>To provide an update on the suppliers who were appointed to the Healthy Waters technical services and physical work panels.</p> | <p>Establishment of supplier panels.</p> | <p>The establishment of the panels was approved. (Resolution number STR/2019/25)</p> |
| Procurement | <p>SAP Licensing Renegotiation</p> <p>To re-negotiate current SAP agreement to better suit council's current and future needs, and to better align with SAP's commercial and technical roadmap.</p> | <p>Approval of contract variation for support and maintenance services for a 5-year period until December 2025.</p> | <p>A report was provided in December 2020. (Resolution number STR/2020/25)</p> |

Completed

| Lead Department | Area of work | Committee Role (decision and/or direction) | Decision |
|-----------------|---|--|---|
| Waste solutions | <p>Award of Waiheke waste services</p> <p>New waste services for Waiheke were procured in 2019 to deliver on the objectives on the Waste Management and Minimisation Plan 2018 and the Tikapa Moana Hauraki Gulf Islands Waste Plan which is an appendix to the overall waste plan. Implementing these plans is a legislative requirement under the Waste Minimisation Act 2008.</p> | <p>Approval of procurement pan to approach the market for the new waste services for Waiheke Island.</p> | <p>Procurement plan approved for Waiheke waste services. (Resolution number STR/2019/3)</p> <p>Supplier recommendations for Waiheke waste services approved. (Resolution number STR/2019/69)</p> <p>A memo was sent in November 2019 to provide an update on the award of Waiheke waste services.</p> |
| Waste Solutions | <p>Extension to inorganic services contracts</p> <p>To allow time for a review of the current inorganics service, which is an action in the Waste Management and Minimisation Plan 2018: Working together for Zero Waste. Implementing the waste plan is a legislative requirement under the Waste Minimisation Act 2008.</p> | <p>To approve a one-year extension/variation with incumbent suppliers for the inorganic collection and inorganic processing contracts.</p> | <p>Procurement plan approved for the inorganic collection service, and the six-month extension of the current inorganic collection contracts. (Resolution number STR/2020/18)</p> |

Supplier recommendations for Auckland regional inorganic collection service

File No.: CP2021/04795

Te take mō te pūrongo

Purpose of the report

1. To provide an update on supplier recommendations for the inorganic collection, warehouse, and distribution services contracts.

Whakarāpopototanga matua

Executive summary

2. Since 2015 Auckland Council has provided an annual, rates funded, on property, inorganic collection for all eligible domestic rateable properties. The two main contracts for the mainland service (excluding the Hauraki Gulf Islands) expire on 30 June 2022.
3. One contract is for the collection of inorganic material from households and for the management of a storage warehouse and is held by Waste Management NZ Limited. The other is for the distribution of recoverable materials and is held by the Zero Waste Network.
4. The current collection methodology uses two vehicles: a box truck that collects reusable and recyclable material and takes these to a storage warehouse; and a compactor truck which takes the remaining materials to landfill.
5. An operational review of the current service in 2019 identified several areas for improvement, including increasing the amount of recoverable material that can be diverted from landfill.
6. A procurement plan for the ongoing service was then approved by the Strategic Procurement Committee on 13 October 2020 (resolution STR/2020/18).
7. Key objectives of the procurement include achieving higher levels of customer satisfaction, increasing diversion of waste from landfill and maintaining or reducing the cost of the service.
8. The procurement approach has involved some changes to the contract structure, for example, splitting the current contract for the whole mainland into two areas: Tahi (northern) and Rua (southern Auckland). The new contracts will not change how residents use the service, only how it is delivered.
9. The procurement sought separate collection suppliers for the two contract areas, to allow benchmarking of performance and provide opportunities for smaller businesses to tender. Multiple proposals were received, and each evaluated against non-price attributes to ensure delivery of social, cultural, and environmental outcomes. Pricing was assessed separately.
10. More detail regarding supplier recommendations for the contracts is provided in the confidential section of the 8 June 2021 Strategic Procurement Committee meeting.

Ngā tūtohunga

Recommendation/s

That the Strategic Procurement Committee:

- a) note the information contained in this report, on supplier recommendations for the inorganic services contracts, enables transparency on the topic due for discussion in the public excluded part of the meeting
- b) note that the confidential report contains information that could prejudice the council's position in negotiations with suppliers.

Horopaki Context

Item 9

Current inorganic collection service

11. All rateable properties paying a waste charge in Auckland are entitled to receive an annual, pre-booked, on property inorganic collection.
12. The current service diverts inorganic material from landfill by using a two-vehicle collection methodology: a box truck to collect reusable and recyclable material which is taken to a storage warehouse and a compactor truck to take remaining residual material direct to landfill.
13. Collections are booked by customers via the council's booking system, according to a regional schedule. Residents can put out up to one cubic metre of acceptable items, including appliances, timber, furniture, sports equipment and electronics.
14. The current service was introduced in 2015, replacing previous services provided by legacy councils. The intention was for the current inorganic collection to eventually be provided through Auckland's Resource Recovery Network once fully established.

Current inorganic services contracts

15. Council's current inorganic collection service is provided under two main contracts which both expire on 30 June 2022.
16. Waste Management NZ Limited holds the contract for the collection of materials from households and the management of the storage warehouse. The contract includes leasing a storage warehouse which is currently located on Pilkington Road, Panmure.
17. The Zero Waste Network holds the marketing and distribution of recovered inorganic material contract and operates this service out of Waste Management NZ Limited's warehouse in Panmure. The Zero Waste Network is a national membership-based organisation for community recyclers, of which all of Auckland's Community Recycling Centre operators are members.
18. A third, smaller contract related to the inorganic collection service is held by Abilities Incorporated for the recycling of e-waste collected through the inorganic service. This contract also expires on 30 June 2022 at which time the ongoing service will be rolled into the new distribution service contract.

Rationale for changes to new inorganic services contracts

19. The inorganic collection service sits within the strategic context of Te Mahere Whakahaere me te Whakaiti Tukunga Para i Tāmaki Makaurau – Auckland Waste Management and Minimisation Plan 2018 which is guided by the vision 'Auckland aspires to be Zero Waste by 2040, taking care of people and the environment and turning waste into resources.'
20. Based on results of an operational review of the service carried out by council staff in 2019, the key priorities for the service going forward were identified as:
 - achieving high customer satisfaction
 - increasing diversion of waste from landfill
 - increasing awareness of the service.
21. While the preferred long-term option for the service is a model that directly involves Auckland's Resource Recovery Network and community recycling centres, such a change would be significant for customers and would require public consultation. Further, Auckland's developing Resource Recovery Network, while making good progress, is yet to be fully realised so a change too soon may lead to inequity in access to a region-wide service.
22. The procurement plan for the new service was approved by the Strategic Procurement Committee on 13 October 2020 (resolution STR/2020/18).

23. The scope of services in the procurement plan was based on a service option selected from six options. Waste Solutions staff assessed against sustainable procurement framework goals. The option chosen retains the front-end of the current service but changes the back-end arrangements.
24. By using the same collection methodology, there will be no changes to how residents receive the service. At the back-end, however, the contract area is split into two; Tahi in the north and Rua in the south. A storage and distribution warehouse will be located in each of these areas (refer Attachment A for map of contract areas).
25. Additionally, management of the warehouses is removed from the collection contract and put into the contract for the storage and distribution warehouses.
26. Staff considered this service approach would minimise disruption to customers, while increasing diversion from landfill, supporting future transition of the service to the Resource Recovery Network and creating quality jobs.
27. No significant budget increase is required for these changes, apart from increases to account for population growth and inflationary adjustments.

Open-tender procurement approach

28. An open tender approach was chosen for the procurement to ensure new suppliers could tender, to seek competitive pricing, and to encourage innovation.
29. The five objectives of the procurement were:
 - achieving higher levels of customer satisfaction
 - increasing diversion of waste from landfill
 - maintaining or reducing the cost of the service
 - supporting future transition of the service to the Resource Recovery Network
 - improving the quality of employment provided.
30. The procurement sought separate suppliers for the Tahi and Rua collection areas, to allow benchmarking of performance and to provide opportunities for smaller businesses to tender. For this reason, a single-source or closed tender approach to known suppliers would not have been appropriate.

Tātaritanga me ngā tohutohu Analysis and advice

Open-market response and proposal evaluation

31. Proposals were received from multiple participants for the inorganic collection contracts and the inorganic storage and distribution warehouse contracts.
32. All proposals received conformed to the requirements of the request for proposals, passed health and safety criteria, and progressed to an evaluation process.
33. Five subject matter experts from Waste Solutions evaluated the proposals. Each proposal was evaluated for non-price attributes to ensure the desired social, cultural and environmental outcomes could be met by the participant. Pricing from each participant's proposal was assessed separately.
34. Negotiations were undertaken with preferred suppliers between March 2021 and April 2021 and these aimed to obtain the best value for money over the life of the contracts, with a focus on the procurement's key objectives and council's Sustainable Procurement Framework goals.
35. Analysis and advice regarding the supplier recommendations will be provided in the confidential section of the 8 June 2021 Strategic Procurement Committee meeting.

Tauākī whakaaweawe āhuarangi Climate impact statement

36. Te-Tāruke-ā-Tāwhiri: Auckland's Climate Plan sets an overall goal of supporting the Auckland region to reduce greenhouse gas emissions by 50 percent by 2030.
37. The emissions reduction potential of diverting material from landfill through the inorganic collection service is dependent on the quality of materials placed out for collection and the capacity for these to be recovered or reused.
38. In 2019, the service diverted 1,672 tonnes of material from landfill to beneficial use. This was approximately 19 per cent of all material collected.
39. Increasing diversion rates will result in further carbon emission reductions, by avoiding landfill emissions, particularly when recovered items are made from timber or other bio-based materials, and by extending the life of a reusable item. When items are reused or recycled, there is also a carbon emissions net gain by displacing the need for new materials and avoiding carbon emissions from the manufacture and transportation of new goods.
40. Further information regarding the climate impacts of the inorganic services contracts is included in the confidential section of the 8 June 2021 Strategic Procurement Committee meeting.

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera Council group impacts and views

41. This procurement does not have significant impacts on other parts of the council family, however multiple council departments will be involved in the ongoing provision of the service, including Customer Services, IT, Business Systems, Communications, and Finance. Waste Solutions will maintain close communication with all relevant departments to ensure they are prepared for any potential impacts on their business.
42. Representatives from Procurement, Legal and Finance were involved in negotiations with the potential suppliers for this procurement.
43. Preparation of the Te Mahere Whakahaere me te Whakaiti Tukunga Para i Tāmaki Makaurau – Auckland Waste Management and Minimisation Plan 2018 included the opportunity for council-controlled organisations and other parts of Auckland Council to give feedback. No specific feedback was received from council-controlled organisations on the inorganic waste collection service at that time.

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

44. There should be no negative impacts experienced by residents by the new contracts, given the customer facing side of the service remains the same. Further, one of the key procurement objectives is to achieve higher levels of customer satisfaction from the service.
45. Consultation with local boards has not been undertaken for this procurement. Local boards were consulted on the provision of inorganic collection services through both the development of Auckland's Waste Management and Minimisation Plan 2018 and the 10-year Budget 2018-2028.
46. The inorganic collection service is provided to all rateable properties that pay a waste charge. The Hauraki Gulf islands are not included in this procurement, as although householders on these islands receive a similar service, the service is procured separately.
47. The Environmental and Climate Change committee approved a revised strategy for Auckland's Resource Recovery Network in February 2021 which enables the expansion of the network from an existing nine Community Recycling Centres to 21 and two Resource Recovery Parks over the next ten years. The revised strategy had strong support from local boards and this procurement is set up to ensure the inorganic collection service supports a future transition to delivering the service through the Resource Recovery Network.

48. Further information regarding local impacts from the inorganic contracts is included in the confidential section of the 8 June 2021 Strategic Procurement Committee meeting.

Tauākī whakaaweawe Māori Māori impact statement

49. Priority actions relating to resource use and waste management, as identified by mana whenua and mataawaka, are articulated in Te Mahere Whakahaere me te Whakaiti Tukunga Para i Tāmaki Makaurau – Auckland Waste Management and Minimisation Plan 2018. Each priority action is aligned with one of five values as follows: rangatiratanga; kaitiakitanga; kotahitanga; manaakitanga, and whanaungatanga.
50. The procurement and evaluation outcomes for the inorganic services contracts contribute to several of the Māori priority actions across all five values, as follows:
- rangatiratanga (exercising self-determination), for example, “support mana whenua capacity and development of social enterprise aspirations in resource recovery”
 - kaitiakitanga (our active obligation to sustain and restore our collective resources and taonga tuku iho), for example, “protection of Papatūānuku; no new landfills; reduce the harm of hazardous waste”.
 - kotahitanga (unity through partnership to protect taonga), for example, “develop respectful and innovative partnerships for waste minimisation in order to restore the mauri of Papatūānuku”
 - manaakitanga (nurturing relationships, looking after people and taonga and taiao and fostering mutual respect)
 - whanaungatanga (the power that comes from relationships that galvanise people to action through shared activities and values), for example, “develop vibrant Para Kore generations and communities”.
51. These outcomes are sought through improvements in waste diversion and associated environmental protections, greater participation from local community groups, quality and long-lasting employment and structuring the contracts in a way that enables improved feedback, participation and dialogue between collection and distribution points.
52. Further information regarding Māori outcomes from the inorganic contracts is included in the confidential section of the 8 June 2021 Strategic Procurement Committee meeting.

Ngā ritenga ā-pūtea Financial implications

53. The budget for inorganic services contracts was approved through the 10-year Budget 2018-2028.
54. The service will continue to be funded from the waste targeted rate. Staff do not anticipate an increase in the cost of the service, therefore it is not expected that the rate will need to be changed.
55. Financial implications arising from the procurement of the inorganic services contracts will be provided in the confidential section of the 8 June 2021 Strategic Procurement Committee meeting.

Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

56. Risks and mitigations arising from the procurement of the inorganic services contracts are provided in the confidential section of the 8 June 2021 Strategic Procurement Committee meeting.

Ngā koringa ā-muri Next steps

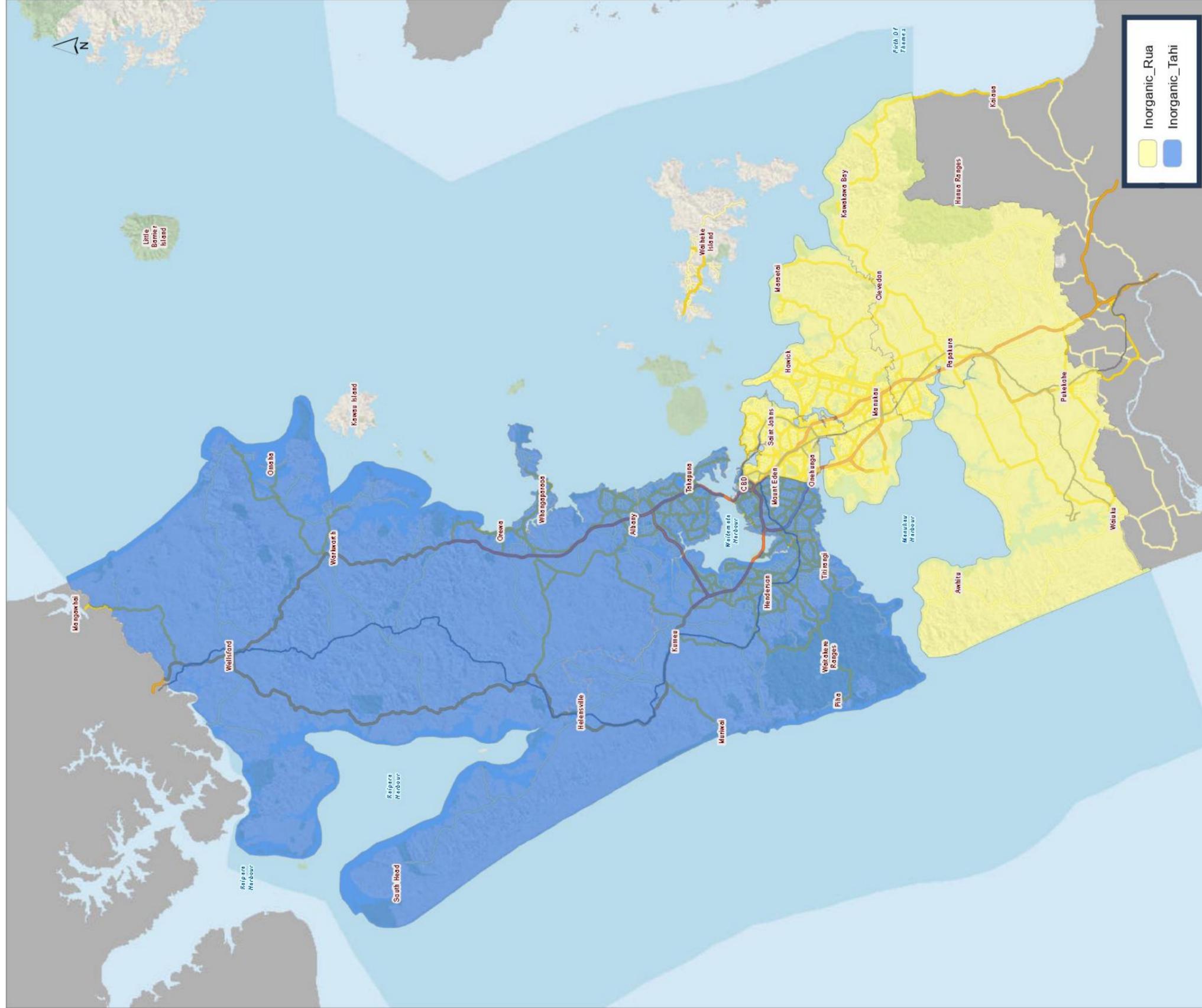
57. Once the Strategic Procurement Committee has approved award of contracts staff will finalise and sign contracts with suppliers.
58. Once contracts are signed, staff will work closely with suppliers to establish operational systems to ensure a smooth handover of services to the new contracts starting on 1 July 2022.

Ngā tāpirihanga Attachments

| No. | Title | Page |
|--|---|------|
| A↓  | Attachment A: Map of contract areas, Tahi and Rua | 23 |

Ngā kaihaina Signatories

| | |
|-------------|---|
| Authors | Emma Cowie - Relationship Advisor Nick FitzHerbert - Relationship Advisor |
| Authorisers | Barry Potter - Director Infrastructure and Environmental Services Jazz Singh - General Manager Procurement |



Inorganic_Rua
Inorganic_Tahi

0 5,10010,20015,300
Meters

Scale @ A3
= 1:732,000

Date Printed:
15/10/2020



Inorganic Tahi & Inorganic Rua

DISCLAIMER:
This map/plan is illustrative only and all information should be independently verified on site before taking any action. Copyright Auckland Council. Land Parcel Boundary information from LINZ (Crown Copyright Reserved). Whilst due care has been taken, Auckland Council gives no warranty as to the accuracy and plan completeness of any information on this map/plan and accepts no liability for any error, omission or use of the information. Height datum: Auckland 1946.

Document Path: U:\CityWide\Geospatial\Information Services\Log\ITM0170854 - Inorganic Collection Contracts Maps - Lynda Totua - AC - IMP4 - Workspaces\IC Region A3.mxd

Enhanced tree and vegetation maintenance around electricity network

File No.: CP2021/06882

Item 10

Te take mō te pūrongo

Purpose of the report

1. To provide an update on the procurement plan for enhanced risk-based tree and vegetation maintenance services to support the electricity network resilience targeted rate project.

Whakarāpopototanga matua

Executive summary

2. Auckland Council is proposing to introduce a year-on-year targeted rate of \$10.5 million per annum on Vector's utility assets, to fund the council's public tree management programme around overhead power lines. This will allow for an enhanced level of service that is expected to reduce risk towards electricity network from council's public trees, and any associated power outages. The enhanced risk-based approach to tree management will not initially be provided in areas covered by Counties Power.
3. Most of the targeted rate is planned to be spent by council on external utility arborist contractor services. There is currently a limited number of providers of sufficient scale, expertise, and with the required Health and Safety competencies to carry out utility arborist services around power lines in Auckland.
4. A procurement plan has been prepared for consideration in the confidential part of the meeting agenda. With the targeted rate anticipated to come into effect on 1 July 2021, the council needs to begin a procurement process in advance of that date so that the contracts can be entered into as soon as possible following the rating decisions of the Strategic Procurement Committee.

Ngā tūtohunga

Recommendation/s

That the Strategic Procurement Committee:

- a) note the information contained in this report, on enhanced tree and vegetation maintenance around the electricity network, enables transparency on the topic due for discussion in the public excluded part of the meeting.
- b) note that the confidential report contains information that, if made public, could prejudice the council's position in future negotiations with suppliers.

Horopaki

Context

5. The council owns a significant number of trees along the network of overhead power lines (around 80 per cent in urban areas and around 30 per cent in rural areas). The remainder are mostly in private ownership. The electricity network in the Auckland region is largely owned and maintained by Vector. Vector supplies electricity to most of the population within the Auckland region. There are, however, approximately 24,000 households in the south of the region that have electricity supplied by Counties Power.
6. The council is proposing to introduce a targeted rate of \$10.5 million per annum on Vector's utility assets to fund its tree management programme around the Vector overhead electricity supply network. This will increase the tree maintenance budget by \$10.5 million to allow for an enhanced, risk-based service to more effectively manage risk to Vector's powerlines from trees that the council owns.

7. The risk assessment that underpins the work programme will be aligned with the region-wide practice while recognizing power lines' specific nuances. Community Facilities is currently undertaking a review and establishing improvements relating to how tree risk is managed across the region, as part of the report to the Parks, Arts, Community and Events Committee (Resolution number PAC/2020/57).
8. As part of this proposal, the council will be taking an enhanced risk-based approach to management of its trees under, or near, Vector's power lines. This will be undertaken in accordance with best arboriculture practice and in compliance with the Auckland Unitary Plan. Some tree maintenance may require additional applications for resource consent.
9. The goal is to reduce the risk of trees causing power outage to an 'as low as reasonably practicable' level. This will be achieved through various management streams including enhanced pruning to increase the resilience of trees, their stability, a targeted programming of works and maximisation of efficiencies.
10. Tree pruning options will always strive to deliver solutions that enhance public safety and the electricity network within best arboriculture practice guidelines.
11. This may include some of the following options:
 - open sky pruning (removal of branches directly above the network)
 - widening the distance between the tree canopy and the network
 - canopy height reduction to minimise the possibility of the failure of long, vertical limbs
 - tree removal in certain cases where council's arborists determine this as the most reasonably practicable solution.
12. Consideration includes, but is not limited to: threats to public safety concerns, weed species under power lines, and palm trees under the power lines. The enhanced risk-based approach to tree management will not initially be provided in areas covered by Counties Power. In these areas, the council will continue its existing practice funded from general rates.

Tātaritanga me ngā tohutohu Analysis and advice

13. There is currently a limited number of providers of sufficient scale, expertise and with the required Health and Safety competencies to carry out utility arborist services around power lines in Auckland.
14. Further details regarding analysis and advice of this procurement will be provided in the confidential section of the Strategic Procurement Committee meeting agenda.

Tauākī whakaaweawe āhuarangi Climate impact statement

15. Auckland's Urban Ngahere Strategy provides a framework, and a list of actions, required to deliver the goal of increasing the canopy cover across the region from 18 per cent to 30 per cent.
16. It is anticipated more pruning may be done at times, with associated short-term canopy loss during the process. However, the long-term result will be more resilient and stable trees and associated canopy cover. Enhanced pruning is ultimately a preventative measure to protect public trees and protect the power network.
17. The enhanced tree management program includes additional tree planting to mitigate the impact of pruning on the city canopy cover. In recognition of the need to integrate the enhanced tree pruning programme and Auckland's Urban Ngahere Strategy, approximately 3,000 trees will be planted each year. The electricity network resilience project will most likely result in a net increase of the tree canopy cover over time.

18. In line with the council's Sustainable Procurement Guidelines, staff will also consider how further low carbon and climate action outcomes can be achieved by the contracts.

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera Council group impacts and views

19. In April 2019, Auckland Transport (AT) transferred services and budget to the council's Community Facilities department, to manage street trees within the road corridor on their behalf. Although AT retains responsibility for the road corridor as per the Local Government Act 2009 and the Land Transport Act 1998, the transfer of management was completed as part of Project Streetscapes. This was a variation to the Community Facilities outcome-based maintenance contracts.
20. No impacts on other members of the council group are expected. This arrangement excludes trees within Regional Parks, the Auckland Botanical Gardens, land managed by co-governance entities (such as Tūpuna Maunga), or trees located on private property.

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

21. The recommendations made in this report regarding a regional approach to procurement are not considered to have any specific impacts on local boards. It is however recognised that the condition and health of trees in local board areas is of importance to local boards. The programme will enable additional local tree planting to support Auckland's Urban Ngahere Strategy and increase the maintenance of trees in local parks and town centres.

Tauākī whakaaweawe Māori Māori impact statement

22. The enhanced tree management program includes additional tree planting to mitigate the impact of pruning on the city canopy cover. In accordance with Auckland's Urban Ngahere Strategy, as many native trees will be prioritised for planting and sourced from Māori nursery providers.
23. Through market research, and engaging with industry experts, staff have concluded that there is a shortage of arborist resources across New Zealand. In line with the council's Sustainable Procurement Guidelines, staff will engage with the successful contractor to ensure they are committed to increase the numbers of Māori in employment as arborists.
24. To achieve this, sustainable outcomes will be included in the selection process. The RFP will include questions about how the successful contractor will enhance Māori employment pathways. Submitters will be asked to demonstrate their commitment to this. To monitor progress in this area, a key performance indicator (KPI) to measure this will be part of the contract.

Ngā ritenga ā-pūtea Financial implications

25. The council is proposing to introduce a targeted rate of \$10.5 million per annum on Vector's utility assets to fund the project. Most of the \$10.5 million targeted rate is planned to be spent by the council on external utility arborist contractor services. To support Auckland's Urban Ngahere Strategy, \$500,000 has been set aside for additional tree planting, and to increase the maintenance of trees in parks and town centres.
26. The targeted rate is part of the Long-term plan (LTP), which is due for final approval in June 2021. Staff are working on the assumption this will be approved and are progressing with this initiative.
27. Further details regarding the financial implications of this procurement will be provided in the confidential section of the Strategic Procurement Committee meeting agenda.

Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

28. Details regarding the risks and mitigations of this procurement will be provided in the confidential section of the Strategic Procurement Committee meeting agenda.

Ngā koringa ā-muri Next steps

29. Once the Strategic Procurement Committee has approved the procurement plan, staff will start the Request for Proposal (RFP) activity on the council's systems platform SAP Ariba.

Ngā tāpirihanga Attachments

There are no attachments for this report.

Ngā kaihaina Signatories

| | |
|-------------|---|
| Authors | Dilin Abraham Kuriakose - Strategic Procurement Specialist Julie Pickering - Area Manager Operational Management & Maintenance David Stejskal - Regional Arborists and Ecological Manager |
| Authorisers | Taryn Crewe - General Manager Community Facilities Claudia Wyss - Director Customer and Community Services Jazz Singh - General Manager Procurement |

Supplier recommendation for legal services contracts

File No.: CP2021/07189

Te take mō te pūrongo

Purpose of the report

1. To provide an update on Ngā Ratonga Ture / Legal Services engaging in contracts with legal providers for external legal services.

Whakarāpopototanga matua

Executive summary

2. In January 2018 Auckland Council shifted to a structured contracting model to engage external legal providers for legal services covering a range of legal workstreams. The current contracts expire on 30 June 2021.
3. A procurement plan for ongoing legal services was approved by the Strategic Procurement Committee on 02 February 2021 (Resolution number STR/2021/7).
4. For the first time, Auckland Council joined with Auckland Transport (AT) and Watercare to release a Request for Proposal (RFP) seeking responses from suppliers who are able to provide legal services to the Auckland Council Group (including shared services delivered for Eke Panuku and Auckland Unlimited).
5. The RFP was well received by the market, with a large number of high-quality responses being received.
6. The Auckland Council Group sought to build upon the success of the 2018 RFP, focusing an integrated working model, delivering Māori outcomes, Diversity & Inclusion, Corporate Responsibility, Sustainability, Mahi Tahi and improved value for money.
7. Suppliers who demonstrated their capability in meeting Auckland Council Group's requirements were shortlisted and face-to-face negotiations took place.

Ngā tūtohunga

Recommendation/s

That the Strategic Procurement Committee:

- a) note the information contained in this report, on Ngā Ratonga Ture / Legal Services engaging in contracts with legal providers for external legal services, enables transparency on the topic due for discussion in the public excluded part of the meeting.
- b) note that the confidential report contains information that could prejudice the council's position in future negotiations with suppliers.

Horopaki

Context

8. Effective delivery of in-house legal services depends on managing external provider relationships, optimising performance of the in-house team, and balancing high-service delivery standards for internal clients with demand reduction and self-help tools.
9. The contracted provider model from 2018 addressed the external relationship and dovetailed with in-house and client-side initiatives. It was a New Zealand-first, especially in terms of the lump sum approach to high-volume business-as-usual (BAU) workstreams, taking a portfolio approach to service delivery and risk management.

10. We achieved significant financial savings, service-level improvement, risk management, innovation and client-relationship management benefits. Lump sum pricing for BAU effected a realignment from maximising cost inputs, to maximising outcomes. It changed the game from buying “retail”, to more of a supply-side solution for BAU work bundles.
11. The aim of this procurement was to build on that success, with a new focus on integrated delivery of larger legal matters, including significant litigation and major projects. These account for an increasingly large part of group legal spend, and the “retail” price is high:
 - By joining in-house and external resource to provide seamless legal services to clients we aim to resource work more effectively, better manage costs and outcomes, and achieve a range of broader Council objectives.
 - This departs from the old approach of law firm acting on instruction, and requires high mutual trust, a shared accountability for good outcomes, and willingness to embrace a new way of providing services.
12. Watercare and AT have also been working towards similar procurement approaches, and the collaboration which occurred between us during Covid-19 has set the stage for us jointly to procure some of the workstreams we have in common.
13. Whereas the first procurement mostly focused on structural and systemic improvements (and outcomes alignment), the integrated delivery approach will sharpen the focus on “ways of working” behaviours and values alignment. Building the right “culture” within the legal team and our legal providers makes a big contribution to outcomes.
14. The procurement required high levels of capability and resource in each workstream, which is essential to being trusted legal advisors to the council group. In addition, the procurement clearly stated that successful providers need to:
 - Share and support Council group’s values, objectives and behaviours.
 - Contribute to Council group’s obligations and commitments to Māori and demonstrate support for Māori outcomes.
 - Be committed to Council group’s social and sustainable outcomes, including having and promoting a sustainable, diverse and inclusive workforce.
 - Provide added value capability and outcomes that are specifically described, including mahi tahi objectives which take a long-term and holistic view of the relationship.
15. An integrated approach places more responsibility on the in-house team, as there is less risk-shifting to external firms (with associated cost). The management rigour in Legal Services/Ngā Ratonga Ture, and high professionalism and experience of team members, helps enable this model and manage risk.

Tātaritanga me ngā tohutohu Analysis and advice

16. The key objectives for this procurement process were:
 - Leverage collective spend across the council and the Council-controlled organisations (CCOs), where there is commonality of requirements in relevant workstreams.
 - Retain the benefits from the current contracts in managing BAU work, including the specific innovations and added-value benefits we wish to retain.
 - Introduce an integrated delivery approach for large matters (including significant litigation and major projects). This is aimed at the seamless use of both in-house and external resource on large matters, rather than all-or-nothing briefing.
 - Emphasise values-alignment, including Māori outcomes and sustainability, as active partners for council group in pursuing these shared objectives.

17. The council joined with AT and Watercare and released an RFP seeking responses from suppliers who are able to provide legal services to the council Group (including shared services delivered for Eke Panuku and Auckland Unlimited). The council, AT and Watercare will enter into syndicated contracts with providers to avoid the need to negotiate separate contracts with each member of the Auckland Council Group.
18. A total of 22 responses were received. The evaluation panel (including representatives of the council, AT and Watercare) evaluated proposals against non-price attributes first to ensure the desired integrated delivery model could be met by the suppliers. This included separate assessment of capability and resourcing offerings from each participant for each workstream. Pricing was assessed separately, provisionally on the basis of rate-card offerings (without volume rebates) to gauge “baseline” pricing levels. Depending on workstream type and negotiated outcomes, the actual pricing approaches also included lump sum, catalogue pricing and volume rebates on rate card charges, which needed to be separately considered where offered in addition to or instead of rate cards in each workstream.
19. The selected providers all scored highly on non-price criteria. In particular there was an impressive response to the proposed integrated approach to managing legal matters. The intention behind this new way of working is to enable a supply-side focus of dovetailing the best of the market’s resource to Auckland Council’s in-house capability while strongly promoting values-alignment and behaviours. The stated focus of the procurement was value and outcomes, rather than just price and outputs.
20. In addition to the integrated working model, the procurement sought specific feedback on providers’ commitment and engagement in
 - Māori outcomes
 - Diversity & Inclusion, Corporate Social Responsibility and Sustainability
 - Mahi Tahi (Continuous Improvement) and Added Value
21. The result of the evaluation process was the selection of suppliers across all workstreams
22. The list of providers who were selected for each Auckland Council Group workstream is detailed within the confidential Supplier Recommendation Report.

Contract model

23. Ngā Ratonga Ture / Legal Services is using an improved contract model for this procurement. Aspects of the previous contracts will be retained (including lump sum pricing mechanisms and “client care” requirements of the Law Society). There are two main innovations this time:
 - **Social outcomes & culture:** The KPI framework will focus on social procurement outcomes, in addition to the usual value-for-money and performance dimensions. This will ensure the good intentions captured in the RFP are converted to real world actions. We will use an “activation” approach that enlists all Legal Services and provider staff in scoring wins across the four dimensions of Māori outcomes, D&I, sustainability and way-of-working values. We want to encourage positive actions on the basis that success breeds success. Only by building shared culture will this happen, and our “integrated” delivery approach supports this – including with our own team’s business planning. We will measure actions and results with available metrics, including story-telling. A radar-chart approach will make this fun for our teams.

- **New “kia ora” contract template:** Ngā Ratonga Ture / Legal Services has developed a new contract template with Ngā Mātārae, Procurement and the Comms team. It uses Council’s new branding materials, is easy to read, makes extensive use of te reo, and reframes the contracting approach from “purchaser / supplier” towards partners in delivery with a shared-success outlook. Concepts of fairness, balance and reciprocity are included, as well as specific clauses around Council’s social procurement objectives. We are piloting the new template in the legal services procurement, and aim to launch it formally for all Council afterwards.

Tauākī whakaaweawe āhuarangi **Climate impact statement**

24. The recommendations made in this report are not considered to have any specific climate impacts. Suppliers were however evaluated on their commitment and management plans for energy, water and waste reduction, including how this is monitored within any organisational fleet, as well as within any corporate premises.

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera **Council group impacts and views**

25. The council, AT and Watercare collaborated to approach the market together for legal services. This approach was planned to ensure that the best value is achieved for rate payers.

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

26. The recommendations made in this report are not considered to have any specific impacts on local boards.

Tauākī whakaaweawe Māori **Māori impact statement**

27. Ngā Ratonga Ture / Legal Services and Procurement have engaged with the Independent Māori Statutory Board, Amotai and Te Hunga Rōia Māori o Aotearoa, leading the development of a set of Māori priorities for this procurement. The RFP provided for Māori outcomes as a specific evaluation criterion, distinct from other sustainability and social procurement objectives. Ngā Mātārae provided input to the evaluation of the Te Ao Māori evaluation.
28. Importantly, Te Ao Māori outlook was also integrated into our general evaluation and relationship expectations with providers, especially given the emphasis this procurement places on values alignment.
29. The Procurement team particularly focused on identifying ways to ensure Māori law firms had an opportunity to respond to the RFP including by engaging with Ngā Mātārae and the Māori Law Society. The Procurement team took a proactive approach to highlight this RFP to Māori owned law firms. The RFP focuses on large and bulk spend areas which can be effectively “tendered”. Some firms will have conflicts which make it impractical to be an “exclusive” provider to a local authority. It should be noted that the RFP covers most, but not all, of our combined legal spend, but we still have a meaningful amount of legal work (by total value) which gets directly briefed off-panel where required.

30. Auckland Council stressed the importance of working with suppliers who have shared values and who evidenced their commitment to Te Tiriti o Waitangi and who pro-actively took action to deliver positive outcomes for Māori both within the legal and external community. Examples of this include:
- Incorporating tikanga Māori and te reo into everyday business and upskilling non-Māori staff in this area;
 - Offering Māori students paid work experience and scholarships;
 - Taking pro-active steps to encourage Māori law students to apply for employment in law firms, with the goal of increasing the representation of Māori in the workforce, including working with TupuToa to increase the representation of Māori and Pasifika interns;
 - Promoting the legal profession within low decile schools which have higher numbers of Māori students;
 - Providing pro-bono services to support the Māori community.
31. The council will ensure that the conversation around improving outcomes for Māori is ongoing, through application of contractual KPIs which will be reviewed during supplier review meetings.
32. Ngā Ratonga Ture / Legal Services teams are committed to improving Māori outcomes in keeping with the department's business plan and goals. This includes working with providers who show a commitment to Te Tiriti o Waitangi.

Ngā ritenga ā-pūtea Financial implications

33. Contracts are expected to be within the overall budget.
34. Through this procurement Auckland Council Group is confident that we have been able to build upon the improved commercial outcomes which were delivered within the previous legal services RFP. This will be achieved through the further application of integrated working across workstreams, lump sum & fixed price work scopes and rebate based incentives.

Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

35. The key risks relating to this procurement and proposed mitigations to ensure successful delivery are summarised below.
- **Risk of procurement failure:** risk of procurement failure is moderate due to the complex nature and broad scope of services being procured. It is expected that this will be mitigated through extended engagement and consultation with internal legal stakeholders and a high level of oversight by senior procurement personnel.

Ngā koringa ā-muri Next steps

36. If the Strategic Procurement Committee approves the supplier recommendations, staff will finalise and sign contracts with suppliers.
37. Once contracts are signed, staff will work closely with suppliers to ensure a smooth handover of services to the new contracts starting on 1 July 2021.

Ngā tāpirihanga Attachments

There are no attachments for this report.

Ngā kaihaina Signatories

| | |
|-------------|--|
| Author | Margaret Malcolm - Legal Practice Manager |
| Authorisers | Helen Wild - General Counsel Jazz Singh - General Manager Procurement |

Item 11

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:

C1 CONFIDENTIAL: Supplier recommendations for Auckland regional inorganic collection service

| Reason for passing this resolution in relation to each matter | Particular interest(s) protected (where applicable) | Ground(s) under section 48(1) for the passing of this resolution |
|--|--|--|
| 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. | <p>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p> <p>In particular, the report contains information that could prejudice the council's position with potential suppliers.</p> | <p>s48(1)(a)</p> <p>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.</p> |

C2 CONFIDENTIAL: Enhanced tree and vegetation maintenance around electricity network

| Reason for passing this resolution in relation to each matter | Particular interest(s) protected (where applicable) | Ground(s) under section 48(1) for the passing of this resolution |
|--|--|--|
| 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. | <p>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p> <p>In particular, the report contains information that could prejudice the council's position with potential suppliers.</p> | <p>s48(1)(a)</p> <p>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.</p> |

C3 CONFIDENTIAL: Supplier recommendation for legal services contracts

| Reason for passing this resolution in relation to each matter | Particular interest(s) protected (where applicable) | Ground(s) under section 48(1) for the passing of this resolution |
|---|--|--|
| <p>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.</p> | <p>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p> <p>In particular, the report contains information that could prejudice the council's position with potential suppliers.</p> | <p>s48(1)(a)</p> <p>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.</p> |