Appendix D  Procurement procedure decision trees

Procurement procedure 1 - Infrastructure: Staged delivery model

Strategic context
A staged delivery model is typically appropriate when:
• Scale is small to medium.
• Complexity, uncertainty and risk are low.
• The approved organisation wishes to maintain some form of involvement and control over the activity.
• Scope is well defined and the opportunity for innovation is low.

Note: Under staged delivery an activity is delivered through one or more separate contracts. Different supplier selection methods may therefore be required for different contracts when using this model.

Delivery model
- Staged
  - Design & build
  - Shared risk (advanced)
  - Supplier panel (advanced)

Available supplier selection methods for a staged delivery model
- Professional services supplier
  - Direct appointment
  - Lowest price conforming
  - Purchaser nominated price
  - Price quality
  - Quality based (advanced)

- Physical works supplier
  - Direct appointment
  - Lowest price conforming
  - Price quality
  - Quality based (advanced)
Appendix D  Procurement procedure decision trees continued

Procurement procedure 1 - Infrastructure: Design and build delivery model

**Strategic context**

A design and build delivery model is typically appropriate when:
- Scale is medium to large.
- Complexity, uncertainty and risk are high.
- Opportunity to innovate is high.
- The approved organisation wishes to transfer some risk to the supplier.

**Delivery model**

- Staged
- Design & build
  - Shared risk (advanced)
  - Supplier panel (advanced)

**Available supplier selection methods for a design and build delivery model**

- Direct appointment
- Lowest price conforming
- Price quality
- Quality based (advanced)
A shared risk delivery model is typically appropriate when:

- Scale is medium to large.
- Complexity, uncertainty and risk are high.
- A single supplier is unlikely to be able to undertake the contract alone.
- Innovation potential is high.
- The purchaser has the necessary capabilities and resources to organise and manage a shared risk model.
Appendix D  Procurement procedure decision trees continued

Procurement procedure 1 – Infrastructure: Supplier panel delivery model (advanced)

Strategic context

A supplier panel delivery model is typically appropriate when:

• A programme of similar or related activities is to be delivered.
• There is value in establishing a longer term relationship with suppliers.
• There is advantage in having a choice of suppliers at short notice.

Delivery model

- Staged
- Design & build
- Shared risk (advanced)
- Supplier panel (advanced)

Stage 1

- Appoint panel

Stage 2

- Allocate work

Available supplier selection methods for a supplier panel delivery model

- Price quality
- Quality based (advanced)
- As detailed by the purchaser and approved by the NZTA
Appendix D  Procurement procedure decision trees continued

Procurement procedure 2 – Planning and advice: Staged delivery model

Strategic context

A staged delivery model is typically appropriate when:
- The programme consists of a modest number of individual activities.
- There may be benefit in seeking proposals from a wide group of suppliers.

Note: Under staged delivery an activity is delivered through one or more separate contracts. Different supplier selection methods may therefore be required for different contracts when using this model.

Delivery model

- Staged
- Supplier panel (advanced)

Professional services supplier

Available supplier selection methods for a staged delivery model

- Direct appointment
- Lowest price conforming
- Purchaser nominated price
- Price quality
- Quality based (advanced)
Procurement procedure 2 – Planning and advice: Supplier panel delivery model (advanced)

A supplier panel delivery model is typically appropriate when:
- A programme of similar or related activities is to be delivered.
- There is value in establishing a longer term relationship with suppliers.
- There is advantage in having a choice of suppliers at short notice.

Delivery model
- Staged
- Supplier panel (advanced)

Stage 1
- Appoint panel
  - Price quality
  - Quality based (advanced)

Stage 2
- Allocate work
  - As detailed by the purchaser and approved by the NZTA
Appendix D  

Procurement procedure decision trees continued

Procurement procedure 3 – Public transport services: Partnering delivery model

**Strategic context**

A Partnering delivery model should be used for:
- Most scheduled public transport services identified as units in the RPTP
- Where there is value in the purchaser and suppliers collaborating closely.
- Where there is scope for risk to be shared between AOs and suppliers to incentivise both parties to work together to innovate.
- For medium and large scale procurement
- For negotiated and like for like units that will be direct appointed

Note: Partnering for units that do not receive subsidy (commercial units) is a variant of this model.

**Delivery model**

- Partnering
- Staged
- Supplier panel (advanced)

**Available supplier selection methods for a Partnering delivery model**

- Direct appointment
- Price quality
- Quality based
Procurement procedure 3 – Public transport services: Staged delivery model

Strategic context
The staged delivery model may be used for:
- Low value contracts, e.g. a once a week ‘shopper’ service serving an access function
- Emergency services
- Special event services
- Trial services

Available supplier selection methods for a staged delivery model
- Direct appointment
- Lowest price conforming
- Price quality
- Quality based (advanced)

Delivery Model
- Partnering Model
- Staged
- Supplier panel (advanced)

Supplier
Appendix D  Procurement procedure decision trees continued

Procurement procedure 3 – Public transport services: Supplier panel delivery model (advanced)

Strategic context
A supplier panel delivery model may be used
- If it is included in an endorsed procurement strategy
- Where there are a number of small activities where supplier consistency would be valued.
- Where the volume of service activity may be too large for one supplier to undertake, e.g. a large special event.
- Where the procurement requirement cannot be adequately predicted, e.g. emergency services

Delivery model
- Partnering
- Staged
- Supplier panel (advanced)

Available supplier selection methods for a supplier panel delivery model
- Price quality
- Quality based (advanced)
- As detailed by the purchaser and approved by the NZTA

Stage 1
- Appoint panel

Stage 2
- Allocate work