



Northland Transportation Alliance Questionnaire Nov 2017

CCNZ provided a response to the Northland Transportation Alliance to a questionnaire to assist the development of its Procurement Strategy for the Operations and Maintenance components of the combined network.

CCNZ provided comment (in blue) on the following questions:

1. What do you think the number of contracts should be? **CCNZ suggested 16**
2. What would you suggest the timing to market of this number of contracts? **CCNZ suggested 3 to 5 years**
3. What do you consider the optimal size for a contract (kms of network)? **CCNZ suggested 350km to 400km**
4. What are your thoughts on contracts being aligned with existing Local Authority boundaries? **CCNZ provided comment and detailed suggestions of parameters to be used.**
5. What do you consider the optimal term for a contract of this nature? **CCNZ suggested No more than 2+2+1 based on performance in a similar manner to that used by the Network Outcome Contracts**
6. How do you think the various roading activities that the Councils deliver should be procured? **CCNZ suggested a relationship type of contractual approach**
7. What are your thoughts on the inclusion, or not, of reseals and rehabs within the M&O contract? What benefits are there from your suggested approach? **CCNZ suggested they should not be included.**
8. What form of contract would you consider the most appropriate for this type of work to deliver the benefits being sought? **CCNZ suggested an approach similar to the Network Outcomes Contract model.**
9. How would you suggest ongoing innovation within the contract occurs and how the benefits from this are shared? **There is a process within the Network Outcomes Contracts to allow innovation to occur.**
10. Maintaining a competitive market for smaller roading contractors in Northland is important to us, what are your thoughts on how this could be achieved/maintained through this procurement? **CCNZ pointed the Alliance to our Healthy Industry statement.**

11. What are the important aspects to consider in deciding contract type, term and scope that provides an optimal outcome that benefits both parties?

CCNZ discussed:

Efficiency gains to enable improvement in the effectiveness of service delivery through achieving more output or better outcomes for the same investment. More competitive service delivery; reduced risk of contract 'gaming'; contractor productivity gains through better investment in equipment, resources and skills.

The difficulty of attracting and retaining staff affects the capability and capacity to optimise strategic planning and deliver advanced asset management. This is exacerbated by the organisations competing against each other and the private sector (consultants and contractors) for scarce skills. The low staff numbers and recruitment difficulties reduce the ability for succession planning, putting institutional knowledge at risk.

Realistic forward work programmes with procurement methods offering a range of contract types, and sizes to maintain a health industry will address this.

Procurement and work programming practises lead to inconsistent, uncertain workloads and an unattractive contracting market.

The viability and competitiveness of the contracting industry, as vital partners in the efficient delivery of transport outcomes.

12. If you are not in the Northland Region at present what would be the key procurement aspects to look for to enter the market? [No comment made](#)
13. If you have a presence in the Northland Region at present what would be the key procurement aspects to keep you in the market? [No comment made](#)
14. Any other thoughts you have regarding the contract development that will assist the Alliance deliver its expected efficiencies and financial benefits that are expected from it being established to manage the whole Northland network through a collaborative approach.

CCNZ requested the opportunity to discuss this issue further and made some final points:

- CCNZ is actively seeking resources for our industry through the promotion of Civil Trades to build both the capacity of the industry and the capability of the industry through training and career paths.
- Industry is affected by the ebb and flow of work put to the market. CCNZ strongly suggests that realistic work programmes are developed and whenever possible met – it does recognise that there are factors that influence the forward works programme and that they change.