

Construction Consultancy Service Panels





National Construction Consultancy Service Panels - December 2021

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Construction Consultancy Service Panels Overview

The New Zealand Government set up Kāinga Ora - Homes and Communities to deliver a step-change in housing and urban development. As the largest client of residential construction services in the country, Kāinga Ora is charged with the annual delivery of thousands of new state, affordable, community group and market homes, as well as renewing our existing housing portfolio to meet modern standards for warm, dry and healthy rental housing.

In line with Kāinga Ora's <u>Building Momentum</u> plan, we are establishing a number of preferred supplier relationships for construction consultancy services. These will be created with different groups progressively, starting in late 2021.

These panels will provide benefits to both Kāinga Ora and suppliers by giving preferred suppliers visibility of our pipeline, building greater understanding between suppliers and Kāinga Ora, improving social and environmental impacts, and significantly improving contracting arrangements.

• View our introductory <u>video</u> explaining how we will set up our preferred supplier panels for construction consultants

The Opportunity



Kāinga Ora intends to establish a series of national Construction Consultancy Service Panels to carry out most professional services for Kāinga Ora projects across New Zealand. The following categories are those we have identified as suitable for creating Panels, and RFPs for each group will be released starting in December 2021.

1. Kāinga Ora Construction Consultancy Service Panels

- 1. Engineer to Contract as defined in NZS3910:2013
- 2. Architecture, including urban design, landscape architecture
- 3. Engineering Services including civil, geotechnical, traffic and transport
- 4. Building Engineering Services including structural, mechanical, HVAC, electrical, fire and façade, etc.
- 5. Quantity Surveying
- Consultancy Services including planning, surveying, consenting (not covered by <u>Consentium</u> at Kāinga Ora)
- 7. Project Management
- 8. Specialist Consulting Services heritage, green fields, environment, archaeological, etc.

Watch the video <u>here.</u>

What we need

Currently Kāinga Ora selects our consultancy suppliers from the All of Government Construction Consultancy Services (AoG CCS) panels. Kāinga Ora then runs secondary procurement processes to select suppliers on a project-by-project basis. We go through this time-consuming process for each of our hundreds of projects annually, which creates inefficiencies for both suppliers and Kāinga Ora.

Instead, we aim to proactively select preferred suppliers from the AoG CCS panels that can best enable us to build to the scale required within the regions we are focused on. This will assist us to:

- 1. Create true partnerships with fewer and deeper relationships as outlined in our <u>Building</u> <u>Momentum</u> plan for the construction of state homes
- 2. Reduce the amount of procurement transactions required while still aligning with the government rules of sourcing
- 3. Create quick access to suppliers by establishing overarching contracted terms and conditions through Partnering Agreements and Conditions of Contract for Consultancy Services (CCCS) Agreements and the use of project specific service orders
- 4. Utilise these panels to support broader social and environmental outcomes
- 5. Provide suppliers with greater certainty of planned work volume and spend in all regions.

Why should you bid?

This is an exciting opportunity for construction consultants to demonstrate their ability to partner with us and support the extensive Kāinga Ora build programme.

- Qualified panellists will support projects located across New Zealand's 12 regions
- The period proposed is two years, with the right for renewal of one plus one years (2+1+1).
- Each category and region has restricted numbers of suppliers to ensure each supplier receives some work from Kāinga Ora
- We especially encourage local and smaller companies to apply.

Kāinga Ora intends to demonstrate how an excellent partnering approach, using the size and certainty of our order book, can help our partners grow and flourish. This is also consistent with the Construction Accord's aims to leverage government contracts to generate secondary benefits - social, environmental, cultural or economic – that will deliver long term public value.

We are also committed to Kāinga Ora's Social and Sustainable Procurement Plan - Pā Harakeke. This document provides clarity on what is important to Kāinga Ora in this area. This document provides internal and external understanding of the breadth of social and sustainable outcomes we seek.

Locations

Kāinga Ora has created a structure that is place based, allowing it to create closer ties with its customers and communities. The Panels initiative encourages regional opportunity, and some panels will be stood up region by region.



Our work also covers a range of developments from small to large. We will be looking to provide opportunity for businesses by matching skill level to project type. Our preferred panellists will have identified the regions they operate in, and will be restricted to providing services for Kāinga Ora in those regions. We have identified 12 regions of operation across New Zealand.

	Main Centre	Regions covered
•	Northland/Auckland	 Northland North & West Central East Counties Manukau
•	Central North Island/Wellington	 Waikato Bay of Plenty East North Island Taranaki, Manawatū & Whanganui Wellington & Kāpiti
•	Christchurch	 Nelson, Marlborough & West Coast Canterbury Otago and Southland

What's important to us?

While each RFP will have different requirements dependent on the category (e.g. architects vs. engineers to contract), we will assess broadly on the following attributes:

- Evidencing capability, track record and capacity to provide the services suited to scope
- Evidence of requisite levels of Insurance and Health & Safety requirements
- Accepting terms and conditions of the Conditions of Contract for Consultancy Services (July 2021) (CCCS)
- Alignment with our five Building Momentum areas of focus
- Alignment with Strategic Social Procurement where appropriate.

The <u>Building Momentum</u> plan outlines how Kāinga Ora partners and engages with the wider construction industry. The plan is for groups that help to deliver our state housing programme, such as iwi/rōpū Māori, local and central government, plus our current, future, and prospective commercial partners, and the wider construction sector.

What's important to us?

Building Momentum includes five priority areas we are focusing on to drive transformation:

Partnering

 Working more closely with the Construction Sector Accord, iwi/ropū Māori and Pasifika businesses

Innovation

- Supporting offsite manufacturing, establishing an innovation programme, and building a culture of innovation, partnerships and research and development pilots

Design Quality

- Standardise design quality briefings and assessments with standard scopes for professional services, including the development of modular designs

Delivery

- Investigate and trial Lean construction methodologies and regularly update our construction intentions for forward work

Sustainability

- Establish a carbon neutral housing plan and continue to contribute to sustainability and social outcomes.



Interested? What's next

Keep an eye on the Government Electronic Tenders Service (GETS) website where we will release each category's Request for Proposal, starting with Engineers to Contract in late 2021, then architects, engineers and building engineering services in early 2022.

Note: All respondents to our panel RFP's must be a member of the All of Government Construction Consultancy Services (AOG CCS) Panel.

About us

Kāinga Ora is the Government's housing and urban development agency. We own or manage more than 68,000 state homes nationwide. As New Zealand's largest residential landlord, our role is to provide healthy, warm and dry state housing for the approximately 186,000 people who live in our properties, for the duration of their need.

Kāinga Ora also leads the largest urban regeneration programme ever undertaken in New Zealand, a multi-billion dollar programme that will transform suburbs and communities across the country. On top of a significant public housing build and renewal programme, this includes seven large scale regeneration projects underway in Auckland and Wellington.

Over 40,000 state, market and affordable homes will be delivered within these large scale project areas, along with improved infrastructure, more connected neighbourhoods and better amenities.

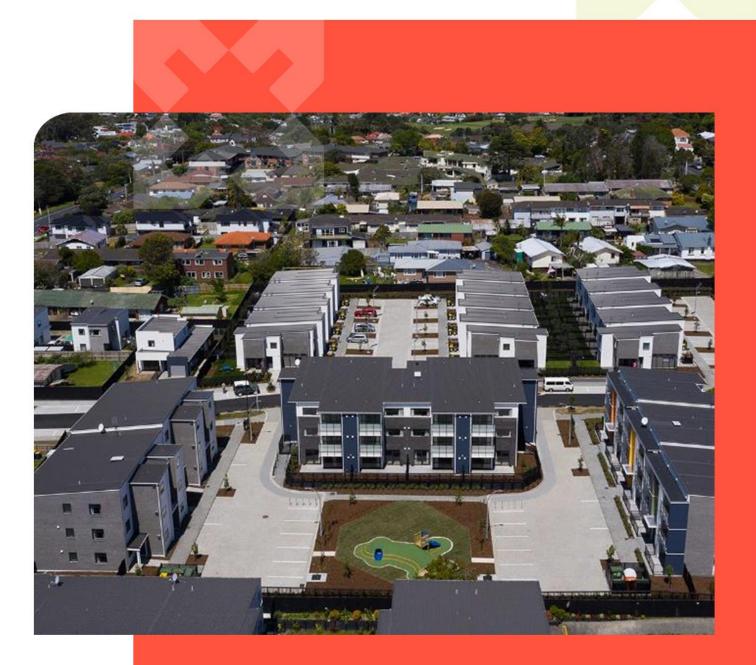
For further information, visit: kaingaora.govt.nz

For more information about the Kāinga Ora Construction Consultancy Service Panels, please contact:

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Watch the video here. Ask questions via our Tenderlink.

Frequently Asked Questions



Frequently Asked Questions

1. Why not keep using the current system?

Kāinga Ora has around 400 projects per year and each requires a formal supplier selection process. We select these suppliers from a pool of over 600 potential suppliers, from the All of Government Construction Consultancy Services (AoG CCS) panels. With such a large selection of suppliers, we have found the quality provided to be variable. As you can imagine, this process is inefficient for both suppliers and Kāinga Ora, as the administration for tendering takes up significant time, effort and cost.

2. Is this just a money-saving exercise?

The need for our suppliers to hold a deeper understanding of the outcomes we need to provide, and then achieve efficiency in the delivery process, is driving this programme. Money is not our main driver, and each RFP we send out will make it explicit that we value other attributes, such as capacity to do the work, a supplier's experience, and emphasis on social and environmental outcomes.

3. How does the Panel allow us to deliver better work?

Developing fewer and deeper relationships with suppliers will enable us to improve design quality and to have continuity of engagement on a project-by-project basis, and by programme. That means less time spent on administration, more consistency in quality, and a deeper level of trust, so trouble-shooting becomes more open and straightforward.

4. Who can apply?

We have an application prerequisite that all respondents to our panel RFP's must be a member of the All of Government Construction Consultancy Services (AOG CCS) Panel. We encourage suppliers of all sizes to apply, from all applicable regions of New Zealand. We will not favour large or small companies, but instead will be looking for values, capabilities and capacity alignment. Local companies are encouraged to apply, as work will be allocated on a regional basis.

5. How can I apply to be on a Panel?

We will release RFPs for each category of supplier starting late 2021 and progressively throughout 2022. RFPs will be released via GETS, and we encourage you to keep an eye on GETS and Tenderlink for updates.

6. Where will the work be based?

Projects will be located in 12 regions across New Zealand. You can apply to be a panellist in multiple regions. Local companies are encouraged to apply. We will also consider larger companies with offices in regional locations.

7. Is price the most important factor in becoming a Panel member?

No, price is a factor but certainly not the main factor. Each RFP will set out which attributes are most important for that particular Panel. In general, values, capabilities, track record and capacity alignment will be important, as well as an ability to demonstrate commitments to social and environmental benefits.

8. How will you measure potential social and environmental benefits/outcomes?

We anticipate suppliers that respond to RFPs will outline commitments to social and environmental outcomes. We would expect suppliers to measure themselves against these commitments and report back to Kāinga Ora on progress. Kāinga Ora will work with you to progress these commitments and celebrate them as much as possible.

9. Is there guaranteed work if we're on a Panel?

While we cannot guarantee work, we are restricting the number of suppliers by category and region to match our demand to the aggregated supply. We anticipate all suppliers on a Panel will obtain work during the course of the 2+1+1 years they are on the Panel. Part of this exercise is enabling Kāinga Ora to have the ability to plan work ahead of time so our supplier partners can determine their resource needs and other forward business planning.

10. Will there be performance measurements and consequences for suppliers?

Yes, we aim to set up performance measurements and consequences for each category/project. Panellists will be required to provide information to enable us to do this, and regular performance reviews will occur. Non-performance or participation may result in removal and replacement of a panellist.

11. If none of the suppliers on a panel can complete a project, what happens then?

Each panel has been set up to cover 80% of our known pipeline requirements. If no panellists are available or suitably qualified for a project, then Kāinga Ora reserves the right to go outside of the panel to select another supplier.

12. If I am on a Panel, do I have any obligations to prefer Kāinga Ora work over other opportunities?

Not necessarily. Kāinga Ora aims to share pipeline opportunities on a regular basis so our panellists know what work is coming into each region. By developing fewer and deeper relationships with suppliers, we will improve engagement with suppliers on a project-by-project basis, and by programme. Consistent non-participation will be viewed as a performance measure.