

Open Meeting

To	Waikato District Council
From	TN Harty General Manager Service Delivery
Date	4 July 2014
Prepared By	TN Harty General Manager Service Delivery
Chief Executive Approved	Y
DWS Document Set #	774719
Report Title	Proposal to Investigate Alternative Options for the Provision of Water Services

I. Executive Summary

In March 2014, an independent report commissioned by the Waikato Mayoral Forum water work stream was received by the forum. The report recommended, amongst other things, that a detailed business case be carried out to determine the value proposition of establishing a Council Controlled Organisation (CCO) to own and operate the water and wastewater assets of Hamilton, Waipa and Waikato councils. Key drivers for that proposition related to both National and Local drivers specifically those related to growth and servicing future growth, a key issue in the three council areas. Supporting the recommendation for confining the study to the three Councils initially, was the existing shared services relationship between the Councils which sees the joint delivery of Trade Waste, Sampling and Analysis, and Smart Water across the sub region.

Subsequent to receiving this report all three Councils had open workshops to receive and consider the information from the initial report as well as to discuss the next steps and provide direction to respective staff. Through the workshops a clear direction emerged where Councils supported in principal the development of a detailed business case centred around a CCO model. As a counter factual, all three organisations also supported the business case looking at an Enhanced Shared Services model, based on the existing arrangements between the three organisations.

Following the workshop, Council staff have met with members of both Waipa and Hamilton City Council and formed an informal Project Control Group. The group has met on a number of occasions. These meetings have focused on developing Council reports for considering the next steps, as well as scoping a draft brief of works required to undertake detailed Business Planning, should the three councils agree to move forward with this process.

Both Hamilton City and Waipa District Council have tabled and adopted reports supportive of progressing with the detailed business case works. The Hamilton report focused on completing the work focused on the CCO and Enhanced Shared Services model, whereas the Waipa report recommended adding two further

scenarios to be analysed via the same process, namely a Waipa only CCO and the Status Quo. Both reports delegated authority to the Chief Executives to carry out the study, however, Waipa appointed two elected members to support the Chief Executive through the process. Neither report canvassed costs, cost apportionment or project governance or management in any detail.

Staff consider there is value in this process considering all possible options available moving forward. This will ensure that when Council considers the final business case it will do so with a full and complete set of detailed information on all possible service delivery options. With this in mind, staff recommend the addition of a Waikato District centric model that considers an option of expanding the current agreements with Watercare Services Limited to include the management of the waters networks across the district via an alternative delivery method.

The development of a business case that considers the integrated delivery of water services across the sub region is a significant piece of work. The scope of the work required is complex and securing a consultant with sufficient skills and experience to deliver the works will require a detailed and well considered scope of work. With this in mind, it is proposed to go to the open market with an initial brief and work through a formal process to select a consultant and finalise a brief, prior to requesting each Council's approval to proceed. This process will estimate a final cost of the work, the timeframe and outputs as well as staff input levels, a key consideration, given LTP workloads. Stormwater has not been included with the study scope to date, and the inclusion, or not, of the management of this asset needs to be answered via the business case process as well.

Management of the process moving forward also needs to be agreed and a two tiered approach is suggested. This will see the informal project control group formalised and the establishment of a governance group to oversee the development of the brief and delivery of the business case. It is recommended that both groups will need to have developed and agreed terms of reference, including formalising cost splits and confirming equal voting rights.

2. Recommendation

THAT the report of the General Manager Service Delivery – *Proposal to Investigate Alternative Options for the Provision of Water Services* - be received;

AND THAT Council support the development of a jointly funded detailed business case to investigate the viability of sub regional collaboration to deliver water services, as outlined in attached report;

AND FURTHER THAT the joint business case consider both a CCO and Enhanced Shared Services model;

AND FURTHER THAT Council solely fund the business case to consider the option of expanding the Councils current agreements with Watercare Services Limited to include the management of the waters networks across the district via an alternative delivery method;

AND FURTHER THAT Council support the formation of a Governance and Project Control Group to oversee the development of Business Case and subsequent work programme;

AND FURTHER THAT His Worship the Mayor and the Chair of the Infrastructure Committee be approved as Council representatives on the Governance Group;

AND FURTHER THAT staff report back to Council the outcomes of the public tender process including the scope and estimated cost of the detailed business case for approval prior to final engagement of a consultant.

3. Background

In March 2014, an independent report (the report) commissioned by the Waikato Mayoral Forum (the forum) water work stream was received by the forum. The report recommended, amongst other things, that a detailed business case be carried out to determine the value proposition of establishing a Council Controlled Organisation (CCO) to own and operate the water and wastewater assets of Hamilton, Waipa and Waikato councils (partner councils).

The key aspects of the report were presented to Council via a workshop, on 19 May and a full copy of the final report has been circulated to all Councillors.

3.1 Report Summary

The rationale for the report's key recommendation was, in part, influenced by the current central government environment regarding water, including:

- The National Infrastructure Plan which ranked, at a National level, Water Infrastructure the least prepared "core" infrastructure able to meet the challenges of expected national growth and demands expected over the next 25 years;
- The report of the Local Government Infrastructure Expert Advisory Panel which recommends regionalisation of water;
- Proposed local government legislation which requires (inter alia) a 30-year infrastructure strategy, regular service delivery reviews and gives the Local Government Commission the power to establish CCO's;
- Various industry led reports which acknowledge the need for change in NZ Water structure.

Since the Report was published, the Local Government (Financial Reporting & Prudence) Regulations have come into force with the effect of providing greater motivation to consider using CCO structures, particularly for asset-based activities.

The above comments go some way to explaining the national context but some of the most compelling reasons for considering an alternative structure for the partner councils relate to the local situation, such as:

- Each council is facing challenges servicing high population growth and the availability of water;
- Each council has a large capital expenditure program over the current Long Term Plan horizon in the 3 waters area
- With current planning and allocation processes, there will need to be a lot of attention given to the effective management of water demand;
- The Hamilton, Waikato, Waipa water networks are, in many cases, geographically close and similar in nature which facilitates a collaborative approach; and
- There is clear opportunity to drive better long-term value through the scale and efficiency of a larger organisation.

It was also highlighted within the report that there is already a close working relationship between the partner councils with regards the 3 waters, through the current Shared Services agreements. The Shared Services team consists of 12 full time equivalent staff delivering Trade Waste, Sampling and Analysis and Smart Water services to the sub region. The report gave some credence to this method of service delivery. It has therefore been suggested that any business case commissioned should also explore the ability of an “Enhanced” Shared Services (ESS) model for delivery of water services across the partner councils and benchmark that outcome against the CCO delivery model.

At this stage, the report is focused solely on 2 of the 3 waters, being water and wastewater. There is some rationale behind this position, in that stormwater management has connections to land use and land use planning. At this stage, however, all three partner councils have a very integrated 3 waters approach, where stormwater management sits within the overall management of the water portfolio. There is still a piece of work and discussion that is required through this process to confirm whether stormwater management lies within any further sub regional management structure or will be retained within the structures of the partner councils.

4. Discussion and Analysis of Options

4.1 Discussion

Since the release of the report, there have been significant discussions at the participating Councils regarding its content and the recommendations. Soon after the release of the report and prior to the council workshop of 19 May, staff and the Mayor met with Waipa District staff and a small panel of experts to traverse the contents of the report and ensure that its outcomes were robust and well understood. This meeting allowed staff to gain a wide and robust view of options available to Council with regards to the management of the waters portfolio.

Senior staff from the participating councils have also come together in an informal Project Control Group (PCG) to progress matters in this area. To date the PCG has focused on developing the partner council reports and developing the draft scope of works (see attachment 1). To date both Hamilton City (HCC) and Waipa District (WaiDC) Councils have considered their respective reports and accepted the associated recommendations (see attachment 2).

4.2 Alternate Delivery Modes

As part of the ongoing discussions following the report's release, other alternate delivery mechanisms have been identified by some of the partner Councils. Whilst the report itself recommended detailed investigation of the CCO option, and subsequent acceptance from all partner councils that investigating an ESS model will be of value (comparing both options against the Status Quo) WaiDC has instructed their staff to explore further options. It is understood that this position was arrived at so that following the completion of the business case, WaiDC will have a full understanding of all potential delivery mechanisms reasonably available for the water business and be able to make a fully informed decision on the next stage.

WaiDC has resolved to study the following alternate delivery models through the upcoming business case process:

- a) the status quo;
- b) an enhanced shared services model; and
- c) a Council Controlled Organisation (CCO);
- d) a Single Waipa owned CCO.

The additional studies required will need to be funded by WaiDC, however, for consistency and the ability to benchmark against all other proposals, the work is proposed to be undertaken through the same processes as the base cases and will therefore form part of the proposed brief.

From the perspective of staff, ensuring that the proposed process is robust and allows for the comparison of all possible delivery options, WaiDC's approach is considered sensible. With this in mind staff propose that this Council consider funding an alternate model through the process. It is proposed that the additional work should look at building on our current working arrangements with Watercare Services Limited (WSL) and carry out the detailed study on forming a closer working relationship with WSL with regards to overall system operation and management. The study should be focused on understanding the costs and benefits of a joint CCO, an Enhanced Shared Service arrangement, or a simple contract to run approach and benchmarked against the other options being considered.

The legal implications of extending the arrangement with WSL would need to be full investigated.

4.3 Governance and Project Management

At this point in the process, governance of the overall project has not been confirmed and, as noted above, the informal PCG is the only structure in place to provide any overview and guidance. A project of this nature will be significant and as such it is important that both governance and management structures are set up to support the process and that each layer operate within a well defined terms of reference (ToR).

Staff recommend that a governance group be considered to give the project connection to the ultimate decision makers and that such a group should consist of elected members from each council. Staff also suggest that the existing informal PCG be formalised and become responsible for the day to day delivery of the

project brief. A Terms of Reference would need to be developed for each of these groups and approved by each Council.

Council's current representative on the PCG is the General Manager Service Delivery. His Worship the Mayor and the Chair of the Infrastructure Committee are suggested to be the appropriate elected members to be part of this process and to represent Council in any Governance committee moving forward. His Worship the Mayor has been appointed to the Mayoral Forum workstream and therefore already has a good understanding of the issues and the Infrastructure Committee (under the leadership of the Chair) is responsible for the waters activities.

4.4 Business Case Scope and Draft Request for Proposal

The preparation of the business case for the work required is a complex task. Staff of the partner councils will be providing technical input into the process, but the majority of the work will be required to be undertaken by external consultant(s) with the necessary specialist and independent skills across a range of topics, particularly financial analysis, as well as human resources, IT and legal. These specialist skills will need to be procured from the open market, via a competitive process.

Therefore it is intended to go to the market with a Request for Expressions of Interest document (see attachment I), with a view of securing the specialist services prior to finalizing the scope and securing the approval of the three Councils to proceed.

The Governance group suggested would work with the preferred contractor to oversee the development of the scope.

At a high level it is expected that key outputs of the work will be¹:

- The shape and scale of each option will be understood in reasonable detail, including: shareholding & governance arrangements, how differing levels of debt across the three councils are managed and repaid, financial & funding arrangements, organisation structure and service delivery model. This is expected to involve comprehensive analysis of customer, engineering, financial, Human Resources, IT and legal issues.
- Establishment and transitional costs will be estimated and the transition process will be well understood.
- The strategic, organisational and financial implications for each council will be understood - including risks and benefits and the implications for local decision-making.
- Determining whether stormwater should be included in every proposal or not.

The essential outcome of the Business Case will be the provision of substantive information sufficient for each council, and the residents and ratepayers of each

¹ See attached REOI for full details of scope and method for securing successful consultant

council (via consultation), to make an informed decision on the preferred model of Waters delivery for the future.

Timeframes for this work will be able to be determined following securing the successful consultant and will be brought to Council through the approval process.

4.5 Options

The main purpose of this report is to determine whether Council supports the development of a detailed business case that considers the viability of a Waters CCO. Whilst there are a number of other aspects surrounding the proposal, such as cost and governance methods, the base consideration is only whether to proceed to develop the full scope of works required for a business case and the options that such a business case needs to consider.

With this in mind, staff suggest that there are three options available to Council. These are outlined below:

Option 1: Do nothing.

Option 2: Undertake the analysis of the base options as recommended by the report, namely a CCO and ESS (benchmarked against the status quo) plus consider whether stormwater is delivered by a joint entity left with the individual council.

Option 3: Undertake the analysis of the base options of the report, plus Council invest in a study to also assess on the potential of WSL delivering water services through an alternate delivery model (benchmarked against the status Quo) plus consider whether stormwater is delivered by a joint entity left with the individual council.

5. Considerations

5.1 Financial and Governance

At this current stage of the project, it is difficult to accurately estimate the cost of this project because:

- The scope and methodology haven't been finalised and approved;
- It is a 'one off' project – there is nothing similar to compare it to;
- It is complex - three councils involving multiple considerations (Human Resources, Legal, Financial, Engineering etc).

A cost of up to \$700,000 has been suggested for this work but that will depend on the agreed scope and market prices.

Project costs will be finalised, and referred back to each Council, once scope and methodology have been discussed and negotiations have been concluded with the successful external party/parties. This will form part of the decision making processes and no work will proceed until such approval is received.

Cost share discussion also need to be concluded. There is an initial view at the PCG level that the Mayoral Forum cost allocation model may provide the best vehicle for allocation of costs for the base business case works (noting that individual Councils will need to fully fund any studies outside that of the two proposed base cases).

Whilst using the Mayoral forum cost allocation model may result in a lower cost than initially expected for this Council (sum set aside via the 2014/15 Annual Plan was \$200,000), it would need to be confirmed that voting rights are not related to cost share and each Council has equal say in the decision making processes.

A key part of moving to the next stage will be finalizing the cost allocation, confirming representation and governance, including decision making processes. Again, this will form part of the decision making processes and no work will proceed until such approval is received.

5.2 Legal

The respective Councils legal and procurement advisors have not checked the attached documentation and business case. This work still needs to occur. No process will be entered into until it is clear that all participating Councils procurement processes are complied with and any identified legal matters are addressed.

5.3 Strategy, Plans, Policy & Partnership Alignment

This work has been driven through the Mayoral Forum and its Water Work Stream. The mayoral forum has a mandate to operate in this area and make recommendations for the various councils to consider. The final decision to be involved or not rests with the individual councils.

When this matter was previously discussed with Council, three main issues were identified:

- All three Councils would participate in the detailed business case (this condition will be met if this council agrees to proceed with the business case).
- The selection of a consultant or consultants would be through a transparent and open tender process (This condition will be met if the council agrees to proceed with the business case). Please note that the tender process would select a consultant who would then be involved in agreeing the scope of the project and the cost.
- Council is satisfied with the scope of the project (This condition remains outstanding. This report covers the broad outline of the scope and proposes this would be worked on with the preferred consultant and overseen by a governance group including His Worship the Mayor and the Chair of the Infrastructure Committee. The work would not proceed until the scope is agreed and satisfactory to council).

5.4 Assessment of Significance

The formation of a CCO or alternative service delivery method would trigger the significance policy and require a full public consultation process. This could only be determined once the business case is evaluated and any future proposals are clear.

6. Consultation

The following stakeholders have been/or will be consulted:

Planned	In Progress	Complete	
X			Internal
X			Community boards/Community committees
X			Waikato-Tainui/Local iwi
X			Households
X			Business

Consultation will form a significant part of this project as it moves forward. It is envisioned that a full public consultative process will be required following the outcome of the business case, if approved.

To date limited and targeted consultation has occurred, mainly via media releases and Council and Committee meetings.

7. Risk

The following risks and mitigation processes have been developed:

Risk	Description	Mitigation	Overall Rating
Resourcing	Inability of professional suppliers to deliver. Inability of staff to deliver.	Careful selection. Appropriate project management. Chief Executives proving appropriate resources/priority to Project requirements.	Medium
Cost	Cost overrun.	Careful scoping of project. Careful consultant selection. Careful budget management.	Medium
Timeline	Inability to deliver to programme - most likely caused through delays in supply of high quality/timely input	Chief Executives proving appropriate resources/priority to Project requirements.	Medium

Risk	Description	Mitigation	Overall Rating
	information from councils and complex governance requirements.		
Unclear scope/Scope creep	The three Councils have different requirements and if not clearly explained the final business case may not deliver the answers sought	The governance group and PCG ensure the scope is clear and detailed	Medium
Communications	Inadequate stakeholder understanding the scope, purpose, limitations, timeline etc of this project.	Clear communications plan.	Medium

8. Conclusion

The Mayoral Forum Water report is a significant piece of work that has been undertaken within the region. The outcome of the report was the recommendation that a full business case be undertaken looking at the viability of setting up a CCO to manage water activities within the sub region and involving Waipa District, Hamilton City and Waikato District councils.

Before progressing to a full business case, a series of steps need to be taken to ensure that sufficient skills are available to undertake the required works and that there is a management and governance oversight of the process. The full scope of the project needs to be agreed by the respective councils as well as an appropriate funding formula. It is also important that all possible delivery models are analysed so that when considering the best model for moving forward, Council has all the required information at hand.

9. Attachments

- Attachment 1: HCC and WaiDC report recommendations
- Attachment 2: Draft REOI Document

Attachment 2

Hamilton City Council

- A. THAT COUNCIL UNDERTAKE A DETAILED BUSINESS CASE EXAMINATION OF A COUNCIL CONTROLLED ORGANISATION FOR WATER AND WASTEWATER ACTIVITIES AS A JOINT PROJECT BETWEEN HAMILTON CITY COUNCIL, WAIKATO DISTRICT COUNCIL AND WAIPA DISTRICT COUNCIL.
- B. THAT THE DETAILED BUSINESS CASE ALSO EXPLORES AN ENHANCED SHARED SERVICES MODEL AS PART OF THE REVIEW.
- C. THAT THE CEO'S BE DELEGATED AUTHORITY TO CONDUCT A COMPETITIVE PROCESS TO IDENTIFY THE SPECIALIST ADVISOR/S REFLECTING THE OUTLINE SCOPE IN SECTION 5 OF THIS REPORT BUT WITH THE FLEXIBILITY TO INCORPORATE RESPONDANTS SUGGESTIONS.
- D. THAT THE OUTCOME OF THE COMPETITIVE PROCESS BE REPORTED BACK TO THE COUNCILS FOR APPROVAL. THE REPORT TO INCLUDE DETAILS OF THE PROPOSED FINAL SCOPE, CONTRACT TERMS, TIMEFRAME, COST, COST APPORTIONMENT AND TERMS OF REFERENCE FOR PROJECT GOVERNANCE.

Waipa District Council

- b) Council undertake a detailed business case examination for water and wastewater activities as a joint project in Hamilton City, Waikato District and Waipa District;
- c) The detailed business case should explore the implications of: a) the status quo, b) an enhanced shared services model, and c) a Council Controlled Organisation (CCO) or multiple CCOs;
- d) The CEO's be delegated authority to conduct a competitive process to identify the special advisor/s reflecting the outline scope in section 3 of this report but with the flexibility to incorporate respondents suggestions;
- e) His Worship the Mayor and Councillor² _____ assist the CEO with the above process as required; and,
- f) The outcome of the competitive process be reported back to the councils for consideration. The report to include details of the proposed final scope, contract terms, timeframe,

² It is understood the Mayor, Jim Mylcreast and Councillor Claire St Pierre are Waipa DC nominees

HCC Logo

Waikato Logo

Waipa Logo

**EXPRESSION OF INTEREST - BUSINESS CASE ANALYSIS
WAIKATO WATERS CCO**

July 2014

1. BACKGROUND

In March 2014, an independent report (the report) commissioned by the Waikato Mayoral Forum recommended that, subject to detailed business case analysis, a Council Controlled Organisation (CCO) should be established for the water and wastewater activities of Hamilton, Waipa and Waikato councils. (A copy of the report is available at xxxx.)

The recommendation was influenced by a number of key documents and studies, including:

- The National Infrastructure Plan which was critical of the overall water industry;
- The report of the Local Government Infrastructure Expert Advisory Panel which recommends regionalisation of water;
- Proposed local government legislation which requires (inter alia) a 30-year infrastructure strategy, regular service delivery reviews and gives the Local Government Commission the power to establish CCO's;
- Various industry reports acknowledging the need for change in NZ Water structure.

Also, since the report was published, the Local Government (Financial Reporting & Prudence) Regulations have come into force with the effect of providing greater motivation for Local Authorities to consider using CCO structures, particularly for asset-based activities.

The above comments outline the national context but some of the most compelling reasons for considering an alternative structure for Hamilton, Waikato and Waipa councils are related to the local situation.

For example:

- Each council is facing challenges servicing high population growth and the availability of water;
- Each council has a large capital expenditure program over the current Long Term Plan horizon in the 3 waters area
- With current planning and allocation processes, there will need to be a lot of attention given to the effective management of water demand;
- The Hamilton, Waikato, Waipa water networks are, in many cases, geographically close and similar in nature which facilitates a collaborative approach; and
- There is clear opportunity to drive better long-term value through the scale and efficiency of a larger organisation.

It was also noted in the report that there is already a close working relationship¹ between the three councils with regards 3 Waters activities.

As a result of the report's recommendations, the three councils have decided to proceed with a detailed business case analysis. However, each Council has also raised its own independent view on other possible solutions to the issues, pressures and concerns raised and these will also need to be addressed through any analysis.

This next stage is a sensitive piece of work as it will not only need to withstand the scrutiny of council executives and politicians but, in the event that the analysis recommends significant change in the delivery model, public scrutiny via a public consultation process.

2. PURPOSE OF BUSINESS CASE

Whilst it is intended that the detailed scope of works will be finalised with the successful consultant/s, as a minimum, the project will deliver the following key outcomes:

¹ The 3 Participating Councils currently operate a Sub Regional Shared Services initiative to deliver limited Water Services across the sub region

- Detailed analysis and outline of the shape and scale of all models proposed either jointly (status quo, enhanced shared services and Council Controlled Organisation) or independently for the delivery of Water Services across the Sub Region²
- Any analysis will include, but not be limited to, understanding the following in sufficient detail for decision making processes:
 - Possible governance & shareholding arrangements,
 - Debt management across the three councils,
 - Financial & funding arrangements,
 - Organization structure and service delivery options modelled.
- Determine whether Stormwater Services could be economically delivered via any/or all of the models being considered, or left within the parent Council, along with the impact of any decision
- Possible transition processes understood in detail for each proposed model, including timing.
- Establishment and transitional costs must be estimated
- The strategic, organisational and financial implications for each council must be understood - including risks and benefits and the implications for local decision-making.
- Impacts, if any, on parent organizations, including stranded costs, HR and any other likely impacts.

The business case is required to benchmark each proposal against a counter-factual, "status quo". However the current known status quo of each participating Council is unlikely to provide a robust benchmark for comparison, particularly as each Council moves to deliver a significantly increased capital works programme. Some work will therefore be necessary to define an appropriate base-line (status quo) position. Benchmarking of each option should be undertaken using a Multi Criteria type analysis, so that the best delivery model can be easily understood and articulated.

The Business Case analysis will be undertaken in general accordance with the NZ Treasury 'Better Business Case' model. The outcome of the business case will be the provision of information in sufficient detail for each council to consider and make a determination on the best option for progressing to public consultation, if so required. Public consultation on the preferred option is not part of this proposed brief.

The Report will compare all options and result in a **clear and concise recommendation** on whether to proceed with a CCO (including the form of the CCO), an enhanced shared service structure, other proposed option, or whether to retain the status quo.

Note 1: All options have equal status.

Note 2: Because of the complexity of this project, independent peer review will be undertaken at appropriate project milestones.

3. INVITATION

The development of a comprehensive, robust analysis of multiple options across multiple organisations is a complex task. The councils realise that there is more than one way to approach this work and organisations or consortiums with relevant track record, experience and capability are invited to register an expression of interest (REOI) for undertaking this project.

² For avoidance of doubt, the sub region is the geographic area of Hamilton City, Waipa and Waikato District Councils

REOI's will be evaluated by a panel of nominated Hamilton/Waikato/Waipā senior staff representatives utilizing the weightings shown below. Initial evaluation of the proposals shall be undertaken in general accordance with Hamilton City Councils procurement Manual, using Supplier Quality Premium. A maximum of three submitters will then be invited to participate in stage two of the evaluation process and present their proposal direct to a panel which may include elected representatives.

A preferred tenderer will then be identified and formally engaged to work with the councils to agree a final project structure and contract details including scope, methodology, timeline, price etc for participating Council's approval. Only once relevant approvals are obtained will the preferred tenderer be formally engaged to undertake the detailed analysis required.

Contractual arrangements have not been finalised, but is likely to be a modified form of Conditions of Contract for Consultancy Services (CCCS). The successful consultant/consortium will be required to enter into separate contracts with each participating Council.

4. INFORMATION REQUIRED

Submitters to this EoI should provide the following minimum information:

Company Detail	General description of the company.	Weighting
Relevant Experience	Relevant experience in this type of work including experience with the NZ Treasury 'Better Business Case' model. <i>(Please include appropriate referees.)</i>	20%
Methodology	Outline in your own words your understanding of what is required and what will be delivered. Describe your methodology in reasonable detail including the issues that you believe will need to be addressed in the business case analysis. Remember, the output requires analysis by each council as well as in general. Explain how you will deal with the inherent uncertainties and risks.	15%
Assumptions & Risks	Identify assumptions and exclusions.	
Timeline	Include an indicative timeline.	
Key Personnel	Identify staff that would work on the project and include CV's.	10%
Price	Include a gross price for the work (based on the methodology, timeline, personnel etc proposed). Include daily rates in a schedule and show the provision for disbursements. The intention is that the contract will be awarded on a fixed price basis.	15%
Ideas / Value	The councils are interested in the most effective value proposition so any suggestions that would save cost (while still providing a robust outcome) or improve value are welcome. Explain why your company is best suited to undertake this work.	20%

Up to three top scoring tenderers will be carried forward to the presentation stage of the evaluation.

The presentation is worth a total of 20% overall weighting. The top tenderer following the presentation will be invited to enter into a short form agreement with the parties to undertake final scope and contract development works.

5. OTHER RFP DETAILS

Proposals must be received by 4pm on xxx

Proposals should be addressed to: yyy

Three hard copies plus an electronic copy should be provided.

The intent is to award a contract by zzz.

Enquiries about this EoI can be made to *Joe Blow at xxx Council*:

Email:

Telephone: