

Notice is given that an extraordinary meeting of the Tasman District Council will be held on:

Date: Thursday 2 October 2025
Time: 11.30am
Meeting Room: Tasman Council Chamber
Venue: 189 Queen Street, Richmond
Zoom conference link: <https://us02web.zoom.us/j/88992581549?pwd=xgpat6YbDbtV8ZiajY2M3fKVe6c9OG.1>
Meeting ID: 889 9258 1549
Meeting Passcode: 757361

EXTRAORDINARY Tasman District Council Kaunihera Katoa AGENDA

MEMBERSHIP

Mayor	Mayor T King	
Deputy Mayor	Deputy Mayor S Bryant	
Councillors	Councillor C Butler	Councillor M Kininmonth
	Councillor G Daikee	Councillor C Mackenzie
	Councillor B Dowler	Councillor K Maling
	Councillor J Ellis	Councillor B Maru
	Councillor M Greening	Councillor D Shallcrass
	Councillor C Hill	Councillor T Walker

(Quorum 7 members)

Contact Telephone: 03 543 8400
Email: tdc.Governance@tasman.govt.nz
Website: www.tasman.govt.nz

AGENDA

1 OPENING, WELCOME, KARAKIA

2 APOLOGIES AND LEAVE OF ABSENCE

Recommendation

That the apologies be accepted.

3 DECLARATIONS OF INTEREST

4 LATE ITEMS

5 REPORTS

5.1 Nelson Provincial Museum - Archives Research and Collections Facility..... 4

5.2 Chief Executive Officer Financial Delegations..... 14

6 CONFIDENTIAL SESSION

Nil

6 CLOSING KARAKIA

5 REPORTS

5.1 NELSON PROVINCIAL MUSEUM - ARCHIVES RESEARCH AND COLLECTIONS FACILITY

Decision Required

Report To:	Tasman District Council
Meeting Date:	2 October 2025
Report Author:	Pip Jamieson, Principal Planner - Strategic Policy; Mike Drummond, Chief Financial Officer
Report Authorisers:	John Ridd, Group Manager - Service and Strategy
Report Number:	RCN25-10-2

1. Purpose of the Report / Te Take mō te Pūrongo

- 1.1 For the Council to consider its support for the Tasman Bays Heritage Trust's (the Trust) business case for the Archives, Research and Collections (ARC) facility, reflecting similar resolutions made by Nelson City Council (NCC); and
- 1.2 For the Council to note the Trust's preferred site for the ARC, including:
 - 1.2.1 the purchase of the land in Richmond, Tasman; and
 - 1.2.2 the sale of the property at 11 Church Street, Nelson; and
 - 1.2.3 the construction of the Archives, Research and Collections facility in Richmond; and
 - 1.2.4 the Trust is taking out a loan against the new facility in Richmond that does not exceed \$600,000 in total.

2. Summary / Te Tuhinga Whakarāpotō

- 2.1 The ARC is currently situated in Isel Park, Stoke.
- 2.2 Tasman Bays Heritage Trust (TBHT), who occupy the current building, have long stated the facility is not suitable for its purpose of protecting heritage collections and importantly the team who work in the environment.
- 2.3 The Trust purchased land in Church Street, Nelson in 2019 to build a new ARC facility.
- 2.4 Due to difficulty raising enough funds to complete the project, the Trust has had to consider alternative options.
- 2.5 Whilst exploring new options, an opportunity arose to purchase land in Richmond that the Trust believes would be suitable for the ARC facility.
- 2.6 A business case was prepared and shared with the Council, which showed Richmond as the preferred choice.

2.7 Following confirmation from NCC on 4th September 2025 for release of funding as in their 2024-2034 Long Term Plan, the Trust is now seeking approval from the Council to proceed with the project and to secure Council funding.

2.8 Nelson City Council at its 4 September 2025 meeting resolved:

That the Nelson City Council

1. *Notes the Tasman Bays Heritage Trust's proposal to build the new Archives, Research and Collections facility in Richmond, Tasman; and*
2. *Agrees that the funding of \$3.04 million already provided for in the Long Term Plan 2024-2034 will go towards the Archives, Research and Collections facility in Richmond, subject to Tasman District Council also retaining its funding for the project; and*
3. *Agrees to the release of \$921,000 of the \$3.04 million provisioned for the Archives Research and Collections facility in the Annual Plan 2025/26 to the Trust for the construction of the facility, subject to Tasman District Council also releasing its funds for this year; and*
4. *Approves, as required under the Trust Deed, and subject to Tasman District Council also approving:*
 - a) *the purchase of the land in Richmond, Tasman; and*
 - b) *the sale of the property at 11 Church Street, Nelson; and*
 - c) *the construction of the Archives, Research and Collections facility in Richmond, Tasman; and*
 - d) *the Trust taking out a loan against the new facility in Richmond, Tasman that does not exceed \$600,000 in total.*
5. *That, noting the \$600,000 Westpac loan proposed by the Trust in the June '25 business case and to be funded by Councils by ratepayers through the annual grant to the Trust is at an interest rate of 6.64% whereas the \$3m debt each Council is raising through the LGFA for the project is currently providing loans at 4.09%, that Council officers work with the Trust on how best to structure the total debt so as to minimise the overall costs for ratepayers.*

3. Recommendation/s / Ngā Tūtohunga

That the Tasman District Council

- 1. receives the Nelson Provincial Museum - Archives Research and Collections Facility report, RCN25-10-2; and**
- 2. notes the Tasman Bays Heritage Trust's proposal to build the new Archives, Research and Collections facility (ARC) in Richmond; and**
- 3. approves that the funding of \$1,022,000 (2025/26) and \$2,091,012 (2026/27) already provided to fund museum facilities in the Long Term Plan 2024-2034 will go towards the Archives, Research and Collections facility in Richmond; and**

4. approves to the release of \$1,022,000 of the \$3.1 million provisioned for the Archives Research and Collections facility in the Long Term Plan 2024-2034 to the Trust for the construction of the facility; and
5. notes the request from the Trust for an early draw down of the \$2,091,012 currently in the Council's 2026/27 budget; and
6. declines the request from the Trust for the early draw down of the \$2,091,012 currently in the Council's 2026/27 budget; and
7. approves, as per the current Council/Tasman Bays Heritage Trust's loan agreement, for the Trust to exercise its power to borrow money or give a guarantee relating to the Archives, Research and Collections construction up to a value of \$600,000; and
8. approves, as required under the Trust Deed:
 - e) the purchase of the land in Richmond; and
 - f) the sale of the property at 11 Church Street, Nelson; and
 - g) the construction of the Archives, Research and Collections facility in Richmond; and
 - h) the Trust taking out an up to 5-year term loan secured against the new facility in Richmond that does not exceed \$600,000 in total; and
9. advises the Trust that any project cost over runs outside of the contingency amount included in the attached business case (Attachment 1 to the agenda report) will not be met by the Council; and
10. advises the Trust that the Council's annual funding will not be increased to cover any additional operational costs in relation to the Archives, Research and Collections facility; and
11. agrees that this report and decision will be made publicly available once the Trust and Nelson City Council have been advised of the Council's decision.

4. Background / Horopaki

- 4.1 The Trust was established in 2000 to administer the Nelson Provincial Museum – Pupuri Taonga o Te Tai Ao – as a regional heritage facility and to care for the collection on behalf of Tasman District Council and Nelson City Council.
- 4.2 The Tasman Bays Heritage Deed of Trust requires both councils written consent for land sale and purchase, and for borrowing.
- 4.3 The Trust's collection, valued at \$20 million, is stored at Isel Park, Stoke in an aged facility which now requires major investment.
- 4.4 To secure the safety of the collection and staff and to create a space that reflects current best practice, the Trust is proposing a new facility to be built in Richmond, Tasman.
- 4.5 For that to happen, and as per the terms of the Trust Deed, the Trust has asked for the Council to:
 - 4.5.1 approve the purchase of identified land in Richmond; and
 - 4.5.2 give consent to allow the Trust to sell the Church Street site; and
 - 4.5.3 give consent to allow the Trust to borrow \$600,000 from a bank; and

- 4.5.4 approve the release of the funds committed to the project to enable construction to begin in the current 2025/26 financial year.

Isel Park Facility

- 4.6 The Trust's collection, valued at \$20 million, is stored at the Isel Research facility in Isel Park, Stoke.
- 4.7 The Trust has long stated that the facility is not suitable for its purpose of protecting heritage collections or the team who work in the environment.
- 4.8 Kaupapa Projects were engaged to provide a building condition report of the Isel Park facility. The inspection found that despite the lack of maintenance and unsuitability of the building in its current condition, invasive testing indicated that the building is generally structurally sound and could be made suitable for other purposes.
- 4.9 However, the work required to repair defects would be significant and would most likely trigger the requirement for a building consent, and upgrades to the current building code would be required and those costs could also be significant.

Richmond site ARC business case

- 4.10 The original intent for the ARC was to construct a new centre in downtown Nelson. Land was subsequently purchased and plans developed for construction, and a fundraising strategy commenced.
- 4.11 As time went on, the true cost of the project became apparent and alternate options were sought.
- 4.12 The Trust engaged the services of consultants to explore alternative site options, including an opportunity in Richmond. The consultants presented eight options initially, including remaining with the Church Street development project, repair of the Isel Park facility, rebuild at Isel Park, hire storage space, rent an existing building, buy and re-purpose an existing building in Nelson CBD, and construct a new building in an alternative location to the Church Street site. Of those options assessed, three were found as potentially viable, namely the Church Street development, a new build in Richmond (new site), and Isel Park.
- 4.13 The Trust investigated two Isel Park options, which were to extend the footprint, and a new build within the park precinct. Assessments of both options presented significant risk and complexity compared to the new site in Richmond.
- 4.14 The opportunity to build at a site in Richmond where the land was available to purchase showed significant benefits, including a lower construction cost due to it being a single level building and providing space to expand in the future if required.
- 4.15 One of the key benefits of the Richmond site is the opportunity to sell the Church Street site and make it available for a different development. With a sale of Church Street possible, the Trust has an opportunity to reduce the financial risk for the new build.
- 4.16 The Trust purchased the Church Street site in 2019 at a cost of \$820,000 and is now hoping to sell it for \$925,000. The sale may need to go to tender in which case the sale price could be higher.
- 4.17 A business case for the ARC facility prepared in June 2025 by the Trust states the advantages of the Richmond option include:
- reduction in costs of construction;
 - the space efficiencies of a single storey building;

- the cost savings of an HVAC system;
- reduction in cost of structure and other supplementary costs; and
- completion being able to be achieved sooner.

4.18 The Trust is currently working with the contractor on finalising designs, construction costs and timing. The early indications are that construction could potentially commence in February 2026 which is four months earlier than had been planned for in the business case. The Trust believes that beginning construction as soon as possible would help maintain the fixed price budget without the risk of construction costs rising.

ARC project budget

4.19 The budget for the proposed development in Richmond is \$9.8 million. A breakdown of the total budget is shown below:

Item	Amount (NZD)
Fixed price build	\$7.15 million
Furniture, fittings and equipment	\$1.12 million
Project management, procurement, interest and site purchase	\$1.53 million
Total Project Cost	\$9.8 million

4.20 After securing support from both councils for the Church Street proposal, the Trust approached other organisations for further support including Central Government and local trusts.

4.21 One of the more significant grants received was \$300,000 from the Lottery Environment and Heritage Fund.

4.22 Pledges have also been received from the McKee Charitable Trust (\$15,000), Rata Foundation (\$500,000), and the City of Nelson Civic Trust (\$20,000).

4.23 In 2023, an initial application to the Regional Culture and Heritage Fund for \$5,335,000 was unsuccessful, and the Trust was advised to apply again when the fund opened in 2024. However, Central Government closed the fund in 2024.

4.24 The Trust continued to explore other potential funding sources but has been unsuccessful in obtaining enough funds for the project to go ahead in Church Street.

4.25 A breakdown of funding required for the proposed new development in Richmond is shown below:

Source	Amount
Nelson City Council	\$3,040,000
Tasman District Council	\$3,110,000
Tasman Bays Heritage Trust	\$850,000
- <i>TBHT Cash Reserves</i>	<i>\$250,000</i>
- <i>Westpac Loan Facility</i>	<i>\$600,000</i>

Sale of Church Street	\$980,000
Fundraising	\$1,120,000
Rata Foundation	\$500,000
Bett Trust	\$150,000
Other	\$50,000
Total Funding	\$9,800,000

Loan History

- 4.26 The councils had loaned the Trust towards costs of the Trafalgar Street Museum and cost overruns.
- 4.27 The term maximum is five years with a current interest/CPI rate with Westpac of 6.84%.
- 4.28 The Trust pays \$200,000 per annum to the councils and notes the loan will be fully repaid next year.
- 4.29 For the ARC facility to be built in Richmond, the Trust is required to obtain written consent of the councils prior to its exercise of any power to borrow any money or give any guarantee.

Council support to date

- 4.30 The Council has allocated \$1,022,000 (2025/26) and \$2,091,012 (2026/27) in the Long Term Plan 2024-2034 (LTP) for the ARC.
- 4.31 In the Annual Plan 2025/26 this remained unchanged.
- 4.32 In addition to this ARC funding, the Council provides an annual operating grant to the Trust. In 2025/26 this operating grant is \$1.171 m and in 2026/27 will be \$1.1 m.

5. Analysis and Advice / Tātaritanga me ngā tohutohu

- 5.1 As noted, the current Isel Park site does not provide a safe environment for the Trust's employees, nor is it an appropriate facility to store the region's taonga. The current building could not meet these needs without significant investment.
- 5.2 The Council has for several years continually supported the ARC project and has allocated funding towards its establishment through the LTP.
- 5.3 The Trust has carried out assessments and identified a preferred site for the ARC and now requires the Council to confirm commitments already made in the LTP.
- 5.4 The Trust is also requesting an early draw down of 2026/27 funds towards the ARC which staff do not recommend for the following reasons:
- 5.4.1.1 impact on the Council's overall financial position;
 - 5.4.1.2 risk of setting a precedent for other recipients of funding budgeted for in future years;
 - 5.4.1.3 risk of future similar request from the Trust; and
 - 5.4.1.4 potential need to consult on the proposed change as this timing differs to what was in the LTP Consultation Document.

6. Financial or Budgetary Implications / Ngā Ritenga ā-Pūtea

- 6.1 The loan funded grant has been budgeted for within the LTP and so therefore would have no financial risk.
- 6.2 The Trust taking on any additional debt would be interest bearing and funded from the Council's existing grant funding.

7. Options / Kōwhiringa

- 7.1 The options are outlined in the following table:

Option	Advantages	Disadvantages
1. Confirm approval of the LTP funding for the ARC to be retained to be invested in a new facility and release of \$1,022 m in 2025/26, and not approve the early draw down of the 2026/27 funding.	<p>Provide clarity to the Trust.</p> <p>Allow the Trust to commence work on the ARC establishment.</p> <p>Facilitate creation of the appropriate working environment for the Trust's employees.</p> <p>Facilitate establishment of an appropriate facility to house the region's taonga.</p> <p>Enable the Council to manage funds as budgeted and timed for.</p>	<p>Delay the earlier than planned progress of ARC being established.</p> <p>Potential increased construction costs due to delays</p>
2. Confirm approval of the LTP funding for the ARC to be retained to be invested in a new facility and release of \$1,022 m in 2025/26, and to approve the early draw down of the 2026/27 funds.	<p>Potential to bring forward construction of the ARC.</p> <p>Potential to mitigate increased construction costs.</p> <p>Provide clarity to the Trust on future direction.</p> <p>Provide clarity to the Trust.</p> <p>Allow the Trust to commence work on the ARC establishment.</p> <p>Facilitate creation of the appropriate working environment for the Trust's employees.</p> <p>Facilitate establishment of an appropriate facility to house the region's taonga.</p>	<p>Does not provide the Trust assurance to progress.</p> <p>Requirement to consult on any change to funds as per allocated in the LTP.</p> <p>Impacts Council's budgets.</p>

7.2 Option 1 is recommended.**8. Legal / Ngā ture**

8.1 No legal issues identified as this funding was confirmed in the LTP.

9. Iwi Engagement / Whakawhitiwhiti ā-Hapori Māori

9.1 Engagement will depend on the outcome of the Council's decision as iwi partners are aware of and have been included by the Trust, in the ARC project's progress, noting there are significant taonga involved.

10. Significance and Engagement / Hiranga me te Whakawhitiwhiti ā-Hapori Whānui

	Issue	Level of Significance	Explanation of Assessment
1.	Is there a high level of public interest, or is decision likely to be controversial?	Medium	The ARC facility received several supportive responses during LTP consultation.
2.	Are there impacts on the social, economic, environmental or cultural aspects of well-being of the community in the present or future?	Medium	The ARC facility would enable appropriate storage of the region's taonga.
3.	Is there a significant impact arising from duration of the effects from the decision?	Low	Once a Council decision is made the ARC facility could be able to progress within identified timeframes.
4.	Does the decision relate to a strategic asset? (refer Significance and Engagement Policy for list of strategic assets)	Medium	Whilst the taonga is significant to the region, it is not a significant asset of the Council's.
5.	Does the decision create a substantial change in the level of service provided by Council?	Low	No change in level of service would occur.
6.	Does the proposal, activity or decision substantially affect debt, rates or Council finances in any one year or more of the LTP?	Medium	The loan funded 2025/26 could be affected by the Council's decision regarding release of funds. Bringing forward the draw down of 2026/27 funds could impact the Council finances.
7.	Does the decision involve the sale of a substantial proportion or controlling interest in a CCO or CCTO?	Low	No CCO or CCTO sales are impacted

	Issue	Level of Significance	Explanation of Assessment
8.	Does the proposal or decision involve entry into a private sector partnership or contract to carry out the deliver on any Council group of activities?	Low	No private partnerships are proposed.
9.	Does the proposal or decision involve Council exiting from or entering into a group of activities?	Low	The decision does not involve entering or exiting a group of activities.
10.	Does the proposal require particular consideration of the obligations of Te Mana O Te Wai (TMOTW) relating to freshwater or particular consideration of current legislation relating to water supply, wastewater and stormwater infrastructure and services?	Low	The decision does not involve TMOTW implications.

11. Communication / Whakawhitiwhiti Kōrero

11.1 There has been no additional communication on this decision as it had been consulted on during the LTP consultations.

12. Risks / Ngā Tūraru

12.1 Reputational risk – The Council could be seen to not be supporting appropriate care of the region's taonga. Furthermore, the Council could be seen to not be carrying through with what has been outlined in the LTP.

13. Climate Change Considerations / Whakaaro Whakaaweawe Āhuarangi

13.1 The proposed Richmond site for the ARC has been assessed as a lower risk location in terms of being impacted by climate change factors such as sea-level risk and floods.

14. Alignment with Policy and Strategic Plans / Te Hangai ki ngā aupapa Here me ngā Mahere Rautaki Tūraru

14.1 This decision aligns with what has been agreed in the LTP.

15. Conclusion / Kupu Whakatepe

15.1 The ARC is currently situated in Isel Park, Stoke.

15.2 TBHT, who occupy the current building, have long stated the facility is not suitable for its purpose of protecting heritage collections and importantly the team who work in the environment.

15.3 The Trust purchased land in Church Street, Nelson in 2019 to build a new ARC facility.

- 15.4 Due to difficulty raising enough funds for the project the Trust had to consider alternative options.
- 15.5 Whilst exploring new options, an opportunity arose to purchase land in Richmond that the Trust believes would be suitable for the ARC facility.
- 15.6 A business case showed Richmond as the preferred location, and a site was identified.
- 15.7 The Trust is seeking the Council to confirm the funding for the proposal as set out in the LTP, and the release of the funds set in the 2025/26 year in order to commence work on the facility.
- 15.8 The Trust is also seeking early draw down of the 2026/27 funding to bring forward commencement of construction of the ARC.
- 15.9 The Trust is also seeking Council confirmation to access a Westpac loan not exceeding \$600,000 towards ARC costs.

16. Next Steps and Timeline / Ngā Mahi Whai Ake
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- 16.1 Following the Council's recommendations, staff will liaise with the Trust to confirm decisions made and enable the Trust to proceed accordingly.

17. Attachments / Tuhinga tāpiri

Nil

7.3 CHIEF EXECUTIVE OFFICER FINANCIAL DELEGATIONS

Decision Required

Report To:	Tasman District Council
Meeting Date:	2 October 2025
Report Author:	Doug Moffet, Procurement Specialist; Amy Clarke, Acting Assurance & Improvement Manager
Report Authorisers:	Steve Manners, Chief Operating Officer
Report Number:	RCN25-10-1

At its meeting on 25 September 2025, Tasman District Council resolved to leave the report and decision to lie on the table, to allow feedback to be received from the Audit and Risk Committee at its 1 October 2025 meeting, prior to Tasman District Council revisiting this decision.

1. Purpose of the Report / Te Take mō te Pūrongo

- 1.1 The purpose of this report is to seek the Council's decision on proposed changes to the Chief Executive Officer's financial delegations, to support the effective operation of procurement activity, as documented in the new Procurement Policy (**see Attachment 1**) and Internal Procurement Panel Terms of Reference (**see Attachment 2**). The report provides background information, outlines options, and assesses the risks, transparency, and governance implications of adjusting the delegation limit.

2. Summary / Te Tuhinga Whakarāpoto

- 2.1 In July 2025, the Council considered a proposal to increase the Chief Executive Officer's financial delegations from \$1 million to \$10 million, to better align with whole-of-life procurement values and the scale of the Council's major contracts. The Council requested further information before deciding.
- 2.2 This report outlines how the Procurement Policy and the introduction of an Internal Procurement Panel and revised Tenders/Procurement Panel (Tenders Panel) processes are designed to improve consistency, transparency, and organisational maturity in procurement. It also sets out the advantages and disadvantages of maintaining the current delegation or increasing it.
- 2.3 Having considered the Council's feedback, Chief Executive Officer delegations of \$1 million, \$6 million and \$10 million have been considered.
- 2.4 Officers recommend that the Council increase the Chief Executive Officer's financial delegation to \$6 million. This represents a pragmatic middle ground that enables the Internal Procurement Panel to operate effectively while ensuring that the largest and most strategically significant procurements remain subject to elected member oversight.

3. Recommendation/s / Ngā Tūtohunga

That the Tasman District Council

- 1. receives the Chief Executive Officer Financial Delegations report, RCN25-10-1; and**
- 2. approves an increase in the Chief Executive Officer's financial delegation from \$1 million to \$6 million, with the understanding that:**
 - 2.1 all procurement must remain within the funding already approved through the Long-Term Plan, Annual Plan, or separate Council resolution.**
 - 2.2 the Tenders/Procurement Panel retains oversight of procurements above the Chief Executive Officer's delegation or of high strategic significance or community interest; and**
- 3. updates the Schedule of Financial Delegations to reflect the changes to the Chief Executive and Tenders/Procurement Panel delegations.**

4. Background / Horopaki

- 4.1 A report was presented to the Council on 31 July 2025 seeking approval for a change to the Chief Executive's financial delegations. At that meeting, the Council requested further information on both the delegation request and the Procurement Policy. A workshop with the Council was subsequently held on 11 September 2025 to provide an overview of the procurement process and policy.
- 4.2 The Council also requested that a follow-up report be brought back in this triennium to address the questions raised in July 2025 and to enable a decision on the proposed delegation change.
- 4.3 The Council requested that this matter be considered by the Audit and Risk Committee (ARC), however the timing of the meetings does not allow for this. A new quarterly report on procurement will be presented to the ARC in the new triennium.
- 4.4 The Tenders/Procurement Panel Terms of Reference will need to be updated to reflect any changes to the Chief Executive Officer's delegations. This update will be brought to the Council for approval in the new triennium, alongside the other committee Terms of Reference.

5. Analysis and Advice / Tātaritanga me ngā tohutohu

5.1 Procurement Policy

- 5.1.1 The Procurement Policy was approved by the Executive Leadership Team in June 2025.
- 5.1.2 The draft policy was provided to Audit NZ who reviewed it against recognised good practice standards, and found that overall, it aligns well with their expectations.
- 5.1.3 The Council's Procurement Policy sets out how Tasman District Council procures goods, services, and works on behalf of the community. The policy ensures that all procurement decisions are fair, transparent, and deliver the best long-term value for ratepayers. Importantly, the Council can only procure what has been approved through the Long-Term Plan (LTP), Annual Plan (AP), or a separate Council resolution.

- 5.1.4 Procurement is not just about choosing the lowest price – the policy requires staff and elected members to consider the total cost of ownership of contracts, including future operating and maintenance costs, risk, and broader outcomes such as sustainability, environmental impact, and support for local businesses and iwi partnerships.
- 5.1.5 The policy provides clear approval thresholds to match the level of oversight with the size and risk of the purchase. Smaller procurements can be approved by budget holders, while larger procurements require review by the staff-based Internal Procurement Panel, chaired by an Executive Leadership Team (ELT) member. Procurements above the Chief Executive Officer's delegation, or of high strategic significance, must be approved by the Tenders/Procurement Panel made up of elected members. Where there is no allocated budget, approval must come from the Council.
- 5.1.6 The policy also contains strong requirements around conflicts of interest, probity, health and safety, and record keeping. Independent probity assurance is required for high-value or high-risk procurements, and all procurement decisions must be documented and auditable. These measures provide assurance to both the Council and the community that procurement is being carried out responsibly and with integrity.

5.2 Internal Procurement Panel and Tenders Panel

- 5.2.1 The introduction of an Internal Procurement Panel is an important step in lifting the Council's organisational maturity in procurement. By providing a consistent review process for procurement plans and supplier recommendations above \$100,000 and below the Chief Executive Officer's delegation limit, the Panel helps ensure that each procurement is well-planned, risk-managed, and aligned with Council policy before commitments are made. This approach enables procurements to progress efficiently and effectively, reducing delays while providing assurance that probity, sustainability, and broader outcomes have been considered.
- 5.2.2 The Internal Procurement Panel will consist of two Executive Leadership Team members and four rotating staff members. This rotation creates an opportunity for staff across the organisation to build capability and confidence in procurement, spreading good practice and strengthening overall organisational maturity. Members will gain practical experience in applying the policy, assessing risk, and embedding total cost of ownership thinking into decisions, which in turn will lift procurement knowledge across the Council.
- 5.2.3 The Tenders/Procurement Panel will remain in place for higher value or strategically significant procurements. The key change is that the Tenders/Procurement Panel will now receive both the procurement plan and supplier recommendation for review and/or approval, where previously it only received the supplier recommendation. This ensures elected members have visibility of the procurement approach and evaluation process before a decision is made.
- 5.2.4 Both panels, and the Procurement Specialist, may escalate (including to the Council) a procurement where they consider the level of risk to be greater than suggested by its monetary value.

5.3 Transparency

- 5.3.1 Elected members requested further information on how transparency would be ensured under the new Procurement Policy. There are several measures that strengthen transparency and provide greater visibility of procurement decisions.

- 5.3.2 Firstly, the Internal Procurement Panel will receive both the procurement plan and the supplier recommendation for all procurements above \$100,000 and below the Chief Executive Officer's delegation. This provides the six Panel members with oversight not just of the outcome, but also of the planned approach, evaluation criteria, and risk management considerations that underpin each procurement. Because the panel brings together staff from across the Council, it gives visibility of procurement decisions and how they are made across different activities.
- 5.3.3 Secondly, the Tenders/Procurement Panel will now receive both the procurement plan and the supplier recommendation for all procurements above the Chief Executive Officer's delegation. This provides elected members with oversight not just of the outcome, but also of the planned approach, evaluation criteria, and risk management considerations that underpin each procurement.
- 5.3.4 Thirdly, a quarterly procurement report will be presented to the Audit and Risk Committee. This report will summarise procurement activity, highlight exceptions to the policy (such as approved deviations), and provide assurance that processes are being followed consistently. This is a new layer of oversight which strengthens visibility at the governance level.
- 5.3.5 It should also be noted that the Tenders/Procurement Panel continues to operate in confidential session, meaning the information provided is available to elected members but not to the public, reflecting the commercial sensitivity of procurement processes. However, the Council already has existing public reporting channels – the Programme Delivery Office provides regular reports to the Operations Committee on tenders awarded, ensuring visibility of outcomes.
- 5.3.6 Together, these measures strike a balance between protecting commercially sensitive information and ensuring that elected members and the wider Council maintain oversight of procurement activity.

5.4 Chief Executive Officer Financial delegations

- 5.4.1 Increasing the Chief Executive Officer's financial delegations is an essential step in strengthening the Council's strategic focus and financial stewardship. By enabling management to progress routine procurements efficiently, the Council can concentrate its governance oversight on the most strategic and high-risk procurements—where elected member input provides the greatest value. Higher delegations also embed whole-of-life value considerations into decision-making, ensuring that the Council's investments deliver sustainable benefits for the community over the long term.
- 5.4.2 The Internal Procurement Panel (IPP) has been established as a management-level body to provide consistent, expert review of procurement plans and supplier recommendations for procurements above \$100,000 and below the Chief Executive Officer's delegation. In contrast, the Tenders/Procurement Panel provides governance oversight, ensuring that the highest value, highest risk, and most strategic procurements receive elected member visibility and assurance. Increasing the Chief Executive Officer's delegation strengthens this distinction, giving the IPP meaningful scope to operate at the management level while keeping the Tenders/Procurement Panel focused on the procurements where governance oversight provides the greatest value.

- 5.4.3 The consistent use of total cost of ownership (TCO) assessments means more procurements now sit in higher value categories, as lifecycle costs such as operation, maintenance, renewals, and disposal are included alongside the initial purchase price. This does not represent an increase in the Council's spending or risk appetite. Rather, it reflects a more diligent and accountable approach, ensuring that today's decisions are made with full visibility of their long-term impacts. Without an uplift in delegation, many routine procurements would unnecessarily escalate to the Tenders/Procurement Panel, creating delays, reducing efficiency, and diverting attention away from the genuinely strategic procurements that warrant governance oversight.
- 5.4.4 An increased delegation empowers the Internal Procurement Panel to operate as intended—supporting organisational maturity, ensuring probity and value-for-money, and enabling efficient procurement decisions that reflect the Council's financial stewardship obligations. This shift also ensures that elected members can focus on setting direction and overseeing procurements of greatest strategic significance, rather than being drawn into operational matters.
- 5.4.5 The Tenders/Procurement Panel will retain a critical role under the uplifted delegation. It will continue to oversee:
- Procurements above the Chief Executive Officer's delegation.
 - Procurements of high risk or high sensitivity.
 - Procurements of high strategic importance or community interest, where governance visibility is essential.
- 5.4.6 This preserves the Council's assurance that major decisions are subject to appropriate scrutiny, while freeing the Tenders/Procurement Panel to focus its efforts on the matters that carry the greatest financial, reputational, or strategic consequence.
- 5.4.7 The Chief Executive Officer's current financial delegation of \$1 million no longer reflects the scale or complexity of the Council's operations. Officers initially proposed an uplift to \$10 million, which would align with the value of many of the Council's larger infrastructure and service contracts and ensure effective operation of the Internal Procurement Panel. However, recognising the Council's preference for a balanced approach, a delegation of \$6 million is recommended. This represents a pragmatic step that enhances efficiency and strengthens financial stewardship, while preserving the Council's strategic focus by keeping the largest and most significant procurements within the remit of the Tenders/Procurement Panel.
- 5.4.8 At present, around 65% of procurements reviewed by the Tenders/Procurement Panel are project-based. With an increase in the Chief Executive Officer's delegation to \$6 million, it is expected that most project-based procurement will be able to effectively managed by the IPP, with only those projects with high strategic or community interest going to the Tenders/Procurement Panel.
- 5.4.9 While only 35% of procurements reviewed by Tenders/Procurement Panel are for ongoing or operational services procurements, the introduction of total cost of ownership (TCO) assessments will increase the number above the current \$1 million threshold. Increasing the Chief Executive Officer's delegation balances the

consistent application of TCO with the need for effective governance, allowing the Tenders/Procurement Panel to focus on high-risk or strategically significant procurements, while lower-risk, routine procurements are managed through the Internal Procurement Panel.

- 5.4.10 The following table provides high-level examples of the types of procurements that would be approved at each level **if the \$6million delegation** is given. The examples are indicative only, based on historical procurements, and actual approval requirements will depend on the specific costs, risks, and circumstances of each procurement.

Budget holder (up to \$100,000)	Internal Procurement Panel (\$100,000 - \$6m)	Tenders Panel (\$6m +)
Routine operating expenses (e.g. office supplies, safety equipment etc).	Software procurements (includes Microsoft Cloud Services).	Significant infrastructure procurements.
Low-value service procurements (e.g. minor repairs or maintenance).	Maintenance procurements (e.g. cleaning services, air-conditioning).	Significant software procurements (includes CRM).
	Infrastructure procurements (e.g. includes most water and roading projects).	Significant service delivery procurements (includes Waste Management Services, Rivers Maintenance and Operations, Reserves and Facilities).
	Communications services procurements.	
	Electricity provision.	

- 5.4.11 If the delegation is not increased, the Internal Procurement Panel's scope will remain limited, creating inefficiencies and diverting the Tenders/Procurement Panel from its intended governance role. With an uplift in delegation, the Panel can fulfil its role as a management-level assurance body—supporting organisational maturity, ensuring probity and value-for-money, and enabling timely procurement decisions. Elected members will still retain governance oversight of the most significant procurements through the Tenders/Procurement Panel, ensuring the Council's stewardship and strategic focus are maintained.
- 5.4.12 Because the Tenders/Procurement Panel will now approve the procurement plan and the supplier recommendation for each procurement process above the Chief Executive Officer's financial delegation, retaining the current \$1 million delegation would effectively double the number of papers and decisions required of elected members. This creates a significant increase in workload for the Panel.
- 5.4.13 The chart below shows New Zealand Council dollar value approval requirements for their procurements. Dunedin City Council has provided the basis of our new procurement policy and endorsement/approval processes.

NZ Council Approval Dollar Levels & Estimated Populations

Council approval not required	Environment Canterbury (Pop. 687,100) Gisborne District Council (Pop. 53,000) Invercargill City Council (Pop. 57,600) Otago Regional Council (Pop. 254,600)
Council approval required above \$10 million	Dunedin City Council (Pop. 131,800) Hastings District Council (Pop. 61,696)
Council approval required above \$5 million	Napier City Council (Pop. 66,800)
Council approval required above \$3 million	Hamilton City Council (Pop. 192,000) Nelson City Council (Pop. 59,200)
Council approval required above \$2 million	Kapiti District Council (Pop. 58,500)
Council approval required above \$1 million	Central Otago District Council (Pop. 25,500) Far North District Council (Pop. 73,500) Kaipara District Council (Pop. 26,800) Rotorua Lakes Council (Pop. 74,058) Selwyn District Council (Pop. 85,200) Tasman District Council (Pop. 59,800) Western Bay of Plenty District Council (Pop. 60,800)

6. Financial or Budgetary Implications / Ngā Ritenga ā-Pūtea

- 6.1 The proposed change to the Chief Executive Officer's financial delegations, alongside the establishment of the Internal Procurement Panel, has no direct budgetary impact and no impact on rates and/or fees and charges. All procurement must still be within the funding already approved through the Long-Term Plan, Annual Plan, or by separate Council resolution.
- 6.2 The change is procedural rather than financial, aimed at improving efficiency and consistency in procurement decision-making.
- 6.3 Indirectly, the use of the Internal Procurement Panel and the consistent application of total cost of ownership values is expected to support better value-for-money outcomes and reduce delays that can increase project costs.
- 6.4 The additional reporting requirements (to the Tenders/Procurement Panel, Audit and Risk Committee, and Operations Committee) can be met within existing resources.

7. Options / Kōwhiringa

7.1 The table below outlines three possible options: retaining the current \$1 million delegation, increasing it to \$6 million, or increasing it to \$10 million. Each option has advantages and disadvantages in terms of efficiency, transparency, and governance oversight.

7.2 The options are outlined in the following table:

Option		Advantage	Disadvantage
1.	Increase the Chief Executive Officer's financial delegation to \$10 million.	Aligns delegation with the larger Council contracts. Reduces the number of procurements requiring Tenders/Procurement Panel approval. Enables faster decision-making on procurements up to \$10 million.	Significantly reduces elected member oversight of many high-value procurements. Concentrates decision-making authority with management. Could raise concerns about transparency if reporting is not robust.
2.	Increase the Chief Executive Officer's financial delegation to \$6 million.	Provides more scope for the Procurement Panel, improving efficiency compared to \$1m. Retains Tenders Panel oversight of very large procurements. Represents a middle ground between efficiency and governance control.	Still shifts a notable portion of decision-making from elected members to staff. Procurements between \$1m and \$6m would no longer be reviewed by the Tenders/Procurement Panel, reducing elected member involvement in medium-to-large procurements Less efficiency gain compared to a \$10m delegation.
3.	Status Quo - do not increase the Chief Executive Officer's financial delegation.	Ensures strong elected member oversight of procurements above \$1m. Maintains the existing balance between staff and governance roles. Provides high visibility of larger spending decisions.	Increases the number of procurements that must go to the Tenders/Procurement Panel, creating potential delays. Limits the scope of the Procurement Panel, potentially rendering it ineffective. Total cost of ownership means more contracts will exceed \$1m, increasing the workload for elected members.

7.3 Option 2 is recommended. On balance, **an increase to \$6 million (Option 2)** appears to provide a pragmatic middle ground. It allows the Internal Procurement Panel sufficient scope

to operate effectively, while still reserving oversight of the largest and most strategic procurements for the Tenders/Procurement Panel. However, the Council may determine another value that it considers appropriate, based on its desired balance between operational efficiency and governance visibility.

8. Legal / Ngā ture

- 8.1 There are no specific legal or legislative requirements that mandate the level of financial delegation set for the Chief Executive Officer. Under the Local Government Act 2002, the Council retains responsibility for governance, while the Chief Executive Officer is responsible for the efficient and effective management of Council operations within the delegations set by the Council. The level of financial delegation is therefore a matter for the Council to determine.
- 8.2 The establishment of an Internal Procurement Panel and the delegation of decision-making to the panel members and the Chair sit within the Chief Executive Officer's management responsibilities and are consistent with the Act.
- 8.3 All procurement activities must continue to comply with relevant legislation (such as the Public Records Act 2005, Health and Safety at Work Act 2015, and Local Government Official Information and Meetings Act 1987), as well as Auditor-General guidance and the Government Procurement Rules, where applicable.

9. Iwi Engagement / Whakawhitiwhiti ā-Hapori Māori

- 9.1 The proposed change to the Chief Executive's delegation and the establishment of the Internal Procurement Panel are internal governance matters, so no direct engagement with iwi has been undertaken. Engagement will continue to occur at the policy, planning, and project level where procurement decisions may affect Māori interests or present partnership opportunities.

10. Significance and Engagement / Hiranga me te Whakawhitiwhiti ā-Hapori Whānui

- 10.1 The proposal is assessed as having a low level of significance, as it relates to internal governance and procurement processes, has no direct impact on levels of service, strategic assets, or Council finances, and has only limited public interest.

	Issue	Level of Significance	Explanation of Assessment
1.	Is there a high level of public interest, or is decision likely to be controversial?	Low-Moderate	This is an internal governance/decision-making matter, not a public-facing service change. There may be moderate interest from those focused-on transparency or governance, but overall public interest is likely low.
2.	Are there impacts on the social, economic, environmental or cultural aspects of well-being of the community in the present or future?	Low	The decision affects internal processes only. Impacts on community well-being are indirect through improved

	Issue	Level of Significance	Explanation of Assessment
			procurement efficiency and value for money.
3.	Is there a significant impact arising from duration of the effects from the decision?	Low	Effects are ongoing but procedural in nature, relating to governance efficiency and oversight.
4.	Does the decision relate to a strategic asset? (refer Significance and Engagement Policy for list of strategic assets)	NA	This decision does not relate to or affect a strategic asset.
5.	Does the decision create a substantial change in the level of service provided by Council?	NA	No change to levels of service.
6.	Does the proposal, activity or decision substantially affect debt, rates or Council finances in any one year or more of the LTP?	NA	No effect on debt, rates, or overall Council finances. Procurement remains subject to existing budgets in the LTP and AP.
7.	Does the decision involve the sale of a substantial proportion or controlling interest in a CCO or CCTO?	NA	Not applicable — this decision does not relate to a CCO or CCTO.
8.	Does the proposal or decision involve entry into a private sector partnership or contract to carry out the deliver on any Council group of activities?	NA	The decision is about internal delegations and processes.
9.	Does the proposal or decision involve Council exiting from or entering into a group of activities?	NA	This is a governance/process decision only and does not involve the Council entering or exiting activities.
10.	Does the proposal require particular consideration of the obligations of Te Mana O Te Wai (TMOTW) relating to freshwater or particular consideration of current legislation relating to water supply, wastewater and stormwater infrastructure and services?	NA	Not applicable — this decision relates to governance processes, not water infrastructure or services.

11. Communication / Whakawhitiwhiti Kōrero

11.1 The Procurement Policy changes have been shared with staff, and a workshop has been run for Elected Members.

- 11.2 Following the Council's decision staff will begin work to establish the internal Procurement Panel, implementing changes required by the policy, and communicate delegation changes.

12. Risks / Ngā Tūraru

- 12.1 Increasing the Chief Executive Officer's financial delegations carries some risks. The most significant is a perceived reduction in elected member oversight of procurement decisions that would previously have gone to the Tenders/Procurement Panel, which could raise concerns about transparency and governance control. There is also a public perception risk, with ratepayers potentially questioning whether large sums of money are being committed without sufficient scrutiny. This shift is further emphasised by the new requirement to consistently apply total cost of ownership values (including operating, maintenance and disposal costs), which increases the assessed value of many procurements and therefore changes the thresholds at which they are considered.
- 12.2 It is important to note that staff – including the Chief Executive Officer – can only procure goods, services, and works that are already approved in the Long-Term Plan (LTP), Annual Plan (AP), or by separate Council resolution. No new or unbudgeted spending can occur under delegation.
- 12.3 Mitigations more broadly include requiring the Tenders/Procurement Panel to approve procurement plans and supplier recommendations above the Chief Executive Officer's delegation; providing quarterly procurement reporting to the Audit and Risk Committee; continuing Operations Committee reporting on tenders awarded; and appointing probity auditors for high-value or high-risk procurements. These measures ensure that efficiency and organisational maturity are strengthened, while governance visibility and accountability are preserved.

13. Conclusion / Kupu Whakatepe

- 13.1 Adjusting the Chief Executive Officer's financial delegations is a necessary step to realise the benefits of the new Procurement Policy and the Internal Procurement Panel. Without an increase, the Panel's scope will remain limited, creating inefficiencies and diverting the Tenders/Procurement Panel from its intended governance role. An uplift to \$6 million provides a balanced approach—empowering management to deliver more efficient and consistent procurement decisions, embedding whole-of-life value and financial stewardship into practice, and ensuring the Council retains oversight of the most significant and high-risk procurements through the Tenders/Procurement Panel. This change strengthens organisational maturity, improves service delivery, and enhances transparency and accountability to the community.

14. Next Steps and Timeline / Ngā Mahi Whai Ake

- 14.1 Subject to Council approval, officers will:
- 14.1.1 Immediately update the Delegations Register to reflect the new financial delegation for the Chief Executive Officer.
 - 14.1.2 Establish the Internal Procurement Panel and implement supporting processes by November 2025.
 - 14.1.3 Provide the first quarterly procurement report to the Audit and Risk Committee in the new triennium.

15. Attachments / Tuhinga tāpiri

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|----|---|--------------------------------|----|
| 1. |   | Procurement Policy 2025 | 26 |
| 2. |   | Internal Procurement Panel TOR | 48 |



PROCUREMENT POLICY	
ID	Policy Number 17
Function	Council Operations
Approved by	Chief Executive Officer
Date Policy Took Effect	01 July 2025
Last approved revision	12/10/2020
Sponsor	Assurance and Improvement Manager
Responsible	Procurement Specialist
Next Review Date	01/07/2028

1. Purpose

- 1.1. The purpose of the Tasman District Council ('the Council') Procurement Policy (the 'Policy') is to articulate the Council's commitment to the *public value*, and *fit-for-purpose*, procurement of goods, services, or works and contract management.
- 1.2. The Policy establishes the guiding principles for the Council's procurement and contract management practices, and seeks to ensure that:
 - (a) The Council recognises its primary responsibility is to ensure probity, and the prudent expenditure of public funds.
 - (b) A framework is adopted across the Council for procurement and the subsequent management of goods, services, and works contracts.
 - (c) The Council plans for, enters into, and manages all contracts in a manner that aligns to its obligations under Te Tiriti o Waitangi, and facilitates the Council's strategic and business objectives.
 - (d) The Council employees understand their roles and responsibilities with regards to procurement and are appropriately skilled and trained to do so.
 - (e) The Council achieves quality performance and cost-effective service delivery within available budgets.
- 1.3. This Policy identifies the responsibilities and operational parameters for prudent procurement decision-making, and the effective management of contracts and associated legally binding agreements.
- 1.4. This policy is to be read alongside associated documents referenced below.
- 1.5. The Council recognises that good procurement and contract management practices:
 - (a) Ensure the Council delivers, *public value*, *fit for purpose* and safe outcomes for all stakeholders
 - (b) Underpin the performance and delivery of the Council's strategic and business objectives.
 - (c) Provide opportunities for business sustainability, strategic growth, and improvement.

- (d) Ensure full *probity* in its procurement practices and decision-making processes.

2. Scope

2.1 This policy applies to:

- (a) All the Council employees, including temporary employees and contracted workers which includes consultants, contractors, and subcontractor's workers if they are procuring on the Council's behalf.
- (b) Any person who is involved in the operation of the Council, including elected members, volunteers and those people with honorary or unpaid employee status.
- (c) Every business, service or activity of the Council.

2.2. This policy does not apply to:

- (a) The purchase or sale of land
- (b) Employment agreements (excluding the engagement of Contractors and Consultants)

3. Definitions

3.1	Bribe or inducement:	The giving or receiving, whether directly or indirectly, of something of value to influence a (procurement) transaction.
3.2	Broader Outcomes:	Broader Outcomes are the secondary benefits that are generated by the way a good, service or works is produced or delivered. These outcomes can be social, environmental, cultural or economic benefits, and will deliver long term <i>public value</i> for the Council. Broader Outcomes require you to consider not only the whole of life cost of the procurement, but also the costs and benefits to society, the environment and economy.
3.3	Contract:	A formal, documented agreement between the Council and a supplier or contractor that commits the Council in legal or financial terms to the acquisition of goods, services and works.
3.4	Council Contract Manager:	A Council employee who manages, negotiates and administers contracts with a supplier or a contractor and is responsible for associated record- keeping.
3.5	Council Health & Safety Team:	To provide support in developing a safety culture across the Council. They will provide advice and support to management, employees and contractors to enable them to meet their respective health and safety obligations of this policy.
3.6	Close Relationship:	An employee's family (e.g. children, spouse/partner, parents, siblings, aunts, uncles, cousins etc. – whether by blood or otherwise) and members of the same whanau as the employee with whom there is regular, close contact, friends, business partners or associates
3.7	Economic Benefit:	The benefits to New Zealand and/or the Tasman District, which are generated through the procurement of goods, services or works.

3.8	Emergency:	<p>An unforeseen event or situation.</p> <p>Refer to the New Zealand Government Quick Guide to emergency procurement.</p>
3.9	Emissions:	<p>Emissions: greenhouse gasses emitted into the atmosphere.</p> <p>Embodied Emissions: emissions that are required for extraction, processing, manufacture and delivery of materials, the building process and demolition and disposal of materials.</p> <p>Enabled Emissions: emissions produced due to the use of an asset or infrastructure (e.g., emissions from cars that drive on the road).</p> <p>End-of-Life Emissions: emissions associated with the deconstruction/ demolition and disposal of an asset or infrastructure.</p> <p>Operational Emissions: emissions generated during the operational or in-use phase of a building or infrastructure. This includes the use, management and maintenance of a product or structure use.</p> <p>Whole of Life Emissions: emissions associated with the entire life of an asset. This includes emissions across the full supply chain of construction materials and products, construction processes (and the waste arising), on-going operations, repair and maintenance, and processes at the end-of-life of a building or infrastructure.</p>
3.10	Evaluation Panel	<p>The evaluation panel will review and score the proposals received against the set criteria and decide on a shortlist or preferred provider. Using a panel makes sure the proposals received are given an objective and fair evaluation.</p> <p>The size and composition of an evaluation panel depends on the nature, scope, value, level of risk and complexity of the procurement. The panel should be 3–5 people.</p> <p>The panel must possess an appropriate mix of skills and experience to provide representation across key areas such as technical and functional specialisations as well as policy expertise and knowledge of council's business or operational requirements. Sometimes it is appropriate to have an external stakeholder or independent member on a panel.</p> <p>You can also appoint experts to give the panel advice on particular aspects of proposals — these experts don't need to be members of the panel.</p>
3.11	Fit For Purpose:	<p>Goods, services or works that fulfill the Council's requirements or achieve a particular outcome</p>
3.12	Living Wage:	<p>The remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events.</p>

3.13	Local Business:	A locally owned business or a corporate business with a local operation that provides goods, works, or services, based in the Tasman territory.
3.14	Market:	All potential providers of a good or service that may be available to the Council.
3.15	Probity Auditor:	<p>Public organisations need to carry out their procurement in a transparent, accountable, impartial, and equitable way. Sometimes this is referred to as probity.</p> <p>In general, a Probity Auditor can assist with, and monitor probity matters in “Real Time” by reviewing documentation and attending meetings throughout the procurement process or review the conduct of the procurement at one or more key milestones reporting on the outcome of the process to that point.</p>
3.16	Procurement:	The process of securing goods and services, including but not limited to planning, standards or specifications determination, supplier and sector research, review and selection, pricing negotiation, making the purchase, supply contract administration, disposals and other related functions.
3.17	Procurement Panel	<p>The Procurement Panel will consider procurement activities for the Tasman District Council ensuring adherence to the Procurement Policy.</p> <p>The Procurement Panel meets on a regular basis (usually weekly).</p>
3.18	Public Value	<p><i>Public value</i> means the best available result for the Council for the money spent. It includes using resources effectively, economically, and responsibly, and taking into account:</p> <ul style="list-style-type: none"> the procurement’s contribution to the results you are trying to achieve, including <i>economic benefits</i> the total costs and benefits of a procurement (<i>total cost of ownership</i>) <p>The principle of <i>public value</i> when procuring goods, services or works does not mean selecting the lowest price but rather the best possible outcome for the <i>total cost of ownership</i> (over the whole of the life of the goods, services or works).</p> <p>Delivering better <i>public value</i> through procurement should include securing <i>economic benefits</i>.</p> <p>Selecting the most appropriate procurement process that is proportionate to the value, risk and complexity of the procurement will help achieve <i>public value</i>.</p> <p>See Appendix 3: Public Value Chart</p>
3.19	Sustainable Procurement:	Securing goods and services in a way that recognises the <i>total cost of ownership</i> and/or benefits of the goods or service, and delivers benefits for the Tasman District community, economy and environment.

3.20	Total Cost of Ownership:	An estimate of the total costs of the goods, services, or construction works over the ownership period. It is a combination of the initial purchase price plus all other costs that will be incurred, less any income received. For example, the initial purchase price plus installation cost, operating costs and ongoing maintenance costs, less the residual value on disposal.
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4. Principles

- 4.1 The Council's procurement and contract management practices shall ensure that the Council plans for, enters into and manages its procurement and contract management activities in a manner that ensures *fit for purpose* and maximises *public value*. That realises the Council's business, strategic and community expectations and incorporates the Council's health and safety, legal, and ethical responsibilities.
- 4.2 The Council procurement and contract management will be guided by the:
- (a) NZ Government Procurement Rules (4th edition) 2019,
 - The five principles of Government Procurement
 - Government Procurement Charter
 - Government Supplier Code of Conduct
 - (b) Procurement guidance for public entities. Controller and Auditor General
 - (c) NZ Transport Agency Procurement Manual (2019 update)
 - (d) The Council Health and Safety Policies and Procedures.
- 4.3 The Council's procurement and contract management will apply a strategic procurement process consistent with the Ministry of Business, Innovation and Employment (MBIE) procurement lifecycle consisting of planning, sourcing and managing.
- 4.4 The following should be reflected in all procurement and contract management practices:
- (a) The purchasing power of the Council will be harnessed for the realisation of its strategic and business objectives, as well as the *economic benefit* of the local community.
 - (b) The Council will always act with integrity, impartiality and in a fair and reasonable manner in its dealings with other parties.
 - (c) The Council shall ensure full *probity* in its procurement practices and decision-making processes. All procurement decisions will be appropriate and transparent, fair and equitable, and free from any real or perceived bias or conflict of interest.
 - (d) Open and effective competition will be encouraged – all eligible suppliers shall have full and fair opportunity to participate.
 - (e) The Council shall take into consideration the *total cost of ownership* and/or benefits associated with procurement e.g. spanning design, manufacture, delivery, health and safety, operation and disposal.
 - (f) The Council will consider the *Sustainable Procurement and Broader Outcomes* as per Section 6 of this policy.
 - (g) Procurement and contract management processes will comply with all applicable statutory obligations, recognise the Council's business, strategic and community expectations, and reflect relevant sector, central and local government good practice standards and guidelines.

- (h) All procurement and contract management risks will be identified and managed effectively throughout the life cycle of the goods or service.

5. General Requirements

- 5.1. All procurement undertaken must align with the objectives and funding that is mandated in the Long-Term Plan, Annual Plan, or specifically approved by the Council.
- 5.2. The Council's *emergency* response and recovery activities may require reactive, emergency or accelerated procurement of goods, services or works and will be procured within existing delegated financial authority except for 'Reactive' procurement which will act within existing delegated financial authority where possible.
- 5.3. All employees involved in the procurement and contract management of goods and services must have appropriate knowledge of, and comply with all relevant Council policies, procedures and guidelines, as well as applicable legislation and professional standards of practice with regards the procurement and contract management process.
- 5.4. *Evaluation Panels* must have at least three voting members.
- 5.5. Council procurement and contract management practices shall at all times be fair, equitable and transparent, and abide by the principles and requirements set out in this Policy.
- 5.6. Procurement decision-making practices shall ensure:
 - (a) Integrity, prudent decision-making.
 - (b) Open and effective competition, subject to appropriate due diligence and *probity* measures.
 - (c) *Public value*, and *fit for purpose*, including consideration of the principles of sustainable procurement whenever practicable.
 - (d) *Economic benefit* to New Zealand and/or the Tasman District.
 - (e) Effective identification, assessment and management of risk from the planning phase and throughout the life of the procurement or contracted activity including, but not limited to, safety in design and safe work planning followed by ongoing performance monitoring.
 - (f) Recognition of, and compliance with all relevant statutory and regulatory obligations.
 - (g) Collaboration, innovation and recognition of the collective purchasing power of the Council including the use of 'All of Government' contracts.
 - (h) Consideration of performance and delivery outcomes from previous procurement with prospective suppliers.
- 5.7. Procurement decisions could become subject to Judicial, Ombudsman or Auditor General review.
- 5.8. The Council shall ensure that all business activities have access to appropriate

procurement and contract management resources, skills, knowledge and expertise.

- 5.9. All procurement activity part-funded by NZ Transport Agency *Waka Kotahi* should comply with their approved procurement policies.
- 5.10. The Council shall ensure effective procurement and contract management process controls and monitoring mechanisms, including maintaining a dedicated Council Procurement Panel and recognised operational processes, guidelines, tools and templates.
- 5.11. The Council Contract Manager shall ensure all relevant documentation is complete, accurate, executed properly and filed appropriately.
- 5.12. A failure to adhere to the principles, obligations and requirements as outlined in this Policy, and associated Council procurement and contract management procedures and guidelines, may result in an investigation into the failures.

6. Sustainable Procurement and Broader Outcomes

- 6.1 The Council recognises that procurement and contract management practices provide a key opportunity to maximise *public value, fit for purpose*, and quality service delivery, as well as deliver tangible benefits for the local community, economy and environment. Broader Outcomes require you to consider not only the whole of life cost of the procurement, but also the costs and benefits to society, the environment and the economy.
- 6.2 The Council's procurement activities will be consistent with, and support, the Council's Strategic Framework, and other plans and policies as such, the principles of sustainable procurement will be recognised whenever practicable in the assessment of the costs and benefits of procurement including when undertaking cost-benefit analyses or weighted attributes assessments of potential goods and service suppliers, as follows:
 - (a) Think Local: The Council shall preference local businesses that can evidence a positive *economic benefit* in the Tasman District. This includes contributing to the vibrancy and sustainability of the local economy, supporting job or market growth, as well as fostering opportunities for small and medium-sized enterprises (SMEs).
 - (b) Think Environmental: The Council shall encourage procurement decisions that align with *emissions* reduction ambitions and have a positive impact on the natural environment and biodiversity, including through the prudent use of natural resources and the minimisation of waste or hazardous substances.
 - (c) Think Social: The Council shall encourage procurement decisions that maximise community benefits in terms of personal wellbeing, social cohesion, capital and inclusion, equal opportunities, and participation. For any sourcing over \$100,000, consideration should be given to whether payment of the *Living Wage*, is appropriate for the ensuing contract.
- 6.3 The Council recognises the need for iwi participation, partnership and value-add that contributes to:
 - (a) Achieving Council's strategic vision.
 - (b) Other outcomes identified and valued by Council and iwi.
 - (c) Social and environmental outcomes valued by Māori and other communities.

- (d) Increased business growth and development through public/private investment and partnerships and activities.
- (e) Provision of niche social and environmental services through Māori and “not-for-profit”, social enterprise, or other purpose-specific organisations.

7. Conflict of Interest

- 7.1 The Council shall ensure that procurement and contract management processes are not able to be justifiably challenged on the basis of any actual or perceived bias or conflict of interest.
- 7.2 All procurement and contract management decision-making processes shall include careful consideration of any actual, potential or perceived conflicts of interest.
- 7.3 Under no circumstances shall an employee influence, advise or participate in a procurement or contract management activity where that employee has an actual, potential or perceived conflict of interest – subject to very limited circumstances (see point 7.7 below).
- 7.4 Every person involved in the decision-making process shall declare in writing that they have no actual or potential for a perceived conflict of interest. This includes those involved directly in procurement and contract management activities, as well as anyone who has the ability to influence key decisions (e.g., those holding delegated financial authority or monitoring performance).
- 7.5 Where there is uncertainty about whether there is a conflict, employees should discuss the potential conflict with the Procurement Specialist and/or the relevant procurement’s Probity Auditor in the first instance. If in doubt, employees will at all times fully disclose a potential conflict or bias.
- 7.6 Conflicts can occur at an organisational level, not just an individual level. The Council employees should identify and consider any contractors’ and suppliers’ relationships with the Council senior leaders and elected members. If a conflict of interest is identified that relates to a senior leader or an elected member, the matter should be escalated to and managed by the Procurement Specialist.
- 7.7 Where a Council employee has a conflict of interest but also possesses specific expertise that is deemed essential to the evaluation process and which is not readily available from any other source (including those external to the Council), the Procurement Panel may approve that person being able to discuss the project with the evaluation panel.
- 7.8 Where the Chief Executive Officer is involved with procurement and/or contract management and identifies a potential conflict of interest, escalation shall be to the Chair of the Audit and Risk Committee.
- 7.9 It is never acceptable for a Council employee to be involved in sourcing or contract management activities where they have a *close relationship* with a person who works for the supplier involved.

- 7.10 It is never acceptable for a Council employee to accept a *bribe or inducement*.
- 7.11 Anyone involved in a sourcing event should not accept gifts or hospitality whilst the sourcing event is ongoing.
- 7.12 The Council must not, except to the extent required by law (Local Government Official Information and Meetings Act 1987 (New Zealand Legislation website) disclose confidential information that would prejudice legitimate commercial interests of a particular supplier or might prejudice fair competition between suppliers, without the written authorisation of the supplier that provided the information.

8. Sourcing Thresholds

- 8.1. The Council's standard processes are based on monetary thresholds. The financial delegations and authority to enter into specified contracts are detailed in the Delegations Register.
- 8.2. Refer to Appendix 1 Sourcing Thresholds and Approach.
- 8.3. When estimating the monetary value of a procurement refer to Rule 8 of NZ Government Procurement Rules 4th Edition 2019. Should the activity be being procured for multiple years consider the likely spend over a five-year period.
- 8.4. Market scoping and the evaluation of potential goods or service suppliers shall at a minimum reflect the following methodologies (value):
 - (a) Sourcing with a cumulative value of less than \$100,000 will be referred to the *Procurement Panel* where the Procurement Specialist considers that the level of risk (potential, perceived or actual) or any other issue associated with the procurement requires Procurement Panel review.
 - (b) Sourcing via an All-of-Government arrangement requires, where practicable, at least two written quotes, or following the relevant AOG contract secondary procurement process unless a situation arises where a particular expertise is required in which case this clause does not apply.
 - (c) Sourcing a NZTA part funded activity refer to
 - i. Community Infrastructure: Procurement Strategy for NZ Transport Agency Waka Kotahi: July 2022.
- 8.5 Further to S4.3 of this Policy, Evaluation Panels for:
 - (a)
 - i. all NZTA part funded activity; and
 - ii. all other procurement over \$5 Million must include at least one person who meets the experience/qualification requirements of the NZTA Procurement Manual.
 - (b) For all other Evaluation Panels, the Procurement Specialist should consider whether the inclusion of at least one person who meets the experience/qualification requirements of the NZTA Procurement Manual would be beneficial.

- 8.6 Procurement of good, services, or works over the \$50,000 threshold requires a procurement plan and a Council contract to be put in place. This also applies to contract variations.
- 8.7 All contracts and contract variations must be approved and signed by a Council employee with the appropriate authority. The total cost of the contract (as per Rule 8.5 of NZ Government Procurement Rules 4th Edition 2019) must be considered when ascertaining the appropriate delegated authority for signing.
- 8.8 No external parties are authorised to sign contracts on behalf of the Council.
- 8.9 The Council Contract Manager shall maintain a full electronic record of all procurement preparation, negotiation and award activities, in accordance with this Policy and all the Council records management practices.
- 8.10 All contracts shall clearly identify the functional, performance and/or technical deliverables and key performance indicators, including Health and Safety targets and responsibilities, that reflect the Council's expectations and quality standards, and establish effective means to measure, monitor and manage their delivery.
- 8.11 All contracts entered into by the Council must be in writing, signed by all relevant parties, and held securely on file in accordance with Council document management practices.
- 8.12 All contracts prepared by the Council shall utilise approved and standardised contract templates whenever possible. If no applicable Council template exists, or amendments to contract templates are proposed, or the use of a supplier's contract is proposed, assistance shall be sought from the Procurement Specialist and/or the Council Legal team to prepare a contract.
- 8.13 No contractual arrangement entered into by the Council shall be greater than 10 years in its entirety, including rights of renewal, unless approved by the Chief Executive Officer or by Council Resolution. The Council shall not enter into contracts that are "evergreen" (i.e., of indefinite length) except for the Council Master Services Agreements that include a Statement of Work (SoW), unless approved by the Chief Executive Officer or by Council Resolution.

9. Probity

- 9.1 It is essential that *Probity* is evident throughout procurement activities.
- 9.2 *Probity*:
 - a) Requires equity within procurement processes and controls.
 - b) Provides fairness and transparency in our procurement decisions.
- 9.3 To ensure *Probity*:
 - (a) The Procurement Specialist, or suitably qualified nominee who is not already on the evaluation panel, acts as *Probity Auditor* for any procurement process between \$1M up to \$5M.

- (b) The Procurement Panel reserves the right to request a *Probity Auditor* to be appointed for any procurement process approved by the panel.
- (c) The Procurement Specialist appoints an external independent *Probity Auditor* for all procurement activities that:
 - i. are above \$5M (Total Cost of Ownership), or
 - ii. are considered high risk.

10. Contract Management

- 10.1 The Council shall maintain a central database of all approved and/or active contracts, and ensure comprehensive records are held, including all third-party vetting; health and safety approval; insurance coverage; contract review, renewal or expiration dates; deviations and variations.
- 10.2 All contracts will be actively and appropriately managed, in a manner that fosters collaboration with suppliers and contractors, maximises value for money as well as supports continuous innovation and improvement.

11. Risk Management

- 11.1 All Procurement and Contract Management activities must follow Council risk management practices in line with the Council Risk Management Framework.
- 11.2 Prior to contract award, appropriate due diligence should be undertaken to minimise risk to the Council. For new suppliers, this should include a credit and/or reference check.
- 11.3 The Council shall ensure that the costs, benefits and risk presented by procurement are identified, and appropriately reflected in the procurement and contract management methodology utilised.
- 11.4 The Council Contract Managers shall work collaboratively with engaged providers to identify, assess, manage and review all risks and issues associated with the goods or service procured, throughout the length of the contracted period.
- 11.5 All critical issues must be escalated and resolved appropriately to ensure the continued quality delivery of service expectations.
- 11.6 All risk management and mitigation strategies must be clearly documented as part of the procurement and contract management process.

12. Health and Safety

- 12.1 Prior to undertaking any work for the Council, all contractors must apply for, and be approved against a set of eligibility requirements, including insurance cover, health, and safety and relevant codes of practice.
- 12.2 The Contract Manager must ensure that the requirements of the Health and Safety at Work Act 2015 are satisfied and that all parties are aware of their associated responsibilities and the manner in which they are to be discharged and as such, is expected to:

- (a) Be a health and safety leader by driving excellence in performance and behaviour.
- (b) Confirm that Critical Risks associated with the contract are clearly identified (inclusive of foreseeable risks), manage them using the hierarchy of controls, maintain effective control measures, and review and revise control measures to ensure they are effective. Ensure that all parties to a contract communicate, co-operate and co-ordinate their work plans to effectively manage overlapping health and safety risks. The Contract Manager must work with all parties to reduce risk to 'As Low As Reasonably Practicable' (ALARP).
- (c) Verify that health and safety in design is considered in the process of managing health and safety risks throughout the lifecycle of structures, plant, substance or other products. Designers must ensure that they make work healthy and safe from the start of the design process.
- (d) Set clear health and safety responsibilities and expectations of the Contract Manager and regularly monitor to ensure expectations are being met.
- (e) Check that health and safety events of significance are appropriately reviewed to identify additional preventative measures that may be required and ensure proper communication and documentation is recorded in the Council's health and safety management system.

12.3 The Contract Manager will ensure that any change to the contracted work will trigger a review of the safety plans in their entirety.

12.4 The Council Health and Safety Team shall provide policy, procedure and guidance to enable Contract Managers to meet these obligations.

13. Deviations

13.1 Deviation from the Council's procurement and contract management processes may be necessary or desirable due to circumstances beyond the reasonable control of Council. Including but not limited to:

- (a) A limited number of suppliers in the market
- (b) A different procurement methodology or process is stipulated by legislation or a professional/regulatory body.
- (c) An emergency where immediate Council decision-making is required and is in the best interests of ratepayers (Emergency Procurement).
- (d) Whilst undertaking a properly procured contract for Council it becomes apparent that an extension/variation to the scope of contract would provide significant economic, logistical and/or timing benefits.

In such instances the deviation needs to be approved by the Procurement Panel.

14. Record Keeping

14.1 All procurement and contract document management processes shall adhere to relevant statutory and regulatory obligations, including the Public Records Act 2005.

14.2 Clear and comprehensive written records of all procurement and contract management

activity shall be retained in accordance with the Council document management policies and protocols. This includes market, tender and evaluation material, contracts and variations, performance reporting, correspondence and associated service delivery records.

- 14.3 Procurement and contract management records shall provide a clear, transparent and accessible audit trail so that Council employees, auditors and/or legal advisors may readily establish the process and rationale for any procurement decisions made and actions taken.
- 14.4 At a minimum, records should be retained that demonstrate:
- (a) The Council procurement and contract management processes have been followed, as outlined in this Policy and all associated procedures and practice guidelines.
 - (b) Procurement adheres to appropriate budget allocations through the Long-Term Plan, the Annual Plan, or an approved Business Case.
 - (c) Approval for procurement has been obtained as per Appendix I.
 - (d) The Council has identified key contract performance expectations and deliverables and undertaken appropriate measures and audit/monitoring activities that provide assurance of performance.
 - (e) All risks are identified, assessed and effectively managed in collaboration with the contractor, including health and safety assessments, mitigation controls, site planning and maintaining appropriate insurance cover. Critical risks (those that could cause serious harm) shall be identified separately and effective controls shall be implemented and reviewed periodically.
 - (f) All employees involved in decision-making have affirmed that they are free from any actual or perceived conflicts of interest.

15. Confidentiality

- 15.1 Employees involved in procurement and contract management activities shall take all due precautions when handling commercially sensitive information. This includes ensuring information is not passed between parties entering into a tender or other competitive procurement process, as well as maintaining the rights of the Council and third-party intellectual property.
- 15.2 Confidentiality obligations continue throughout the procurement and contract management process, as well as after the contract has terminated or expired.

Authorised by



Leonie Rae, Chief Executive Officer

25 June 2025

**Relevant
Legislation:**

~~Government Procurement Rules 4th Edition 2019~~
~~Civil Defence Emergency Management Act 2002~~
~~Commerce Act 1986~~
~~Construction Contracts Act 2002~~
~~Contract and Commercial Law Act 2017~~
~~Fair Trading Act 1986~~
~~Goods and Services Tax Act 1985~~
~~Health and Safety at Work Act 2015~~
~~Local Authorities (Members' Interests) Act 1968~~
~~Local Government Official Information and Meetings Act 1987~~
~~Public Records Act 2005~~
~~Public Works Act 1981~~
~~Reserves Act 1977~~
~~Resource Management Act 1991~~
~~Treaty of Waitangi Act 1975~~

**Associated
Documents:**

~~16.1 Health and Safety Policy~~
~~16.2 Significance and Engagement Policy~~
~~16.3 Fraud Policy~~
~~16.4 Receiving Gifts, Hospitality, Prizes and Koha Policy~~
~~16.5 Delegations Register~~
~~16.6 Nelson-Tasman Waste Management and Minimisation Plan~~
~~16.8 Risk Management Framework~~
~~16.9 Information Management Policy~~
~~16.10 Procurement Panel Terms of Reference~~
~~16.11 Tasman Climate Response and Resilience Policy~~
~~16.12 Tasman Climate Response and Resilience Strategy and Action Plan~~
~~16.13 Wood Encouragement Policy~~
~~16.14 Employee Code of Conduct Policy~~
~~16.15 Employee Interest Policy~~
~~16.16 NZ Government Procurement – Reducing emissions and waste~~
~~16.17 Community Infrastructure: Procurement Strategy for Waka Kotahi~~
~~NZ Transport Agency~~
~~16.18 New Zealand Government - Quick guide to emergency~~
~~Procurement~~
~~16.19 New Zealand Government – Total cost of ownership~~

Appendix 1

Sourcing Thresholds and Approach For Procurement of Goods, Services and Works included in the Long Term and/or Annual Plans with allocated budget <i>(When estimating the monetary value of a procurement consider the likely spend over a five-year period and refer to Rule 8 of NZ Government Procurement Rules 4th edition 2019)</i>					
Monetary Value (procurement or contract)	Market Approach	Funding Approval (\$)	Procurement Plan	Supplier Recommendation	Contractual Method
<\$25k	Supplier who has a current contract with Council to provide the same or similar goods, services or works or All of Government (AOG) contract or 2 written quotations actively sought or Direct Sourcing	Delegated Budget Holder	Procurement Plan Not Required	Supplier Recommendation Not Required	Purchase Order or Signed Council Contract (with Purchase Order)
\$25k - <\$50k	Supplier who has a current contract with Council to provide the same or similar goods, services or works or All of Government (AOG) contract or 2 written quotations actively sought or Direct Sourcing (with delegated budget holder written approval)	Delegated Budget Holder	Procurement Plan Not Required	Supplier Recommendation Not Required	Purchase Order or Signed Council Contract (with Purchase Order)

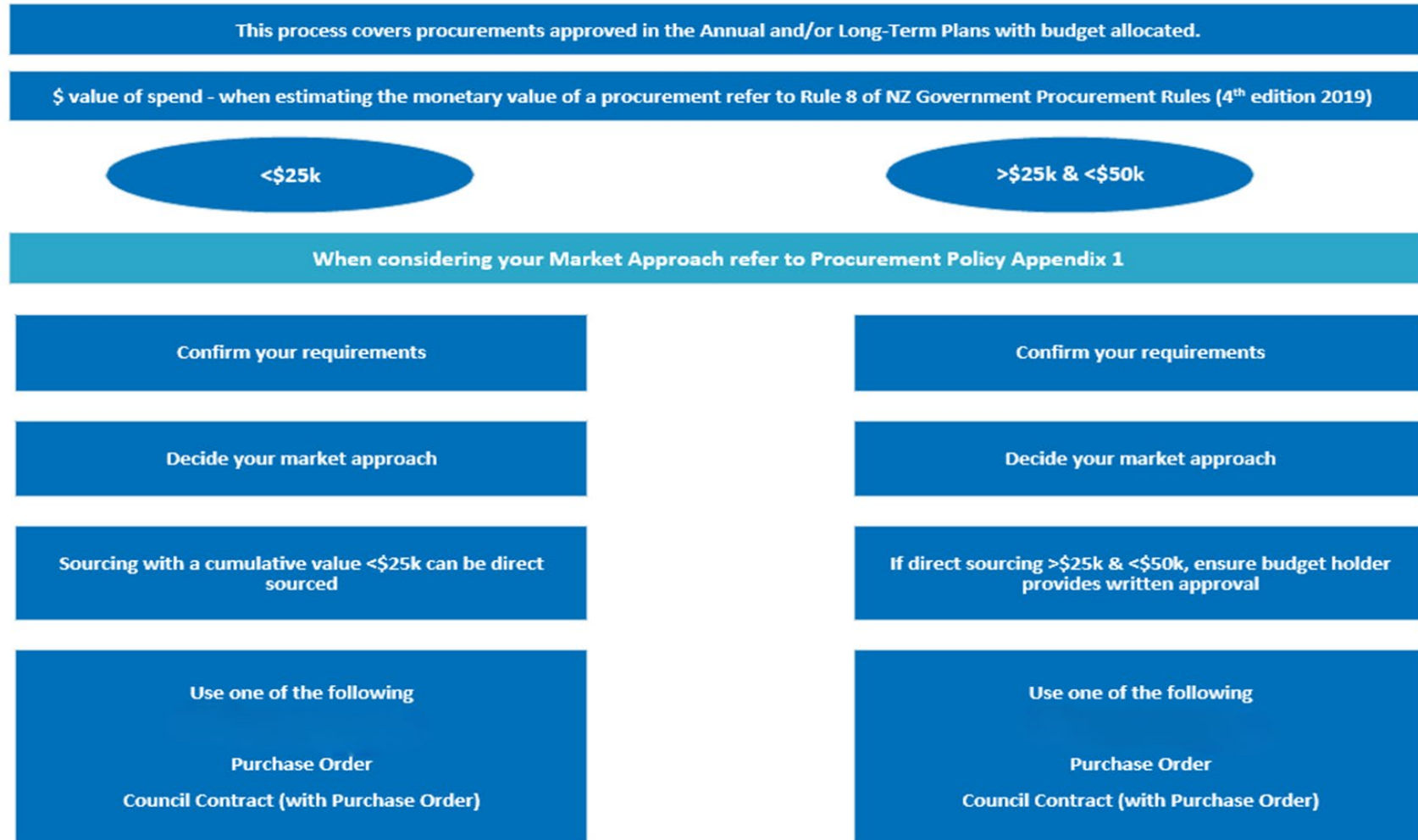
Monetary Value (procurement or contract)	Market Approach	Funding Approval (\$)	Procurement Plan	Supplier Recommendation	Contractual Method
>\$50k - <\$100k	Supplier who has a current contract with Council to provide the same or similar goods, services or works or All of Government (AOG) contract or 3 written quotations actively sought or Deviation from standard procurement process	Delegated Budget Holder	Endorsed by Procurement Specialist	Endorsed by Procurement Specialist	Signed Council Contract (with Purchase Order)

> \$100k – Less than the Chief Executive Officer's Delegation limit	Supplier who has a current contract with Council to provide the same or similar goods, services or works or All of Government (AOG) Contract or Open and Competitive procurement process or Deviation from standard procurement process	Delegated Budget Holder	Approved by Procurement Panel	Approved by Procurement Panel	Signed Council Contract (with Purchase Order)
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Monetary Value (procurement or contract)	Market Approach	Funding Approval (\$)	Procurement Plan	Supplier Recommendation	Contractual Method
Above The Chief Executive Officer's Delegation limit	Supplier who has a current contract with Council to provide the same or similar goods, services or works or All of Government (AOG) Contract or Open and competitive procurement process or Deviation from standard procurement process	Delegated Budget Holder	Approved by Procurement Panel	Approved by Tenders Panel	Signed Council Contract (with Purchase Order)
For Procurement of Goods and Services without allocated budget					
Council employee delegations do not apply	Supplier who has a current contract with Council to provide the same or similar goods, services or works or All of Government (AOG) Contract or Open and competitive procurement process or Deviation from standard procurement process	Council Decision	Council Decision	Council Decision	Signed Council Contract (with Purchase Order)

Appendix 2

Procurement Process for Goods and Services within CEO Financial Delegation (FD)



Procurement Process for Goods and Services within CEO Financial Delegation (FD)



Procurement Process for Goods and Services within CEO Financial Delegation (FD)



Procurement Process for Goods and Services above CEO Financial Delegation (FD)

This process covers procurements approved in the Annual and/or Long-Term Plans with budget allocated.

\$ value of spend - when estimating the monetary value of a procurement refer to Rule 8 of NZ Government Procurement Rules (4th edition 2019)

>\$ CEO FD

When considering your Market Approach refer to Procurement Policy Appendix 1

Procurement Plan to Procurement Specialist for endorsement

Procurement Plan endorsed by Procurement Specialist

Procurement Plan referred to Procurement Panel

Procurement Plan approved by Procurement Panel

Procurement proceeds as per Plan

Supplier Recommendation to Procurement Specialist for endorsement

Supplier Recommendation endorsed by the Procurement Specialist

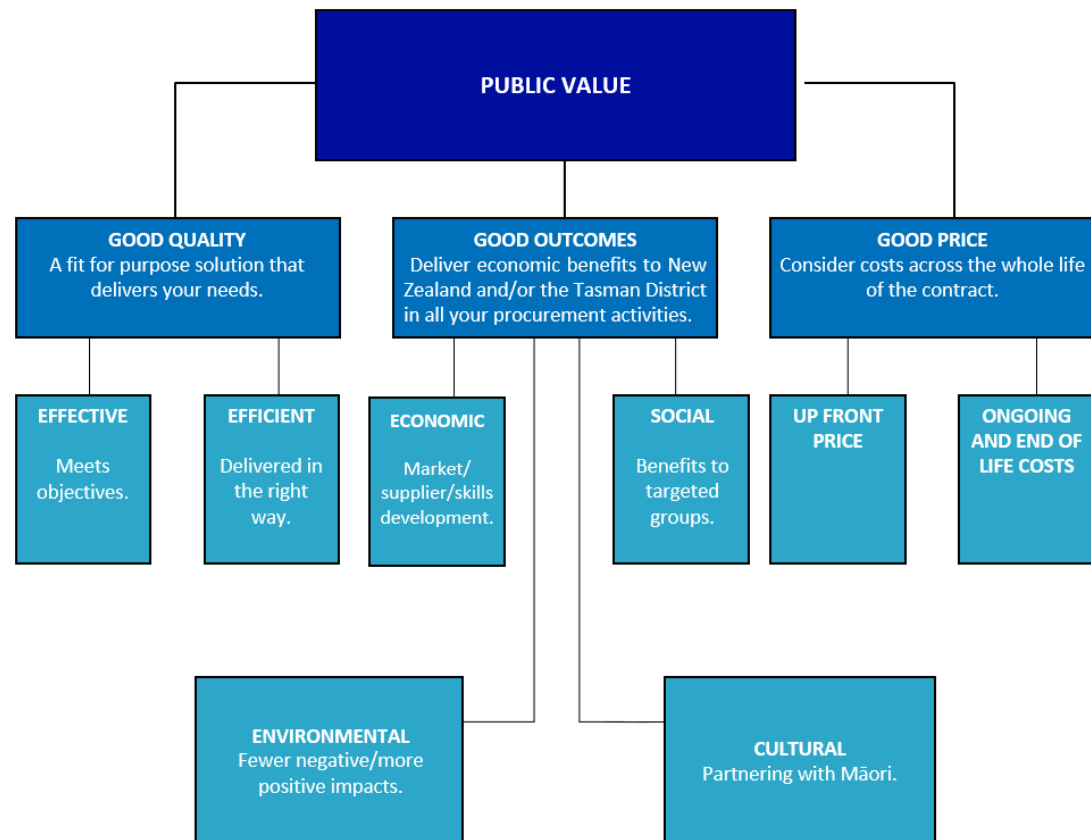
Supplier Recommendation referred to Tenders Panel

Suppliers Recommendation approved by Tenders Panel

Contract agreed between Council & supplier (s)

Purchase order raised

Appendix 3

Public Value Chart



INTERNAL PROCUREMENT PANEL

TERMS OF REFERENCE

Purpose	The Procurement Panel will consider procurement activities for the Tasman District Council (Council), ensuring adherence to the Procurement Policy and guided by Good Practice Procurement.
Meetings and Membership	<p><i>Meeting Frequency</i></p> <p>The Procurement Panel meets on a regular basis (usually weekly).</p> <p><i>Membership:</i></p> <ul style="list-style-type: none"> • The Procurement Panel consists of two Executive Leadership Team (ELT) members and four rotating members from within Council employees. • Rotating members serve a 12- month term. <p><i>Nominations:</i></p> <ul style="list-style-type: none"> • Nominations for rotating members can be made via a General Manager. • Procurement Panel members are approved by the Chief Executive Officer (CEO) <p><i>Chair:</i></p> <ul style="list-style-type: none"> • An ELT Member <p><i>Advisor</i></p> <ul style="list-style-type: none"> • Procurement Specialist <p><i>Administrator</i></p> <ul style="list-style-type: none"> • Procurement Specialist
Quorum	The quorum for the Procurement Panel meetings requires the presence of at least one ELT member and two rotating members.
Reporting	The Procurement Panel will report to the CEO and relevant stakeholders as required.

Delegations	<p>For the procurement of goods, services, and works approved as part of the Long-Term Planning and/or Annual Plan process for which sufficient budget is allocated.</p> <p>The Procurement Panel has the following delegations:</p> <ul style="list-style-type: none"> • Procurement Plans: <ul style="list-style-type: none"> ○ Procurement plans and their variations, with a monetary value less than the Procurement Panel's financial delegation from the CEO. • Supplier Recommendation Reports: <ul style="list-style-type: none"> ○ Supplier recommendations with a monetary value less than the Procurement Panel's financial delegation from the CEO. ○ Where the contract term (including any right of renewal) is no more than ten years. <p>In exceptional circumstances, the CEO may approve requests outside the Procurement Panel meeting cycle.</p>
Terms of Reference Review	<p>These Terms of Reference will be reviewed biennially by the Procurement Panel or earlier if the Procurement Panel delegations are updated.</p> <p>Any proposed changes will be submitted to the CEO for approval.</p> <p>Date for next review: September 2027</p>
Associated Documents	<ul style="list-style-type: none"> ○ Council Procurement Policy ○ Council Financial Delegations Manual