

Better Value Principles considerations

Tāmaki Path Stage 2

Principle	Yes/No
Early problem definition and robust value assessment	Considered
<p>Tāmaki Path project is a longstanding initiative with the goal of creating a continuous shared path connecting Panmure Wharf to Wai o Taiki Bay Reserve. The project aligns with several key plans and strategies, including the Tāmaki Estuary Walkway Plan, the Maungakiekie-Tāmaki Local Board Plan, and the local board's transport strategy, all of which prioritise creating connections for walking and cycling.</p> <p>The issue has been clearly defined early as a gap in the local and regional walking and cycling network that limits safety, accessibility and use. Evidence from strong utilisation of completed sections and the presence of informal tracks confirms unmet demand and supports the need for a complete connection. The Tāmaki Path provides a targeted and proportionate response by delivering a continuous route that improves connectivity between Panmure, Point England, Omaru Creek and Wai o Taiki Bay.</p> <p>Key stakeholders, including the local board, council departments, mana whenua, Tāmaki Regeneration, Kainga Ora and local communities, are aligned around the project's objectives. Mana whenua partnership is embedded through ongoing engagement and co-design to reflect cultural values and narratives. Community views are acknowledged and addressed through transparent and inclusive engagement, consistent with Our Voice principles.</p> <p>Whole-of-life costs have been identified, with approved capital funding and ongoing operational and maintenance implications understood.</p> <p>The project delivers clear value to Aucklanders by improving access to parks and transport, supporting active travel, enhancing safety and wellbeing, and contributing to emissions reduction.</p> <p>Climate resilience has been incorporated through adaptive design and alignment that responds to coastal hazards and long-term climate change.</p> <p>Overall, the scale of investment is appropriate and unlocks the full value of the existing network without unnecessary scope or cost escalation.</p>	
Rightsizing our investment	Considered
<p>The investment is focused on completing a defined section of an existing pathway network, with an approved budget of ~\$4.5m and an estimated construction value of ~\$3.78m plus a controlled contingency, reflecting the scale, coastal complexity and asset mix without scope expansion.</p>	
Minimum viable product (MVP) applied	The scope delivers a functional, durable local shared path using standard widths (2–3m), established materials and proven construction techniques, with enhancements limited to locations where safety, coastal stability or accessibility require them.
Alternative or external funding explored	External funding has been secured through the Tāmaki Infrastructure Investment Fund, allowing delivery of the paused

	section without additional call on local board discretionary budgets.
‘Do nothing’ option explored	Retaining the current condition was considered and rejected, as it would leave informal tracks, safety risks, reserve degradation and an incomplete network that fails to realise the value of completed sections.
Lower-cost options explored	Alternatives such as retaining informal routes, reliance on bush tracks, or partial upgrades were assessed but did not meet accessibility, safety or network continuity requirements for a local shared path.
Non-built solutions explored (where applicable)	Non-built responses such as engagement, behaviour change and wayfinding were considered as complementary measures, but were insufficient to address the physical connectivity and safety gap along the coastal route.
Efficient delivery and contract model applied	A closed, multi-stage procurement using NZS3910 has been selected to balance competition, risk management and cost certainty, with market engagement allowing suppliers to propose alternative construction approaches where savings can be achieved within budget.
Market and cost risk actively managed	The procurement approach reflects current market conditions, increased contractor capacity and stabilised supply chains, with contingency monitored and supplier risk allocation explicitly assessed through the tender process.

Notes for BVP –

- The project applies a minimum-necessary scope, secures external funding, explores alternatives, and uses a proportionate and market-appropriate procurement approach to complete a critical network gap while maximising value from existing investment and managing delivery risks. Standard and repeatable designs are being used wherever possible. The project deliberately relies on proven Local Path standards and modular elements, limiting bespoke solutions to genuinely constrained locations and supporting consistent outcomes, cost certainty and efficient lifecycle management across the wider Tāmaki Path network.

Increase use of standard designs	Considered
The pathway is designed to Auckland Council’s standard “Local Path” specifications, with consistent widths, finishes and design standards applied across the route, enabling a uniform and repeatable solution.	
Repeatable designs used where applicable	Large sections of Stage 2 involve upgrading, widening or resurfacing existing paths using the same design details successfully delivered in earlier Tāmaki Path stages and other council greenway projects.
Increased use of modular designs where applicable	Modular components such as timber boardwalks, retaining walls, fencing, bollards, stairs and standard furniture are used along the route, allowing efficient construction, reduced bespoke detailing and ease of maintenance.

Design replication with minor changes explored	Standard path and structure designs are replicated along the corridor, with only small site-specific adjustments made where required for coastal conditions, topography, safety or environmental constraints, rather than creating bespoke designs.
Standardisation supported through procurement approach	The procurement process is based on an approved design set and encourages contractors to propose alternative construction methodologies only where they improve efficiency or cost outcomes while maintaining compliance with standard design requirements.
Notes for BVP –	
<ul style="list-style-type: none"> Standard and repeatable designs are being used wherever possible. The project deliberately relies on the Auckland Design Manual guidelines, proven Local Path standards and modular elements, limiting bespoke solutions to genuinely constrained locations and supporting consistent outcomes, cost certainty and efficient lifecycle management across the wider Tāmaki Path network. 	
Setting maximum prices	Considered
The project has an approved budget envelope of ~\$4.5m with an engineer’s estimate of ~\$3.78m plus ~15% contingency, establishing a clear upper limit for contract award and risk management.	
A maximum project price or range has been identified	The procurement plan sets the available budget (\$4.5m), the estimated contract value (\$3.78m) and a defined contingency; contract forecasting will track contingency use to avoid exceeding the agreed sum.
Supplier engagement has included transparency of budget limits	The closed, multi-stage procurement includes an REOI briefing and risk workshops; RFT materials signal minimum acceptable criteria and invite alternative methodologies only if deliverable within budget, supported by a priced risk-allocation table, making the budget constraint explicit to tenderers.
The ongoing costs and/or total cost of ownership has been investigated and documented	The business case/report acknowledges depreciation and consequential operational costs for new assets and notes durability-focused design to manage lifecycle costs; procurement KPIs further emphasise workmanship, quality and maintenance implications for whole-of-life value.
Notes for BVP –	
<ul style="list-style-type: none"> Maximum prices are being actively set and managed. The project operates to a defined not-to-exceed budget, communicates cost limits to the market, and integrates contingency control and lifecycle cost considerations into both the delivery strategy and asset planning, consistent with Better Value practice. 	
Factor in past supplier performance	Considered
A closed, multi-stage process (REOI → RFT) with preconditions and weighted attributes was used.	

Eight invited suppliers passed preconditions, top five were shortlisted, and tenders were evaluated on methodology/programme, management, social/sustainability, and price, followed by clarifications and negotiations.

The contract was awarded to the highest rank overall after price review and risk allocation and awarded the contract.

<p>Past supplier performance has been factored into this project</p>	<p>Contractor selection considers past performance on similar council projects, with quality assurance and construction monitoring provided by specialist consultants.</p> <p>Stage 1 assessed relevant experience and track record for eight invited suppliers as preconditions and as major weighted attributes. Shortlisted five suppliers comprised of PCF Physical Works Panel suppliers with proven delivery histories.</p> <p>Stage 2 included risk allocation sessions and a priced risk table, further testing capability and past performance maturity.</p>
<p>The supplier is known as an expert in the required delivery area</p>	<p>Invitees were selected for experience in the nature, scale and complexity required (concrete paths, timber bridges/boardwalks, coastal structures, track works). The supplier awarded the contract demonstrates strong non-price capability and offers quantified sustainable delivery measures relevant to boardwalk and coastal pathway construction.</p>
<p>The project is using Ready Contracts to track reliably</p>	<p>Ready Contracts was used for all the sourcing and procurement phases of the project. A dedicated Strategic Procurement Specialist led the sourcing and award for the construction contractor.</p> <p>The contract form is NZS3910:2013 with defined reporting, KPIs (quality, programme, QA/QC, H&S, communications) and payment/variation controls for performance tracking.</p> <p>Council's Ready Contracts will continue to be used for ongoing supplier performance logging and benefits validation.</p>

Notes for BVP

- The procurement includes supplier briefings, risk-interactive sessions, and a priced risk-allocation table, which further tests supplier maturity and enables targeted risk sharing.
- Broader project readiness and alignment (network need, funding, climate considerations, mana whenua partnership) have been documented, supporting market interest and fit-for-purpose delivery.
- Cost discipline: Engineer's estimate vs. awarded price shows competitive tension and cost avoidance following negotiations; contingency is established and monitored.
- Risk management: Risk allocation sessions priced and assigned owners pre-award, improving deliverability and cost certainty.
- Sustainability and local value: The selected supplier commits to material quantification, reuse/recycling, and efficient logistics; award supports a local SME civil contractor.

Focus on local suppliers

Partially considered

PCF Physical Works Panel suppliers with proven delivery histories, including local contractors and smaller suppliers, were encouraged to participate, supporting the local economy and leveraging local knowledge. The recommended contractor is a small-to-medium, Auckland-based civil engineering contractor, selected following a two-stage competitive process. Awarding to this contractor supports local capability and keeps value within the Auckland economy.

Smaller or local suppliers have been tested for better value

The closed, multi-stage process invited a set of PCF Physical Works Panel suppliers which comprised of some tier 1 suppliers but also provided opportunity for various small-to-medium suppliers. The five shortlisted suppliers were based on track record and capacity; Two suppliers proceeded to parallel clarification/negotiations, with the contract being awarded to the supplier who achieved the highest overall score and lower revised price after negotiations—demonstrating competitive tension and better value.

Supplier diversity programmes have been leveraged

Evaluation included a “Social & Sustainable outcomes” attribute, scored in both stages, and the successful supplier committed to concrete reuse, timber salvage/recycling and efficient logistics (e.g., backloads, optimised helicopter operations). This approach aligns with Council’s social/sustainable procurement intent while enabling participation of smaller, local suppliers.

Notes for BVP -

- The procurement approach and evaluation weightings (methodology & programme, management skills & personnel, social & sustainable outcomes, and price) ensured capability + value, not just lowest cost—creating space for qualified local SMEs to compete fairly.
- The Procurement Plan confirms the panel-based invite list and market sounding/briefings, supporting a contestable process that encourages capable local suppliers with the right experience (concrete paths, boardwalks, coastal structures, track works)

Streamline processes and remove barriers

Considered

The project progresses a previously approved and consulted pathway alignment as part of the wider Tāmaki Path network, avoiding unnecessary re-design or re-scoping and enabling efficient progression from consented design through to construction. This included use of the same archaeological report and updated versions of investigative reports from Stage 1 of the project.

No unnecessary consenting, risk management or compliance requirements

The Resource Consent and Assessment of Environmental Effects (AEE) confirmed effects were localised and manageable, with design refinements incorporated to address landscape, ecological, coastal and cultural effects. Consenting has been limited to statutory requirements only, with no additional or duplicative approvals introduced beyond those required for coastal works and structures.

Consenting risks reduced early through design	The AEE process incorporated visual assessments, coastal and erosion considerations, and mana whenua input early in design, allowing mitigation measures to be embedded upfront and reducing consenting risk, rework and post-approval conditions.
Functional design standards and delivery approach set	Functional standards are clearly defined through the Auckland Design Manual and Auckland Council Local Path specifications, with consistent path widths, materials and structural typologies documented in the consented drawings and engineering design, avoiding bespoke solutions unless site conditions require them.
Construction methodology aligned with consent conditions	Consent conditions have been directly reflected in construction methodology requirements within the procurement documents, reducing ambiguity, simplifying contractor compliance and ensuring environmental controls are proportionate and practical.
Following IDF / business group project management principles	<p>The project has progressed through IDF early gateways with a clearly defined scope focused on completing an existing network, enabling reuse of prior approvals, consultation outcomes and delivery models rather than restarting processes.</p> <p>The project follows Auckland Council's IDF project management and procurement frameworks, including approved business case reporting, staged procurement using Ready Contracts with defined KPIs, and benefits and risk tracking, consistent with IDF and business-group governance expectations.</p>

Notes for BVP –

- The Resource Consent and AEE were used to resolve environmental, cultural and coastal considerations early, enabling a clear, functionally defined scope, proportionate compliance requirements and a smooth transition from design to construction without unnecessary complexity or delay.
- IDF gateways have been used to simplify decision-making, reduce risk early, and avoid unnecessary process, with proportionate consenting, standardised design, and clear hand-off from design to delivery. This approach removes barriers to delivery while maintaining statutory compliance, quality and value for money.

Manage consultation and consultancy carefully

Considered

The project builds on an established pathway programme with prior engagement, consents, and design work, avoiding re-starting consultation or commissioning unnecessary new studies, and progressing only the remaining scope needed to complete the network.

Engagement with consultants is relevant and minimal

External inputs are focused on where specialist value is needed (e.g., design, visual assessment and mana whenua design input through the consent), while broader engagement leverages existing 2017 consultation and subsequent board workshops, limiting new consultancy spend to material gaps.

We have set expectations around value for money	The procurement approach uses a two-stage, closed competition with weighted attributes (including price and methodology) and risk allocation sessions, enabling negotiation and cost avoidance against the Engineer's Estimate, and signalling value-for-money expectations to market participants.
We have managed scope creep and unnecessary change	The scope focuses on delivering a standard Local Path (2.5–3.0 m shared path), renewal of existing tracks and completing missing links. Design refinements respond to consent and coastal constraints rather than adding scope, helping to contain consultant rework and design change.
Internal staff are being utilised fully, before seeking external resource	The Procurement Plan and Supplier Recommendation identify internal roles across PCF (project management, Engineer to Contract, Quantity Surveyors, sustainability and asset specialists) on the evaluation and assurance pathway, reserving external inputs for specialist design and delivery where warranted.
There are regular supplier briefings on value-for-money expectations	The plan included REOI supplier briefings, optional one-on-one commercial-in-confidence sessions, and risk-interactive workshops, explicitly aligning suppliers on budget limits, risk ownership and efficient methodologies prior to tender close.
We have applied fit-for-purpose pricing	The awarded contract followed competitive evaluation and negotiation, delivering a total contract allocation below the Engineer's Estimate with documented cost-avoidance. Contract form NZS3910 with defined KPIs supports proportionate oversight without excessive consultancy overhead.

Notes for BVP –

- Consultation and consultancy costs are being actively managed. The project leverages existing engagement and consent work, targets specialist consultancy only where it adds value, sets clear value-for-money expectations through market briefings and risk allocation, contains scope to functional standards, and uses internal PCF expertise to minimise external spend.

Independent assessment	Considered
The project has followed Council's governance approval processes including Local Board Resolutions, IDF and DFA pathways. IDF gateway approvals and approved Procurement Plan (scope, budget, sourcing approach), formal evaluation with an evaluation panel, and a Supplier Recommendation Report endorsed by Procurement, Finance Business Partnering and Delegated Financial Authority prior to award.	
There is an independent assessment planned (for projects over \$5m)	The total contract allocation for the recommended award is \$3.51m (contract value \$3.051m + contingency), below the \$5m threshold that triggers an additional independent assessment step. Assurance has been provided through multi-stage tendering, risk-interactive sessions, engineers estimate, Auckland Council QS reviews, and DFA approvals.

<p>Quality assurance has been built into the project planning</p>	<p>Quality and assurance controls are embedded through Local Board resolutions, IDF gateways, NZS3910:2013 contract form, defined KPIs (quality, programme, H&S, QA/QC, reporting), risk allocation table priced and agreed during RFT, QS review/negotiations, and consent-condition alignment from design to delivery.</p>
<p>Notes for BVP –</p> <ul style="list-style-type: none"> • Portfolio and governance record: The Local Board business report confirms the strategic fit, funding allocation, consultation history and rationale to proceed, which underpins portfolio-level governance and informs DFA sign-offs. • Assurance mechanisms used: Two-stage process (REOI → RFT), weighted attributes, risk-interactive sessions, QS validation, and documented benefits/cost-avoidance provide independent challenge and validation commensurate with the project size 	
<p>Continuous value assessment</p>	<p>Considered</p>
<p>The project has been reviewed and endorsed at multiple points through Local Board reporting, IDF-aligned gateways, procurement approvals and DFA sign-off, providing repeated checkpoints to confirm continued value before progressing to the next stage.</p>	
<p>Clear plan to reassess value throughout delivery</p>	<p>Value is reassessed at key stages including consented design, procurement, tender evaluation, post-tender negotiation and contract award, with further review during construction through cost forecasting, contingency tracking and KPI reporting under NZS3910.</p>
<p>Cost/value concerns can be escalated to governance</p>	<p>Escalation pathways are defined through PCF governance, Procurement, Finance Business Partnering and Delegated Financial Authority, with material cost, scope or risk issues able to be escalated to senior management and elected members through established reporting channels.</p>
<p>No reason identified to consider stopping the project</p>	<p>Ongoing reviews have confirmed funding availability, strong value-for-money outcomes, manageable risks and alignment with Local Board priorities, with no trigger identified at any gateway to pause or stop the project.</p>
<p>Learning lessons and continuous improvement applied</p>	<p>The procurement approach explicitly reflects lessons learned from earlier stages and other projects, including market timing, risk allocation, and supplier engagement, and these lessons have been embedded into the Stage 2 delivery and contract management approach.</p>
<p>‘Front page of the paper’ test considered</p>	<p>Decisions demonstrate transparency and defensibility: competitive procurement, documented cost avoidance, use of local suppliers, mana whenua partnership, and delivery of a publicly supported asset, supporting confidence that decisions would withstand public and media scrutiny.</p>
<p>Notes for BVP –</p> <ul style="list-style-type: none"> • Through repeated governance checkpoints, IDF-aligned decision gates, competitive procurement with negotiation, DFA oversight, and ongoing contract 	

management, the project continues to demonstrate value for money, transparency and accountability from initiation through to delivery.