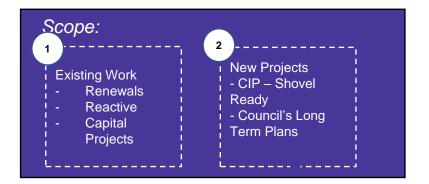
Water Industry - Agile Procurement Strategy

Objective: How can we accelerate the delivery of existing and new water infrastructure projects and services to support NZ's economic recovery and support local employment and engagement with SMEs post COVID 19?



Approach:

- 1. The Working Group has identified 8 potential procurement levers to support an agile procurement strategy for the sector.
- 2. Each lever needs to developed an applied to the sector based on the following factors:
 - The scale of work being performed in an area/ region
 - The risk profile and level of complexity of the projects to be delivered
 - The Value for Money that can be achieved by utilising the appropriate procurement level
 - The speed at which the projects can be restarted/ commenced
- Each lever needs to be scoped and an integrated program of work needs to be
 developed across the sector and a Taskforce similar to the Construction Sector Accord
 be used to provide governance, advocacy and stakeholder management across the
 sector.
- 4. Leverage the NZ Construction Procurement Guidelines for projects over \$9m to demonstrate Value for Money.

Potential Procurement Levers

LEVER 01	 Maximise Existing Contractual Arrangements Extended use of existing frameworks across councils and regions 	
	Develop consolidated programmes of work Package programmes of work across Councils to develop Value For Money benefits and delivery synergies	02
LEVER 03	 Alternative procurement/ delivery models Utilise alternative procurement models to accelerate delivery e.g. ECI, Programme alliances 	
	Enhance procurement capability — Provide training, additional support, and coaching to accelerate the adoption of alternative procurement arrangements	LEVER 04
LEVER 05	 Efficient and effective resource and capacity managed Develop an integrated pipeline of delivery required to assist the sector in delivering and building the capacity 	ement
	Long Term Investment Planning — Develop multi year planning horizon project pipeline across the sector to develop a sustainable industry	LEVER 06
O7	 Water Reform Agenda Can the sector start progressing the enhancement of infrastructure as outlined in the 3 Waters Review? 	
	National Water Delivery Alliance — Can we facilitate the development of a delivery alliance to deliver the projects?	08

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Long Term Investment Planning

LEVER 06

Develop multi year planning horizon project pipeline across the sector to develop a sustainable industry

Today:

- 1. 1 year capital project planning
- 2. 3 year Long Term Plan
- 3. Projects procured individually
- 4. Adhoc pipeline that inhibits development of national delivery capability
- 5. Intermittent use of procurement frameworks across the sector

Tomorrow:

- 1. 4-5 year capital project pipeline
- 2. 10 year Long Term Plan
- 3. Programmes created to develop Value for Money synergies
- 4. Strategic procurement programme across the water sector
- National Capability development due to funding and project increased certainty
- 6. Widespread use of a number of procurement delivery models that reflects the risk profile, complexity and value of the projects.