

To SM021 Manual Users

Cc Senior Manager Procurement

From SM021 Steering Group

Date 21 September 2020

Subject Contract procedures manual SM021 – Summary of Amendments September 2020

Purpose

To present the amendments made in the September 2020, Third edition amendment 2 publication of *Contract Procedures Manual (SM021)* which has been updated where required from the June 2020, Third edition amendment 1 publication.

Table of Amendments

Note: minor amendments are not always identified

Part A: Infrastructure procurement procedures		
Clause	Subject	Comment
All		General proofread, editorial changes
Associated manuals and references – Part A		ADDED “as relevant” for clarity
Definitions	Insurance advisory committee	ADDED definition for Insurance advisory committee
	Summary of templates	ADDED Optional templates section to link to templates that are not required for use by Part A of the manual but may be useful
	Delegated authorities schedule – Part A	UPDATED schedule to include non-business rule approvals at key stages, clarified and simplified approval levels in accordance with Business Rules spreadsheet

1.3.4	Procurement planning PS and PW contracts with an estimate of >\$10 million	AMENDED references to stage 1 plan to read stage 1 strategy
1.5.4	Exemptions from direct appointment and closed contest monetary limits	ADDED “You will need to refer to the relevant Procurement manual and/or Government procurement rule and provide justification for your request”
1.8.2	Insurance advisory committee	ADDED clause on Insurance advisory committee outlining function and role of IAC
1.8.3	IAC process	ADDED clause on process for engaging IAC
1.8.4	Liability and Insurances	CHANGED “specific approval by the Senior Manager Procurement” to “endorsement by the IAC with approval from the appropriate delegated financial authority” CHANGED process for contacting Senior Manager Procurement to process for engaging the IAC
1.8.6	Decreasing or waiving insurance requirements	CHANGED “Senior Manager Procurement may” to “The delegated financial authority (with endorsement from the IAC) may approve” CHANGED process for contacting Senior Manager Procurement to process for engaging the IAC
1.9.5	Approval for insurance levels	CHANGED “Senior Manager Procurement” to “Insurance team” CHANGED “the approval of the Senior Manager Procurement” to “the approval of the delegated financial authority (with endorsement from the Insurance team)” REMOVED process for contacting Senior Manager Procurement
1.9.6	Liability caps	CHANGED clause from “Waka Kotahi’s does not generally accept caps on liability but may consider accepting caps on liability in some circumstances” to “Waka Kotahi will accept caps on liability in some circumstances”
1.9.7	Changed insurance requirements after award	CHANGED “Senior Manager Procurement” to “Insurance team for endorsement and then to the delegated financial authority for approval” REMOVED process for contacting Senior Manager Procurement
1.9.10	Contractor’s bond – bonding policy	AMENDED bonding policy to reflect current monetary values ADDED reference to S&P rating
1.9.12	Global bond policy	AMENDED reference to bond in lieu of retentions to cover both bond in lieu of retentions and Contractor’s bonds
4.4.2	Opening of Tenders – Procedure	REMOVED “A witnessing officer is any person so authorised by the Senior Manager or Senior Manager Procurement” as requested by PLT

5.1.1	Evaluation Policy – General, Introduction	REMOVED “or the Senior Manager considers it necessary to include a Transport Agency representative based on the particulars of the individual contract” as requested by PLT
5.8.1	Tender reports and recommendation	ADDED requirement that TET report includes “confirmation that all tenders have been evaluated by the TET in accordance with the relevant evaluation criteria outlined in the RFT” as required by the management response to our audit actions
8.1.3	Release of bond in lieu of retention	AMENDED clause to outline process for release of bond in lieu of retentions
8.1.4	Release of Contractor’s bond	ADDED clause to outline process for release of Contractor’s bond
8.1.5	Release of Contractor’s bond or bond in lieu of retentions under the Global bond	ADDED clause to outline process for release of global bond
	Contract completion cover sheet	REMOVED clause
Templates	All	UPDATING templates to align with current business, addition of major and minor versioning to aid in use of correct template, editorial changes

Part B: Non–infrastructure procurement procedures

Clause	Subject	Comment
9.2.4	Direct appointment and closed contests over \$100,000 threshold	ADDED “and provide justification for your request”
9.4.4	Procurement planning for contracts with an estimate of <\$100,000	REMOVED reference to contract completion checklist
9.7.1	Insurance advisory committee	ADDED clause on Insurance advisory committee outlining function and role of IAC
9.7.2	IAC process	ADDED clause on process for engaging IAC
9.7.3	Liability and insurances general	CHANGED process for approval of changes to standard insurance clauses to endorsement by Insurance advisory committee (IAC) and approval by DFA CHANGED process for contacting Senior Manager Procurement to process for engaging the IAC

9.7.4	Changed insurance requirements after award	ADDED “Any proposed changes to insurance requirements after award must be endorsed by the IAC and approved by the appropriate delegated financial authority.”
14.4.2	Technology-related contracts	AMENDED clause to reflect wording provided by Steve Jones – specifies which types of contracts (instead of broadly stating technology) and adds CDO and Head of Security as well as CTO
	Contract completion cover sheet	REMOVED clause

Queries/feedback

Any queries/feedback on this edition should be sent to procurement@nzta.govt.nz.