



The Ministry of Education

# School Bus Procurement Request for Proposals

Tender 2

## In response to Request for Proposal

By: The Ministry of Education

For: School Bus Procurement Tender 2 Request for Proposal

Date of Proposal issuance: 7 December 2020

Tender 2 RFP released: 12:00 07/12/2020

Deadline for Questions: 17:00 22/01/2021

Deadline for Proposals: 17:00 29/01/2021

GETS Reference: 23721968

The Ministry of Education

Mātauranga House 33 Bowen Street, Wellington 6011

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# 1 Key Information

## 1.1 Context

- a. This Request for Proposal (**RFP**) is an open invitation to suitably qualified Suppliers to submit a Tender to the Ministry of Education (**Ministry**) for the provision of School Bus Services (**Services**). The Services are the safe transportation of students between the School and each student's designated pick-up/drop-off point, and the transportation of students between schools.
- b. This RFP is a single-step procurement process.
- c. Words and phrases that have a special meaning are shown by the use of capitals e.g. Respondent, which means 'a person, organisation, business or other entity that submits a Proposal in response to the RFP. The term Respondent includes its officers, employees, contractors, consultants, agents and representatives. The term Respondent differs from a Supplier, which is any other business in the market place even where it does not submit a Proposal'. Definitions are in Section 12.
- d. This RFP is an invitation and not an offer capable of acceptance by a Respondent. This RFP process will be governed by the RFP Terms set out in Section 11. No binding contract (except as provided for in paragraph 11.21 of Section 11) will arise unless and until a Contract is agreed in writing and signed by the Ministry and the Successful Respondent(s).
- e. The Ministry makes no representations or warranties that the information in this RFP or any information communicated or provided to Respondents during the RFP process is or will be accurate, current or complete.

## 1.2 Our Timeline

Here is our timeline for this RFP. Dates falling after the Deadline for Proposals are *indicative* only.

Steps in RFP process:	Date:
Dates of the RFP briefing sessions (ZOOM and face to face)	09-14/12/20
Question asked after this date will not be answered until 11/01/21 (questions asked before this date will be answered by 18/12/20)	17:00 16/12/20
Christmas close-down (questions not answered during this period)	17:00 18/12 20 – 10/01/21
GETS Helpdesk Christmas close-down	17:00 24/12/20 to 08:30 04/01/21
Deadline for Questions from Suppliers	17:00 22/01/21
Deadline for the Buyer to answer Suppliers' questions	17:00 26/01/21
<b>Deadline for Proposals</b>	17:00 29/01/21
Unsuccessful Respondents notified of tender outcome	May 21
Anticipated Contract Signing	May 21
Respondents' debriefs	June 21
Contract Commencement Date	1 January 22

### 1.3 How to Contact Us

- a. All enquiries *must* be directed to our Point of Contact. We will manage all external communications through this Point of Contact.
- b. RFP briefing sessions are planned. Registration instructions have been released via the 'School Bus Procurement - Notice of Information', GETS Reference 20548276. Please see Section 3.1.1 for additional information.
- c. Our **Point of Contact** is **Patrick Bodzak**.

All enquiries in relation to this RFP must be directed to our Point of Contact through the GETS 'Raise Question Here' function. This function is located at the bottom of the GETS School Bus Procurement RFP notice, accessible via <https://www.gets.govt.nz/> and appears as a blue button:



- d. By subscribing to this RFP through GETS you will automatically be informed by email of all tender notifications for this RFP.

### 1.4 Developing and Submitting Your Proposal

- a. This is an open, competitive tender process. The RFP sets out the step-by-step process and conditions that apply.
- b. Take time to read and understand the RFP. In particular:
  - i. develop a clear understanding of our Requirements detailed in Section 4.
  - ii. in structuring your Proposal consider how it will be evaluated. Sections 7 and 8 describe our Evaluation Approach.
  - iii. Familiarise yourself with the Contract; the Contract details the nature and terms of service you are proposing to deliver.
- c. For helpful hints on tendering and access to a Supplier resource centre go to:  
<https://www.procurement.govt.nz/suppliers-2/>.
- d. If anything is unclear or you have a question, ask us to explain. Please do so before the Deadline for Questions. You must do this via our Point of Contact, see Section 1.3.
- e. Proposals will be accepted via GETS only. See section 6.2 for more information about GETS.
- f. In submitting your Proposal you must use the Response Forms provided:
  - **APPENDIX A** Quality Response Form
  - **APPENDIX B** Price Response Form and Financial Ratios
  - **APPENDIX C** Due Diligence

In order to fully complete Appendix A Quality Response Form and ensure you have a compliant response (see Section 6 and APPENDIX G Respondent's Checklists and Process Flowcharts) you must submit each of the following as separate attachments:

- Business Continuity / Disaster Recovery / Critical Incident Plan / Policy / Document
- Implementation Plan

- Fleet Renewal Plan
  - Health and Safety Plan
  - Drug and Alcohol Plan / Policy / Document
  - Child Protection Plan / Policy / Document
- g. You must use the pricing form for your pricing information, included as APPENDIX B Price Response Form and Financial Ratios.
  - h. You must adhere to other requirements, such as response length, submission formats, file naming convention, as set out in APPENDIX G Respondents' Checklists and Process Flowcharts.
  - i. Check you have provided all information requested, and in the format and order asked for. Consult the Respondents' checklist included as APPENDIX G Respondents' Checklists and Process Flowcharts.
  - j. Proposals must be submitted electronically via GETS. The maximum size of your Proposal, including all forms and attachments, is 100MB. See section 6.2 for more information about GETS.
  - k. Proposals sent by post, fax, email or hard copy delivered to our office, or by any means other than specified in Section 1.4 j. **will not be accepted.**
  - l. Having done the work, don't be late – please ensure you get your Proposal to us before the Deadline for Proposals!

## 1.5 Our RFP Process, Terms and Conditions

- a. **Offer Validity Period:** In submitting a Proposal the Respondent agrees that their offer will remain open for acceptance by the Buyer for 12 calendar months from the Deadline for Proposals.
- b. The RFP is subject to the RFP Process Terms and Conditions (shortened to RFP-Terms) described in Section 11.

## 1.6 Subsequent Changes to the RFP or RFP Process

- a. If, after publishing the RFP, we need to change anything about the RFP, or RFP process, or want to provide Suppliers with additional information we will let all Suppliers know by publishing a notice on the Government Electronic Tenders Service (GETS) at [www.gets.govt.nz](http://www.gets.govt.nz).
- b. If you downloaded the RFP from GETS you will automatically be sent notifications of any changes through GETS by email. Please monitor your email as well as the GETS notice, as some of these notifications will be very important. Remember to check your junk mail folder.

## 1.7 Tender Documents

Documents attached to the GETS Tender Notice for this RFP and which form part of this RFP (the Tender Documents) are:

- School Bus Procurement Tender 2 Request for Proposal (this document)
- **APPENDIX A** Quality Response Form
- **APPENDIX B** Price Response Form and Financial Ratios
- **APPENDIX C** Due Diligence

- **APPENDIX D** Contract
- **APPENDIX E** Monthly Reporting Requirements
- **APPENDIX F** Route Maps and Additional Information
  - **F01** Northland
  - **F02** Auckland
  - **F03** Waikato
  - **F04** Bay of Plenty
  - **F05** Hawke's Bay
  - **F06** Gisborne
  - **F07** Taranaki
  - **F08** Whanganui - Manawatu
  - **F09** Wellington - Wairarapa
  - **F10** Nelson – Marlborough - Tasman
  - **F11** West Coast
  - **F12** Canterbury
  - **F13** Otago
  - **F14** Southland
- **APPENDIX G** Respondents' Checklists and Process Flowcharts

## 1.8 Concerns and Complaints

Any concern or complaint a Respondent has regarding this RFP must be raised with the Point of Contact (Section 1.3) in the first instance.

If an issue or complaint remains unresolved despite best endeavours by the Point of Contact, the issue or complaint may be escalated by emailing the Ministry's procurement inbox:  
[MoE.Procurement@education.govt.nz](mailto:MoE.Procurement@education.govt.nz) (Email subject: "Issue with School Bus Procurement RFP – 23721968).

All received concerns or complaints will also be forwarded to the external probity auditor, who is an employee of Audit New Zealand, and is completely independent of the Ministry and this procurement process.

## 2 Overview

### 2.1 Background

The Ministry is the second largest purchaser of passenger services in New Zealand (after Auckland Transport) and has been managing the transport of children to and from school for over 130 years. While the ultimate responsibility for getting students to and from school sits with the caregiver, the Ministry may offer assistance to students who don't have access to public transport, and where distance from their closest school is a barrier.

The Ministry is currently responsible for:

- Managing around 7,000 daily vehicle movements with around 40 million passenger journeys each year
- Assisting over 100,000 students to school and home again safely every school day
- Transporting 25,000 Year 7 and Year 8 students to offsite technical education facilities

The Ministry is tendering for Daily and Technology Bus Services through two separate tenders. This Request for Proposal (**RFP**) applies for the procurement of a portion of national Daily and Technology Bus Services required from 1 January 2022 through Tender 2 (this RFP).

### 2.2 Procurement Approach

The procurement of all Daily and Technology Bus Services is proceeding via a two tender approach. These tenders are referred to in this document as '**Tender 1**' and '**Tender 2**'. Tender 1 has concluded, with 106 Daily Routes and 37 Technology Routes being awarded. Remaining Routes have been grouped into Route Groups for offer through Tender 2.

The table below presents the total number of Routes per Region, and the number of Route Groups and Routes being made available for award via Tender 2.

Region	Total Routes			Tender 2 Route Groups	Tender 2 Routes available for award		
	Daily	Technology	Total		Daily	Technology	Total
Northland	170	38	208	7	157	35	192
Auckland	70	70	140	7	60	68	128
Waikato	168	92	260	11	154	84	238
Bay of Plenty	107	37	144	6	96	33	129
Hawke's Bay	96	35	131	5	95	35	130
Gisborne	41	5	46	3	41	5	46
Taranaki	57	18	75	3	49	16	65
Whanganui/Manawatu	123	57	180	7	117	55	172
Wellington/Wairarapa	73	87	160	7	72	87	159
Nelson/Marlborough/Tasman	112	27	139	6	104	24	128
West Coast	45	12	57	2	35	10	45
Canterbury	103	115	218	8	95	106	201
Otago	162	29	191	7	157	28	185
Southland	112	13	125	5	101	12	113
<b>Total</b>	<b>1439</b>	<b>635</b>	<b>2074</b>	<b>84</b>	<b>1333</b>	<b>598</b>	<b>1931</b>



## **2.3 Steps in the Tender 2 Procurement Process**

- Tender 2 RFP published on GETS along with finalised Route Groups, maps, and various details for each Route.
- Tender 2 Respondents bid for as many Route Groups as they wish in any Region(s) they choose. Respondents must indicate the maximum number of overall Daily Routes they have the capacity to deliver in their Proposal.
- Respondents provide separate price bids for each Route Group by adding a tab to Appendix B Price Response Form and Financial Ratios for each Route Group bid for.
- Ministry evaluators assess all bids for completeness and compliance, then evaluate and rank all compliant bids based on Public Value.
- Evaluators check that preferred bids fit within the Supplier's maximum capacity and the Ministry's market concentration tests and adjust ranking accordingly.
- Contract Award offers are made and contracts signed.
- Transition plan milestones and pre-start requirements are monitored by Ministry personnel.
- Services commence under new contracts from January 2022.

## **2.4 Rules and Requirements of the Procurement Approach**

### **2.4.1 Eligibility to Participate**

All Suppliers who have not been contracted to deliver any Routes through Tender 1 are eligible to participate, subject to the related parties' requirement in section 2.4.2.

### **2.4.2 Related Parties**

The Ministry is aware that some Suppliers operate through different businesses and entities, which may have a relationship through ownership, common parent companies or shareholding, be in partnerships, consortiums and other operating models. The Ministry generally considers these companies to be the same party for the purpose of applying the conditions of Tender 1 and Tender 2.

Accordingly, without limiting the Ministry's rights to terminate any Respondent's participation in Tender 2, the Ministry may at its sole discretion exclude any Respondent from participating in Tender 2 if the Ministry is of the view that the Respondent:

- a. is a Related Party to any Respondent that has been awarded any Route under Tender 1; or
- b. has taken any steps (including, but not limited to, structuring its affairs in such a way) so as to directly or indirectly defeat, evade or circumvent the application of, or purposes for, the Related Party definition.

For clarity, the 'Related Party' definition will capture any subcontracting arrangements between any Respondent and any Supplier that has been awarded any Route under Tender 1.

Please see the 'Related Party' definition in the Definitions table in Section 12 for a detailed explanation.

## 3 Engagement and Communication

### 3.1 Engagement During the Tender

#### 3.1.1 RFP Briefings

##### 3.1.1.1 Purpose

RFP briefings are planned. Potential Respondents to this RFP have been invited, via the 'School Bus Procurement - Notice of Information' (GETS reference 20548276) to attend one of the briefings, which will be held in Auckland, Christchurch, and via Zoom. If regional travel becomes restricted under COVID 19 alert guidance the Ministry will hold a single briefing via Zoom. The briefings will be held shortly following Tender 2 release. The RFP briefings are intended to communicate useful tender information and to give potential Respondents the opportunity to ask questions and seek clarifications about the RFP and how to respond. Attending one of these RFP briefings is not mandatory, however attendance is strongly advised. All RFP briefings will be identical in scope and content. The RFP briefing presentation and a consolidated question and answer log from the session will be made available through GETS. The RFP Briefing question and answer session will allow attendees to ask general tender and process related questions; questions which are more specific, or which could be of immediate interest to all potential Respondents will be directed to be asked via GETS.

##### 3.1.1.2 RFP Briefing Content

The briefing content will include:

1. Overview of the RFP and related documents
2. Overview of the tender and Tender 1 outcomes
3. GETS system familiarisation
4. Overview of high-level tender timelines
5. Summary of key themes identified through prior questions
6. A question and answer session

##### 3.1.1.3 RFP Briefing Details

Location	Time and Date	Venue
Christchurch	10:00-12:00 Wednesday 09 December	Ministry of Education 48 Hereford Street, Christchurch, Room 1.01
Auckland	11:00-13:00 Friday 11 December	Ministry of Education 18 Normanby Road, Mt Eden, Level 3 Main Meeting Rooms
Wellington (zoom)	10:00-11:00 Monday 14 December	ZOOM LINK: <a href="https://moenz.zoom.us/j/82323280795?pwd=dHI1NU5jZG1QRTFtVU11QXpuU3hldz09">https://moenz.zoom.us/j/82323280795?pwd=dHI1NU5jZG1QRTFtVU11QXpuU3hldz09</a>

##### 3.1.1.4 RFP Briefing Registration

RFP Briefing registration is mandatory; the RFP Briefing is advertised through GETS ('School Bus Procurement - Notice of Information', GETS Reference 20548276) and registration is requested to be completed by noon on

Monday 7 December. If you have missed this deadline and still wish to register, please email [Bus.Tender@education.govt.nz](mailto:Bus.Tender@education.govt.nz) immediately.

### **3.1.2 Questions from Respondents**

During the period from the date the RFP is released to the date that questions from Respondents close (17.00 22/01/2021), potential Respondents may ask questions relating to the RFP via the GETS 'Raise Question Here' function. We will endeavour to respond to all questions within two Business Days of receipt and intend to publish the questions and our answer on GETS, available to all registered parties. Please note however that questions will not be answered during the Ministry's Christmas close-down period of 19 December to 10 January inclusive. Wording of questions may be edited for reasons such as clarity, brevity, privacy and confidentiality.

Please note the 'deadline for questions from Suppliers' (Section 1.2 Our Timeline). We do not intend to respond to questions received after the deadline for questions, but we reserve the right to do so. Ensure that you are familiar with all tender documentation and processes, and ask any questions or seek clarifications prior to the deadline.

The Ministry intends to publish a weekly summary of all questions and answers during the question and answer period (apart from the Christmas close-down period) on GETS.

We will aim to preserve confidentiality and privacy during the question and response process, particularly where a potential Respondent asks a question that involves proprietary ideas about matters of importance that are clearly stated to be confidential due to commercial sensitivities or trade secrets, or where the Ministry determines the same. The onus remains with potential Respondents to identify such information. The Ministry will not release such information to other potential Respondents but will remove the confidential information from the question text, ensuring the removal does not materially change the meaning of the question, before the question and its answer are published publicly on GETS. Questions that are commercially sensitive as a whole may be answered directly to the Supplier who raised the question.

In exceptional circumstances, a question may be answered 'privately'. For example, a question that is not relevant to the tender, or a question that is narrow in scope and references a Supplier's commercially sensitive information. In this event, the question will be answered privately, and both the question and answer will not become publicly visible on GETS and will not be shared through the weekly summary of questions. An automatic GETS email will be sent to the email account of the Supplier who raised the question when this question is answered privately by the Ministry.

### **3.1.3 Communication**

All communication by you regarding this procurement and RFP must be through the GETS 'Raise Question Here' function, or in accordance with Section 1.8 Concerns and complaints. You must not communicate in relation to this RFP or its subject matter by any other method. If you are currently delivering services for the Ministry, your routine interactions and communications with the Ministry in order to conduct business as usual activities may continue as normal, however you must not discuss this RFP or related content with any Ministry employee or representative.

## **3.2 Joint Proposals**

The Ministry will accept Joint Proposals, subject to Related Party conditions. Joint Proposals may take the following forms:

- Joint Venture – where two or more Contractors associate to work together in delivering Services relevant to a particular tender. The Contractors form a new entity through the Joint Venture.
- Consortium / Lead Contractor Arrangement – where two or more Contractors associate to work together in delivering Services relevant to a particular tender. Each Contractor retains their separate legal status. A Consortium / Lead Contractor arrangement is governed by a contractual agreement between Contractors which are a party to the Consortium / Lead Contractor arrangement, however a new entity is not formed.
- Sub-contracting Arrangement – where a Contractor arranges for another Supplier(s) to deliver a portion of the Services. Each party retains their separate legal status. This is governed by a contractual agreement between the Contractor and Supplier(s) who are a party to the arrangement, however a new entity is not formed.

Joint Proposals must be identified as such in APPENDIX A Quality Response Form, with the Joint Proposal being evaluated as if it is the Respondent's Proposal.

If you are submitting a Joint Proposal, please include examples on behalf of your organisation as well as all other organisations comprising the Joint Proposal. If any standards, practices, systems, processes etc. differ significantly between the organisations forming a Joint Proposal, the Joint Proposal response should include a single set of the relevant standards, practices, systems, processes etc. which will be adopted by each of the organisations forming a Joint Proposal.

The following conditions apply to any Joint Proposals submitted as part of this RFP:

- Any Joint Proposal must:
  - i. be submitted by the Proposal Lead only;
  - ii. identify all of the Respondents who are party to the Joint Proposal;
  - iii. state the nature of the relationship between each of the Respondents for the purpose of the Joint Proposal; and
  - iv. clearly articulate accountabilities of each of the Respondents who is party to the Joint Proposal.
- If a Joint Proposal is successful, the Buyer expects to enter into the Contract only with the Proposal Lead, as follows:
  - i. The Proposal Lead will be the party that negotiates and enters into the Contract with the Ministry (if the Proposal is selected); and
  - ii. The Proposal Lead will be legally and contractually responsible for the performance of the other Respondents that are party to the Joint Proposal.
- It is the responsibility of the Proposal Lead to collect from the other Respondents for the Joint Proposal all required information pertinent to those Respondents, to include this information in the Proposal, and to submit the completed Proposal before the RFP closing time and date.

## 4 Our Requirements

### 4.1 The Services

#### 4.1.1 Daily Bus Services

Daily Bus Services provided by transport operators are the most common form of transport assistance offered by the Ministry, taking students to and from school. Students are picked up at a variety of roadside stops along the Route and delivered to their school, and *vice versa* in the afternoon. A small number of Routes will include a transfer of students to another bus along the journey, but generally each Route will be designed to be run by a single bus. There are 1439 Daily Routes nationally.

#### 4.1.2 Technology Bus Services

Technology Bus Services provide regular access to specialised educational facilities (Technology Centres) at other schools for year 7 and 8 students, so they can learn such things as woodwork, sewing, cooking and metalwork. Most often this will include students from rural full primary (year 1-8) schools and from intermediate schools to larger schools. Providing transport to Technology Centres is a more economical approach than building expensive facilities at all schools. Where the students requiring transport exceed bus capacity Contractors can transport students using multiple buses, these buses will run together in convoy; Contractors are not to run back with a single bus. There are 635 Technology Routes nationally.

### 4.2 Service Delivery Objective

The Ministry's objective in procuring the Services is to ensure that Eligible Students are transported to and from school, and between schools. The provision of the Services will:

- be safe
- be reliable and reasonably comfortable
- get students to their destination, on time and 'ready to learn'
- provide confidence to all stakeholders (government, caregivers and schools) that the Services are fit for purpose
- represent appropriate and sustainable public value through both the quality and cost of the service and the way it is delivered
- be achieved through a fair, open and transparent procurement process and managed through clear contract responsibilities.

### 4.3 Operational Context

#### 4.3.1 Legislation

School Transport Services assistance is provided under Section 139D of the Education Act 1989, which allows the Secretary of Education to assist in the provision of transport to and from school.

All Respondents must at all times comply with all relevant NZ legislation, including but not limited to:

- Accident Compensation Act 2001
- Employment Relations Act 2000
- Children's Act 2014
- Equal Pay Act 1972
- Health and Safety at Work Act 2015
  - also see 'Introduction to the Health and Safety at Work Act 2015', accessible at

<https://worksafe.govt.nz/dmsdocument/824-introduction-to-the-health-and-safety-at-work-act-2015-special-guide>

- Holidays Act 2003
- Human Rights Act 1993
- Parental Leave and Employment Protection Act 1987
- Protected Disclosures Act 2000
- The Privacy Act 2020
- Wages Protection Act 1983

#### **4.3.2 Supplier Code of Conduct**

All Respondents to this RFP are expected to comply with all provisions contained in the Supplier Code of Conduct, accessible at <https://www.procurement.govt.nz/assets/procurement-property/documents/supplier-code-of-conduct.pdf>

#### **4.3.3 Useful Links**

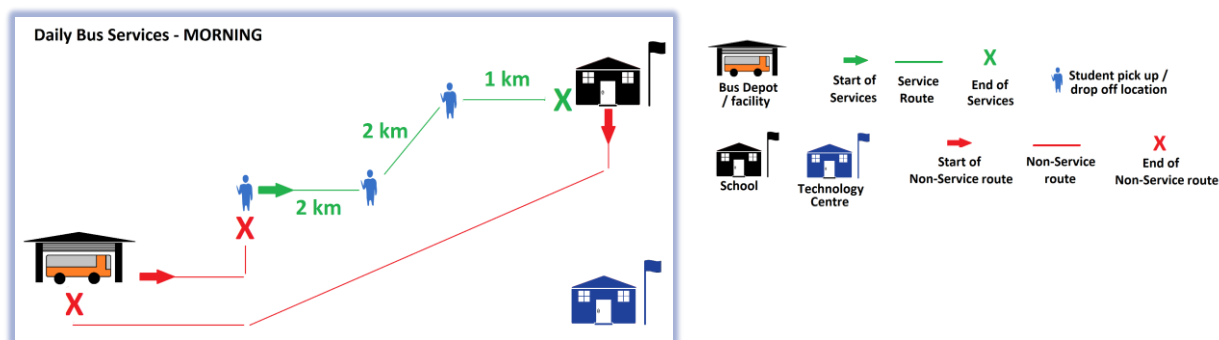
The information linked below may be useful in completing your Proposal:

- 'Government Electronic Tender Service (GETS)' - Information about viewing and responding to New Zealand government tender opportunities, accessible at:
- [GETS | New Zealand Government Procurement and Property](#)
- 'Submitting a Tender' - Tips about responding to tenders – what to include in your response, how to present to and negotiate with buyers, debriefs and the complaints process, accessible at:
- <https://www.procurement.govt.nz/suppliers-2/submitting-a-tender/>
- 'Government Procurement Rules' - The Government Procurement Rules support sustainable and inclusive procurement through the promotion of good practice for procurement planning, approaching the Supplier community and contracting, accessible at:
- <https://www.procurement.govt.nz/procurement/principles-and-rules/government-procurement-rules/>
- 'Ministry of Education School Transport internet page' – General information relating to school transport, accessible at:
- <https://www.education.govt.nz/school/property-and-transport/transport/designing-or-changing-a-school-bus-Routes/>

### **4.4 Understanding Routes**

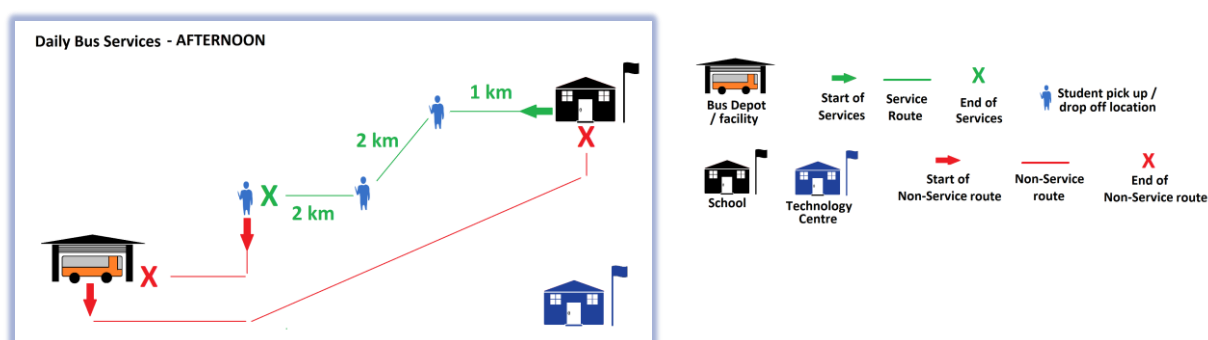
#### **4.4.1 Daily Bus Services – Morning**

- Services commence upon the pick-up of the first student along the Route.
- Services terminate upon the arrival at the school and disembarkation of all students.
- Repositioning the vehicle to the pick-up location of the first student is excluded from the calculation of Route kilometres.
- Repositioning the vehicle following the arrival at school is excluded from the calculation of Route kilometres.
- The graphic below illustrates the vehicle departing the bus depot / facility, commencing Services upon the pick-up of the first student, and concluding the Services upon arrival at the school and the disembarkation of the students. The vehicle then may return to the bus depot / facility, or elsewhere, or may be used in the conduct of other business unrelated to the Services. In this example, the Route kilometres is **5 km (2 km + 2 km + 1 km)**:



#### 4.4.2 Daily Bus Services – Afternoon

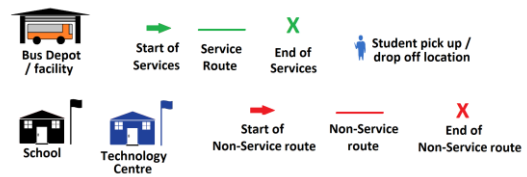
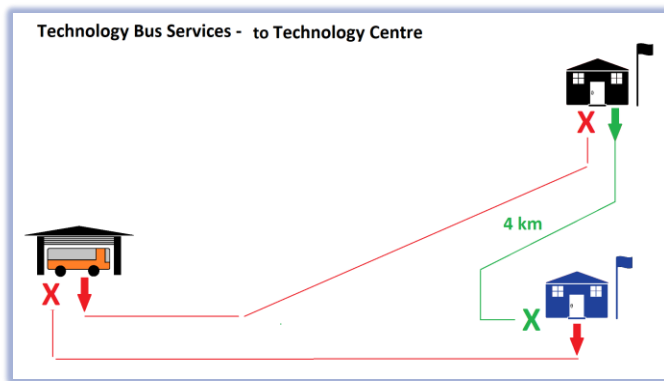
- Services commence upon the pick-up of the students at the school.
- Services terminate upon the disembarkation of the last student.
- Repositioning the vehicle to the school prior to student pick up is excluded from the calculation of Route kilometres.
- Repositioning the vehicle following the disembarkation of the last student is excluded from the calculation of Route kilometres.
- The graphic below illustrates the vehicle departing the bus depot / facility, commencing Services upon the pick-up of the students outside the school, and concluding the Services upon the disembarkation of the last student. The vehicle then may return to the bus depot / facility, or elsewhere, or may be used in the conduct of other business unrelated to the Services. In this example, the Route kilometres is 5 km (1 km + 2 km + 2 km):



#### 4.4.3 Technology Bus Services – to Technology Centre

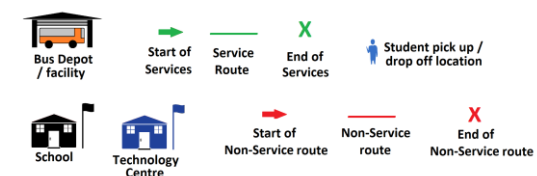
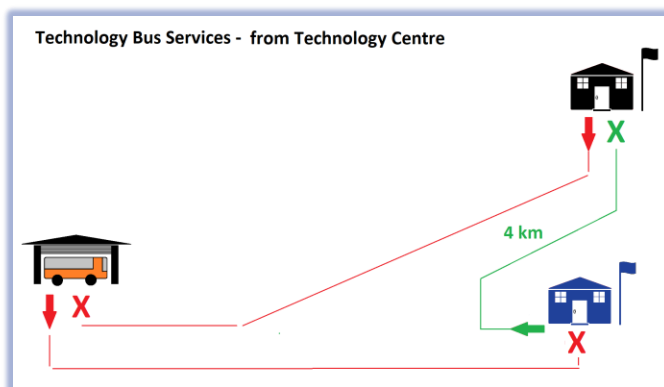
- Services commence upon the pick up of the students at the school.
- Services terminate upon the disembarkation of the students at the Technology Centre.
- Repositioning the vehicle to the school prior to student pick up is excluded from the calculation of Route kilometres.
- Repositioning the vehicle following the disembarkation of the last student at the Technology Centre is excluded from the calculation of Route kilometres.
- 'Wait times' are not a part of the Services.
- The graphic below illustrates the vehicle departing the bus depot / facility, commencing Services upon the pick-up of the students at the school, and concluding the Services upon arrival at the Technology Centre and the disembarkation of the students. The vehicle then may return to the bus depot / facility,

or elsewhere, or may be used in the conduct of other business, unrelated to the Services. In this example, the Route kilometres is **4 km**:



#### 4.4.4 Technology Bus Services – from Technology Centre

- Services commence upon the pick-up of the students at the Technology Centre.
- Services terminate upon the disembarkation of the students at the school.
- Repositioning the vehicle to the Technology Centre prior to student pick up is excluded from the calculation of Route kilometres.
- Repositioning the vehicle following the disembarkation of the last student at the school is excluded from the calculation of Route kilometres. 'Wait times' are not a part of the Services.
- The graphic below illustrates the vehicle departing the bus depot / facility, commencing Services upon the pick-up of the students at the Technology Centre, and concluding the Services upon arrival at the school and the disembarkation of the students. The vehicle then may return to the bus depot / facility, or elsewhere, or may be used in the conduct of other business, unrelated to the Services. In this example, the Route kilometres is **4 km**:



#### 4.4.5 Route Optimisation

Daily and Technology Bus Routes are regularly reviewed by the Ministry and adjusted if necessary to ensure that they remain fit for purpose. This includes (but is not limited to):

- An annual review of school roll information, home locations of students, and eligibility to determine the optimal Daily Bus Routes for vehicles to travel to pick-up/drop-off all eligible students.



- An annual Technology Bus Routes review based on school technology requirements, including timetable changes and the addition or removal of Technology Centres.

If Route changes are required Suppliers will be advised of the changes and contract payments amended using the variable rates included in the pricing model. The Ministry expects that these reviews may result in Route changes being required prior to commencement and/or during the term of the new contracts.

#### 4.4.6 Timetables

Schools can contact the Contractor for each Route for the timetable.

General timetable rules are:

- Students are not picked up before 7.00 am
- Students should be set down before 5.00 pm
- Ideally, students shouldn't be on the vehicle longer than 60 minutes during their journey

There may be exceptions due to local circumstances, such as Route length, school starting times, and the number of schools on the Route.

Please see APPENDIX D Contract, Schedule 2, Paragraphs 153-155 for more detailed information.

#### 4.4.7 Routes, Route Maps, Student Numbers, Kilometres, and Directions

APPENDIX F Route Maps and Additional Information contains detailed information which outlines the Routes available for tender, as well as:

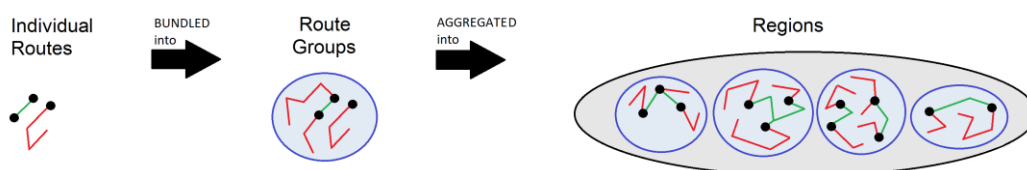
- Overview of the Routes and Route Groups within each Region
- Individual Route maps
- Individual Route written directions
- List of schools located within each Route
- Kilometres associated with each Route
- Estimated eligible passengers number associated with each Route, divided into Year 1-6 students and year 7-13 students

APPENDIX B Price Response Form and Financial Ratios includes a full list of the Route Groups, Routes, and Route metrics that will be used to populate the Contract for successful Respondents. Should there be an inconsistency between the Route Maps and Route information contained in APPENDIX B the information in the APPENDIX B will take precedence.

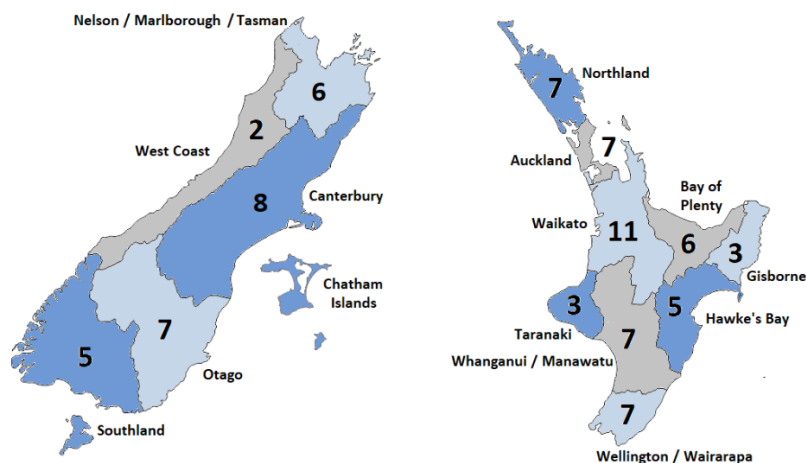
Note that while every effort has been made to ensure accuracy, Routes are constantly being reviewed and changes may occur. **Please provide your pricing based on the Route maps and information as presented with this tender, not based on your local knowledge of the Route(s).**

#### 4.4.8 Route Groups and Regions

All Daily and Technology Routes not allocated via Tender 1 have been aggregated into Route Groups. Route Groups are contained within Regions:



The following map shows the regional boundaries into which the Ministry's Daily and Technology Routes and Route Groups are divided, as well as the number of Route Groups within each Region. These boundaries are largely consistent with Regional Council boundaries, however there are several deviations. The map is a high level and indicative illustration of the current allocation of Region boundaries and should be read in conjunction with information on Routes included as APPENDIX F Route Maps and Additional Information.



#### 4.4.9 Eligible Students

The Daily Bus Route maps record the expected number of Eligible Student passengers. Where this number is less than or equal to 50 year 7-13 Eligible Students or 75 year 1-6 Eligible Students (prorated, proportional to the student year group, where the Routes carry both year 1-6 and year 7-13 students) the Contractor is expected to deliver all students to school seated in one run (i.e. without runbacks). Where these numbers are exceeded Respondents should base their pricing on transporting 50 year 7-13 year or 75 year 1-6 Eligible Students in a single run. In practice the Ministry will permit runbacks to pick up students in excess of these thresholds, but may also consider splitting the Route or allowing standing passengers in accordance with clause 186 of the contract. Respondents should also note that there are some Routes where Eligible Student passenger numbers are delivered in multiple legs on the same Route.

The Technology Bus Route maps record the total number of students that require transporting for that Route. Some Technology Routes need to be run at multiple times throughout a week and others require more passengers to be transported at a single time than could be carried seated on a single bus. To assist you in preparing your tender we have provided information in APPENDIX B Price Response Form and Financial Ratios splitting out each Technology Bus Route by the different variants and the time/expected passengers for each variant. Where more passengers need to be transported at the same time than could be carried seated by a single vehicle, Respondents can enter the number of vehicles that they will use to transport the students on each variant in their pricing submission. Where multiple vehicles are required, they must travel together, that is, the same vehicle may not shuttle students, and the Contractor will be paid the return trip price for each vehicle.

#### 4.4.10 Stops

Following contract award, Contractors will be contacted by the Ministry to discuss particulars of each Route, including the potential location of stops.

Please see APPENDIX D Contract, Schedule 2, Paragraphs 153-155 for more information.

## 4.5 Services Specifications

The following is a summary of key service specifications that will apply to all Daily Bus and Technology Bus Services. These must be read and interpreted in conjunction with the terms of the contract.

Please see APPENDIX D Contract, Schedule 2 for more detailed information.

### 4.5.1 Vehicle Specifications

Item	Specification
Certificate of Fitness (CoF)	Each vehicle must pass and have either a six-month or 12-month CoF. Vehicles on a shorter CoF regime may not be used to deliver the Services.
Colour	Vehicles can be any colour, within the requirements of transport law.
Signage	Vehicles may have advertising on them, subject to individual Ministry approval. Guidelines on acceptable advertising will be made available. Company branding is not subject to the approval requirement. All school vehicle signs and other signage must comply with New Zealand legal requirements.
Lights	Only lights and signage compliant with transport law are permitted.
Emission standards	<p>In an effort to reduce emissions for the school fleet, the Ministry is encouraging Contractors to meet a maximum age limit of less than 23 years and a maximum average age of less than 15 years for Large Passenger Service Vehicles (<b>LPSV</b>) and requiring a maximum vehicle age of less than 15 years for Small Passenger Service Vehicles. The current maximum vehicle age for a LPSV is less than 26 years, and Respondents will be asked to ensure their response falls within one of the following three options, and to identify the option that applies:</p> <ul style="list-style-type: none"><li>• <b>Option A:</b> The Contractor commits to maintaining a maximum LPSV age of less than 26 years for all vehicles during the term of the contract (i.e. no change from current state)</li><li>• <b>Option B:</b> The Contractor commits to maintaining a maximum LPSV age of less than 23 years for all vehicles from 12 months after the commencement date of the contract</li><li>• <b>Option C:</b> The Contractor commits to maintaining a maximum LPSV age of less than 23 years for all vehicles and a maximum average age of 15 years for each Route Group from 12 months after the commencement date of the contract.</li></ul> <p>The option a Respondent selects will be taken into account as part of the quality evaluation.</p> <p>The Ministry also requires that any vehicle introduced during the term of the contract must be newer than the vehicle it is replacing.</p>
Seating	<p>Vehicles supplied at Contract commencement will provide a seat for every student, based on the expected Eligible Students numbers specified by the Ministry with the RFP for each Route.</p> <p>All vehicles used to provide the Services must have a minimum of 12 seats (11 passenger seats plus the driver's seat).</p>

	<p>Standeers will be permitted if actual Eligible Student passenger numbers are greater than the number released by the Ministry with the RFP, provided that passengers on each Vehicle do not exceed each Vehicle's Certificate of Loading.</p> <p>For any new Routes introduced Contractors will need to provide seating capacity for the number of expected passengers advised by the Ministry at the point at which they are introduced. After that point standees will be permitted.</p> <p>The Contractor may only transport Ineligible Students if all students (Eligible Students and Ineligible Students) can be seated.</p>
Seating configurations	Where bench seats or lightly moulded touching seats are provided, and the Certificate of Loading ( <b>CoL</b> ) allows additional loading of younger students, (for example, 2/3 seating), this may only be utilised for students in years 1-6 (primary). In any event, where a seating configuration is not a bench seat, or "lightly moulded touching seats" 2/3 type seating may not be used for any aged student, regardless of what may be allowable under the CoL.
Seatbelts	Where Contractors choose to fit seatbelts, compliance with legislation is mandatory.
First aid kits	A school vehicle is a workplace and this clause simply draws attention to existing requirements under Health and Safety legislation. Worksafe provides guidance on what should be included in a first aid kit, refer to <a href="https://worksafe.govt.nz/managing-health-and-safety/businesses/general-requirements-for-workplaces/first-aid/">https://worksafe.govt.nz/managing-health-and-safety/businesses/general-requirements-for-workplaces/first-aid/</a>
On-boarding system	Contractors need to be prepared to install and operate a passenger on-boarding system should the Ministry require this feature in future. If required within the term of the contract, Contractors will not be required to pay for the equipment or for initial installation.

#### 4.5.2 Driver Specifications

Item	Specification
Medical fitness to drive	No less frequently than once every 12 month each Driver must successfully complete a New Zealand Transport Agency DL9 medical assessment.
Drug and alcohol testing	The Contractor will operate and maintain an effective drug and alcohol management plan covering screening of all drivers pre-employment, post-incident, randomly and where there is a reasonable requirement.
Requirements associated with Children's Act 2014	Requirements such as police vetting and safety checks.

#### 4.5.3 Contractor Specifications

Item	Specification
Joint ventures and sub-contracting	Sub-contracting and joint ventures are acceptable. Please see section 3.2 for more information.

Person in control	It is critical that there is clarity around which entity is providing a service, and that legal accountabilities are clear. Further, the Ministry expects to be able to readily contact the Person in Control of the service. This means this person must not reside in areas significantly removed from the New Zealand Standard Time zone or areas with unreliable communication services.
Assignment of contracts by Contractors	Selection of providers will have a strong focus on quality aspects associated with the proposed service delivery. Our quality assessment will be directly related to the specifics of each tendering entity. When committing to a long-term commercial agreement, the Ministry expects continuity of service as agreed under the Contract with the provider selected. Decisions on which bids are successful may also be made taking into account a healthy market approach and we do not intend to have those decisions subverted by Contract(s) being transferred. See Contract clauses 120-122.
Assignment or novation of contracts by the Ministry	During the term of the Contract a situation could arise that requires the Ministry to assign or novate this Contract to another entity (for example to another government agency or Regional Council(s)). This would change the party that the Contractor is providing Services for but doesn't change the other obligations in the Contract.
Pre-Start Requirements	The Ministry wants to ensure Contractors are ready to provide the Services on the first school day after the commencement date. To achieve this Contractors must report to the Ministry on progress against their implementation plans between Contract signing and the commencement date. This will allow the Ministry to monitor progress, with the Ministry retaining the option to terminate the Contract if a Contractor is at serious risk of not being ready to commence on the commencement date, for example (without limitation) where the Contractor is unable to procure the vehicles required.
Monthly reporting	Contractors will be required to provide monthly reports to the Ministry on the performance of the Pre-Start Requirements and the Services. Formal templates and/or systems are yet to be developed for this reporting, but to give Respondents an indication of the reporting requirements we have developed draft monthly reporting templates in APPENDIX E Monthly Reporting Requirements. The Contract allows for reasonable changes to be made to the reporting required without the need for a Contract variation. The method in which the Ministry obtains and consolidates information for all Routes and successful Respondents will be finalised prior to commencement of Services and communicated to successful Respondents accordingly.

## 5 Pricing

### 5.1 Price Submission

All pricing information must be submitted via APPENDIX B Price Response Form and Financial Ratios. APPENDIX A Quality Response Form must not contain any pricing information.

### 5.2 Price Evaluation

For evaluation purposes the Ministry will calculate an annualised price for each Route Group tendered. To calculate the annualised prices the Ministry will:

- Use \$ prices as tendered, i.e. without any inflation adjustments
- Use an assumed number of Technology Bus Service trips per Route per year, based on each Route's stated frequency, proposed return trips to transport passengers, and assuming 10 weeks per term. This information is included as part of Appendix B
- Use an assumed 192 Daily Bus Service days annually, and
- Apply price adjustments if necessary (at its discretion), for example where a clarification question and response confirms an error in a Respondent's pricing.

Note that the annual price used for evaluation is prepared to normalise the price responses for tender evaluation only. It may not reflect the actual payments made to Contractors in any Contract year, which will be based on the metrics of Routes at the time they are operated, number of days in the school year for each Daily Route, number of return trips for each Technology Route, and Global Rate Adjustments.

### 5.3 Pricing Approach

#### 5.3.1 Pricing Structure

The pricing model under the new contract is structured as follows.

Pricing component	Daily Route	Technology Route	Example of costs
<b>Group Fixed Price</b>	Fixed price per annum		<ul style="list-style-type: none"> <li>• Depot Costs</li> <li>• Head office staff</li> <li>• Systems, such as payroll</li> <li>• Transition costs</li> </ul>
<b>Route Fixed Price</b>	\$ per Route per annum, one fixed price to be applied to all Daily Routes	\$ per Route per return trip, one fixed price to be applied to all Technology Routes	<ul style="list-style-type: none"> <li>• Bus capital costs</li> <li>• Financing costs</li> <li>• Insurance</li> </ul>
<b>Route Variable Price</b>	\$ per Route km, one variable price for all Daily Routes	\$ per Route km, one variable price for all Technology Routes	<ul style="list-style-type: none"> <li>• Fuel, oil and lube</li> <li>• Driver wages</li> <li>• Road User Charges (RUC)</li> <li>• Repairs and maintenance</li> </ul>

### 5.3.2 Pricing Route Changes

It is anticipated that changes to Routes may be required during the Contract term. This could be in the form of a change in the number of kilometres on a Route (for example in response to students starting/leaving schools) or through adding or removing an entire Route. In providing the pricing information, Respondents should note that Route changes will be accounted for as follows:

#### Addition or removal of Routes to/from a Route Group

If a Route is added to a Route Group the actual payments will be adjusted using the Route Fixed Price and Route Variable Price. If a Route is removed then the Route Fixed Price and Route Variable Price will no longer be payable for that Route.

#### Changes to Route kilometres

If kilometres are added or removed from an existing Route the payments will be adjusted using the Route Variable Price. The same Route Variable Price will be used regardless of the bus size or whether kilometres are increasing or decreasing.

#### Significant Route changes

If the aggregate amount payable for a Route Group decreases by more than 25% during the term of the Contract the Contractor may terminate the contract for that Route Group.

If the aggregate amount payable for a Route Group increases by more than 25% during the term of the Contract the Ministry may terminate the contract for that Route Group.

### 5.3.3 Changing Student Demand on Routes

In School Transport, it is unusual for there to be an unexpected sudden significant increase in demand. On the occasions where demand does increase on a Route, we want Contractors to be able to respond promptly.

Our Contract and pricing structure encourage Contractors to respond quickly to changes in demand by making the best use of their fleet across all Routes they service. Therefore, Contractors need to build spare capacity into their fleet. To incentivise this approach the Ministry will apply the thresholds described below:

- Price adjustments will be considered where the number of total Eligible Student passengers for a Route Group increases by more than 10% above the passenger numbers issued with this RFP for a Route Group and the increase results in cost increases to the Contractor that aren't recovered through the pricing mechanism.
- Changes to Routes due to passenger demand will be considered where Eligible Student passengers on a Route exceed 75 year 1-6 students or 50 year 7-13 (prorated where necessary)<sup>1</sup> on a regular basis. At its discretion, the Ministry may use a lower number where it agrees that a smaller vehicle should be used due to safety reasons.

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<sup>1</sup> In accordance with the seating configurations allowed under clause 164 of the contract 75 year 1-6 students can be accommodated by the same number of seats as 50 year 7-13 students if configured appropriately and allowed for by a vehicle's Certificate of Loading. Prorating will take the percentage of year 1-6 Eligible Students multiplied by the number of year 1-6 Eligible Students plus the percentage of year 7-13 Eligible Students multiplied by the number of year 7-13 Eligible Students.

Until the thresholds above are reached the Ministry expects Contractors to transport the Eligible Student passengers covered by a Route Group with no change to Routes and/or payments.

#### **5.3.4 Indexation**

The New Zealand Transport Agency (**NZTA**) diesel bus index<sup>2</sup> will be used to adjust pricing for all price elements, applied in the same way as current practice. The use of the NZTA diesel bus index to account for cost changes is consistent across the bus transport industry.

Tender pricing must be in tender close date dollars and this will be indexed to the commencement of the Contract. See Global Rate Adjustment definition in Section 12.

Respondents should be aware that the NZTA is currently reviewing the diesel bus index cost component indices and weightings; this review could result in some changes to the composition of the index. Respondents should expect that the Ministry will apply the index as published by the NZTA.

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<sup>2</sup> Please see <https://www.nzta.govt.nz/assets/resources/procurement-manual/docs/cost-indices-for-public-transport.pdf> for more information



## 6 Proposal Information

### 6.1 Proposal Returnables

This sub-section outlines the tender documentation and submission requirements of this RFP. To ensure you submit a compliant Proposal, please pay careful attention to these requirements. More detailed information and a helpful checklist have been provided as APPENDIX G Respondents' Checklists and Process Flowcharts. Respondents must submit all requested documents in compliance with requirements stated in APPENDIX G.

Respondents must submit the following material as part of their tender submissions:

Returnable	Submission requirement
<b>APPENDIX A</b> – Quality Response Form	Submit one Form, however complete a separate Section 3 (Our Declaration) response for each Supplier if you are submitting a Joint Proposal.  Warranties and representations made through this response form must be equally applicable to all Route Groups tendered by a Respondent.
<b>APPENDIX B</b> – Price Response Form and Financial Ratios	Submit one Form and include a separate tab for each Route Group tendered for.
<b>APPENDIX C</b> – Due Diligence	Submit one document, if your Proposal is a Joint Proposal then submit one document completed by each organisation which is part of the Joint Proposal (include a single Investment Plan in your submission).
<b>Fleet Renewal Plan</b>	Submit one Plan
<b>Implementation Plan</b> (for both incumbent and new Suppliers)	Submit one Plan
<b>Business Continuity / Disaster Recovery / Critical Incident Plan</b> / Policy / Document	Submit one Plan / Policy / Document
<b>Health and Safety Plan</b>	Submit one Plan
<b>Drug and Alcohol Plan</b> / Policy / Document	Submit one Plan / Policy / Document
<b>Child Protection Plan</b> / Policy / Document	Submit one Plan / Policy / Document

All response forms, attachments, plans, policies, documents and other required submissions must be uploaded in a format as specified in APPENDIX G Respondent's Checklists and Process Flowcharts. This includes using the specified file naming convention and file format, adhering to maximum length of each question, and others.

Answers to the RFP questions must comply with the following Mandatory Requirements:

- You must use the response forms provided.
- You must use Calibri font, size 11.
- The Ministry specifies a recommended and maximum answer size, in terms of a number of pages, for each question. The specified maximum page limit of each question response must be adhered to. The Ministry reserves the right not to consider any text which extends beyond the specified maximum page limit for that particular question.

- You must not attach any additional documents in support of your response. Any documents attached to your Proposal other than those which are requested by the Ministry may or may not be considered, at the Ministry's discretion.
- You must not change any of the settings within the response forms such as margins, font, font size, line spacing, and others.

The Ministry reserves the right to accept or reject any of the above forms, declarations, attachments, plans, policies, documents and other required submissions if they are submitted in a format which differs from the format specified above and detailed in APPENDIX G Respondents' Checklists and Process Flowcharts.

## 6.2 Submitting a Proposal

Your Proposal comprises all response forms, attachments, plans, policies, documents and other required submissions which must be uploaded through GETS, as outlined in Section 1.4 Developing and Submitting your Proposal.

The Ministry reserves the right to accept or refuse any forms, attachments, plans, documents and other requirements that are submitted through a channel which differs from the channel specified. The submission process is as follows:

1. Log onto GETS and 'subscribe' to the School Bus Tender RFP notice
2. Download all tender collateral
3. Prepare your Proposal
4. Submit your Proposal through GETS before the Deadline for Proposals

Proposals will not be accessible to any party until the Deadline for Proposals lapses. Respondents are encouraged to submit their Proposals well before the Deadline for Proposals to ensure that the submission is made on time. The risk of technical, bandwidth, or other unforeseen issues must be considered by Respondents when planning the submission of their Proposal.

GETS technical assistance will not be provided by the Ministry. If you have technical GETS questions or issues, please use the GETS help resources provided below or contact the GETS Helpdesk:

- Help website: <https://www.gets.govt.nz/SupplierUserTenderHelp.htm>
- Help contact form: <https://www.gets.govt.nz/ContactUs.htm>
- Phone – domestic: **0508 GETS HELP** (0508 438 743)
- Phone – International: **+64 4 901 3188**
- Email: [info@gets.govt.nz](mailto:info@gets.govt.nz)

The GETS Helpdesk open hours are as follows:

- 8:30 am to 5:00 pm (NZT) Monday to Thursday
- 9:00 am to 5:00 pm Friday
- The GETS Helpdesk is closed on public holidays, and will not be available during the Christmas shutdown period between 5:00 pm on 24/12/20 to 8:30 am on 04/01/2021

### 6.3 Probity

An external probity auditor has been appointed by the Ministry to oversee this procurement process and to verify that the procedures set out in this RFP are complied with. The external probity auditor is an employee of Audit New Zealand, is not a member of the quality or price evaluation teams and is completely independent of the procurement process and the Ministry.

The external probity auditor provides real-time independent assurance to the Ministry on the probity of this procurement process and on the management of probity and conflicts of interest. They will audit this RFP process and provide a probity report to the Ministry on completion of the evaluation process. They will also receive any concerns or complaints that are received in response to this project following tender release. Please see Section 1.8 for additional information concerning the submissions of concerns or complaints.

## 7 Tender 2 Evaluation Overview

### 7.1 Evaluation Model

Proposals will be evaluated using the Price Quality Method (**PQM**). An explanation of the PQM is publicly available in the NZTA Procurement Manual<sup>3</sup>. Essentially, the PQM converts the difference in quality scores between Proposals into a notional dollar amount, which is then deducted from the total price to enable comparison of tenders in dollar terms.

### 7.2 Price and Quality Weightings

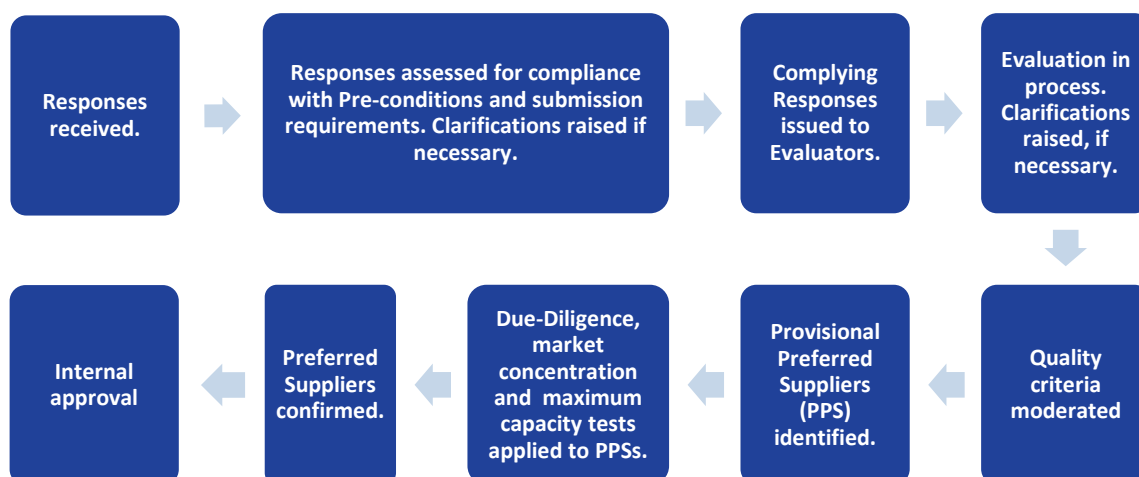
The price weighting for this procurement is 60% and the quality weighting is 40%.

### 7.3 Tender Evaluation Teams

Quality and price evaluation will be conducted by separate evaluation teams. Evaluation teams will be composed of Ministry and external personnel.

### 7.4 Evaluation Process

The Ministry's evaluation process is:



### 7.5 Pre-Conditions

Each Proposal must meet all of the following conditions to be considered for further evaluation (additional guidance is provided in APPENDIX A Quality Response Form):

<sup>3</sup> Please see <https://www.nzta.govt.nz/resources/procurement-manual/>

Pre-Condition	Details
Licences	<p>A PASS mark will be awarded to Respondents who carry, or indicate they will carry before a set date, all the appropriate licences as defined by the NZTA for the types of vehicles they are proposing to deploy.</p> <p><b>A 'YES' must be indicated, and a copy of the relevant licences must be submitted if your organisation currently holds the required licences. Please paste the copy/copies as an image/screenshot in the relevant Section of APPENDIX A Quality Response Form.</b></p>
Insurances	<p>A PASS mark will be awarded to Respondents who indicate they carry, or indicate they will carry before a set date, the required insurances.</p> <p><b>A 'YES' must be indicated, and a copy of all relevant certificates must be submitted if your organisation currently holds the required insurances. Please paste the copy/copies as an image/screenshot in the relevant Section of APPENDIX A Quality Response Form.</b></p>
Safety and Police Checks	<p>A PASS mark will be awarded to Respondents who indicate that all employees who will be in the presence of children will undergo regular safety checks, and those not verified through the checks are prohibited from being in presence of children.</p> <p><b>A 'YES' must be indicated.</b></p>
Business Continuity, Disaster Recovery, Critical Incident (BC / DR / CI)	<p>A PASS mark will be awarded to Respondents who have effective practices, policies, and plans in place to anticipate, mitigate and recover from events that may threaten the effectiveness and efficiency of service delivery.</p> <p><b>A 'YES' must be indicated, and a BC and DR and CI Plans / Policies / Documents must be submitted and be of a benchmark quality to receive a PASS mark. APPENDIX A Quality Response Form contains information to help you ensure that all required content is included in your submission.</b></p>

You must be able to answer 'YES' to each of the Pre-Conditions and provide all requested evidence such as the copies of your licence(s) and insurances. If you cannot answer 'YES' to all Pre-Conditions and/or cannot provide all requested evidence, your Proposal will not meet the basic Requirements and will not be considered for further evaluation or selection. If you indicate you will provide the copy/copies of the relevant licence(s) or insurances by the specified date, you must do so.

## 7.6 Quality Evaluation

Proposals which meet all Pre-Conditions will be evaluated on their merits. Quality will be evaluated by assessing the overall Proposal for all Route Groups, while Price will be evaluated individually for each Route Group.

If, over the course of the evaluation and due diligence, the Ministry considers that a Respondent's quality is materially different for different Route Groups, the Ministry reserves the right to review and revise such quality scores for a Respondent.

Quality will be evaluated according to the following quality scoring and weightings.

### 7.6.1 Quality Scoring

The following scoring scale will be used in evaluating Proposals. Scores by individual evaluation team members will be moderated to deliver a consensus score.

Quality score (out of 100)	Requirements
90, 95 or 100	Demonstrated exceptional compliance or ability to convey exceptional provision of the requirement.
75, 80 or 85	Requirements are fully covered in all material aspects.
60, 65 or 70	Requirements are adequately covered.
50 or 55	Adequate, with some deficiencies that are not likely to have any adverse effect.
40 or 45	Barely adequate and would need considerable improvement in this attribute, if selected.
35 or less	Total non-compliance or inability to convey provision of the requirement.

If any quality criterion receives a moderated score of **35/100** or less the Proposal will be excluded from further consideration.

If a quality sub-criterion receives a moderated score of **35/100** or less the Proposal may be excluded from further consideration.

### 7.6.2 Quality Weightings

Once quality criteria and sub-criteria have been evaluated a composite quality score for each tender will be generated using the weightings provided in the table below.

Quality criteria	Quality sub-criteria	Sub-criteria weighting	Criteria weighting
Organisational Capability	Track Record <sup>4</sup>	10%	25%
	Driver Monitoring and Training	10%	
	Key Personnel, Resourcing and Retention	5%	
Fleet and Depot Management	Maintenance	10%	25%
	Management and Fleet Renewal	10%	
	Sustainability	5%	
Implementation	Implementation Plan	20%	20%
Health and Safety	Driver Wellbeing Initiatives	5%	25%
	Additional Training and Certification	5%	
	Compliance	5%	
	Operational Plans	10%	

<sup>4</sup> When evaluating track record the Ministry may take into account historical performance when delivering the Ministry's Daily Bus and Tech Bus services and/or referees from other operations of the Respondent

Vehicle Age	Proposed Vehicle Age	5%	5%
Total			100% (of 40%)

### 7.6.3 Capacity and Competition

#### 7.6.3.1 Respondents' Capacity

Respondents will be encouraged to tender for all Route Groups they are interested in. However, Respondents may not have sufficient capacity to deliver Services for all of the Route Groups they have tendered for, should they be successful in all (or a large majority) of them.

Therefore, Respondents need to specify a “maximum capacity” as part of their tenders, which will be expressed as a number of Daily Bus Routes and must be included in both APPENDIX A Quality response Form and APPENDIX B Price Response Form and Financial Ratios.

Where a Respondent is the Provisional Preferred Supplier (**PPS**) for a number of Daily Routes that exceeds their maximum capacity, the Ministry will determine for which Route Groups the Respondent remains PPS so that their maximum capacity is not exceeded. This will take into account:

- The number of Route Groups the Respondent was PPS for
- Their value in terms of the Quality Adjusted Price (**QAP**) for each Route Group

These decisions will be at the Ministry's discretion.

#### 7.6.3.2 Preserving competition

The Ministry will seek to ensure that competition is preserved through this procurement. To avoid excessive market concentration, the Ministry will apply tests at a Regional level as well as national level. These tests will aim to ensure that:

- no single Respondent is awarded all Daily Routes within a single Region;
- no single Respondent dominates the market nationwide; and
- no small group of large Respondents dominates the market nationwide.

The tests will be applied where appropriate to ensure competition is preserved for Daily Routes. This is because Daily Routes account for 96% of bus services by value, while Technology Routes only account for 4% and so are not considered important for determining ongoing competition.

Market concentration tests will be applied, on a regional and national level:

- the regional tests will determine whether a Respondent is ranked highest using PQM for more than 75% of Daily Routes in any Region; and
- the national test will determine whether a Respondent or small group of Respondents dominates the market nationwide based on the PQM rankings, using a Herfindahl-Hirschman Index (HHI) measure value of 25%.

If either of these thresholds is breached the Ministry will consider alternative outcome(s), and whether an alternative outcome should be accepted based on public value principles to preserve competition. Any decision in this regard will be at the Ministry's sole discretion. This means that a Respondent could be awarded more Daily Routes than the thresholds allow if it is deemed to provide better public value than alternatives.

An illustration of how the HHI would work in practice is presented below:

*The national test of market concentration will be applied to ensure that a Herfindahl-Hirschman Index (HHI) value of 25% is not exceeded nationwide.*

*The HHI is calculated by squaring the market share of each operator (based on number of Daily Bus Routes awarded in Tender 1 and Tender 2) and then summing the resulting numbers, to arrive at a numerical point value which is then converted to a % value. The Index ranges from '0' to '10,000' where '0' = '0%' (low % values indicate high competition) and '10,000' = '100%' (high % values indicate low competition). The table below illustrates an example of the Index calculations:*

Example 1	Example 2	Example 3
This is a <b>competitive market</b> as the HHI value is below '25%'. One Supplier has a moderate market share while four have lower but still significant market shares. The HHI is <b>2,200</b> or <b>22.0%</b> .	This is an <b>uncompetitive market</b> as the HHI value is above '25%'. One Supplier has a high market share, one has a moderate market share while three have low levels of market share. The HHI is <b>3,800</b> or <b>38.0%</b> .	This is a <b>very uncompetitive market</b> as the HHI value is well above '25%'. One Supplier has a very high market share, while the other four have very low market shares. The HHI is <b>8,126</b> or <b>81.3%</b> .
<b>Supplier 1 = 30%</b> <b>Supplier 2 = 20%</b> <b>Supplier 3 = 20%</b> <b>Supplier 4 = 20%</b> <b>Supplier 5 = 10%</b>  $= 30^2 + 20^2 + 20^2 + 20^2 + 10^2 =$ $900 + 400 + 400 + 400 + 100 =$ <b>2,200 or 22.0%</b>	<b>Supplier 1 = 50%</b> <b>Supplier 2 = 35%</b> <b>Supplier 3 = 5%</b> <b>Supplier 4 = 5%</b> <b>Supplier 5 = 5%</b>  $= 50^2 + 35^2 + 5^2 + 5^2 + 5^2 =$ $2,500 + 1,225 + 25 + 25 + 25 =$ <b>3,800 or 38.0%</b>	<b>Supplier 1 = 90%</b> <b>Supplier 2 = 3%</b> <b>Supplier 3 = 3%</b> <b>Supplier 4 = 2%</b> <b>Supplier 5 = 2%</b>  $= 90^2 + 3^2 + 3^2 + 2^2 + 2^2 =$ $8,100 + 9 + 9 + 4 + 4 =$ <b>8,126 or 81.3%</b>

#### 7.6.4 Evaluation Process and Due Diligence

Due diligence may be undertaken on one or more Proposal/Respondent at any time before, during or after evaluation and the results may be taken into account in the evaluation process. A Proposal may be excluded from further consideration or selection if the Ministry determines that entering into a Contract with a Respondent represents a significant risk to the Ministry. Due diligence may include:

- Undertaking a Police check for any named personnel
- Reference checking the Respondent organisation and named personnel
- Completing relevant health and safety checks including, but not limited to, assessing the robustness of the Respondent's health and safety documentation and processes against industry standards.
- Financial due diligence
- Other checks against the Respondent e.g. Companies Office
- Interviewing Respondents
- Check to verify the 'Related Party' definition described in Section 2.4.2
- Reviewing Respondents':



- business practices
- disputes with the Ministry and/or other parties
- ownership structure
- director status
- conduct in relation to the Supplier Code of Conduct
- other probity issues
- Arranging site-visits
- Requesting further financial or management information
- Requesting Respondents make a presentation
- Any other action required to satisfactorily complete due diligence

## 7.7 Clarifications

The evaluation team may contact each Respondent and seek further clarifications. Clarification questions will be sent from the tender mailbox by email ([bus.tender@education.govt.nz](mailto:bus.tender@education.govt.nz)) to the nominated contact person as indicated in APPENDIX A Quality Response Form. If the clarification question is complex, a follow up phone call may also be arranged. Where no response is received within the time period stated in the clarification email, a follow up message will be sent.

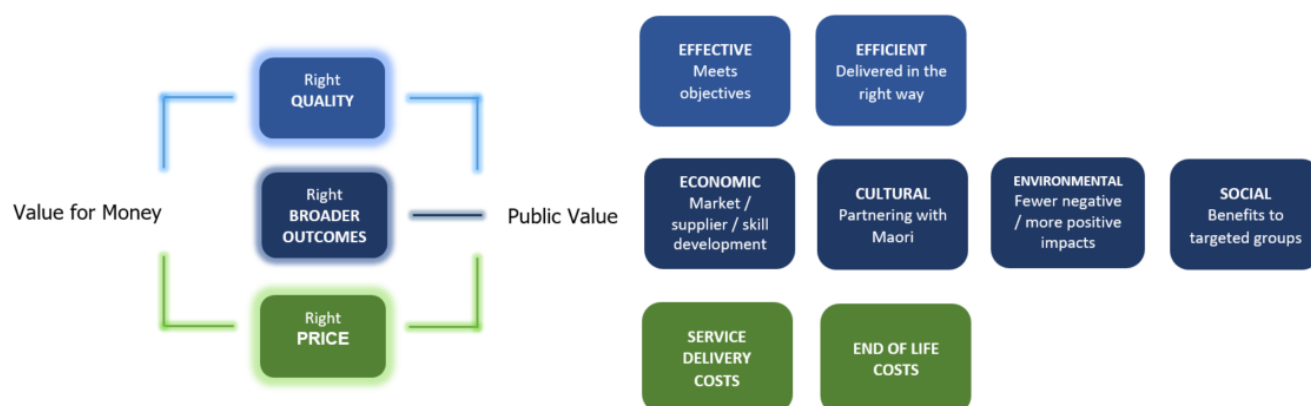
Where an answer is received but the evaluation team concludes the answer does not satisfactorily respond to the enquiry, the team may ask further clarification questions, or may remove the Proposal from further consideration.

If a response to the clarification questions is not received after the follow-up message has been sent, the Ministry may remove the Proposal from further consideration.

## 8 Tender 2 Evaluation Basis

### 8.1 Public Value

The Ministry will offer Route Groups based on best Public Value. Public Value means the consideration of quality, broader outcomes and price. While the term 'value for money' focuses on benefits associated with quality and price, Public Value considers benefits of quality, broader outcomes and price. This is illustrated below, including some examples of what can constitute Public Value:



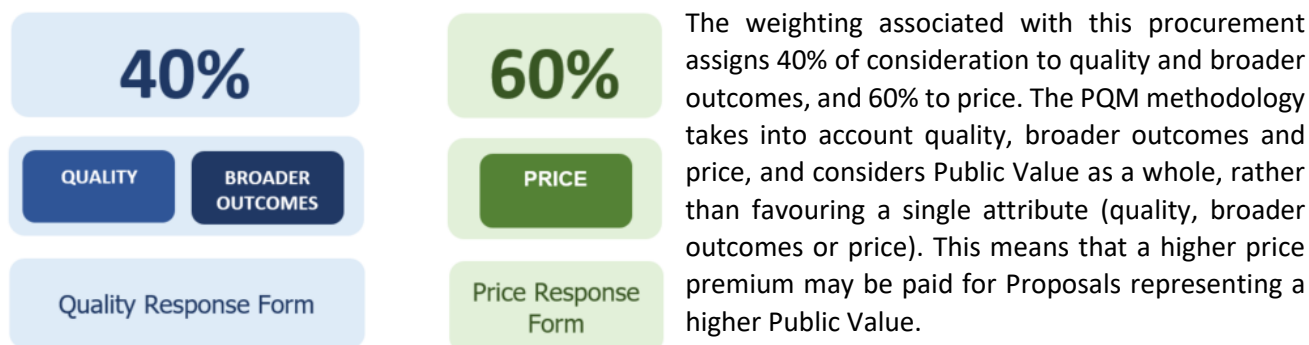
Broader outcomes will not be applied arbitrarily; the achievement of broader outcomes will be systematically incorporated into the structure and evaluation of the tenders. In effect, broader outcomes and quality components are treated in a very similar manner. Broader outcomes will be ensured by:

#### Evaluated component:

- The inclusion of broader outcomes in the evaluation criteria; for example questions relating to driver wellbeing, vehicle age, and environmental considerations.

#### Non-evaluated component:

- The inclusion of broader outcomes in the contract, for example maximum vehicle age requirements.
- Simple, intuitive response forms which do not consume excessive time and resource to complete.
- A two stage tender design that will increase access to government procurement contracts for New Zealand businesses, including small regional Suppliers.
- The PQM methodology, which takes into consideration both the written and price RFP responses. It takes into account quality, broader outcomes and price, and considers Public Value as a whole, rather than favouring a single attribute (quality, broader outcomes or price).



## 8.2 Evaluation Approach

The Public Value for each tender will be calculated by using the PQM approach to calculate the Quality Adjusted Price for the Route Group tendered. The Quality Adjusted Price will be used to determine the PPS for each Route Group.

## 9 Contract

### 9.1 Contracts

Separate Contracts will be awarded for each Contractor. Contract terms and conditions will be identical, but Contractor, Route Group, and Route specific information (e.g. pricing for a Route Group) will be recorded in schedules to the Contract. The Services must be operated in accordance with the Contract provided in APPENDIX D Contract. Respondents should familiarise themselves with this Contract prior to tendering.

Also see Section 3.2 Joint Proposals for additional information.

### 9.2 Tags

To standardise Contracts for management purposes the Ministry will not accept any contract related Tags, and Respondents must prepare their Proposals on this basis.

Earlier in 2020, the Ministry released the draft contract via GETS and received feedback prior to the release of Tender 1.

### 9.3 Contract for Services

The Commencement Date included in the draft Contract is 1 January 2022. The anticipated Contract term is summarised below:

Description	Years
Commencement Date	1 January 2022
Initial term of the Contract	Six years
Options to extend the Contract	Two further rights of renewal of 3 years each
Maximum term of the Contract	12 years

The Contract sets out basis on which the provision of Pre-Start requirements are to be delivered. The delivery of Pre-Start requirements is to commence at the signing of the Contract and conclude on the commencement date of Services.

## 10 Tips for Respondents

Following the evaluation of Tender 1 the Ministry has identified a number of common shortcomings of the Tender 1 Proposals. To help you submit a complete, competitive and effective Tender 2 Proposal, ensure that you note and act on the following tips when completing your Proposal:

- Read each question carefully and ensure you are directly answering the question.
- Note the recommended and maximum number of pages allotted for each answer and provide thorough answers. Appendix G Respondents' Checklist and Process Flowcharts and Appendix A Quality Response Form state the recommended and maximum page allocations per question. You do not need to expand your answer to the maximum allocation, but you should make sure you fully and convincingly explain your proposal, your proposed approach to delivering the services and your track record where relevant. Brief answers that do not satisfactorily answer the requirements may result in lower scores.
- The tender and evaluation teams are separate from School Transport and may not have any prior knowledge of your business or the quality of your service. You need to capture all of this in your written response. Evaluators are asked to evaluate on the basis of the content presented through the response forms, or 'what is on the paper'. Whilst they may have knowledge and experience relating to your prior performance this cannot be used to fill in any gaps in your Proposal. For the purposes of due diligence the Ministry may, however, rely on outside sources of information.
- Where indicated, include examples in your answers. Ensure you provide context, details and outcomes in the example text.
- Provide separate attachments only if the question specifically asks for them. If an attachment is not required, that material may or may not be evaluated, at the Ministry's discretion, even if it is referenced or embedded as a link in your answer within Appendix A.
- Do not cross-reference other questions in your response. Each question is stand-alone and while you may copy and paste text from one question into another question if it is relevant, do not state that the answer to one question, or a part of an answer to one question, is contained in another question.
- Ensure you adhere to all mandatory requirements of the submission, such as file naming convention, completion of all Sections of the Proposal, submission file formats, and others. This information is included in Appendix G.
- Take the time to read and understand the requirements, including the technical and contractual aspects of Appendix B Price Response Form and Financial Ratios. It is strongly recommended that you familiarise yourself with the entire Contract before developing your proposal.

- Use the GETS system to ask any questions you may have during the allotted question period. Try to frame your question as clearly and directly as possible.
- Note the Deadline for Proposals (Section 1.2) and aim to submit your Proposal early; the Ministry is not responsible for any issues such as internet connectivity, technical issues, or urgent situations that may delay the submission and lead to a late Proposal.
- Review your Proposal before submitting it to ensure that:
  - you are submitting the latest version of your Proposal
  - you have answered all questions
  - you have prepared all required attachments

## 11 RFP Process, Terms and Conditions

Note to Suppliers and Respondents:

- In managing this procurement the Buyer will endeavour to act fairly and reasonably in all of its dealings with interested Suppliers and Respondents, and to follow a process which is open and transparent.
- This Section contains the government's standard RFP Process, Terms and Conditions (shortened to RFP-Terms) which apply to this procurement.
- Words and phrases that have a special meaning are shown by the use of capitals. Definitions are found in Section 12.
- If you have any questions about the RFP-Terms please email our Point of Contact.

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### Standard RFP process

#### Preparing and submitting a proposal

##### 11.1 Preparing a Proposal

- a. Respondents are to use the Response Forms provided and include all information requested by the Buyer in relation to the RFP.
- b. By submitting a Proposal the Respondent accepts that it is bound by the RFP Process, Terms and Conditions (RFP-Terms) contained in Section 11.
- c. Each Respondent will:
  - i. examine the RFP and any documents referenced in the RFP and any other information provided by the Buyer
  - ii. consider all risks, contingencies and other circumstances relating to the delivery of the Requirements and include adequate provision in its Proposal to manage such risks and contingencies
  - iii. document in its Proposal all assumptions and qualifications made about the delivery of the Requirements, including any assumption that the Buyer or a third party will deliver any aspect of the Requirements or incur any cost related to the delivery of the Requirements
  - iv. ensure that pricing information is quoted in NZ\$ exclusive of GST
  - v. if appropriate, obtain independent advice before submitting a Proposal
  - vi. satisfy itself as to the correctness and sufficiency of its Proposal, including the proposed pricing and the sustainability of the pricing.

##### 11.2 Offer Validity Period

- a. Proposals are to remain valid and open for acceptance by the Buyer for the Offer Validity Period.

##### 11.3 Respondents' Deadline for Questions

- a. Each Respondent should satisfy itself as to the interpretation of the RFP. If there is any perceived ambiguity or uncertainty in the RFP document/s Respondents should seek clarification before the Deadline for Questions.
- b. All requests for clarification must be made by email to the Buyer's Point of Contact. The Buyer will endeavour to respond to requests in a timely manner, but not later than the deadline for the Buyer to answer Respondents' questions in Section 1, paragraph 1.2.a, if applicable.
- c. If the Buyer considers a request to be of sufficient importance to all Respondents it may provide details of the question and answer to other Respondents. In doing so the Buyer may summarise the Respondent's question and will not disclose the Respondent's identity. The question and answer may be posted on GETS and/or emailed to participating Respondents. A Respondent may withdraw a request at any time.
- d. In submitting a request for clarification a Respondent is to indicate, in its request, any information that is commercially sensitive. The Buyer will not publish such commercially sensitive information. However, the Buyer may modify a request to eliminate such commercially sensitive information, and publish this and the answer where the Buyer considers it of general significance to all Respondents. In this case, however, the Respondent will be given an opportunity to withdraw the request or remove the commercially sensitive information.

##### 11.4 Submitting a Proposal

- a. Each Respondent is responsible for ensuring that its Proposal is received by the Buyer at the correct address on or before the Deadline for Proposals. The Buyer will acknowledge receipt of each Proposal.

- b. The Buyer intends to rely on the Respondent's Proposal and all information provided by the Respondent (e.g. correspondence and negotiations). In submitting a Proposal and communicating with the Buyer each Respondent should check that all information it provides to the Buyer is:
  - i. true, accurate and complete, and not misleading in any material respect
  - ii. does not contain Intellectual Property that will breach a third party's rights.
- c. Where the Buyer requires the Proposal to be delivered in hard and soft copies, the Respondent is responsible for ensuring that both the hard and soft copies are identical.
- d. Where the Buyer stipulates a two envelope RFP process the following applies:
  - i. each Respondent must ensure that all financial information and pricing components of its Proposal are provided separately from the remainder of its Proposal
  - ii. financial information and pricing must be contained either in a separate sealed envelope or as a separate soft copy file (whichever option has been requested by the Buyer)
  - iii. the pricing information must be clearly marked 'Financial and Pricing Information.' This is to ensure that the pricing information cannot be viewed when the package containing the other elements of the Proposal is opened.

## **Assessing Proposals**

### **11.5 Evaluation panels**

- a. The Buyer will convene evaluation panels comprising members chosen for their relevant expertise and experience. In addition, the Buyer may invite independent advisors to evaluate any Proposal, or any aspect of any Proposal.

### **11.6 Third party information**

- a. Each Respondent authorises the Buyer to collect additional information, except commercially sensitive pricing information, from any relevant third party (such as a referee or a previous or existing client) and to use that information as part of its evaluation of the Respondent's Proposal.
- b. Each Respondent is to ensure that all referees listed in support of its Proposal agree to provide a reference.
- c. To facilitate discussions between the Buyer and third parties each Respondent waives any confidentiality obligations that would otherwise apply to information held by a third party, with the exception of commercially sensitive pricing information.

### **11.7 Buyer's clarification**

- a. The Buyer may, at any time, request from any Respondent clarification of its Proposal as well as additional information about any aspect of its Proposal. The Buyer is not required to request the same clarification or information from each Respondent.
- b. The Respondent must provide the clarification or additional information in the format requested. Respondents will endeavour to respond to requests in a timely manner. The Buyer may take such clarification or additional information into account in evaluating the Proposal.
- c. Where a Respondent fails to respond adequately or within a reasonable time to a request for clarification or additional information, the Buyer may cease evaluating the Respondent's Proposal and may eliminate the Proposal from the RFP process.

### **11.8 Evaluation and shortlisting**

- a. The Buyer will base its initial evaluation on the Proposals submitted in response to the RFP. The Buyer may adjust its evaluation of a Proposal following consideration of any clarification or additional information as described in paragraphs 11.6 and 11.7.
- b. In deciding which Respondent/s to shortlist the Buyer will take into account the results of the evaluations of each Proposal and the following additional information:
  - i. each Respondent's understanding of the Requirements, capability to fully deliver the Requirements and willingness to meet the terms and conditions of the Contract
  - ii. except where the price is the only criterion, the best public value over the whole-of-life of the goods or services.
- c. In deciding which Respondent/s, to shortlist the Buyer may take into account any of the following additional information:
  - i. the results from reference checks, site visits, product testing and any other due diligence
  - ii. the ease of contracting with a Respondent based on that Respondent's feedback on the Contract (where these do not form part of the weighted criteria)



- iii. any matter that materially impacts on the Buyer's trust and confidence in the Respondent
- iv. any other relevant information that the Buyer may have in its possession.
- d. The Buyer will advise Respondents if they have been shortlisted. Being shortlisted does not constitute acceptance by the Buyer of the Respondent's Proposal, or imply or create any obligation on the Buyer to enter into negotiations with, or award a Contract for delivery of the Requirements to any shortlisted Respondent/s. At this stage in the RFP process the Buyer will not make public the names of the shortlisted Respondents.

#### **11.9 Negotiations**

- a. The Buyer may invite a Respondent to enter into negotiations with a view to contract. Where the outcome is unsatisfactory the Buyer may discontinue negotiations with a Respondent and may then initiate negotiations with another Respondent.
- b. The Buyer may initiate concurrent negotiations with more than one Respondent. In concurrent negotiations the Buyer will treat each Respondent fairly, and:
  - i. prepare a negotiation plan for each negotiation
  - ii. advise each Respondent, that it wishes to negotiate with, that concurrent negotiations will be carried out
  - iii. hold separate negotiation meetings with each Respondent.
- c. Each Respondent agrees that any legally binding contract entered into between the Successful Respondent and the Buyer will be essentially in the form set out in Section 9 Contract.

#### **11.10 Respondent's debrief**

- a. At any time after shortlisting Respondents the Buyer will offer all Respondents who have not been shortlisted a debrief. Each Respondent will have 30 Business Days, from the date of offer, to request a debrief. When a Respondent requests a debrief, the Buyer will provide the debrief within 30 Business Days of the date of the request, or of the date the Contract is signed, whichever is later.
- b. The initial debrief will contain general remarks, and be followed by a more detailed debrief following the award of Tender 2 contracts.
- c. The debrief may be provided by letter, email, phone or at a meeting. The debrief will:
  - i. provide the reasons why the Proposal was or was not successful
  - ii. explain how the Proposal performed against the pre-conditions (if applicable) and the evaluation criteria
  - iii. indicate the Proposal's relative strengths and weaknesses
  - iv. explain, in general terms, the relative advantage/s of the successful Proposal
  - v. seek to address any concerns or questions from the Respondent
  - vi. seek feedback from the Respondent on the RFP and the RFP process.

#### **11.11 Notification of outcome**

- a. At any point after conclusion of negotiations, but no later than 30 Business Days after the date the Contract is signed, the Buyer will inform all unsuccessful Respondents of the name of the Successful Respondent, if any. The Buyer may make public the name of the Successful Respondent and any unsuccessful Respondent. Where applicable, the Buyer will publish a Contract Award Notice on GETS.

#### **11.12 Issues and complaints**

- a. A Respondent may, in good faith, raise with the Buyer any issue or complaint about the RFP, or the RFP process at any time.
- b. The Buyer will consider and respond promptly and impartially to the Respondent's issue or complaint.
- c. Both the Buyer and Respondent agree to act in good faith and use their best endeavours to resolve any issue or complaint that may arise in relation to the RFP.
- d. The fact that a Respondent has raised an issue or complaint is not to be used by the Buyer to unfairly prejudice the Respondent's ongoing participation in the RFP process or future contract opportunities.

#### **Standard RFP conditions**

#### **11.13 Buyer's Point of Contact**

- a. All enquiries regarding the RFP must be directed by email to the Buyer's Point of Contact. Respondents must not directly or indirectly approach any representative of the Buyer, or any other person, to solicit information concerning any aspect of the RFP.

- b. Only the Point of Contact, and any authorised person of the Buyer, are authorised to communicate with Respondents regarding any aspect of the RFP. The Buyer will not be bound by any statement made by any other person.
- c. The Buyer may change the Point of Contact at any time. The Buyer will notify Respondents of any such change. This notification may be posted on GETS or sent by email.
- d. Where a Respondent has an existing contract with the Buyer then business as usual communications, for the purpose of managing delivery of that contract, will continue using the usual contacts. Respondents must not use business as usual contacts to lobby the Buyer, solicit information or discuss aspects of the RFP.

**11.14 Conflict of Interest**

- a. Each Respondent must complete the Conflict of Interest declaration in the Response Form and must immediately inform the Buyer should a Conflict of Interest arise during the RFP process. A material Conflict of Interest may result in the Respondent being disqualified from participating further in the RFP.

**11.15 Ethics**

- a. Respondents must not attempt to influence or provide any form of personal inducement, reward or benefit to any representative of the Buyer in relation to the RFP.
- b. A Respondent who attempts to do anything prohibited by paragraphs 11.13.a. and d. and 11.15.a. may be disqualified from participating further in the RFP process.
- c. The Buyer reserves the right to require additional declarations, or other evidence from a Respondent, or any other person, throughout the RFP process to ensure probity of the RFP process.

**11.16 Anti-collusion and bid rigging**

- a. Respondents must not engage in collusive, deceptive or improper conduct in the preparation of their Proposals or other submissions or in any discussions or negotiations with the Buyer. Such behaviour will result in the Respondent being disqualified from participating further in the RFP process. In submitting a Proposal the Respondent warrants that its Proposal has not been prepared in collusion with a Competitor.
- b. The Buyer reserves the right, at its discretion, to report suspected collusive or anti-competitive conduct by Respondents to the appropriate authority and to give that authority all relevant information including a Respondent's Proposal.

**11.17 Confidential Information**

- a. The Buyer and Respondent will each take reasonable steps to protect Confidential Information and, subject to paragraph 11.17.c. and without limiting any confidentiality undertaking agreed between them, will not disclose Confidential Information to a third party without the other's prior written consent.
- b. The Buyer and Respondent may each disclose Confidential Information to any person who is directly involved in the RFP process on its behalf, such as officers, employees, consultants, contractors, professional advisors, evaluation panel members, partners, principals or directors, but only for the purpose of participating in the RFP.
- c. Respondents acknowledge that the Buyer's obligations under paragraph 11.17.a. are subject to requirements imposed by the Official Information Act 1982 (OIA), the Privacy Act 1993, parliamentary and constitutional convention and any other obligations imposed by law. The Buyer will not be in breach of its obligations if Confidential Information is disclosed by the Buyer to the appropriate authority because of suspected collusive or anti-competitive tendering behaviour. Where the Buyer receives an OIA request that relates to a Respondent's Confidential Information the Buyer will consult with the Respondent and may ask the Respondent to explain why the information is considered by the Respondent to be confidential or commercially sensitive.

**11.18 Confidentiality of RFP information**

- a. For the duration of the RFP, to the date of the announcement of the Successful Respondent, or the end of the RFP process, the Respondent agrees to keep the RFP strictly confidential and not make any public statement to any third party in relation to any aspect of the RFP, the RFP process or the award of any Contract without the Buyer's prior written consent.
- b. A Respondent may disclose RFP information to any person described in paragraph 11.17.b. but only for the purpose of participating in the RFP. The Respondent must take reasonable steps to ensure that such recipients do not disclose Confidential Information to any other person or use Confidential Information for any purpose other than responding to the RFP.

#### **11.19 Costs of participating in the RFP process**

- a. Each Respondent will meet its own costs associated with the preparation and presentation of its Proposal and any negotiations.

#### **11.20 Ownership of documents**

- a. The RFP and its contents remain the property of the Buyer. All Intellectual Property rights in the RFP remain the property of the Buyer or its licensors. The Buyer may request the immediate return or destruction of any or all RFP documents and any copies. Respondents must comply with any such request in a timely manner.
- b. All documents forming the Proposal will, when delivered to the Buyer, become the property of the Buyer. Proposals will not be returned to Respondents at the end of the RFP process.
- c. Ownership of Intellectual Property rights in the Proposal remain the property of the Respondent or its licensors. However, the Respondent grants to the Buyer a non-exclusive, non-transferable, perpetual licence to retain, use, copy and disclose information contained in the Proposal for any purpose related to the RFP process.

#### **11.21 No binding legal relations**

- a. Neither the RFP, nor the RFP process, creates a process contract or any legal relationship between the Buyer and any Respondent, except in respect of:
  - i. the Respondent's declaration in its Proposal
  - ii. the Offer Validity Period
  - iii. the Respondent's statements, representations and/or warranties in its Proposal and in its correspondence and negotiations with the Buyer
  - iv. the Evaluation Approach to be used by the Buyer to assess Proposals as set out in Section 7 and in the RFP-Terms (as varied by Section 1, paragraph 1.6, if applicable)
  - v. the standard RFP conditions set out in paragraphs 11.13 to 11.26
  - vi. any other matters expressly described as binding obligations in Section 1, paragraph 1.6.
- b. Each exception in paragraph 11.21.a. is subject only to the Buyer's reserved rights in paragraph 11.23.
- c. Except for the legal obligations set out in paragraph 11.21.a. no legal relationship is formed between the Buyer and any Respondent unless and until a Contract is entered into between those parties.

#### **11.22 Elimination**

- a. The Buyer may exclude a Respondent from participating in the RFP if the Buyer has evidence of any of the following, and is considered by the Buyer to be material to the RFP:
  - i. the Respondent has failed to provide all information requested, or in the correct format, or materially breached a term or condition of the RFP
  - ii. the Proposal contains a material error, omission or inaccuracy
  - iii. the Respondent is in bankruptcy, receivership or liquidation
  - iv. the Respondent has made a false declaration
  - v. there is a serious performance issue in a historic or current contract delivered by the Respondent
  - vi. the Respondent has been convicted of a serious crime or offence
  - vii. there is professional misconduct or an act or omission on the part of the Respondent which adversely reflects on the integrity of the Respondent
  - viii. the Respondent has failed to pay taxes, duties or other levies
  - ix. the Respondent represents a threat to national security or the confidentiality of sensitive government information
  - x. the Respondent is a person or organisation designated as a terrorist by New Zealand Police.

#### **11.23 Buyer's additional rights**

- a. Despite any other provision in the RFP the Buyer may, on giving due notice to Respondents:
  - i. amend, suspend, cancel and/or re-issue the RFP, or any part of the RFP
  - ii. make any material change to the RFP (including any change to the timeline, Requirements or Evaluation Approach) on the condition that Respondents are given a reasonable time within which to respond to the change.
- b. Despite any other provision in the RFP the Buyer may:
  - i. accept a late Proposal if it is the Buyer's fault that it is received late

- ii. in exceptional circumstances, accept a late Proposal where it considers that there is no material prejudice to other Respondents. The Buyer will not accept a late Proposal if it considers that there is risk of collusion on the part of a Respondent, or the Respondent may have knowledge of the content of any other Proposal
- iii. in exceptional circumstances, answer a question submitted after the Deadline for Questions, if applicable
- iv. accept or reject any Proposal, or part of a Proposal
- v. accept or reject any non-compliant, non-conforming or alternative Proposal
- vi. decide not to accept the lowest priced conforming Proposal unless this is stated as the Evaluation Approach
- vii. decide not to enter into a Contract with any Respondent
- viii. liaise or negotiate with any Respondent without disclosing this to, or doing the same with, any other Respondent
- ix. provide or withhold from any Respondent information in relation to any question arising in relation to the RFP. Information will usually only be withheld if it is deemed unnecessary, is commercially sensitive to a Respondent, is inappropriate to supply at the time of the request or cannot be released for legal reasons
- x. amend the Contract at any time, including during negotiations with a shortlisted Respondent
- xi. waive irregularities or requirements in or during the RFP process where it considers it appropriate and reasonable to do so.
- c. The Buyer may request that a Respondent/s agrees to the Buyer:
  - i. selecting any individual element/s of the Requirements that is offered in a Proposal and capable of being delivered separately, unless the Proposal specifically states that the Proposal, or elements of the Proposal, are to be taken collectively
  - ii. selecting two or more Respondents to deliver the Requirements as a joint venture or consortium.

#### **11.24 New Zealand law**

- a. The laws of New Zealand shall govern the RFP and each Respondent agrees to submit to the exclusive jurisdiction of the New Zealand courts in respect of any dispute concerning the RFP or the RFP process.

#### **11.25 Disclaimer**

- a. The Buyer will not be liable in contract, tort, equity, or in any other way whatsoever for any direct or indirect damage, loss or cost incurred by any Respondent or any other person in respect of the RFP process.
- b. Nothing contained or implied in the RFP, or RFP process, or any other communication by the Buyer to any Respondent shall be construed as legal, financial or other advice. The Buyer has endeavoured to ensure the integrity of such information. However, it has not been independently verified and may not be updated.
- c. To the extent that liability cannot be excluded, the maximum aggregate liability of the Buyer, its agents and advisors is \$1.

#### **11.26 Precedence**

- a. Any conflict or inconsistency in the RFP shall be resolved by giving precedence in the following descending order:
  - i. Section 1, paragraph 1.6
  - ii. Section 11 (RFP-Terms)
  - iii. all other Sections of this RFP document
  - iv. any additional information or document provided by the Buyer to Respondents through the Buyer's Point of Contact or GETS.
- b. If there is any conflict or inconsistency between information or documents having the same level of precedence the later information or document will prevail.

## 12 Definitions

<b>Advance Notice</b>	A notice published by the buyer on GETS in advance of publishing the RFP. An Advance Notice alerts the market to a contract opportunity. Where used, an Advance Notice forms part of the RFP.
<b>Business Day</b>	Any weekday in New Zealand, excluding Saturdays, Sundays, New Zealand (national) public holidays and all days from Boxing Day up to and including the day after New Year's Day.
<b>Buyer</b>	The Buyer is the government agency that has issued the RFP with the intent of purchasing the goods or services described in the Requirements. The term Buyer includes its officers, employees, contractors, consultants, agents and representatives. The terms "Buyer" and "Ministry" are used interchangeably in this RFP document.
<b>Competitor</b>	Any other business that is in competition with a Respondent either in relation to the goods or services sought under the RFP or in general.
<b>Compliant Proposal</b>	A Proposal which complies with all Pre-Conditions and Mandatory Requirements.
<b>Confidential Information</b>	Information that: <ul style="list-style-type: none"> <li>• is by its nature confidential</li> <li>• is marked by either the Buyer or a Respondent as 'confidential', 'commercially sensitive', 'sensitive', 'in confidence', 'top secret', 'secret', 'classified' and/or 'restricted'</li> <li>• is provided by the Buyer, a Respondent, or a third party in confidence</li> <li>• the Buyer or a Respondent knows, or ought to know, is confidential.</li> </ul> Confidential information does not cover information that is in the public domain through no fault of either the Buyer or a Respondent.
<b>Conflict of Interest</b>	A Conflict of Interest arises if a Respondent's personal or business interests or obligations do, could, or be perceived to, conflict with its obligations to the Buyer under the RFP or in the provision of the goods or services. It means that the Respondent's independence, objectivity or impartiality can be called into question. A Conflict of Interest may be: <ul style="list-style-type: none"> <li>• actual: where the conflict currently exists</li> <li>• potential: where the conflict is about to happen or could happen, or</li> <li>• perceived: where other people may reasonably think that a person is compromised.</li> </ul>
<b>Consortium / Lead Contractor Arrangement</b>	A Joint Proposal where two or more Contractors associate to work together in delivering Services relevant to a particular tender. Each Contractor retains their separate legal status.
<b>Consortium Member</b>	Each member of a Consortium.
<b>Contract</b>	The written Contract/s entered into by the Buyer and Successful Respondent/s for the delivery of the Requirements.
<b>Contract Award Notice</b>	Government Rules of Sourcing, Rule 45 requires a Buyer to publish a Contract Award Notice on GETS when it has awarded a contract that is subject to the Rules.
<b>Contractor</b>	A Respondent who has been successfully awarded a Contract for School Transport Services.
<b>Daily Bus Services (or Daily Routes)</b>	The Daily Bus service is the most common form of transport assistance provided by the Ministry. Bus Routes are contracted to Suppliers, which take students to and from school. Students are picked up at a variety of roadside stops along the Route and delivered to their school, and vice versa in the afternoon. Some services will include a change in bus along the journey. Daily Bus services (along with Technology Bus services) make up the scope for this procurement.
<b>Daily Routes</b>	See 'Daily Bus Services'
<b>Deadline for Proposals</b>	The deadline that Proposals are to be delivered or submitted to the Buyer as stated in Section 1, paragraph 1.2.

<b>Deadline for Questions</b>	The deadline for Suppliers to submit questions to the Buyer as stated in Section 1, paragraph 1.2, if applicable.
<b>Eligible Student</b>	Any student aged 5 years and over who meets the Ministry's school transport eligibility criteria on the Route travelled.
<b>Evaluation Approach</b>	The approach used by the Buyer to evaluate Proposals as described in Section 7 and in Section 11 (as varied by Section 1, paragraph 1.6, if applicable).
<b>GETS</b>	Government Electronic Tenders Service available at <a href="http://www.gets.govt.nz">www.gets.govt.nz</a>
<b>Global Rate Adjustment</b>	See Contract clauses 181-183.
<b>GST</b>	The goods and services tax payable in accordance with the New Zealand Goods and Services Tax Act 1985.
<b>Ineligible Student</b>	Any student aged 5 years and over enrolled at a State, State Integrated, Special Character or Private School who is not eligible for school transport assistance on the Route travelled.
<b>Intellectual Property</b>	All intellectual property rights and interests, including copyright, trademarks, designs, patents and other proprietary rights, recognised or protected by law.
<b>Joint Proposal</b>	The Ministry will accept joint Proposals. Joint Proposals may take the following forms: <ul style="list-style-type: none"> <li>• Joint venture</li> <li>• Consortium / Lead Contractor Arrangement</li> <li>• Sub-contracting Arrangement</li> </ul>
<b>Joint Venture</b>	A Joint Proposal where two or more Contractors associate to work together in delivering Services relevant to a particular tender. The Contractors form a new entity through the Joint Venture.
<b>Mandatory Requirements</b>	Requirements which must be met by the Respondent at the time of Proposal submission.
<b>Offer Validity Period</b>	The period of time when a Proposal (offer) is held open by the Respondent for acceptance by the Buyer as stated in Section 1, paragraph 1.6.
<b>Point of Contact</b>	The Buyer and each Respondent are required to appoint a Point of Contact. This is the channel to be used for all communications during the RFP process. The Buyer's Point of Contact is identified in Section 1, paragraph 1.3. The Respondent's Point of Contact is identified in its Proposal.
<b>Pre-Conditions</b>	Requirements which must be met by the Respondent at the time of Proposal submission.
<b>Pre-Start Requirements</b>	Requirements which are mandated to be met by successful Respondents in the time between the signing of the contract and commencement of the Services.
<b>Price</b>	The total amount, including all costs, fees, expenses and charges, to be charged by the Successful Respondent for the full delivery of the Requirements. Each Respondent's Proposal must include its Price.
<b>Price Quality Method (PQM)</b>	The evaluation methodology used for this tender.
<b>Proposal</b>	The response a Respondent submits in reply to the RFP. It comprises the Response Form, the Respondent's bid, financial and pricing information and all other information submitted by a Respondent.
<b>Proposal Lead</b>	In the case of a Joint Proposal, the party that will take responsibility for submitting the Proposal, and if the Proposal is successful, entering the Contract with the Ministry.
<b>Public Value</b>	A measure of the relative costs and benefits of an outcome, given the desired outcomes that are being sought.
<b>Quality Adjusted Price (QAP)</b>	An amount in \$ that is calculated under the PQM model and reflects the price of a tender discounted for the SQP.
<b>Related Party</b>	A Respondent (A) is related to another Respondent (B) if, in the Ministry's view: <ul style="list-style-type: none"> <li>• A is 20% (or more) directly, indirectly or beneficially, owned or controlled by B, individually or in aggregate; or</li> </ul>

- A acts jointly or in concert with B, or is subject to B's direction, control, or influence, in relation to Tender 1 or Tender 2 or any other related matter; or
- A participates in Tender 1 or the Tender 2 or any other related matter as a consequence of any arrangement or understanding with B; or
- there is another company to which A and B are both related.

If A is related to B, B is also related to A.

For the purposes of interpreting this definition:

- it does not matter whether the ownership, control, entitlement, direction, power, influence, arrangement, or other relationship between A and B is direct or indirect, general or specific, and/or legally enforceable or not;
- reference to any Respondent, party, person or entity includes:
  - an individual, partnership, firm, company, body corporate, corporation, association, trust, estate, or any other entity, in each case whether incorporated or not and whether or not having a separate legal personality; and
  - an officer, employee, shareholder, executor, administrator and other representative of the relevant Respondent, Respondent, party, person or entity; and
- a reference to "control" includes where one or more persons, directly or indirectly, whether by the legal or beneficial ownership of shares, securities or other equity, the possession of voting power, by contract, trust, or otherwise:
  - has, or may have, the power to appoint or remove the majority of the members of the governing body of the person concerned;
  - controls or has the power, or may have the power, to control the affairs or policies of the person concerned; or
  - is in a position to derive 20% (or more) of the benefit of the existence or activities of the person concerned.

<b>Region</b>	A defined geographical area referenced in the allocation of Routes and Route Groups.
<b>Request for Proposal (RFP)</b>	The RFP comprises this RFP document (including the RFP-Terms) and any other schedule, appendix or document attached to this RFP, and any subsequent information provided by the Buyer to Respondents through the Buyer's Point of Contact or GETS.
<b>Requirements</b>	The goods and/or services described in Section 4 which the Buyer intends to purchase.
<b>Respondent</b>	A person, organisation, business or other entity that submits a Proposal in response to the RFP. The term Respondent includes its officers, employees, contractors, consultants, agents and representatives.
<b>Response Form</b>	The form and declaration prescribed by the Buyer and used by a Respondent to respond to the RFP, duly completed and submitted by a Respondent as part of the Proposal.
<b>RFP Process, Terms and Conditions (shortened to RFP-Terms)</b>	The government's standard process, terms and conditions that apply to RFPs as described in Section 11. These may be varied at the time of the release of the RFP by the Buyer in Section 1, paragraph 1.6. These may be varied subsequent to the release of the RFP by the Buyer on giving notice to Respondents.
<b>Route</b>	An established travel segment along which students are picked up, transported, and dropped off in the provision of School Transport Services in scope of this procurement. Routes are defined in Appendix F Route Maps and Additional Information.
<b>Route Group</b>	A grouping of Routes (Daily Bus and/or Technology Bus) developed by the Ministry for offer through Tender 2.
<b>School Transport Services</b>	School Transport Services include the following:



	<ul style="list-style-type: none"> <li>• Daily Bus Services: Contracts Suppliers to convey students between schools and designated bus stops within an established proximity of students' homes,</li> <li>• Technology Bus Services: Contracts Suppliers to convey Year 7 and Year 8 students between schools to allow access to technical education facilities,</li> <li>• Specialised School Transport Assistance (SESTA): Contracts Suppliers to convey students with complex mobility needs between schools and student's homes,</li> <li>• Conveyance Allowance: Making a payment to caregivers to assist with transport costs for Eligible Students where other School Transport services are impractical,</li> <li>• Student / bus ferries: Contracts the Ministry has with two ferry companies for the transportation of students and/or buses, and</li> <li>• Direct Resourcing: Directly funds schools/kura to make their own arrangements for students. Normally this is schools contracting transport Suppliers or through the use of a Passenger Service Vehicle (PSV) owned and operated by the school/kura.</li> </ul>
<b>Services</b>	School Transport Services in scope of this procurement. These Services are Daily Bus Services and Technology Bus Services.
<b>Sub-contracting Arrangement</b>	A Joint Proposal where a Contractor arranges for additional Supplier(s) to deliver a portion of the Services. Each party retains their separate legal status. This is governed by a contractual agreement between the Contractor and Supplier(s) who are a party to the arrangement, however a new entity is not formed.
<b>Successful Respondent</b>	Following the evaluation of Proposals and successful negotiations, the Respondent/s who is awarded a Contract/s to deliver all or part of the Requirements.
<b>Supplier</b>	Any business in the marketplace prior to submission of Proposals.
<b>Supplier Quality Premium (SQP)</b>	An amount in \$ that is calculated under the PQM model and reflects how much more the Ministry is willing to pay for a higher quality tender.
<b>Technology Bus Services (or Technology Routes)</b>	Technology Buses are provided for Year 7 and 8 students to enable them regular access to specialised educational facilities, for such things as woodwork, sewing, cooking and metalwork. Most often this service is provided to students from rural full primary (Year 1-8) schools, and from intermediate schools to larger schools. Technology Bus services (along with Daily Bus services) make up the scope for this procurement.
<b>Technology Centre</b>	Specialised educational facility at other schools, meaning not the students' primary school, providing education in things as woodwork, sewing, cooking and metalwork.
<b>Technology Routes</b>	See 'Technology Bus Services'
<b>Tender 1</b>	The first stage of the two stage procurement approach. In Tender 1, up to the greater of 10 or 10% of the Daily Routes and 10% of the Technology Routes are available for award by Region. Suppliers bid with for one or more Daily and/or Technology Routes within a single Region.
<b>Tender 2</b>	The second stage of the two stage procurement approach. In Tender 2, remaining Daily and Technology Routes are bundled into Route Groups within Regions. Suppliers bid for one or more Route Groups within one or more Regions.