

Additional Cover Note – 22/06/23

Following discussions with suppliers we are seeking additional spend of \$2646. This is comprised of \$600 in additional spend to enable suppliers to code additional responses from the IPSOS LG Deep Dive research to ensure we capture enough information to inform product development and \$2046 in AOG fees which were missed off the original procurement plan.

Taking total spend from **\$204,000 to \$206,646**

These have been added to Table. 1 in the description of requirements, and total spend tables in the procurement plan below.

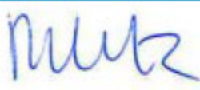
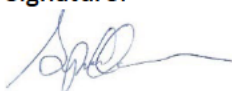


Cover Note:

- The following document sets out the procurement plan for the procurement of market research to support NAP and ERP initiatives. This was split into four individual procurements.
- This work replaces an original procurement plan (total value: \$220,000) which was set aside to support pre-delivery of the Climate Action Hub for this FY.
- As there are interdependencies in the work, the four procurements were packaged together in this master procurement plan.
- While each procurement will be direct source, a lite competitive process was used to assess the market before awarding contracts.
- During this lite competitive process, it was identified that our initial budget estimates would not produce sufficient research to meet our requirements. As such we are looking to increase the budget for this piece of work from \$110,000 to \$204,000. This still sits under the original \$220,00 forecasted, resulting in an overall underspend.
- *Note: that the \$204,000 spend includes the optional additions and top ends of the suppliers quotes. There is potential for spend to be less than the \$204,000. The spend is summarised in the table below.*

Procurement	Indicative Spend (ex GST)	Quoted Spend
Procurement #1: Defining our public audience (property owners) and understanding their needs	\$30,000 - \$35,000	\$61,000 – \$81,000 (depending on data sources) + \$2,500 per community hui (currently 4) (ex GST)
Procurement #2: Understanding what managing and adapting to climate change means to New Zealanders	\$20,000 - \$25,000	<p>Phase 1: Top-Down Semiotics \$12,000</p> <p>Phase 2: Audience Immersion & Territory development \$25,000</p> <p>Total: \$37,000 (ex GST)</p> <p><i>Phase 3 (optional): Co-creation session \$22,000 each</i></p> <p><i>Phase 4 (optional): Playbook development \$20,000</i></p>
Totals (Procurement #1 & #2):		<p>\$170,000 (ex GST)</p> <p>Top end Proc #1 + optional add-ons from Proc #2</p>
Procurement #3: Local Government user needs deep	\$20,000 - \$25,000	\$34,000 (ex GST and AOG fee)
Procurement #4: Climate-related financial disclosure regime business needs	\$20,000 - \$25,000	Not proceeding with procurement – other methods to ascertain needs will be used.



Name of Procurement:	Market research to support NAP and ERP initiatives
Prepared by:	Connor Fraher & Heather Peacocke
Business Peer review conducted by:	Richard Clark
Date:	21/03/2023
Budget for this work (NZ\$ excl. GST):	\$206,646 (covers 3 individual procurements)

ENDORSEMENTS AND APPROVALS	
Endorsed by Procurement Business Partner: Rachel Pollock, Senior Procurement Advisor Date: 21/03/2023	Signature: 
Approved by Contract Owner (Budget Holder): Sophie Heighway, Manager Climate Impacts Date: 24/05/2023 Re Signed: 22/06/2023	Signature: 
Approved by Financial Delegation Holder*: Megan Hurnard, Director Governance Evidence and Insights Date: 24/05/2023 Re Signed: 22/06/2023	Signature: 
Approved by Financial Delegation Holder*: Anne Haira, Deputy-Secretary Climate Change / Public Affairs and Partnerships Date: 26.05.2023 Resigned: 30/06/2023	Signature: 
Comments relating to the plan and sign off: <ul style="list-style-type: none"> This is a master procurement plan, that covers 3 discreet work packages relating work to support NAP and ERP initiatives. As there are interdependencies on each work package, if the scope, deliverables or value of a procurement considerably changes, a new procurement plan will be required As each procurement strategy is a direct source, this plan doubles as an approval to appoint memo, noting some suppliers will be identified via a lite competitive process 	

Total Procurement Value Ex GST (Departmental)	*Position holding <u>Financial Delegation</u>
Up to and including \$40,000	Manager
Up to and including \$100,000	Director

Up to and including \$250,000	Deputy Secretary
Up to and including \$1,000,000	Chief Operating Officer (COO)
Over \$1,000,000	Secretary for the Environment

**Note: Procurements #2 and #4 as referenced
in this document did not proceed.
Procurement #1 is Contract 26431.
Procurement #3 is Contract 26437.**

PLANNING

Background

The purpose of this document is to detail the plan to source multiple components of market research to support NAP and ERP initiatives and have approval to progress each initiative.

Drivers of this work include:

- *Action 3.2 in the National Adaptation Plan 2022 (NAP)* is to, “Design and develop risk and resilience and climate adaptation information portals”. Providing access to up-to-date information, guidance, tools, and methodologies is needed so New Zealanders can make good decisions.
- *Action 3.5.1 in the Emissions Reduction Plan 2022 (ERP)* is to “Inform low-emissions choices through a Climate Information Centre”. It is important to support community-based and other localised low-emissions and climate resilience solutions.
- [Prime Minister’s statement](#) 21 February 2022 (p.21) – “*This Government will support those communities affected by the impacts of climate change, and work to ensure communities have the information and support they need to prepare for the impacts of climate change and start the work of adaptation*”.
- The awarding of \$24.7 million in funding through Budget ‘23 for work on the Climate Data Infrastructure initiative.

Description of requirement

Multiple deliverables will be sought as part of this procurement portfolio. These will all be direct source procurements, but some will include a lite competitive process, in accordance with our procurement rules. Table 1 is a summary of the research procurements associated with the portfolio.

Table 1: Summary of key outcomes/deliverables

Milestone/Deliverable/Outcome	Indicative cost	Selected Quote Cost	Date
Market research to support NAP and ERP initiatives	\$110,000	\$204,000	
• Procurement #1: Defining our public audience (property owners) and understanding their needs	\$30,000 - \$35,000	\$91,000	30 th June 2023
• Procurement #2: Understanding what managing and adapting to climate change means to New Zealanders	\$20,000 - \$25,000	\$79,000	30 th June 2023
• Procurement #3: Local Government user needs deep	\$20,000 - \$25,000	\$34,000	30 th June 2023
• Procurement #4: Climate-related financial disclosure regime business needs	\$20,000 - \$25,000	N/A	30 th June 2023
• Additional spend + AoG fees	N/A	\$2646	
Total	\$110,000	\$206,646	

	<p>The chosen procurement strategy for each of the procurements will be a direct source, as all are estimated to be below \$100K.</p> <p>A lite competitive process will be conducted to select the supplier that will be direct sourced:</p> <ul style="list-style-type: none"> • A lite competitive process is where potential suppliers will be contacted via email with the opportunity, to seek their capability, availability and price. These suppliers will be on the AOG Consultancy Panel or Marketplace (where appropriate). • A decision will then be made by the project team to select the preferred supplier, dependent on the email responses received. • However, this is not a full RFQ tender process. Given the size and value of the work packages, a direct source approach using the lite competitive process is appropriate, and will allow for an efficient and effective contracting process. <p><u>Research to support ERP and NAP initiatives</u></p> <p>Indicative costing: \$110,000 (Costings following quote evaluation \$204,000)</p> <p>Detail:</p> <p>We are expecting 4 main tranches of research:</p> <ul style="list-style-type: none"> • Work to help us define our public audience, focused on property owners, and understanding their needs • Supporting research for climate narrative creation, including gap filling and testing of the draft climate narrative • A local government deep dive • A climate related disclosure entity deep dive <p>Why:</p> <p>Research is required to deliver a user needs driven approach, and successful development of a climate narrative. Without this procurement we risk delivering an initiative that does not resonate with New Zealanders or address their needs.</p> <p>How:</p> <p>Lite competitive process</p> <p>Supplier attributes required for successful delivery:</p> <ul style="list-style-type: none"> • Familiarity with environment / climate change context and research • Market / audience research experience • Track record in conducting research specific to user needs and User Experience development • Ability to engage with user and sub-user groups throughout New Zealand • Testing public messaging and narratives
Added value	<p>Broader outcomes:</p> <p>N/A</p>

Market analysis	<p>Supply and Market options considered for this procurement include:</p> <ul style="list-style-type: none">For all procurements we will seek 2-3 quotes from suppliers across Government panels then direct source following evaluation (see procurement strategy for more information).								
Forecasting/planning	<p>Will there be an ongoing need for this service beyond this procurement?</p> <p>No</p>								
Past procurement activity	<p>Has any procurement activity been undertaken in relation to this need already?</p> <p>Yes</p> <p>For User Needs related work:</p> <ul style="list-style-type: none">CSO #25266 - Audience Research – understanding levels of awareness of environmental issues in New Zealand Public. Completed by TRA 24th June 2022CSO #24406 - Audience Research - understanding levels of awareness of environmental issues in New Zealand Public. Completed by TRA 23rd August 2021CSO #26005 - Procurement of a research and insights synthesis on climate action, and associated gaps for future research, being completed by TRA. <p>One procurements is also taking place in support of climate narrative development in 2023. This includes:</p> <ul style="list-style-type: none">CSO #26006 - Contracting a climate narrative strategist.								
Procurement strategy	<p>The chosen procurement strategy for each of the procurements will be a direct source, as all are estimated to be below \$100K.</p> <p>A lite competitive process will be conducted to select the supplier that will be direct sourced:</p> <ul style="list-style-type: none">A lite competitive process is where potential suppliers will be contacted via email with the opportunity, to seek their capability, availability and price. These suppliers will be on the AOG Consultancy Panel or Marketplace (where appropriate).A decision will then be made by the project team to select the preferred supplier, dependent on the email responses received.However, this is not a full RFQ tender process, due to the time constraints. <table><tr><th></th><th>Procurement and Value</th><th>Approach</th><th>Align with MfE procurement policy</th></tr><tr><td>1</td><td>Research to support NAP and ERP initiatives Indicative cost: \$110,000 Cost following lite competitive process evaluation: \$202,646</td><td>Lite competitive process off AOG Consultancy Panel to seek capability, availability and price. Potential suppliers include: 9(2)(a)</td><td>YES</td></tr></table>		Procurement and Value	Approach	Align with MfE procurement policy	1	Research to support NAP and ERP initiatives Indicative cost: \$110,000 Cost following lite competitive process evaluation: \$202,646	Lite competitive process off AOG Consultancy Panel to seek capability, availability and price. Potential suppliers include: 9(2)(a)	YES
	Procurement and Value	Approach	Align with MfE procurement policy						
1	Research to support NAP and ERP initiatives Indicative cost: \$110,000 Cost following lite competitive process evaluation: \$202,646	Lite competitive process off AOG Consultancy Panel to seek capability, availability and price. Potential suppliers include: 9(2)(a)	YES						

The reason for this recommendation is while the cumulative value of the four pieces of work is \$204K, the discreet work packages are each either viewed as low value (ie under \$40K), OR will be sourced from the All of Govt Panels.

Both of these allow for a direct source approach, with up to four different suppliers. The budget is also required to be spent by the end of the financial year, creating a very short timeframe that does not allow for a full tender process. An exemption from open advertising is not required, unless one supplier is awarded all four pieces of work. In that instance, the following exemption applies:

14.9 (i) Secondary procurement: Where an agency has established a panel of suppliers or is purchasing under an All of Government contract, Syndicated Contract or Common Capability Contract, it does not need to openly advertise individual contract opportunities that are to be awarded through that arrangement.

As these suppliers are all on the All of Government Consultancy Panel, this sourcing strategy meets the definition of secondary procurement and therefore this contract opportunity does not need to be openly advertised.

Should this change as the work programme develops, this approach will be revisited and the appropriate strategy detailed.

When and if further budget is approved for the work associated with the NAP and ERP initiatives this market research supports, a new procurement process will be required. This approach to market aligns with the *Government Procurement Rules 4e* and the New Zealand Government's Procurement Principles.

Justification of additional spend

During this lite competitive process, it was identified that our initial budget estimates would not produce sufficient research to meet our requirements. As such we are looking to increase the budget for this piece of work from \$110,000 to \$204,000. This still sits under the original \$220,00 forecasted, resulting in an overall underspend.

Probity

Probity in this procurement will be managed by:

- ensuring compliance with the Ministry's policies
- acting fairly, impartially and with integrity, acting lawfully, and being accountable and transparent
- ensuring anyone directly involved in the process signs a confidentiality agreement and declares any actual, potential or perceived conflict of interest
- identifying and effectively managing all potential, perceived or actual conflicts of interest

Stakeholders

Stakeholder/Group Name	Level of and Reason for Interest
Climate Impacts team (Climate Directorate more widely)	Require this work in order to deliver initiatives in the ERP and NAP, and climate data infrastructure pre delivery.
Partnerships and Public Affairs -Brand and Experience, Communications, Engagement, Partnerships teams	Guidance on how to develop MfE's public facing positioning in the current environment and deliver our comms and engagement plans in support of NAP and ERP initiatives

	Partnerships and Public Affairs Chief Executive's office, Ministers	and guidance on how to build public buy in for other related MfE projects.											
	Digital and Insights team												
	Detail important internal and external stakeholders:												
IT requirements	There is no IT requirement to this procurement.												
Health & Safety	There is no Health and Safety risk associated with this procurement.												
Sensitive Information	The supplier will not require or have access to sensitive, restricted, or secret or top-secret official information.												
Brand & Experience	The procurement will not result in a publication and/or require design work.												
Privacy considerations	There are no privacy considerations within this procurement.												
Budget and Financial	<p>This section confirms budget allocation, information access and financial years for the contract.</p> <table border="1"> <tr> <td>Is budget allocated for this procurement/contract?</td><td>Yes</td></tr> <tr> <td colspan="2">If the duration of your contract goes beyond the end of the current financial year and exceeds \$40k in value, you must check this has been budgeted for with the Financial Delegation Holder. By signing the plan, the Financial Delegation Holder confirms this.</td></tr> <tr> <td>If the duration of your contract goes across multiple financial years, you must discuss with your Finance Business Partner prior to finalising the procurement plan.</td><td>Not Applicable</td></tr> </table>			Is budget allocated for this procurement/contract?	Yes	If the duration of your contract goes beyond the end of the current financial year and exceeds \$40k in value, you must check this has been budgeted for with the Financial Delegation Holder. By signing the plan, the Financial Delegation Holder confirms this.		If the duration of your contract goes across multiple financial years , you must discuss with your Finance Business Partner prior to finalising the procurement plan.	Not Applicable				
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If the duration of your contract goes across multiple financial years , you must discuss with your Finance Business Partner prior to finalising the procurement plan.	Not Applicable												
Total Value	<p><i>Expenses (if applicable) include all actual and reasonable costs that the Ministry will pay as part of the delivery. Examples include travel, accommodation, or meals.</i></p> <table border="1"> <thead> <tr> <th>Item</th><th>Cost (indicative)</th></tr> </thead> <tbody> <tr> <td>Services/Outcomes</td><td>\$204,000</td></tr> <tr> <td>Additional spend + AoG fees</td><td>\$2646</td></tr> <tr> <td>Expenses</td><td>\$0</td></tr> <tr> <td>Total maximum budget of procurement</td><td>\$206,646</td></tr> </tbody> </table>			Item	Cost (indicative)	Services/Outcomes	\$204,000	Additional spend + AoG fees	\$2646	Expenses	\$0	Total maximum budget of procurement	\$206,646
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Cost Codes	<table border="1"> <thead> <tr> <th>Programme Code</th><th>Project Code</th><th>Natural Account Code</th><th>Departmental/ Crown</th></tr> </thead> <tbody> <tr> <td>402</td><td>55400</td><td>4150</td><td>Departmental</td></tr> </tbody> </table>			Programme Code	Project Code	Natural Account Code	Departmental/ Crown	402	55400	4150	Departmental		
Programme Code	Project Code	Natural Account Code	Departmental/ Crown										
402	55400	4150	Departmental										
Agreement duration	Contract Start Date: Various start dates												

Contract End Date: 30/06/2023	
CONFLICT OF INTEREST	
Internal Process	<p>Have any individuals directly involved in the procurement process declared any real, potential or perceived Conflict of Interest upon commencement of their involvement?</p> <p style="text-align: right;">have</p>
	<p>Individuals directly involved in the procurement/s have declared perceived conflicts. A COI declaration will be completed and an appropriate management plan put into place to mitigate the conflict.</p>
Supplier Declaration	<p>Is your procurement strategy a direct source?</p> <p>If yes, see below. If no, move onto Risk Assessment.</p>
	<p>For all direct source procurements, we require the proposed Supplier, their nominated personnel and any sub-contractors to complete an External Conflict-of-Interest form prior to engaging in a contract.</p>
	<p>Confirm you have sent the following COI form to the Supplier and their nominated personnel to complete</p> <p>External Conflict of Interest form & Management Plan.docx</p>
	<p>Will be done as part of the contracting process for each work package.</p>
	<p>If the Supplier has declared a conflict, the conflict-of-interest management plan must be completed and passed to the financial delegation holder for consideration and approval, alongside the procurement plan being signed.</p> <ul style="list-style-type: none"> Has this task been completed? <p>I</p>
RISK ASSESSMENT	
<p>Key procurement risks related to this plan have been identified and rated using the scale below. Mitigation actions are also detailed in the table. <i>[use the ratings and colour coding as needed, not every procurement will have the same set of risks or have a risk from each rating category in it, add and delete rows as required]</i></p>	

		THREATS CONSEQUENCE			
		Minor	Moderate	Major	Severe
LIKELIHOOD	Almost Certain	Medium	High	Extreme	Extreme
	Likely	Low	High	High	Extreme
	Possible	Low	Medium	High	High
	Unlikely	Very Low	Low	Medium	High
	Rare	Very Low	Low	Medium	Medium

Risk	Mitigation action	Rating Category
The supplier does not understand our requirements	We will test the brief with our suppliers and engage to ensure they have a clear understanding of our requirements	Low
All work is to do be delivered by 30 June 2023, leaving minimal lead time to complete the procurement	To contract suppliers as soon as possible, a direct source approach will be taken, supported by a lite competitive process.	Low

SOURCE

Timeline	Timelines will vary for each individual work package. All contracts are to be completed by 30 June 2023.
Evaluation methodology	<p>As each procurement is a direct source, no formal evaluation methodology is required. A lite competitive process will be conducted to identify the supplier to direct source. This is where potential suppliers will be contacted via email with the opportunity, to seek capability, availability and price. These suppliers will be on the AOG Consultancy Panel or Marketplace (where appropriate).</p> <p>Capability, capacity, methodology and price will be assessed via email.</p>
Evaluation team (Minimum of 3)	Connor Fraher, Heather Peacocke, Linda Major will assess the emails received by suppliers in line with above approach.
Evaluation Criteria	N/A

Due Diligence	When sourcing from the Panels, no further due diligence is expected to be required. Where engaging subject matter expertise, due diligence may be required.
Negotiation Considerations	<p>Considering negotiations is a strategy to aid in public value and/or additional values/benefits in a procurement outcome.</p> <p>Negotiations will be planned post-evaluation if required, to address any shortfalls or areas needing agreement in the preferred supplier's response prior to contracting.</p>
MANAGE	
Form of Agreement	<p>The proposed form of Agreement (subject to risk and Legal review if applicable) is dependent on the procurement. Contracts may be lite contract, CSOs or Marketplace SOWs.</p> <p>The Decision Matrix has indicated this Agreement will not require Legal Review.</p>
Contract Management	<p>The contract manager for this procurement will be Contract Managers TBC.</p> <p>The Contract will be managed by:</p> <ul style="list-style-type: none"> • close management and monitoring of deliverables • deliverable-linked payments • regular meetings • supplier reporting (progress reports, issue register) • contract or relationship management framework deployed (for long-term or relational contracts only)