



PROCUREMENT PLAN

Safety Cameras and Safety Camera Management System

Safety Camera System Programme

Contract Number

Business Lead: Neil Cook Deputy Director of Land Transport

Project Lead: Sanjay Mathur

Sanjay Mathur

8 November 2021

Final

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More information

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Endorsements

Procurement Endorsement		
Name and title of signatories	Signature	Date
Shane Avers, Senior Manager Procurement		
Brett Rigden, Manager Procurement Strategy & Methods		
Michelle Ferguson, Principal Procurement Advisor – ICT		

Other Endorsements		
Name and title of signatories	Signature	Date
Steve Jones, Head of Technology Commercial Services		
Neil Cook, Deputy Director of Land Transport		
Richard Stewart, Programme Director, Safety Camera System Programme		
Brian More, Strategic Technology Portfolio Lead (Regulatory)		
Gavin Greaves, Strategic Technology Portfolio Lead (Transport)		

Delegation Approval

It is recommended that as the delegated financial authority in accordance with the relevant business rule BR100:

Business Rule ID	Type	Business Process	Function/Power	Business Group	Business Team	Delegation to Office Holder(s)	Conditions
BR100	Procurement Strategy (Services)	Procurement Pathway	To approve procurement strategies for activities, goods or Services contracts (inclusive of Professional Services) with an expected total contract value that would exceed \$5 million , for activities within Budget approved in the Business Plan	ALL	ALL	General Managers; Director Office of the Chief Executive	The delegation value threshold means the total value of the contract. The Budget will be set out in the approved Business Plan. See definition of Professional Services at end of Schedule.

you **endorse** the procurement plan, involving the following approach:

Approving:

Predicated on the 2019 Cabinet decision to transfer the safety cameras and associated infringements processing functions from NZ Police to Waka Kotahi:

- 1) establishment of contractual arrangements on acceptable commercial terms with Redflex Traffic Systems Pty Ltd (Redflex), through the transfer of the existing relationship to Waka Kotahi, that enables the following:
 - a) procurement of required additional safety cameras and a safety camera management system from Redflex;
 - i) subject to undertaking the appropriate due diligence on NZ Police's Redflex supply contract; and
 - ii) confirming Redflex's ability to meet the needs of the Safety Camera System Programme (SCS) scope of work
 - b) ownership of NZ Police's existing operational safety cameras, in alignment with the operationalisation of the transferred functions from NZ Police to Waka Kotahi
- 2) the costs of undertaking the procurement outlined above which will be met out of the WBS s 9(2)(k) code

Noting:

- 3) that the Safety Camera System Programme (SCS) is tasked with the transfer of safety camera and associated infringements processing functions from NZ Police and establishing the required processes, people and technology into Waka Kotahi by the end of 2023.
- 4) that NZ Police's technology systems supporting these functions are categorised as follows:

s 9(2)(j)

- 5) that at its June 21 meeting, the Safety Camera System Programme Steering Committee (PSC) approved the Programme Resource Management Strategy and Plan. This plan identified three key

technology capabilities that needed to be procured to support the establishment and operationalisation of the safety camera and infringements processing functions within Waka Kotahi:

- a) Safety Cameras – procurement of an additional 100 safety cameras is required to support the first phase of expansion of the safety camera network across the highest risk part of the road network through to the end of the current National Land Transport Plan in June 2024.
 - b) Safety Camera Management System – a system that enables the management (including secure data transfer) and monitoring of the safety camera network as the current manual management processes employed by NZ Police are unsustainable with the planned expansion of the safety camera network.
 - c) Infringements Processing System – a back-office processing platform to support the infringements processing function as NZ Police's current infringements processing platform (PIPS) is end-of life and has major functional, technical and architectural limitations.
- 6) that the procurement of the Safety Cameras and Safety Camera Management System are within the scope of this procurement plan and the procurement of the Infringements Processing System is detailed in a separate Infringements Processing System procurement plan also being submitted for approval.
 - 7) that the transfer of functions from NZ Police to Waka Kotahi will require the transfer of the relationship to Waka Kotahi. The contractual approach will be discussed with Redflex. Notwithstanding the foregoing, the business understands that the transfer will remain within the boundaries of the original scope of the RFP under which Redflex was selected and the resultant contract with NZ Police..
 - 8) that Redflex are NZ Police's incumbent supplier of safety cameras and associated maintenance and support services.
 - 9) that NZ Police currently operate approximately 100 safety cameras (fixed speed, red light and mobile) that are supplied by Redflex
 - 10) that Waka Kotahi will assume the ownership, management and operations of NZ Police's current operational safety camera fleet as part of the transfer of functions to Waka Kotahi
 - 11) that SCS has completed a due diligence process on Redflex as advised by Waka Kotahi Procurement and Commercial teams that involves the stages outlined in Section Procurement approach utilised below:
 - 12) that with the completion of the due diligence stages outlined above and subject to the approval of this procurement plan, Waka Kotahi wishes to establish contractual arrangements with Redflex on the basis set out in paragraph 7) above.
 - 13) that Waka Kotahi will undertake gazette level testing of Redflex's proposed safety cameras and associated equipment to ensure that they can be certified as Approved Vehicle Surveillance Equipment (AVSE) and can issue enforceable notices.
 - 14) that the required WOLC § 9(2)(j) estimated investment including licensing, maintenance, implementation and any renewals, extensions or variations is as follows:
 - a) additional Safety Cameras (to support first phase of safety camera network expansion) - § 9(2)(j)
 - b) Safety Camera Management System – between § 9(2)(j)
 - 15) that the required funding will be provided from the Road To Zero Activity Class – 2021-24 NLTP funding for Tackling Unsafe Speeds – Safety Cameras.
 - 16) that the Tackling Unsafe Speeds programme business case (PBC) provides support for the funding and delivery of SCS and was approved by the Waka Kotahi Board at its meeting on 19 August 2021.
 - 17) that subject to the completion of the due diligence process with Redflex, the § 9(2)(j) will need to sign the contract, as per business rule BR 190 outlined below:

Business Rule ID	Type	Business Process	Function/Power	Business Group	Business Team	Delegation to Office Holder(s)	Conditions
BR190	Award (Services)	Procurement Pathway	Approval and execution of contracts and agreements with third parties (excluding property purchases and State highway design and construction) where total cost of any one matter is	s 9(2)(j)			

- 18) that the Government Procurement Rules have been followed in preparing this procurement plan.
- 19) that the development of this Procurement Plan has been aligned to the Contract Procedures Manual (SM021).
- 20) That an exemption from open advertising under the Government Procurement Rule 14.9.d (iii) – Additional goods, services or works where a change of supplier would cause significant inconvenience or substantial duplication of costs for the agency – will be sought. This recognises the existing contractual arrangement in place based on the Open market process RFP run by NZ Police.

Delegated Financial Authority		
Name and title of signatories	Signature	Date
Yogesh Anand, Chief Technology Officer Te Aukaha, Digital & Workspace		

Key information

Background and business case

In December 2019, the New Zealand Government adopted Road to Zero, its Road Safety Strategy 2020-2030. Fundamental to the strategy is the vision where no one is killed or seriously injured in road crashes in New Zealand.

In response to *Road to Zero*, Cabinet approved the Tackling Unsafe Speeds (TUS) initiative in November 2019¹ which included the following:

- implementing a simpler and more effective regulatory framework for speed management through speed management plans
- transitioning to lower speed limits around schools to improve safety and enable more kids to walk or cycle to school safely
- adopting a new 'highly visible, no surprises' approach to safety cameras and speed related compliance including the transfer of safety camera operations and infringements processing functions from NZ Police to Waka Kotahi

In early 2020, the TUS Programme was established to support the delivery of the TUS initiative.

In October 2020 an independent quality assurance (IQA) health check was conducted and recommended that the TUS programme be split into two initiatives, the Safety Camera System Programme (SCS) and the Speed Management Programme.

In early 2021, SCS was formally established to enable the transfer of ownership and operation of safety cameras (incl. mobile safety camera enforcement) and safety camera infringements processing from NZ Police to Waka Kotahi.

NZ Police's technology systems supporting these functions are end of life and obsolete and it is necessary for Waka Kotahi to undertake requisite procurement process(es) to acquire modern, fit for purpose technology systems and services that can effectively support these functions within Waka Kotahi into the future.

A critical enabler for the successful establishment and operationalisation of the safety cameras function within Waka Kotahi is the procurement of the following:

- a) Safety Cameras – procurement of an additional 100 safety cameras required to support the first phase of expansion of the safety camera network across the highest risk part of the road network through to the end of the current National Land Transport Plan in June 2024.
- b) Safety Camera Management System – a system that enables the management (including secure data transfer) and monitoring of the safety camera network as the current manual management processes employed by NZ Police are unsustainable with the planned expansion of the safety camera network.

The Tackling Unsafe Speeds programme business case (PBC) provides support for the funding and delivery of SCS and was endorsed by the Waka Kotahi Board at its meeting on 19 August 2021.

Procurement Objectives

The key objective of this procurement activity is to establish contractual arrangements with Redflex, that is:

- a) flexible, scalable and future proofed to enable Waka Kotahi to acquire modern, advanced and emerging safety cameras and technology systems to meet current needs and as business requirements and needs evolve over time; and

¹ <https://www.transport.govt.nz/multi-modal/keystrategiesandplans/road-safety-strategy/tackling-unsafe-speeds/more-information-on-the-tackling-unsafe-speeds-programmenew-page/>

- b) on acceptable commercial terms to Waka Kotahi.

What are we buying and why (in scope)

The procurement scope includes the following technology systems and services:

- a) Safety Cameras – procurement of an additional 100 safety cameras required to support the first phase of expansion of the safety camera network across the highest risk part of the road network through to the end of the current National Land Transport Plan in June 2024. The additional new cameras will be the new generation advanced multi-purpose system safety cameras of the following types:
 - i) Halo single camera system for red light or fixed speed enforcement (up to 3 lanes)
 - ii) Halo dual camera system for red light enforcement (up to 6 lanes)
 - iii) Halo side fire Average Speed (P2P) (3 lanes)
 - iv) Halo Distributed over the lane Average Speed (P2P) (3 lanes)
 - v) Radarcam mobile speed, includes auxiliary camera and flash for front/rear plate capture
- b) Safety Camera Management System – a system that enables the management (including secure data transfer) and monitoring of the safety camera network as the current manual management processes employed by NZ Police are unsustainable with the planned expansion of the safety camera network. The system will include the following key capabilities:
 - i) Management of the safety camera network
 - ii) Monitoring of the health of the safety camera network
 - iii) Automated download of incident data from safety camera network and transfer to the back-office infringements processing system
 - iv) Reporting on the safety camera network to meet agreed SLAs
- c) In alignment with the agreed date of operationalisation of transferred functions from NZ Police to Waka Kotahi, the ownership of existing NZ Police Operational Safety Cameras – approximately 100 safety cameras comprising the older generation NK7 model safety cameras of the following types:
 - i) Fixed/Static Speed
 - ii) Red Light (speed dual purpose capability)
 - iii) Mobile

The procurement of technology systems and services will be conducted in accordance with the Waka Kotahi procurement policies and principles and are predicated on key technology principles:

- a) **Rent before Buy or Build:** Use As a Service (AAS) offering before Commercial Off the Shelf (COTS) products for solving business issues before building solutions.
- b) **Use existing capabilities:** Use internal capabilities, where possible, before sourcing from outside.
- c) **Simplify processes:** Be a process taker, not maker. We are not unique so we can adopt standard business processes out of the box.

What is out of scope

The scope excludes procurement of the following:

- a) Procurement of a back-office infringements processing system which is the subject of a separate procurement plan that has been submitted for approval.
- b) Safety cameras calibration and certification services – these services may continue to be provided by NZ Police, or established within Waka Kotahi or out-sourced to a third party. However, this is

subject to the definition of the future state operating model, organisation design and governance decisions an agreed service and cost model

- c) Mobile camera enforcement services – these services will be transferred and established within Waka Kotahi including people (traffic camera operators) and mobile camera vehicles (including fitout). This is subject to the definition of the operating model, organisation design and governance decisions.
- d) Business Process Outsourcing (BPO) options that outsource the people and process components for the Safety Camera Management and Infringement Processing capabilities

What are the critical success factors

Strategic fit and business needs

The preferred solutions will incorporate future proofing, will be flexible and scalable. We believe process standardisation will be enabled by adopting a modular system that can be adapted for our needs over time; we will configure as required with no customisation of the solution. Therefore, Waka Kotahi are seeking a solution that can meet as many of our requirements as possible out-of-the-box.

Supplier capability

The provider will be required to demonstrate a proven track record of delivering similar solutions; work with us in partnership to ensure that solutions can be successfully delivered; they are expected to bring domain experience and innovation in their partnership with Waka Kotahi. This includes the ability to mobilise resources for delivery in New Zealand.

Total whole of life cost (including any variations, renewals or extensions)

The required WOLC **s 9(2)(j)** estimated investment including licensing, maintenance, implementation and any renewals, extensions or variations is as follows:

- a) additional Safety Cameras (to support first phase of safety camera network expansion) - **s 9(2)(j)**
- b) Safety Camera Management System – between **s 9(2)(j)**

The required funding will be provided from the Road To Zero Activity Class - 2021 NLTP onwards.

Contract term

s 9(2)(j)

Contract type

Transitions

It is important to note that there is no incumbent supplier for Safety Cameras and Safety Cameras System within Waka Kotahi.

Undertaking the procurement approach and due diligence outlined above will result in the establishment of a new supplier (Redflex) for the delivery of the required capabilities to support the safety cameras and infringements functions within Waka Kotahi.

As the ownership, management and operation of both safety cameras and infringements processing is being transferred from NZ Police to Waka Kotahi, careful transition planning will be required to ensure that:

- a) NZ Police's existing safety camera operations can be transitioned to Waka Kotahi effectively with minimum disruption
- b) the required integration between the back-office infringements processing system and the procured safety cameras and safety camera management system can be implemented
- c) the progressive cutover of safety cameras is managed to ensure the end-to-end process can be operationalised robustly
- d) disconnection and decommissioning of interfaces between safety cameras and NZ Police back-office systems is conducted without disruption

Transition plans/arrangements will also be addressed during the negotiations with the new supplier.

Significant transition risks to be managed include, but are not limited to:

- a) strategy to provide a seamless transition without disruption to service.
- b) the secure transfer of incident data and processing of accurate infringements during transition is maintained
- c) back-up plans in the event that services are affected.

Cost Centre Code

The cost centre code is s 9(2)(k)

Market Analysis

Current supplier

Redflex are NZ Police's incumbent supplier of safety cameras and associated maintenance and support services.

NZ Police currently operate approximately 100 safety cameras (fixed speed, red light and mobile) that are supplied by Redflex.

Waka Kotahi will assume the ownership, management and operations of NZ Police's current operational safety camera fleet as part of the transfer of functions to Waka Kotahi

Waka Kotahi is undertaking the requisite due diligence process on Redflex to confirm their ability to provide additional safety cameras and a safety camera management system that meets SCS needs.

It is important to note that in June 2021, Redflex was acquired by Verra Mobility Corporation who are one of the largest photo enforcement solutions companies worldwide.

Key market information

It is important to note that:

- a) a number of suppliers exist globally and several of these suppliers have an established presence in Australia
- b) key global buyers/customers exist with USA, European countries and the Middle East and Australia who are at a mature stage of implementation of technology and services being procured
- c) local buyers are primarily NZ Police and local government bodies especially Auckland Transport
- d) Asia, Africa and Latin America are emerging buyers of the technology and services being procured

The key global suppliers of the systems and services being procured are:

- Redflex (now part of Verra Mobility Corporation)
- Vitronic
- Jenoptik
- SensysGatso
- RedSpeed

In 2013 - 2014, NZ Police undertook an extensive global procurement process for safety cameras and associated systems and services which resulted in Redflex being confirmed and contracted as their supplier for safety cameras. The contract came into effect on October 2018.

Redflex has established a maintenance and support presence in New Zealand for the supply of their safety cameras (fixed speed, red light and mobile) to NZ Police and is the only supplier, at this stage, with their current model safety cameras gazetted as Authorised Vehicle Surveillance Equipment (AVSE) which certifies them for enforcement in New Zealand.

Auckland Transport have invested in purchasing and deploying Red Light Cameras (approx. 42) with arrangement that NZ Police manage and process their Red Light Camera infringements.

Criticality of supplier to Waka Kotahi

The procurement of Safety Cameras and a Safety Camera Management System is a critical enabler to the establishment, operationalisation management of the safety cameras function and operations within Waka Kotahi.

The procurement of these capabilities also provides SCS with ability to undertake the expansion of the safety camera network across the highest risk locations on the national road network which is a critical contributor to achieving SCS' benefit of reduction DSI.

The transfer of safety camera and infringements functions from NZ Police to Waka Kotahi provides an opportunity to procure the required safety cameras and safety camera management system.

The procurement of the required safety cameras, safety camera management system and associated services will be considered a significant contractual obligation.

Desired supplier relationship(s)

The desired supplier relationship is **Strategic Partnership / Collaborative**.

Procurement Approach

Market Engagement

This contract opportunity was not published in the agency’s annual procurement plan.

The market has been engaged on two previous occasions as follows:

- a) In early 2019, as part NZ Police’s Automated Compliance Intervention Management (ACIM) work programme, a Request for Information (RFI) was issued that indicated interest in the provision of the safety cameras, safety camera management systems from several well-known global suppliers.
- b) In October 2020, as part of the early consideration of technology procurement options for the TUS Programme, Waka Kotahi issued a joint RFI combining the needs of the TUS and Tolling projects due to the similarity of requirements, seeking responses for the provision of a Safety Camera Management System and/or a Back-office Processing System that could support processing of infringements as well as toll charges.


The requirement for safety cameras was not included in the joint RFI due to the expected transfer of NZ Police’s supply contract with Redflex.

The market response to the RFI indicated interest in the provision of specialist safety camera management solutions from the following well known global suppliers:

- Redflex
- Vitronic Machine Vision Australia (partnered with Genix Ventures Pty Ltd)
- Jenoptik (partnered with Unisys and StarTraq Ltd)

Procurement approach utilised

A staged due diligence process with Redflex is being utilised on advice from Waka Kotahi’s Procurement and Commercial teams as follows

Due Diligence Stage	Status	Due Diligence Assessment
<p>Stage 1 – review of Redflex supply contract</p>	<p>Complete</p>	<p>SCS has reviewed the Redflex supply contract and confirmed that it:</p> <p>s 9(2)(j)</p> 

Due Diligence Stage	Status	Due Diligence Assessment
		s 9(2)(j)
Stage 2 - review of NZ Police's original procurement RFP and evaluation report	Complete	s 9(2)(j)
Stage 3 – ability for Redflex to meet SCS requirements	Complete	Redflex has provided a response to Waka Kotahi's functional and non-functional requirements for safety cameras and a safety camera management system and has been assessed as meeting requirements.

It is important to note that with the completion of the due diligence stages outlined above and subject to the approval of this procurement plan, Waka Kotahi wishes to establish contractual arrangements with Redflex on acceptable commercial terms.

Waka Kotahi will undertake gazette level testing of Redflex's proposed safety cameras and associated equipment to ensure that they can be certified as Authorised Vehicle Surveillance Equipment (AVSE) and can issue enforceable infringements.

Rationale for approach

The rationale for undertaking the due diligence approach is predicated on noting the following context:

- a) that SCS's procurement approach is to utilise the most appropriate mechanisms, where possible, to secure the required technology capabilities as follows:
 - transfer the relationships of existing NZ Police supply arrangements to Waka Kotahi.
 - reuse of existing Waka Kotahi capabilities or capabilities under procurement processes that have the potential of meeting SCS requirements.
 - undertaking open market procurement processes to acquire the required technology capabilities.
- b) that Redflex are NZ Police's incumbent supplier of safety cameras and associated maintenance and support services.
- c) that NZ Police currently operate approximately 100 safety cameras (fixed speed, red light and mobile) that are supplied by Redflex
- d) that Waka Kotahi will have to assume the ownership, management and operations of NZ Police's current operational safety camera fleet as part of the transfer of functions to Waka Kotahi.
- e) that the Redflex supply contract has been reviewed and confirms that it:

s 9(2)(j)

• s 9(2)(j)

•

•

f) s 9(2)(j)

g) that Redflex have responded to SCS' safety camera and safety camera management functional and non-functional requirements as part of the due diligence process and have been assessed as meeting the needs of SCS.

h) s 9(2)(j)

Key internal/external stakeholders

The key internal and external stakeholders for the procurement approach are as follows:

Role	Stakeholders	Actions/Communication
Responsible - The person or people responsible for undertaking the procurement.	<ul style="list-style-type: none">Neil Cook – Business Owner Safety Camera System ProgrammeRichard Stewart – Programme Director Safety Camera System	<ul style="list-style-type: none">Governance oversight of procurement process; includes stakeholder engagementRequired decisions
Accountable - The person or people that have authority to make decisions and are accountable for the outcomes.	<ul style="list-style-type: none">Kane Patena - Project Sponsor Safety Camera System ProgrammeYogesh Anand - Chief Technology Officer	<ul style="list-style-type: none">Required decisionsUpdated during weekly meetings with business owner and monthly governance with sponsor.

Role	Stakeholders	Actions/Communication
Supportive - The person or people that do the real work.	<ul style="list-style-type: none"> Sanjay Mathur - Senior Project Manager, Technology and Infrastructure: Safety Camera System Programme Various - Safety Camera System Programme SMEs 	<ul style="list-style-type: none"> Senior Project Manager will carry out oversight of the due diligence process. The Safety Camera System Programme SMEs will provide required input to the due diligence process.
Consulted - The person or people who needs to be consulted to add value or get 'buy-in'.	<ul style="list-style-type: none"> Brian More - Strategic Technology Portfolio Lead (Regulatory Services) Robert Brown - Technology Transport Operations Product Manager Safety Camera System Programme Advisory Board 	<ul style="list-style-type: none"> Meetings as required; documentation provided for review via email. Input and advice
Informed - The person, people or group(s) (i.e. business unit(s) that need to be kept informed of key actions and results but are not involved in decision-making or delivery.	<ul style="list-style-type: none"> James Cockburn, Senior Business Accountant Ben Warden, Principal Counsel Michelle Ferguson, Principal Procurement Advisor - ICT Fiona McLean, Commercial Specialist (D&W) Probity Auditor – McHale Group Jodi Mitchell – Portfolio Director, Regulatory Tara Macmillan – Portfolio Manager, Road to Zero Pete McKennie – Co-director Road Safety Partnership 	<ul style="list-style-type: none"> Meetings as required; documentation provided for review. James will support required pricing analysis. Michelle will provide advice on procurement rules, policies and procedures. Fiona will lead the contract negotiations. Probity Auditor will provide probity oversight over the due diligence process.

Proposed timeline

The following indicative timeline is proposed for undertaking the procurement approach:

Action	Indicative date
Procurement Plan Approval	
Procurement Plan Approval	15 Oct 2021
Commercial Negotiations	

Action	Indicative date
Updated Safety Cameras and Safety Camera Management System Pricing Received from Redflex	29 Oct 2021
Commercial Negotiations Completed	01 Nov 2021 – February 2022
Master Services Agreement (MSA) Established with Redflex	Dec 2021

Risks

The following risk framework has been utilised to assess the level of risk to Waka Kotahi of known and perceived risk to the procurement. Waka Kotahi's [Risk management reference guide](#) provides useful information to assist with determining the appropriate risk rating.

	INSIGNIFICANT	MINOR	MODERATE	SEVERE	EXTREME
ALMOST CERTAIN	Low	Medium	High	Critical	Critical
LIKELY	Low	Medium	High	Critical	Critical
POSSIBLE	Low	Medium	Medium	High	Critical
UNLIKELY	Low	Low	Medium	Medium	High
RARE	Low	Low	Low	Low	High

Category	Risk	Rating (L/M/H/C)	Mitigation	Owner	Residual Rating (L/M/H/C)
Market challenge from October 2020 RFI respondents on the due diligence process and sourcing the safety camera management system from Redflex	Complaints from respondents that an RFP was not issued and they did not have the opportunity to submit a proposal	High	<p>The transfer of relationship from NZ Police to Waka Kotahi and the scope of supply contract provides the basis for procurement of required capability from Redflex.</p> <p>Due diligence has been conducted on the Redflex contract and the procurement process conducted by NZ Police that confirms the ability to procure the safety camera management system from Redflex.</p> <p>Due diligence and procurement process has oversight from</p>	Project Manager	Low

Category	Risk	Rating (L/M/H/C)	Mitigation	Owner	Residual Rating (L/M/H/C)
			Procurement & Commercial teams		
Requirements (business, functional and technical) are not well defined	Selection of Redflex is based on insufficient understanding of Waka Kotahi's needs/ requirements.	High	The due diligence process required Redflex to respond to Waka Kotahi requirements which ensured that Redflex can deliver to Waka Kotahi needs	Project Manager	Low
Contract terms and conditions are unacceptable to Redflex	Terms and conditions are unacceptable to Redflex	Medium	Select appropriate documentation for purchase type that is commercially acceptable. We have tested our MSA with other procurements.	Commercial Team	Medium
Commercial negotiations are not successful	Commercial terms not acceptable to Waka Kotahi	Medium	s 9(2)(b)(ii)	Commercial Team Programme Director Project Manager	Low
Conflicts of interest	If conflicts of interest are not managed, then potential for bias may be introduced.	Low	Conflicts of Interest forms were completed for all those engaged in the due diligence process	Project Manager	Low

Other considerations in due diligence activity

<p>Value for money</p>	<p>s 9(2)(i)</p>
<p>Transition to a new supplier</p>	<p>Waka Kotahi will work with Redflex to ensure a transition plan is developed to actively manage the transition process.</p> <p>Transition arrangements will be addressed during the due diligence process and negotiations with the supplier. The transition will aim to minimise any impacts on ongoing safety camera and infringements processing operations.</p> <p>Significant transition risks to be managed include:</p> <ul style="list-style-type: none"> • strategy to provide a seamless transition without disruption to services • back-up plans in the event that services are affected
<p>Health & Safety</p>	<p><input type="checkbox"/> Please confirm that you've read the following statement:</p> <p>Waka Kotahi has an active health and safety policy that requires all contractors to comply with the provisions of the Health and Safety at Work Act 2015 and regulations relating to that Act. Contractors working on Waka Kotahi premises are required to sign a document confirming they agree with, and will comply with, Waka Kotahi's health and safety and Zero Harm requirements</p>
<p>Additional Health & Safety requirements</p>	<p>The Health and Safety Risk Level is considered High due to requirements for implementation of roadside infrastructure.</p>

Information Security	The information security risk is considered High. The Digital and Workspace security team input is incorporated within the programme delivery lifecycle.
Information systems impacts	SCS has allowed for required technology input into the delivery activities CTO – review and approval of relevant documentation Submission through Architecture Review Board process Security – security input during programme lifecycle and C&A process Data management – data warehousing and business intelligence
Insurance	There will be an Insurance component to the programme delivery and engagement with Risk and Assurance will be undertaken.
Payment Card Industry (PCI) compliance	The implementation of the infringements processing capability will result in incoming payments to Waka Kotahi. SCS will engage with the Finance team to ensure requirements for PCI are incorporated in the delivery.
Privacy impacts	SCS has planned for engagement with Office of the Privacy Commissioner and will undertake required Privacy Threshold Assessments as well as independent external Privacy Impact Assessments.
Technology	SCS has technology representation within the programme as well as at the governance level. All documentation will be reviewed by the CTO. The technology representation within the programme comprises technology project management, design engineering, product analysts. During the implementation, relevant technology expertise will be included for the delivery of technology enablement components.

Contract Management

Contract manager	A designated contract manager will be assigned. In the event the designated contract manager changes, a new contract manager will be appointed and recorded in the contract register.
Relationship manager	As this is a high-value contract, a dedicated relationship manager will be assigned prior to contract signing. This will be the first point of contact for the supplier. In the event the designated relationship manager changes, a new relationship manager will be appointed and recorded.
Contract variations	All contract variations will be in writing and signed by both parties. Variations involving an increase in price must only be made within the limit of the delegated financial authority and in accordance with the contract. Where practical Legal will provide advice. All variations must be input into the Contract Register for reporting purposes.
Contract review	During the life of the contract, a contract / vendor management process will be implemented including but not limited to:

	<ul style="list-style-type: none"> • regular executive engagement to ensure that the strategic partnership relationship is maintained. • Quarterly contract/service delivery review to assess performance against agreed SLAs and KPIs • Regular monthly reporting for regular service delivery tracking but also to provide input into the quarterly review. <p>At the culmination of this contract a review will be undertaken comprising the following but not limited to:</p> <ul style="list-style-type: none"> • A lessons learned session of the contract, the relationship, and the outcome(s) achieved • An assessment of the successes within the contract • As assessment of the impact the contract had on the supplier • A review of risks and how mitigation and management occurred
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Future Procurement Strategy

It is important to note that the current due diligence process has been taken to facilitate procurement of required technology capabilities to support SCS needs.

However, at the conclusion of the term of the contract (and any renewal options), the business will conduct an open competitive market engagement that provides the following options to procure future safety camera technologies:

- a) Strategic supply partner – Selection of a strategic partner for the supply of safety cameras. This is NZ Police’s current approach, and only Redflex cameras are gazetted to operate in New Zealand.
- b) Supplier panel – establishing a safety camera supplier panel that enables Waka Kotahi to procure the required range of gazetted safety cameras from a range of suppliers that best meets Waka Kotahi needs without requiring costly and lengthy procurement processes. This provides a key advantage of having a contestable process with access to a diversity of suppliers and technology rather than investment in a single supplier. However, there are overheads associated with this approach including the need to manage multiple suppliers and the gazetting and integration of a range of technologies.

In the interim, Waka Kotahi will work to encourage other suppliers to enter the New Zealand market and assist their systems being gazetted as AVSE that can operate within New Zealand.