
Clutha District Council

Item for DECISION

Report	Request to Accept a Late Item to the Council Meeting Agenda
Meeting Date	17 September 2026
Item Number	LATE ITEM
Prepared By	Steve Hill – Chief Executive
File Reference	1057835

REPORT SUMMARY

Council is requested to admit an agenda item to the Council Meeting Agenda of 17 September 2026.

The reason why the item was not on the agenda is because the information was received after the agenda was published.

The reason why the decision cannot be delayed is to provide certainty to the contractor.

Section 46A (7) of the Local Government Official Information and Meetings Act 1987 states:

An item that is not on the agenda for a meeting may be dealt with at the meeting if-

- (a) The local authority by resolution so decides; and
- (b) the presiding member explains at the meeting at a time when it is open to the public,
 - (i) the reason why the item is not on the agenda; and
 - (ii) the reason why the discussion of the item cannot be delayed until a subsequent meeting.

RECOMMENDATIONS

- 1 That the “Request to Accept a Late Item to the Council Meeting Agenda” report be received.
- 2 That Council accepts the following item as a Late Item:
 - Extension of Roding Network Maintenance and Greenspace Maintenance Contracts

Clutha District Council

Item for DECISION

Report	Extension of Roding Network Maintenance & Greenspace Maintenance Contracts
Meeting Date	17 September 2026
Item Number	Late Item 1
Prepared By	Sean Braid – Operations Manager
File Reference	1057823

REPORT SUMMARY

This report seeks approval to extend SouthRoad Limited's Roding Network Maintenance and Greenspace Maintenance contracts to 30 June 2032. Both contracts are performing satisfactorily, and the extensions can be managed within approved budgets.

RECOMMENDATIONS

1. That Council receives the 'Extension of Roding Network Maintenance & Greenspace Maintenance Contracts' report.
2. That Council approves/does not approve that SouthRoads Limited is awarded a five-year extension to Contract 821 – Roding Network Maintenance, to 30 June 2032.
3. That Council approves/does not approve that SouthRoads Limited is awarded a five-year extension to Contract 831 – Greenspace Maintenance, to 30 June 2032.
4. That Council approves/does not approve permanently applying the standard NZS3917 cost fluctuation calculation method and timing to Contract 821 for the extended contract term.

REPORT

1 Background

In 2022, Council awarded South Roads Limited Contract 821–Roding Network Maintenance (\$36.04 million excluding GST) and Contract 831–Greenspace Maintenance (\$7.42 million excluding GST). 5 + 5-year contracts expire on 30 June 2027.

The proposed extensions would continue both contracts to 30 June 2032, providing continuity of essential roading and greenspace services. Contract 821 is included in Council's NZTA-endorsed Transport Procurement Strategy 2026–2029.

2 Contract Scope

2.1 Contract 821 – Roothing Network Maintenance

- Road and footpath maintenance, drainage, bridges, roadside vegetation, traffic facilities and emergency response.
- Routine inspections, reporting, traffic data collection and Tuapeka Mouth Punt operations.
- Formed roads and car parks at Council parks, reserves and community facilities.

2.2 Contract 831 – Greenspace Maintenance

- Mowing, vegetation, gardens, trees and general parks and reserves maintenance.
- Cemetery, public toilet and Council housing grounds maintenance.
- Sports-field maintenance and other scheduled community services.

3 Contractor Performance

July 2026 performance assessments rated both contracts as “requirements fully met”: Contract 821 scored 70/100 and Contract 831 scored 68/100.

4 Key Performance Measures

Council and South Roads agreed revised, no-cost performance measures in September 2026. Repeated non-compliance will attract increased scoring penalties for up to three months.

5 Contract Management Changes

For Contract 821, Council staff recommend permanently adopting the standard NZS 3917 process and timing for cost fluctuation calculations, without changing the formula or indices. Contract 831 would continue on existing conditions. The existing contract had a specific arrangement that delayed the payment of cost fluctuations and while this was not an issue during ‘normal’ cost escalation it has not fairly reflected the costs of running the contract.

Revised Contract 821 Cost Fluctuation Schedule	
Applied From	Index Quarter Used
1 July	June quarter
1 October	September quarter
1 January	December quarter
1 April	March quarter

6 Strategic Goals and Outcomes

The extensions support Council's outcomes for connected communities, sustainable environments and resilient infrastructure.

7 Assessment of Options

Option	Assessment
Extend both contracts	Recommended. Maintains service continuity and avoids unnecessary procurement and transition costs.
Do not extend	Would require re-tendering and create cost, transition and service disruption risks.

8 Consultation

Council officers and South Roads agreed the revised performance measures in September 2026. No wider consultation is required.

9 Iwi Consultation

No specific iwi consultation requirements have been identified. Existing mana whenua engagement obligations will continue to apply.

10 Policy Considerations

The extensions are consistent with the existing 5 + 5-year contract terms, Council's procurement settings and the Transport Procurement Strategy 2026–2029.

11 Legal Considerations

The existing contracts provide for the extensions. Council approval is sought to confirm authority, with extension documents to record the term, performance measures and revised Contract 821 cost adjustment timing.

12 Financial Impact

No additional funding is expected. Contract 821 will remain within approved Long Term Plan and National Land Transport Programme budgets, and Contract 831 within approved Long Term Plan budgets. Any additional work would require separate approval.

13 References – Tabled/Agenda Attachments

- Contract 821 extension report, file 1051042.
- Contract 831 extension report, file 1051043.
- Performance measures, delegations and relevant contract extracts.



Clutha District Council

INTERNAL MEMO

To: Chief Executive - Steve Hill
From: Operations Manager - Sean Braid
Date: 07/09/2026
Subject: Contract 821 - Roding Network Maintenance Extension
File Reference: 1051042

1. Background

In 2022 Council approved the Contract award for the Roding Network Maintenance Contract 2022/2027, to South Roads Limited for the value of \$36,044,536.19 (excluding GST). The Roding Network Maintenance contract is a 5 + 5-year contract currently in year 5 of the initial term. The New Zealand Transport Agency (NZTA) endorsed Clutha District Council's Transport Procurement Strategy 2026/2029, which contains this Contract and its separable portions of 5 + 5 years. This memo seeks approval to offer South Roads Limited an extension to the Roding Maintenance Contract until 30 June 2032.

2. Description of Contract

The Contract includes:

- Unsealed and sealed roads maintenance
- Cyclic maintenance (potholes, edge break, litter collection)
- Street sweeping and sump cleaning (including State Highways through the district)
- Supply of aggregates for road maintenance
- Mowing and vegetation control in the road reserve
- Drainage maintenance
- Routine bridge maintenance
- Footpath, kerb and channel maintenance
- Traffic facilities maintenance
- Signs and other street furniture maintenance, winter maintenance and temporary traffic management

- Emergency works/incident response
- Maintenance related to weather events (flooding, storms, snow, ice)
- Responding to client, customer and stakeholder queries
- Maintenance of footpaths and passageways
- Maintenance of formed roads and carparks in district parks and reserves, sportsgrounds, cemeteries and public toilets
- Traffic data collection
- Dispatch reporting
- Routine inspections and programming
- Tuapeka Mouth Punt operations and maintenance

The Contract excludes:

- Detailed network inspections, resurfacing major pavement rehabilitation
- Major bridge structure component replacements and full replacements
- Streetlighting
- Road marking

3. Performance

In July 2026 Clutha District Council undertook the New Zealand Transport Agency's Performance Assessment by Coordinated Evaluation (PACE), to assess South Roads performance. On the panel was Sean Braid – Operations Manager and James Allison – Roading Manager. The overall scoring was broken down as follows:

- Under 35% = unsatisfactory
- 36-49% = needs improvement
- 50-59% = acceptable
- 60-70% = requirements fully met
- 71-85% exceeds requirements
- 86-100% = superlative

South Roads scored 70/100 (requirements fully met).

Criteria	Weakness → Strength							Rating
Management (20%)								
Skill Level and Competency	N/A	0	1	2	3	4	5	4 ▼
Risk Management	N/A	0	1	2	3	4	5	3 ▼
Responsiveness	N/A	0	1	2	3	4	5	3 ▼
Quality Assurance	N/A	0	1	2	3	4	5	2 ▼
Production (45%)								
Contractors Programmes	N/A	0	1	2	3	4	5	4 ▼
Ability to Meet Programme	N/A	0	1	2	3	4	5	2 ▼
Achieves the Specified Standard	N/A	0	2	4	6	8	10	6 ▼
Defect Management System	N/A	0	2	4	6	8	10	8 ▼
Achievement	N/A	0	2	4	6	8	10	8 ▼
Network Condition	N/A	0	1	2	3	4	5	4 ▼
Health and Safety (20%)								
Safe Work Practices	N/A	0	2	4	6	8	10	8 ▼
Traffic Management Control	N/A	0	2	4	6	8	10	6 ▼
Administration (15%)								
Financial	N/A	0	1	2	3	4	5	3 ▼
Handling of Variations	N/A	0	1	2	3	4	5	4 ▼
Reporting	N/A	0	1	2	3	4	5	5 ▼
							Total	70
							Out of	100

Table 1 - South Roads PACE Scoring

3.1 New Key Performance Measures

During a contract management review, it was identified that KPM's were not being effectively managed after the decision was made to reduce cost and not continue a subscription-based service that measured results for the current KPM's. The Operations team have created the below KPM's which provide meaningful performance monitoring with no subscription costs. Clutha District Council met with South Roads in September 2026, and agreement was made on the below KPM schedule. The scoring on these KPM's will be multiplied by a factor of 2 for repeated non-compliance up to 3 months.

New KPM#	Name	Performance Measure	Type	Frequency	Target	Weight
Safety						
1	H&S Self-Auditing	The Contractor completed safety audits during the month, in accordance with the Health & Safety (H&S) Plan. "Audits are programmed monthly, and each designated manager is required to complete a minimum of two safety audits or inspections per month, with one being a nominated audit"	Pass/Fail	Monthly	100%	3
2	TTM Compliance	The contractor completed Temporary Traffic Management audits during the month (minimum of 5) with no corrective actions from approved Traffic Management Plan and site specific risk assessments.	Pass/Fail	Monthly	100%	3
3	H&S Investigations Not Delivered	The number of issues identified during the month, from the Contractor Safety Self-Audits and Council Audits shall be investigated and results provided in the monthly report no later than the end of the following month.	Count (no more than)	Monthly	0	3
Management Reporting and Data						
4	Monthly Report Quality	The monthly report is submitted on time and is in the expected format and includes all the specified information.	Pass/Fail	Monthly	100%	1
5	Data Quality Compliance	Percentage of dispatches in RAMM that do not require data to be updated to achieve maintenance cost transfer.	Pass/Fail	Monthly	95%	3
6	Rolling Programme Submitted On Time	The contractor must present and maintain a three-month rolling works programme in RAMM. The programme must be updated by the 20th of each month and clearly show planned works for the upcoming three-month period, how the budget will be allocated across each work category and fault type.	Pass/Fail	Monthly	100%	3
7	Ordered Work Monthly Programme Submitted on Time	The contractor must present and maintain a detailed month works programme in RAMM. The programme must be updated by the 20th of each month.	Pass/Fail	Monthly	100%	3
8	Ordered Work Monthly Programme Achievement	The extent to which the approved monthly programme has been completed by the end of the month. Achievement is expressed as a percentage of number of dispatches completed.	Percentage Target	Monthly	80%	3
9	Ordered Work Monthly Programme Achievement	The extent to which the approved monthly programme has been completed by the end of the month. Achievement is expressed as a percentage of the total financial value of work completed.	Percentage Target	Monthly	80%	3
10	\$-Value Accuracy of Ordered Work Monthly Programme Estimates	The percentage of dispatch quantities, presented for claiming, that don't vary by +/- 15% when compared to their quantities as approved in the programme. (excluding routine works and unjustified variation).	Percentage Target	Monthly	90%	3
11	Approved Ordered Works	Percentage of approved work claimed in relation to total works claimed (excluding routine works).	Percentage Target	Monthly	100%	1
12	Non-Conformance Notice	Non-conformance notice (NCN) issued by the Engineer as a Notice to Contractor. Where the Engineer identifies any work or actions that do not comply with the specified requirements.	Count (no more than)	Monthly	0	3
Quality and Quantity						
13	Ordered Work Quality	The percentage of ordered and emergency work that has been completed and audited during the month and has passed an audit for quality of work, against the requirements set out in the contract.	Percentage Target	Monthly	95%	1
14	Routine Work Quality	The percentage of routine work that has been completed during the month and has passed an audit for quality of work, against the requirements set out in the contract.	Percentage Target	Monthly	95%	1
15	Environmental Compliance	The Contractor completed environmental audits during the month, in accordance with the Environmental Management Plan. 1 Per month per manager working on the contract	Pass/Fail	Monthly	100%	1
Reliability and Responsiveness						
16	RFS Response	The percentage of assigned RFS' that the Contractor has acknowledged within the 2 days working timeframe.	Percentage Target	Monthly	95%	2
17	RFS Close Out	The percentage of the assigned RFS's that the Contractor has carried out investigations, raised dispatch(s) if required and / or completed within the 20 working day timeframe.	Percentage Target	Monthly	95%	2
Bonus Performance Measures						
18	Improvements Delivered	An improvement was recorded in the improvement register and has been accepted by the Council as having created value.	Count (at least)	Monthly	1	-2
19	Contractor Customer Feedback	The Council receives no justifiable negative feedback from customers about South Roads in relationship to Contract 821 Rooding Network Maintenance. This may be written feedback or received via phone or social media.	Count (at least)	Monthly	1	-3
20	Monthly Programme Approved on Time	CDC approves/requests changes/rejects presented programme within 5 working days of submission.	CDC Fail	Monthly	100%	-3

Table 2 – New Key Performance Measures

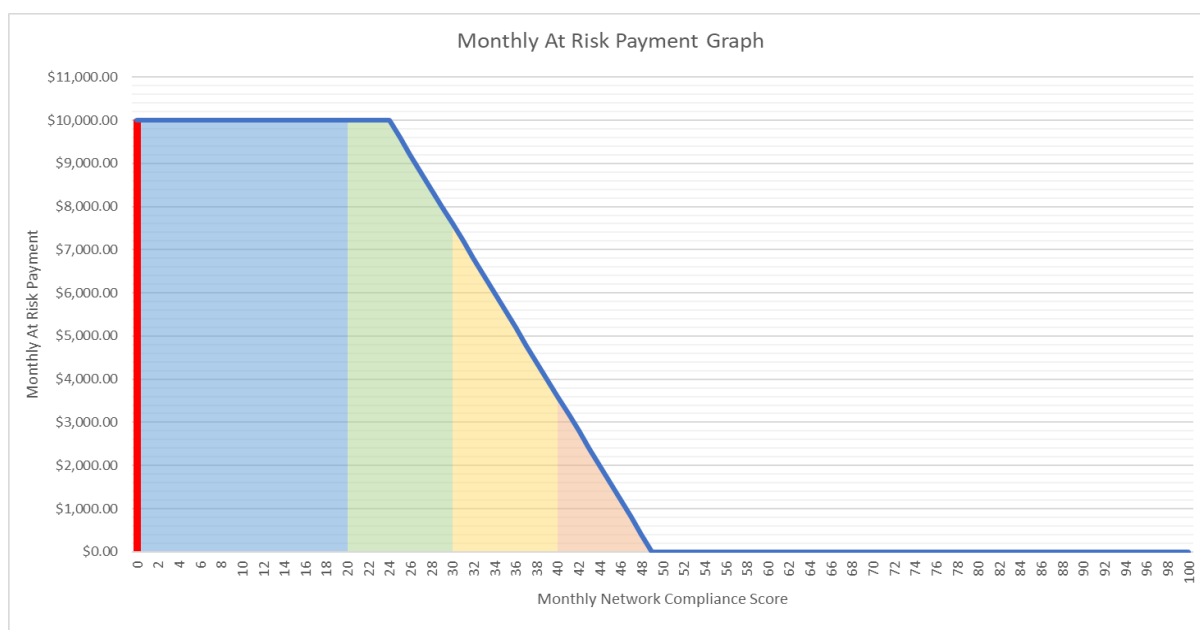


Figure 1 – At Risk Monthly Payment

4. Changes to Contract Management – Cost Fluctuations

On 15 April 2026, South Roads submitted a Notice to Engineer requesting a change to the timing of cost fluctuation adjustments, so the contract would align with Appendix A of NZS 3917:2013. The Clutha District Council approved a temporary change of the timing for when the index quarter is applied. Originally cost fluctuation calculation applied as per Table 3. Table 4 shows the approved change.

This change does not alter the cost fluctuation formula or the applicable indices; rather, it changes the quarter from which the applicable index is taken for the purpose of calculating the cost fluctuation adjustment. The temporary change will remain in effect while the Quarter-on-Quarter Cost Adjustment Factor (CAF) remains above 3% for two consecutive quarters, or until 31 June 2027, whichever occurs first.

As part of the contract extension, we would permanently apply Table 4 for the remainder of the Contract.

Applied From:	Use Index Quarter
1 st August	June Quarter
1 st November	September Quarter
1 st February	December Quarter
1 st May	March Quarter

Table 3 – Original Cost Fluctuations Schedule

Applied From:	Use Index Quarter
1 st July	June Quarter
1 st October	September Quarter
1 st January	December Quarter
1 st April	March Quarter

Table 4 - New Cost Fluctuations Schedule

5. Financial Impact

The proposed 5-year extension is not expected to result in any additional financial impact to Council. The Roding Maintenance programme is funded through the Council's Long Term Plan (LTP) and The New Zealand Agencies National Land Transport Programme (NLTP). Outside of emergency events in principle our work programmes are created in line with the LTP and NLTP approved budgets. The contract extension therefor provides continuity of service without requiring additional funding beyond LTP and NLTP budgets. Part 4A of the contract 'basis of payment' allowed us to effectively match our programme to our allocated budgets as showed by below extracts 5.1 and 5.2. Expenditure under the extended contract will continue to be managed within the approved LTP and NLTP budgets. The Chief Executive has delegated authority to approve award contracts under Table 3 reference D6 within the approved budgets and contract prices, clarification is sought as to whether Council approval is also required for the proposed 5-year contract extension.

Table 1b: Delegations for Expenditure and Procurement – Organisation levels

Ref	Authority to:	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8	Level 9	Level 10
D1	Approve Long Term Plan/Annual Plan budgets										
D2	Authorise any unbudgeted expenditure										
D3	Authorise over expenditure of activity budget	Up to 10%	Within approved, delegated budgets, if net expenditure is not altered								
D4	Initiate contracts	No limit	Within approved, delegated budgets								
D5	Exempt submitting contracts to open tender**	≤\$400,000*	≤\$200,000		≤\$175,000	≤\$40,000					
D6	Award contracts**	>\$400,000	≤\$300,000		≤\$175,000	≤\$40,000					
D7	Confirm price premium using the price/quality method with a >15% price premium or:	Premium ≤\$400,000	Premium ≤\$200,000		Premium ≤\$125,000	Premium ≤\$40,000					
D8	Approve variations to contracts**	≤\$400,000	≤\$250,000		≤\$175,000	≤\$40,000	≤\$35,000				
D9	Authorise contract payments**	No limit within awarded contract price									
D10	Authorise one-off payments within delegated budgets	No limit within budgets	≤\$200,000		≤\$125,000	≤\$40,000	≤\$35,000	≤\$15,000	≤\$8,000	≤\$3,000	≤\$700
D11	Authorise wages & salary payments***	Chief Executive									

* Note: For closed tenders >\$300k NZ Transport Agency (NZTA) must also approve the closed tendering process for financially assisted work.

** Within approved delegated budgets and contract prices (all contract payment certificates require two staff signatures)

*** Finance staff authorise payroll as per approved employment agreements.

Table 3 – Delegations Manual 2025-2028 Expenditure and Procurement

5.1 Contract Extract - Scheduled Quantity

Any quantities given in the Schedule of Prices are provided for the purposes of evaluating tenders and are illustrative only. The Principal has no liability to the Contractor, and the Contractor is not entitled to a Variation, if the actual quantity differs from that given in the Schedules of Prices. Any discrepancies in the unit of measure between the basis of payment in the Specifications and the Schedule of Quantities, the Schedule of Quantities shall take precedence.

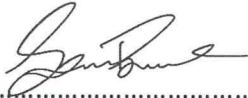
5.2 Contract Extract - No Entitlement to Ordered Works

The Contractor has no guaranteed entitlement to carry out any Ordered Works, and the Contractor's entitlement to carry out Ordered Works will only arise when the Contractor is instructed to carry out the Ordered Works in accordance with the procedures under the Contract. The principal is not responsible for any loss, cost or expense incurred by the Contractor if the quantity of Ordered Works instructed by the Engineer is different from the quantities indicated in the Tender Documents.

Recommendation:

That South Roads Limited is offered a 5 year extension to contract 821 Rooding Network Maintenance Contract until 30th June 2032.

Recommended



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Sean Braid

Operations Manager

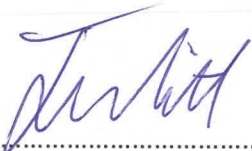
Approval as per Recommendation



.....
Donna McArthur

Group Manager – Infrastructure Strategy & Delivery

Approval as per Recommendation.



.....
Jules Witt

Deputy Chief Executive

Approval for extending the Contract

11/8/26

.....
Steve Hill

Chief Executive

Given the size of the contract
and the nature of the contract put this through
as a late item on Monday with the Mt Coole report
to the Council meeting on 17th September



Clutha District Council

INTERNAL MEMO

To: Chief Executive - Steve Hill
From: Operations Manager - Sean Braid
Date: 07/09/2026
Subject: Contract 831 - Greenspace Maintenance Extension
File Reference: 1051043

1. Background

In 2022 Council approved the Contract award for the Greenspace Maintenance Contract 2022/2027, to South Roads Limited for the value of \$7,423,109.33 (excluding GST). The Greenspace Maintenance contract is a 5 + 5-year contract currently in year 5 of the initial term. This memo seeks approval to offer South Roads Limited an extension to the Greenspace Maintenance Contract until 30 June 2032.

2. Description of Contract

The Contract includes:

- Mowing and weed eating of sportsgrounds, parks, reserves, cemeteries, berms, Council housing units
- Garden maintenance including annual garden beds, perennial garden beds, Elizabeth Street Plaza green wall
- General parks and reserve maintenance such as litter bins (including in road reserve), trees, preventative maintenance, sealed and unsealed pathways
- Preparing gravesites for ash and casket interments, constructing cemetery beams and preventative maintenance
- Public toilets maintenance including routine, extra, and urgent cleaning and maintaining toilet supplies
- Miscellaneous activities including spouting cleans, sports field fertiliser management and application, erect and dismantle Balclutha Christmas tree
- Berm mowing and berm tree maintenance

The Contract excludes:

- Maintenance of formed roads and carparks in District parks and reserves, sportsgrounds, cemeteries, public toilets

3. Performance

In July 2026 Clutha District Council adapted the New Zealand Transport Agency's Performance Assessment by Coordinated Evaluation (PACE) to suit and assess South Roads performance for the Greenspace Maintenance. On the panel was Sean Braid – Operations Manager, James Allison – Roading Manager, Scott Martin – Team Leader Greenspace and Solid Waste. The overall scoring was broken down as follows

- Under 35% = unsatisfactory
- 36-49% = needs improvement
- 50-59% = acceptable
- 60-70% = requirements fully met
- 71-85% exceeds requirements
- 86-100% = superlative

South Roads scored 68/100 (requirements fully met).

Criteria	Weakness → Strength								Rating
Management (20%)									
Skill Level and Competency	N/A	0	1	2	3	4	5	3	?
Risk Management	N/A	0	1	2	3	4	5	4	?
Responsiveness	N/A	0	1	2	3	4	5	3	?
Quality Assurance	N/A	0	1	2	3	4	5	2	?
Production (45%)									
Contractors Programmes	N/A	0	1	2	3	4	5	4	?
Ability to Meet Programme	N/A	0	1	2	3	4	5	4	?
Achieves the Specified Standard	N/A	0	2	4	6	8	10	6	?
Defect Management System	N/A	0	2	4	6	8	10	8	?
Network Condition	N/A	0	1	2	3	4	5	3	?
Health and Safety (20%)									
Safe Work Practices	N/A	0	2	4	6	8	10	8	?
Administration (15%)									
Financial	N/A	0	1	2	3	4	5	3	?
Handling of Variations	N/A	0	1	2	3	4	5	3	?
Reporting	N/A	0	1	2	3	4	5	4	?
Total								55	
Out of								80	

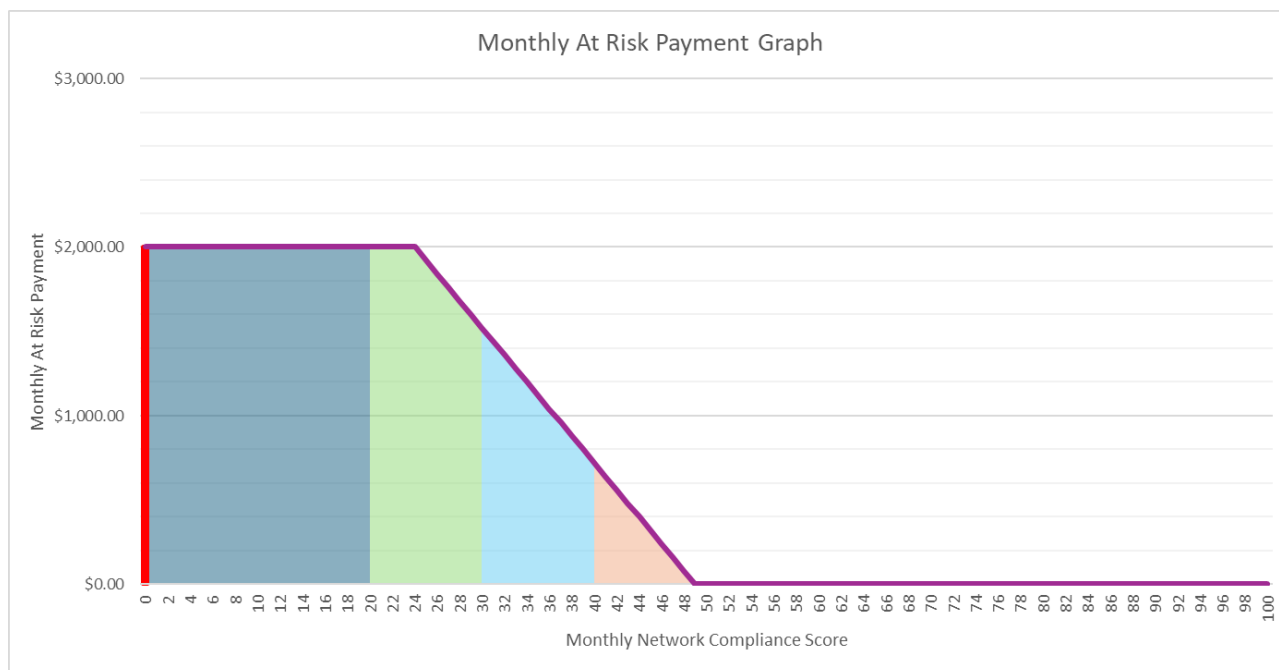
Table 1: South Roads PACE
Scoring

3.1 New Key Performance Measures

During a Contract management review, it was identified that KPM's were not being effectively managed after the decision was made to reduce cost and not continue a subscription-based service that measured results for the current KPM's. The Operations team have created the below KPM's which provide meaningful performance monitoring with no subscription costs. Clutha District Council met with South Roads in September 2026, and agreement was made on the below KPM schedule. The scoring on these KPM's will be multiplied by a factor of 2 for repeated non-compliance up to 3 months.

New KPM#	Name	Performance Measure	Type	Frequency	Target	Weight
Safety						
1	H&S: Self-Auditing	The Contractor completed safety audits during the month, in accordance with the Health & Safety (H&S) Plan. 1 per month per manager working on the contract	Pass/Fail	Monthly	100%	3
2	H&S: Investigations Not Delivered	The number of issues identified during the month, from the Contractor Safety Self-Audits and Council Audits shall be investigated and results provided in the monthly report no later than the end of the following month.	Count (no more than)	Monthly	0	2
Management Reporting and Data						
3	Monthly Report Quality	The monthly report is submitted on time and is in the expected format and includes all the specified information.	Pass/Fail	Monthly	100%	1
4	Management & Reporting Data	Emailed weekly summary of completed work supplied for auditing purposes.	Pass/Fail	Monthly	100%	1
5	\$ Value Accuracy of Ordered Work Monthly Programme Estimates	The percentage of dispatch quantities, presented for claiming, that don't vary by +/- 15% when compared to their quantities as approved in the dispatch. (excluding routine works and unjustified variation).	Percentage Target	Monthly	80%	2
6	Non-Conformance Notice	Non-Conformance Notice (NCN): Issued by the Engineer as a formal Notice to the Contractor where any work, process, or action is found to be non-compliant with the specified requirements.	Count (no more than)	Monthly	0	3
Quality and Quantity						
7	Ordered Work Quality	The percentage of ordered and emergency work that has been completed and audited during the month and has passed an audit for quality of work, against the requirements set out in the contract.	Percentage Target	Monthly	95%	1
8	Routine Work Quality	The percentage of routine work that has been completed during the month and has passed an audit for quality of work, against the requirements set out in the Contract.	Percentage Target	Monthly	95%	1
9	Environmental Compliance	The Contractor completed environmental audits during the month, in accordance with the Environmental Management Plan. Minimum of 1 per month.	Pass/Fail	Monthly	100%	1
10	Environmental Compliance	The number of environmental management non-compliances that have been identified (including notices issued) during the month.	Count (no more than)	Monthly	0	2
11	Customer Satisfaction	No justifiable complaints have been received about performance.	Count (no more than)	Monthly	0	2
12	Turf Management	Turf management: All turfed areas to meet 831 MG01 grass length specifications.(weather and season dependant)	Pass/Fail	Monthly	90%	2
13	Public Toilet	The Contractor has completed toilet cleans during the month, in accordance with the Contact Management Plan Toilet clean programme or as agreed.	Pass/Fail	Monthly	95%	2
14	Greenspace Inspection Achievement	The Contractor completed inspection during the month, in accordance with the Contact Management Plan inspection programme or as agreed.	Percentage Target	Monthly	95%	2
Reliability and Responsiveness						
15	RFS Response	The percentage of assigned RFS' that the Contractor has acknowledged within the 2 working day timeframe.	Percentage Target	Monthly	95%	1
16	RFS Close Out	The percentage of assigned RFS' that the Contractor has carried out investigations, raised dispatch(s) if required and/or completed within the 20 working day timeframe.	Percentage Target	Monthly	95%	2
17	Contactable 24/7	The Contractor is contactable 24/7 for emergency events.	Percentage Target	Monthly	100%	1
Bonus Performance Measures						
18	Improvements Delivered	An improvement was recorded in the improvement register and has been accepted by the Council as having created value.	Count (at least)	Monthly	1	-2
19	Contractor Customer Feedback	Council receives no genuine negative feedback from customers regarding South Roads in relationship to Contract 831 Greenspace Maintenance. This may be written feedback or received via phone or social media.	Count (at least)	Monthly	1	-3

Table 2 – New Key Performance Measures



At Risk Payment for Non-Compliance

4. Changes to Contract Management

There are no changes proposed as part of this contract extension and would be considered a rollover of the existing conditions.

5. Financial Impact

The proposed 5-year extension is not expected to result in any additional financial impact to Council. The Greenspace Maintenance programme is funded through the Council's Long Term Plan (LTP). Outside of emergency events in principle our work programmes are created in line with the LTP approved budgets. Any additional funding would be requested for approval by Council and/or through the annual budget or activity management planning process. The contract extension therefore provides continuity of service and there is no forecasted additional expense beyond LTP budgets. Part 4A of the contract 'basis of payment' allowed us to effectively match our programme to our allocated budgets as shown by below extracts 5.1 and 5.2. Expenditure under the extended contract will continue to be managed within the approved LTP. The Chief Executive has delegated authority to approve award contracts under Table 1B, reference, D6 – within approved delegated budgets, clarification is sought as to whether Council approval is also required for the proposed 5-year contract extension.

5.1 Contract Extract - Scheduled Quantity

Any quantities given in the Schedule of Prices are provided for the purposes of evaluating tenders and are illustrative only. The Principal has no liability to the Contractor, and the Contractor is not entitled to a Variation, if the actual quantity differs from that given in the Schedules of Prices.

Any discrepancies in the unit of measure between the basis of payment in the Specifications and the Schedule of Quantities, the Schedule of Quantities shall take precedence.

Table 1b: Delegations for Expenditure and Procurement – Organisation levels

Ref	Authority to:	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8	Level 9	Level 10
D1	Approve Long Term Plan/Annual Plan budgets										
D2	Authorise any unbudgeted expenditure										
D3	Authorise over expenditure of activity budget	Up to 10%	Within approved, delegated budgets, if net expenditure is not altered								
D4	Initiate contracts	No limit	Within approved, delegated budgets								
D5	Exempt submitting contracts to open tender**	≤\$400,000*	≤\$200,000		≤\$175,000	≤\$40,000					
D6	Award contracts**	>\$400,000	≤\$300,000		≤\$175,000	≤\$40,000					
D7	Confirm price premium using the price/quality method with a >15% price premium or:	Premium ≤\$400,000	Premium ≤\$200,000		Premium ≤\$125,000	Premium ≤\$40,000					
D8	Approve variations to contracts**	≤\$400,000	≤\$250,000		≤\$175,000	≤\$40,000	≤\$35,000				
D9	Authorise contract payments**	No limit within awarded contract price									
D10	Authorise one-off payments within delegated budgets	No limit within budgets	≤\$200,000		≤\$125,000	≤\$40,000	≤\$35,000	≤\$15,000	≤\$8,000	≤\$3,000	≤\$700
D11	Authorise wages & salary payments***	Chief Executive									

* Note: For closed tenders >\$300k NZ Transport Agency (NZTA) must also approve the closed tendering process for financially assisted work.

** Within approved delegated budgets and contract prices (all contract payment certificates require two staff signatures)

*** Finance staff authorise payroll as per approved employment agreements.

Table 5 – Delegations Manual 2025-2028 Expenditure and Procurement

5.2 Contract Extract - No Entitlement to Ordered Works

The Contractor has no guaranteed entitlement to carry out any Ordered Works, and the Contractor's entitlement to carry out Ordered Works will only arise when the Contractor is instructed to carry out the Ordered Works in accordance with the procedures under the Contract.

The principal is not responsible for any loss, cost or expense incurred by the Contractor if the quantity of Ordered Works instructed by the Engineer is different from the quantities indicated in the Tender Documents.

Recommendation:

That South Roads Limited is offered a 5-year extension to Contract 831 Greenspace Maintenance Contract until 30 June 2032.

Recommended



.....
Sean Braid
Operations Manager

Date: 11.9.26

Approval as per Recommendation



.....
Donna McArthur
Group Manager - Infrastructure Strategy & Delivery

Date: 11.9.26

Approval as per Recommendation



.....
Jules Witt
Deputy Chief Executive

Date: 11-9-26

Approval for extending the Contract

.....
Steve Hill
Chief Executive

Date:

Given the size of the contract
and the nature of the contract put this through
as a late item on Monday ✓ with the Mt Loos report.
 to the Council meeting on 17th September.