

Appendix H Definition of terms

The term ...	Is defined as ...
Aggregation	This term can apply to coordination of demand or aggregation of supply. 'Aggregating demand' means a purchaser (or group of purchasers) coordinating their procurement of the same or similar goods and services.
Alternative proposal	An alternative proposal offers an output that is different to that specified in detail within the RFP. However, the output offered is within the scope and meets the requirements of the RFP.
Added value premium	The amount more that the approved organisation is prepared to pay for the output offered by an alternative proposal.
Approved organisation	Approved organisation means a regional council, a territorial authority, the Department of Conservation, the Waitangi National Trust Board, the Auckland Regional Transport Authority and any other approved public organisation within the scope of the Land Transport Management Act 2003.
Bundling	The grouping together of different but related goods or services. Bundling, as a concept, is related to aggregation.
Conforming proposal	A conforming proposal is one that is within the scope of the RFP and meets requirements of the RFP.
Delivery model	The form of the relationship established between the purchaser and the supplier(s) to purchase the outputs required to deliver an activity.
Expression of interest (EOI)	Generally used to request information from suppliers that may be used to identify potential suppliers before seeking proposals. Information sought is usually high-level and specific.
Gross contract	A public transport service contract in which the supplier takes no risk for passenger fare revenue, proposing a price based on the full cost of the service, with the approved organisation receiving the passenger revenue and all the risks and benefits of patronage fluctuations.
Indexation	A method used to adjust contract payments for input price fluctuations.
Net contract	A public transport service contract in which the supplier takes the risk for passenger fares, offering a price based on the difference between the supplier's costs and the supplier's fare revenue estimate, with the supplier retaining the fare revenue.
Novation	The substitution of a new contract for one already existing. This can occur under a design and build delivery model where the contract between the designer and the purchaser is handed over to the constructor once design has reached a certain stage. The designer then completes the detailed design for the constructor.
Physical works	Maintenance, operation, renewal, improvement and construction of new land transport infrastructure.
Professional services	Professional services include services typically provided by consulting engineers, planners, public transport planners, surveyors and other professionals. Professional services contribute to the delivery of approved activities and include strategy or policy development, planning, investigation and design services, and the supervision of works or services contracts. Refer to the NZTA's <i>Planning, programming and funding manual</i> , chapter F14.
Public transport services	Public transport services include the purchase of new or upgraded contracted public transport services that form part of the agreed service-level provision.
Request for information (RFI)	A formal request to the market for information only. It is not a request for proposals. The information received may be used to help develop later stages of the supplier selection process or to shortlist potential suppliers.
Request for proposal (RFP)	A formal means of seeking proposals from the market for the supply of outputs.

Appendix H Definition of terms continued

The term ...	Is defined as ...
Public transport fare subsidy schemes	Public transport fare subsidy schemes include any schemes where eligible passengers pay a fare that is less than non-eligible passengers. The concessionary fare schemes, the Total Mobility scheme and the SuperGold Card's free off-peak travel are examples of subsidised fare schemes.
Supplier selection method	The process by which proposals from supplier(s) are evaluated and a preferred supplier(s) selected.
Supplier quality premium	The amount more that the approved organisation is prepared to pay for a higher-quality supplier.
Term service contract	A contract for the provision of goods or services for a defined period of time.