



**MINISTRY OF SOCIAL  
DEVELOPMENT**  
TE MANATŪ WHAKAHIATO ORA



**THE TREASURY**  
Kaitohutohu Kaupapa Rawa



**Inland Revenue**  
Te Tari Taake



**MINISTRY OF BUSINESS,  
INNOVATION & EMPLOYMENT**  
HĪKINA WHAKATUTUKI



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**MSD Procurement Solutions Team**

**Evaluation and Recommendation  
Report**

**COVID-19 Wage Subsidy Scheme  
evaluation:  
Process component**

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**Procurement Lead:**

**Out of scope**

**Procurement Number:**

21.274.01

**Submission Date:**

Thursday, 7 October 2021

## Table of Contents





1.	Project Team Endorsement.....	3
	Voting Members .....	3
	Non-Voting .....	3
2.	Report Approval and Endorsement .....	4
	Business and Procurement Endorsement .....	4
	Procurement Board .....	5
3.	Summary of Recommendation .....	6
	Evaluation Team Recommendation .....	6
4.	Procurement Overview.....	6
	Background .....	6
	Process Evaluation Purpose and Objectives .....	6
	Process and Outcome Components .....	7
5.	Procurement Process and Outcome .....	7
6.	Procurement Plan process alignment .....	8
7.	Conflict of Interest and Guidelines documents .....	9
	Conflict of Interest.....	9
	Evaluation Guidelines.....	9
8.	Scoring Scale .....	9
9.	Evaluation Criteria and Results .....	10
	Automatic Acceptance.....	10
	Preconditions/Pre-requisites.....	10
	Evaluation Criteria and Weightings .....	10
	Evaluation Results .....	12
10.	Reasoning for Recommendation .....	14
11.	Evaluation Panel's Assessment Comments.....	14
	s 9(2)(b)(ii) .....	14
	.....	19
12.	Contract .....	23
	Whole of life costs of the contract opportunity .....	23
	Contract and Term.....	23
	Contract delivery .....	23
13.	Next Steps .....	23
14.	Appendix A – Supporting Information .....	24
	Procurement Documentation .....	24






## 1. Project Team Endorsement

The project team listed below all agree with the contents of this document and endorse the recommendation.

### Voting Members

Name	Title	Signature	Date
Out of scope	Contractor, Research and Evaluation, MSD	 Out of scope Endorse Recommen*	7 October 2021
	Principal Analyst, Evidence & Insights, MBIE	 Out of scope Endorse Recommen*	7 October 2021
	Intelligence and Insights Specialist, Customer Insights and Evaluation, Inland Revenue	 Out of scope Endorse Recommen*	7 October 2021
	Senior Analyst Research & Evaluation, MSD	 Out of scope Endorse Recommen*	7 October 2021

### Non-Voting


Name	Title	Signature	Date
Out of scope	Senior Analyst, Research and Evaluation, MSD	 Out of scope Endorse Recommen*	7 October 2021
	Procurement Advisor, MSD	 Out of scope Endorse Recommen*	7 October 2021
	Procurement Graduate Advisor, MSD	 Out of scope Endorse Recommen*	7 October 2021


\*Please note – As this is a cross-agency procurement and access to e-signing is restricted, the Evaluation Team's signatures have been collected via email and attached to this report.


## 2. Report Approval and Endorsement

### Business and Procurement Endorsement

These signatures should be completed before the report is submitted and **MUST** be completed and provided to the Procurement Board Administrator **at least 24 hours before the Procurement Board meeting.**

Procurement	
<b>Approval</b>	Procurement endorses, approves and accepts this document and the recommendation.
<b>Name:</b>	Out of scope
<b>Position/title:</b>	<b>Manager Procurement Practice, MSD</b>
<b>Signature:</b>	<b>Date:</b> 7 October 2021
	 Out of scope Approval on Evaluat

Sponsor/Business Owner	
<b>Approval</b>	I approve and accept this document and the recommendation.
<b>Name:</b>	<b>Rachel Skeates-Millar</b>
<b>Position/title:</b>	<b>General Manager Research and Evaluation, MSD</b>
<b>Signature:</b>	<b>Date:</b> 7 October 2021
	 Rachel's Signature.docx.pdf

Sponsor/Business Owner	
<b>Approval</b>	I approve and accept this document and the recommendation.
<b>Name:</b>	<b>Rob Hodgson</b>
<b>Position/title:</b>	<b>Group General Manager Insights, MSD</b>
<b>Signature:</b>	<b>Date:</b> 7 October 2021
	



Holder of delegated financial authority endorsement	
Budget type/code:	128200
Name:	Nic Blakeley
Position / title:	DCE Strategy and Insights, MSD
Signature:	
Date:	11/10/21

### Procurement Board

Chair (or delegate)	
Endorsement	The Procurement Board endorses this evaluation and recommendation report.
Name:	Melissa Gill
Position/title:	DCE Organisational Assurance and Communication, MSD
Signature:	Date:

### 3. Summary of Recommendation

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#### Evaluation Team Recommendation

The Evaluation Team recommends the engagement of Martin, Jenkins & Associates Limited (MartinJenkins) to provide their evaluation services for the process evaluation of the COVID-19 Wage Subsidy Scheme (WSS). These services are proposed at a maximum of \$300,000 (subject to negotiations) over a ten-month period (contract starting by November 2021 and ending July 2022).

This form seeks:

- **Authorisation** for the Procurement Advisor to inform all Respondents of the results of the procurement process; and
- **Approval** to engage MartinJenkins using the contract engagement process covered in [Section 12](#) to provide the required process evaluation services for the COVID-19 WSS.

This form records the approval and acceptance of the Recommendation.

### 4. Procurement Overview

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#### Background

In May 2021, the Office of the Auditor General released an audit of the management of the Wage Subsidy Scheme (WSS).<sup>1</sup> The audit recommended that the Ministry of Social Development (MSD), Inland Revenue (IR), Ministry of Business, Innovation and Employment (MBIE), and the Treasury carry out timely evaluation of the development, operation, and impact of the WSS to inform preparation for future crisis-support schemes.

The evaluation is being co-ordinated by MSD in partnership with IR, MBIE and the Treasury via cross-agency Working and Steering Groups.

#### Process Evaluation Purpose and Objectives

The overall purpose of the evaluation is to understand the development, operation, and wider effects of the WSS to inform future policy responses aimed at maintaining employment attachment and economic activity in any future crisis situations.

The primary objectives of the evaluation are to:

- understand how well the WSS was designed and implemented over time,
- identify the extent to which the intended outcomes of the WSS were achieved in the short and medium-term for recipient employers, the self-employed, and employees, and
- identify the lessons for policy design and delivery of future support schemes responding to economic crises.

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<sup>1</sup> <https://oag.parliament.nz/2021/wage-subsidy/overview.htm>

The evaluation purpose, objectives and key evaluation questions were approved by the cross-agency Steering Group.

## Process and Outcome Components

The evaluation will consist of two components - a process component (this document) and an outcome component. The two components are being procured at the same time and will run concurrently.<sup>2</sup>

Government has approved up to \$1 million from the COVID-19 Response and Recovery Fund (CRRF) to undertake the evaluation of the WSS.<sup>3</sup> Up to \$300K is available for the process evaluation, and up to \$450K for the outcome evaluation.

The suppliers for the process and outcome components are required to work collaboratively to ensure the success of the evaluation and usefulness of its findings.

## 5. Procurement Process and Outcome

- The All-of-Government Consultancy Services Panel was utilised, with a shortlisted of seventeen providers, as shown below.

1. s 9(2)(b)(ii)

2.

3.

4.

5.

6.

7.

8.

9. MartinJenkins

10. s 9(2)(b)(ii)

11.

12.

13. Motu: Economic and Public Policy Research Trust

14. s 9(2)(b)(ii)

15.

16.

17.

- Two of the seventeen providers s 9(2)(b)(ii) registered their interest via an Advance Notice and were sent a copy of our Requirements. Both providers submitted a proposal before the closing deadline.

<sup>2</sup> The process evaluation is required to be completed by end July 2022. The outcome evaluation is required to be completed by December 2022.

<sup>3</sup> <https://www.treasury.govt.nz/sites/default/files/2021-05/cabinet-minute-cab-21-sub-0043-wage-subsidy.pdf>

## 6. Procurement Plan process alignment

Confirm that an appropriate approach was followed, which was aligned to New Zealand Government Procurement Rules:

**Confirmed**

**Not confirmed**

Confirm a Procurement Plan (depicted in [Appendix A](#)) was completed and approved by the Procurement Board:

**Confirmed**

**Not confirmed**

Confirm the Procurement process was exactly as stated in the Procurement Plan (including any updated Procurement Plans) approved by the Procurement Board:

**Confirmed**

**Not confirmed**

Why were the changes made without prior approval by the Procurement Board? List each of the changes and why were they changed

Change	Why
1) Change to the rating scale	<ul style="list-style-type: none"> <li>As this is a cross-agency procurement with members from IR and MBIE, the Evaluation Team preferred the standard rating scale on the New Zealand Government Procurement templates (depicted in Section 7).</li> </ul>
2) Change to Evaluation Team members	<ul style="list-style-type: none"> <li>Two of the Panel Members mentioned in the Procurement Plan (ie <b>Out of scope</b> from MSD and <b>Out of scope</b> from the Treasury) were unable to commit to the procurement due to capacity restraints.</li> </ul>
3) Confirmation to Evaluation Team member	<ul style="list-style-type: none"> <li><b>Out of scope</b> Senior Analyst in the Research &amp; Evaluation at MSD, was confirmed as the subject matter expert for Kaupapa Māori.</li> </ul>
4) Change to shortlisted providers	<ul style="list-style-type: none"> <li>The shortlisted providers for the outcome evaluation (ie s 9(2)(b)(ii) [redacted] s 9(2)(b)(ii) [redacted] were sent an Advance Notice for the process evaluation and invited to submit a bid/joint bid to increase the likelihood of finding a supplier with the required capability and capacity.</li> </ul>



## 7. Conflict of Interest and Guidelines documents

### Conflict of Interest

All Evaluation Team members, Tender writers and Procurement advisors completed Conflict of Interest & Confidentiality documents.

### Evaluation Guidelines

The Evaluation Team received and read Evaluation Guidelines, and Evaluation Instructions. These included guidance on: Procurement Ethics, Conflicts of Interest, Confidentiality, and Information Security. The Instructions also outlined the Evaluation Methods and Criteria.

## 8. Scoring Scale

The weighted service Evaluation Criteria scores were allocated using an eleven-point scale (0 to 10), with an allowance for clarification as shown in the table below.

Rating	Definition	Score
<b>EXCELLENT</b>	Respondent demonstrates exceptional ability, understanding, experience and skills. The Proposal identifies factors that will offer potential added value, with supporting evidence.	<b>9-10</b>
<b>GOOD</b>	Respondent demonstrates above average ability, understanding, experience and skills. The Proposal identifies minor additional benefits, with supporting evidence.	<b>7-8</b>
<b>ACCEPTABLE</b>	Respondent demonstrates the ability to meet the criteria, with supporting evidence.	<b>5-6</b>
<b>RESERVATIONS</b>	Satisfies only a minimum of the criteria but not all. Reservations about the Respondent to adequately meet the criteria. Little supporting evidence.	<b>3-4</b>
<b>SERIOUS RESERVATIONS</b>	Extremely limited or no supporting evidence to meet the criteria. Minimum effort made to meet the criteria.	<b>1-2</b>
<b>UNACCEPTABLE</b>	Does not comply or meet the criteria at all. Insufficient information to demonstrate the criteria.	<b>0</b>

## 9. Evaluation Criteria and Results

### Automatic Acceptance

Each supplier must meet the all the following pre-conditions before its bid will be considered for evaluation on its merits.

#### Responding to this Procurement process is automatic acceptance of the following:

- MSD reserves the right to approach individual suppliers that have submitted a bid for the process and/or outcome components to request they partner with one or more other suppliers that have submitted a bid.
- Willingness to work in close collaboration with the outcome supplier to ensure the coherence and quality of the evaluation.
- A final reporting date of 31 July 2022.

### Preconditions/Pre-requisites

#### Before responding to this process, the supplier member must be able to meet ALL of the following criteria

- The supplier must have the ability to effectively engage with Māori.
- Membership of appropriate professional organisations.
- Capability and capacity to start the engagement by November 2021 and have it completed by end of July 2022.

### Evaluation Criteria and Weightings

Criterion	Weighting
<b>1. Proposed evaluation approach: fit for purpose</b>	<b>500</b>
1.1 Demonstrated a good understanding of the requirements in their proposed approach to providing process evaluation services that will enable the evaluation questions to be answered with robust evidence.	300
1.2 The proposed approach reflects knowledge and experience in developing intervention logics and evaluation rubrics for complex evaluands, and analysing evidence against rubrics to draw defensible evaluative conclusions/judgements.	100
1.3 Demonstrates a sound approach to identifying and managing risks.	100
<b>2. Capability of the supplier to deliver</b>	<b>400</b>



2.1	Demonstrated experience and knowledge required for engaging with Māori and addressing their economic and social aspirations.	100
2.2	Evidence of suitably qualified and experienced evaluation principals and staff to design, conduct, analyse and interpret mixed method data.	100
2.3	Evidence that the supplier has access to expertise in the specialist knowledge areas identified.	100
2.4	Evidence that the supplier has worked in close collaboration with another supplier/s on an evaluation.	100
<b>3. Capacity of the supplier to deliver</b>		<b>100</b>
3.1	Track record in project managing and delivering large, complex public sector evaluations within tight timeframes and to budget.	100
<b>4. Price, Broader Outcomes, and Public Value</b> <a href="https://www.procurement.govt.nz/broader-outcomes/">https://www.procurement.govt.nz/broader-outcomes/</a>		<b>N/A</b>
4.1	Demonstration of supporting New Zealand Government's broader social, cultural, economic and/or environmental outcomes.	For Consideration
4.2	Pricing, including the pricing model and estimated total cost over whole-of-life.	For Consideration
<b>Total weightings</b>		<b>1000</b>



## Evaluation Results

The Tables and Graph below demonstrate the Evaluation Team's combined results by stage.

FINAL WEIGHTED SCORES FROM PANEL		s 9(2)(b)(ii)			
Criterion	Quality Evaluation	Moderated Score (0-10)	Weighted Score (100)	Moderated Score (0-10)	Weighted Score (100)
	<b>1. Proposed evaluation approach: fit for purpose</b>				
300	1.1 Demonstrated a good understanding of the requirements in their proposed approach to providing process evaluation services that will enable the evaluation questions to be answered with robust evidence.				
100	1.2 The proposed approach reflects knowledge and experience in developing intervention logics and evaluation rubrics for complex evaluands, and analysing evidence against rubrics to draw defensible evaluative conclusions/judgements.				
100	1.3 Demonstrates a sound approach to identifying and managing risks.				
	<b>2. Capability of the supplier to deliver</b>				
100	2.1 Demonstrated experience and knowledge required for engaging with Māori and addressing their economic and social aspirations.				
100	2.2 Evidence of suitably qualified and experienced evaluation principals and staff to design, conduct, analyse and interpret mixed method data.				
100	2.3 Evidence that the supplier has access to expertise in the specialist knowledge areas identified.				
100	2.4 Evidence that the supplier has worked in close collaboration with another supplier/s on an evaluation.				
	<b>3. Capacity of the supplier to deliver</b>				
100	3.1 Track record in project managing and delivering large, complex public sector evaluations within tight timeframes and to budget.				
	<b>Overall Score</b>				
	<b>Ranking</b>				

Pictorial View of Evaluation Results




## 10. Reasoning for Recommendation

The Evaluation Team recommends that s 9(2)(b)(ii) should be engaged to undertake the process evaluation component of the COVID-19 Wage Subsidy Scheme (WSS).

s 9(2)(b)(ii) has been selected for the following reasons:


s 9(2)(b)(ii)



## 11. Evaluation Panel's Assessment Comments

Key comments around the strengths, weaknesses, and development areas of each response were discussed in the evaluation meeting.

s 9(2)(b)(ii)





s 9(2)(b)(ii)

RELEASSED UNDER THE  
OFFICIAL INFORMATION ACT



s 9(2)(b)(ii)

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT





s 9(2)(b)(ii)

RELEASSED UNDER THE  
OFFICIAL INFORMATION ACT



s 9(2)(b)(ii)



RELEASED UNDER THE  
OFFICIAL INFORMATION ACT



s 9(2)(b)(ii)

RELEASSED UNDER THE  
OFFICIAL INFORMATION ACT



s 9(2)(b)(ii)



RELEASED UNDER THE  
OFFICIAL INFORMATION ACT



s 9(2)(b)(ii)

RELEASSED UNDER THE  
OFFICIAL INFORMATION ACT



s 9(2)(b)(ii)



RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

s 9(2)(b)(ii)

## 12. Contract

### Whole of life costs of the contract opportunity

The estimated whole of life cost of this contract opportunity is a maximum of \$300,000 (ex GST) over the life of the project.

### Contract and Term

Contract and term recommended respondent will be offered:

<b>Term:</b>	Ten months
<b>Number of Renewals:</b>	1
<b>Length of renewals:</b>	Ten Months (under unforeseen circumstances)

If different from Procurement plan? Explain why

N/A

### Contract delivery

The person responsibility for managing the contract delivery and complete a contract and relationship management plan.

Out of scope Senior Analyst, Research and Evaluation, MSD

## 13. Next Steps






The next steps are to:

- Procurement Board to endorse and approve the recommendations in this this document.
- Procurement & Project Lead to contact s 9(2)(b)(ii) to inform them they are the preferred agency and proceed to negotiations.
- Procurement & Project Lead to contact s 9(2)(b)(ii) to inform them they have not been successful and offer them the opportunity for a debrief.



## 14. Appendix A – Supporting Information

### Procurement Documentation

<b>Signed Procurement Plan</b>	 Procurement Plan - Wage Subsidy Schem
<b>Requirements document</b>	 Panel Selection Requirements - Proc
<b>Pre-moderation spreadsheet</b>	 Moderation Spreadsheet - Before
<b>Post-moderation spreadsheet</b>	 Moderation Spreadsheet - After
<b>Supplier Clarifications</b>	 s 9(2)(b) Response to the Cla