

Ministry of Transport

**EXPRESSION OF INTEREST**

**FOR**

Vehicle Scrappage Project

# **1. INTRODUCTION**

## **1.1. Background of the Ministry of Transport**

As the government's principal transport policy adviser, the Ministry of Transport (MoT) both leads and generates policy. The government's New Zealand Transport Strategy (NZTS) provides the framework within which transport policy is developed.

MoT provides leadership and facilitation, and ensures co-operation and collaboration takes place within the transport sector. Because of the nature of the sector, this entails working closely with local government, business and community groups and other stakeholders on certain transport issues.

MoT acts as the Minister of Transport's agent for managing the interface with the transport Crown entities: the New Zealand Transport Authority (formerly Transit New Zealand and Land Transport New Zealand), Maritime New Zealand, Road Safety Trust, Transport Accident Investigation Commission, and the Civil Aviation Authority (including the Aviation Security Service). As the Minister's agent, MoT also provides advice within the government on a range of transport matters.

## **1.2. Background on MoT involvement with scrappage projects**

MoT, in conjunction with the Auckland Regional Council (ARC), Auckland Regional Transport Authority (ARTA) and the Broken Car Collection Company (BCCC), ran a trial vehicle-scrappage scheme in Auckland during the period 14 May to 30 June 2007. The project was intended to provide vehicle owners with an incentive to trade in their vehicles that were nearing the end of their useful economic lives.

Those targeted for the trial were owners of vehicles that were likely to fail or had just failed a Warrant of Fitness inspection.

Under the trial scheme members of the public were offered two months' free passage on all of Auckland's bus and train services in return for handing in their vehicles.

## **1.3. Purpose of this scrappage project**

MoT, together with the NZ Transport Agency (NZTA), have commenced work on a second trial scrappage project which will follow on from the successful Auckland pilot scrappage scheme, and will be run in Wellington and Christchurch.

The main objective of this project is to ascertain if incentives work to encourage people to scrap their vehicle when it gets to the end of its economic/working life - earlier than they would otherwise. Additionally, the project will generate data to enable more effective analysis of the tail end of the fleet, remove older vehicles, which are generally less safe and more polluting, from the road, and enable the development of policy and options surrounding a potential long-term programme for vehicle scrappage.

## **1.4. Purpose of this Expression of Interest process**

The purpose of this Expression of Interest (EOI) process is to invite interested parties to express their interest in entering into an arrangement with MoT for the duration of the project.

## **2. SCOPE OF THE PROJECT**

### **2.1. *Included in the scope of the project***

The trial scrappage scheme will:

- Run for 4 weeks or until 150 vehicles have been scrapped (in each city), whichever eventuates first.
- Target vehicles that were likely to fail, or have just failed, a Warrant of Fitness (WoF) inspection (but are no more than two months outside of WoF). Vehicles must be operational – vehicles which have been written off in an accident and are unable to be driven do not come under the scope for this project.
- Incentivise owners of these vehicles to retire them from the fleet by running a marketing campaign for the duration of the scheme offering public transport vouchers, together with other incentives, in exchange for individuals handing in their vehicles.
- Require a questionnaire to be completed by each individual scrapping a vehicle under the scheme (questionnaire provided by MoT).
- Include photographic evidence of each vehicle, including the vehicle with number-plates still attached and the VIN number.
- Ensure each vehicle scrapped under the scheme is emission tested.
- Encourage every person scrapping a vehicle to de-register it.
- Involve data analysis following completion of the scheme.
- Include a written report on the findings of the scheme.

### **2.2. *The Services (minimum specification)***

The party entering into an arrangement with MoT will:

- Have recycling practices that are environmentally responsible.
- Recycle and re-use vehicle materials and not on-sell entire vehicles scrapped under the scheme.
- Provide weekly progress updates to MoT during the scheme.
- Ensure the vehicles are still in running order and have a current Warrant of Fitness, or one that had expired less than two months prior to the vehicle being scrapped.
- Present individuals with the provided incentive (actual incentive TBC).
- Document information for MoT by ensuring the provided questionnaire is completed by each individual scrapping a vehicle under the scheme.
- Take a minimum of three digital photographs of every vehicle scrapped under the scheme. The first two of the vehicle from front and back with plates attached, and the third of the VIN number. Additionally, if possible, a fourth photograph of the underside of the vehicle to show whether an exhaust catalyst is present.
- Ensure the vehicles are emissions tested and a visual safety inspection undertaken (by Vehicle Testing New Zealand) and documented prior to the vehicle being dismantled (MoT to contract VTNZ to undertake testing on a day that is mutually suitable to scrap dealer and VTNZ).
- Provide all of the above information to MoT by the end of the scheme period.

### **2.3. Timetable**

The timetable for this EOI process is:

<b>Activity</b>	<b>Date</b>
EOI deadline	6 April 2009
EOI evaluation	8 April 2009
Respondents notified of outcome	9 April 2009

This timetable is indicative only, and is subject to change at the complete discretion of MoT.

## **3. RESPONSES**

### **3.1 Contents**

You must specify in your response all the matters listed in the attached form. However, you may add extra information at the end of your response.

### **3.2 Providing your response to MoT**

You must provide one hard copy of your response:

- Addressed to:  
Marcia Oliver  
Ministry of Transport  
Level 6, 89 The Terrace  
Wellington, New Zealand;
- Clearly marked as a "Response to Scrappage Project"; and
- By 5.00pm on Monday 6 April 2009 (the "EOI deadline").

MoT will acknowledge receiving your response.

You may amend or withdraw your response before the EOI deadline by notice in writing to MoT.

MoT may, at its complete discretion, not consider a response received after the EOI deadline.

## **4. ADDITIONAL INFORMATION AND USE OF INFORMATION**

### **4.1 Obtaining further information**

All your communications with MoT in relation to your response must be with Marcia Oliver (the "Ministry's Authorised Representative").

Marcia's contact details are:

Phone: (04) 439 9382  
Facsimile: (04) 439 9003  
Email: M.Oliver@transport.govt.nz

You may submit written questions to clarify identified issues relating to the EOI up to and including 5.00pm on 6 April 2009. Any communication with you that provides information that is applicable to all those providing responses, and is not in this EOI, may be notified to others from whom MoT may receive, or have received, a response.

MoT may require you to:

- provide further information, or verification, in relation to your EOI;

## **5. PROJECT PARTNERS**

The Ministry of Transport  
New Zealand Transport Authority

Relevant City and Regional Councils will also be involved in the project.

## **6. TERMS AND CONDITIONS OF EOI**

### ***6.1. Use and disclosure of information***

The information in this document must not, without MoT's prior written consent, be used except to prepare a response.

MoT must not, without a respondent's prior written consent, use their response, the information in it or any further information provided in relation to that response, except to assess that response. This is subject to MoT's obligations under the Official Information Act 1982.

### ***6.2. Response evaluation***

MoT will evaluate responses using such criteria as it considers, in its complete discretion, appropriate. The criteria may include, but will not necessarily be limited to, the criteria set out above in the project scope and minimum specification. The criteria will not necessarily be given equal weighting.

MoT may, at its complete discretion, not consider a response that does not comply with the minimum specification. It will advise the respondent if it does not propose considering a response for this reason.

MoT reserves the right to request information from any relevant company, organisation or person in the course of evaluating their EOI.

### ***6.3. Indicative evaluation criteria***

MoT, at its discretion, may take account of factors such as:

- The respondent's organisational ability to carry out all the services detailed in the project scope;
- The respondent's proven track record in delivering scrapping services that are suitable from both a safety and an environmentally responsible aspect;
- Agreement to comply with the terms and conditions set out in this EOI document; and
- Any other criteria that MoT considers relevant.

#### **6.4. Clarification of responses**

Respondents may be asked to clarify aspects of, or revise, their response, or provide additional information during the process. These requests will require a response within the time specified in the written request from MoT's Authorised Representative. Failure to respond to such a request within the stated timeframe may result in the exclusion of the respondent's EOI from further consideration.

#### **6.5. Communication of outcome**

All respondents will be notified in writing of the outcome of this EOI process.

#### **6.6. Short listing and negotiation**

Following the EOI deadline and evaluation of responses received, MoT will:

- Notify the preferred respondent of their status and the expected timeframe for negotiations; and
- Notify all other respondents either that:
  - Their EOI has been unsuccessful; or
  - They have been shortlisted but not preferred at this stage, and will be asked to confirm that their EOI remains open for the period of the negotiation.

Should negotiations between MoT and the preferred respondent be unsuccessful, then MoT reserves the right to re-evaluate the other shortlisted respondents.

MoT is not bound to shortlist and negotiate with any respondent.

#### **6.7. Preferred respondent**

Should a respondent be informed that they are a preferred respondent, such advice does not:

- Constitute an acceptance by MoT;
- Constitute a partnership with MoT; nor
- Imply or create an obligation on MoT to enter into negotiations with or enter an arrangement with the respondent.

MoT reserves the right to discontinue negotiations at any time.

#### **6.8. No liability**

MoT is not liable (whether in contract, tort or otherwise) for any liability, loss (including a direct, indirect or consequential loss), cost or expense arising out of the EOI process or from the preparation of a response.

#### **6.9. Changing or cancelling the EOI process**

MoT may:

- change, cancel or suspend the EOI process; and/or
- change the terms and conditions for providing a response (as set out in this document).

It will notify respondents if it does so.

#### **6.10. Rights reserved by MoT**

MoT reserves the right to:

- Reject all expressions of interest and not proceed;

- Waive any irregularities or informalities in this process;
- Issue an new EOI document with modified descriptions of requirements;
- Deal separately with any of the elements of the services, unless the relevant EOI response specifically states that those elements must be taken collectively;
- Enter into discussions and/or negotiations with any one or more respondents relating to matters dealt with in this document;
- Not to proceed to evaluation of expressions of interest;
- Limit or extend the list of potential respondents beyond those who respond to this invitation;
- Liaise, negotiate or contract with any respondent or other person at any time without disclosing this to, or involving or doing the same with, any other respondent or person (whether before, during or after this EOI process);
- Seek clarification of any aspect or information provided in an EOI response, or seek further information from any party; and
- Consider, accept or reject any response received after the EOI deadline.

#### ***6.11. No obligation to discuss***

Nothing contained or implied in this document shall oblige MoT to discuss, justify or give reasons for any of its decisions or actions relating to this document or any response.

#### ***6.12. MoT's liability for information disclosed***

While MoT endeavours to supply correct information, it disclaims, to the extent allowed by law, any liability (in contract and in tort, including negligence) to any respondent or other person if they rely on any information provided by MoT in relation to this document.

Those submitting EOI responses will be considered to have:

- Examined this document and all documents referenced (if any);
- Considered all the risks, contingencies and other circumstances that may have an effect on their response; and
- Satisfied themselves as to the correctness and sufficiency of their responses.

#### ***6.13. Advertising and statements***

No advertising, press release, public statement or other information relating to the scrappage scheme project, any subsequent proposal or partnership shall be published by any recipient of this document without the prior written consent of MoT.

#### ***6.14. Conflict of interest***

Respondents must disclose any conflicts of interest in relation to the services covered by this document.

#### ***6.15. Subject to contract***

Respondents acknowledge that:

- A binding arrangement is only formed between MoT and a successful respondent when a written agreement covering the relevant services is signed by both parties;

- This document and any provision contained in it does not give rise to a separate contract between MoT and that party;
- Nothing in this document, or in the relationship of MoT and that party, imposes any duty of care on the Crown or MoT, and any such duty of care is expressly excluded.

## Expression of Interest Form

Name of Organisation:			
Primary contact person:			
Phone:		Mobile:	
Fax:			
Email			
Postal:			
Address for service:			
Key personnel (staff numbers, etc):			
Organisation profile (summary para):			
<b>Scrap practices</b>			
Where do you dismantle vehicles? (Wellington / Christchurch or other – please outline where)			

<p>How do you dispose of vehicles?</p>	
<p>Do you allow 'pick-a-part' services, and if so, to what extent?</p>	
<p>Where do materials from scrapped vehicles go? (e.g. Auckland? Off-shore? Please outline where)</p>	
<p><b>Other</b></p>	
<p>What will your organisation bring to this project?</p>	
<p>Any assumptions made in responding:</p>	

Requirements made of MoT:	
Other:	
I confirm that I have fully understood the requirements set out in the EOI document, and that the information submitted is complete, accurate and not misleading.	
Dated:	
Signed by:	