

8 August 2023

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Tēnā koe [REDACTED]

Thank you for your request to the Department of Conservation, received on 11 July 2023, in which you raised various queries regarding the Pelorus Bridge Cafe and Campground. On 28 July 2023 you clarified question 4 of your request which originally asked:

*'And lastly, did anything change since the last concession for Pelorus Bridge Café and Campground was granted until it came to an end this year?*

Clarification provided has refined this aspect of your request to seeking information more specifically concerned with:

- *the way concessions are processed by the Department? i.e., standard processes through which applications are considered and granted and.*
- *the concession contract? i.e., contractual conditions, fees and possible variations to the concession.*

We have considered your request under the Official Information Act 1982. Your questions and our responses are listed below:

1. *Can you tell me what the combined worth of the cafe and campground were worth in 2008; the last time a concession was up for tender/granted, please? And*
2. *In his statement, Dave Hayes said that the campground contract alone was worth more than \$100,000. Can you provide me with separate breakdowns of the values of the campground contract and the cafe concession, please?*

Your request for information relating to the value or worth of the concession activity which includes both the management of the café, and the campground is declined under section 9(2)(i) of the Official Information Act, to enable a Minister of the Crown or any department or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities.

In making my decision, I have considered the public interest considerations in section 9(1) of the Official Information Act and determined there are no public interests that outweigh the grounds for withholding.

3. *How long has this \$100,000 threshold for new concession tenders been in place? Did this change in October 2019?*



*Reference Material used:*

- Taken from <https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-rules/getting-started/when-the-rules-apply-goods-or-services-or-refurbishment-works/>
- *As of 1 October 2019, the threshold for goods or services or refurbishment works is \$100,000 (excluding GST). As the Rules represent good practice, agencies can apply the Rules for procurements under this threshold.*

The procurement of services over \$100,000 is subject to the Government Procurement Rules (“Rules”). The Rules include the requirement that the proposed purchase of goods and services valued at over \$100,000 (over the life of the contract) are put to an open competitive procurement (via the Government Electronic Tenders Service). The \$100,000 threshold pre-dates the current 2019 4<sup>th</sup> edition of the Rules.

The Rules do not apply to concessions. When initially considering how the opportunities to operate the campground and café would be managed, it was proposed to offer the café opportunity as a concession with a linked management contract for the campground. Accordingly, a separate contract for the campground management was drafted, and as a contract for service, the Rules applied.

However, we have since reviewed this in light of the important connection between the café and the campground and the necessity of running these together. We now intend to combine operation of the café and campground under one concession which will be managed through a concession process. The allocation process for this concession will involve inviting interested parties to apply for the right to lodge an application for a concession.

4. *And lastly, did anything change since the last concession for Pelorus Bridge Cafe and Campground was granted until it came to an end this year? In relation to the change associated with;*
  - *the way concessions are processed by the Department? i.e., standard processes through which applications are considered and granted and.*
  - *a change to the concession contract? i.e., contractual conditions, fees and possible variations to the concession.*

Since the last concession for the café and campground (NM-23311-OTH) was granted in 2008, the concession process through which applications are considered and granted remains unchanged. The concession NM-23311-OTH, has gone through several standard administrative changes since it was authorised. These are:

- Several concession fee reviews over the term of the concession.
- A variation to the concession which included:
  - a) concession activity change by way of removal of the reference to the Outdoor Education Centre on Maungatapu Road,
  - b) minor administrative changes i.e., change of reporting functions,



c) campground bookings being moved onto the DOC National Visitor Booking System.

- Transfer of the concession to another party.

You are entitled to seek an investigation and review of my decision by writing to an Ombudsman as provided by section 28(3) of the Official Information Act.

Please note that this letter (with your personal details removed) may be published on the Department's website.

Nāku noa, nā



Steve Taylor  
Director, Regulatory Services  
Department of Conservation  
*Te Papa Atawhai*