



Headquarters
New Zealand Defence Force
Defence House
Private Bag 39997
Wellington Mail Centre
Lower Hutt 5045
New Zealand

OIA-2024-5244.1

April 2025

Dear [REDACTED]

I refer to your email of 19 March 2025, seeking the following information after receiving the response of 10 March 2025 (OIA-2024-5244):

The contract price indicated of about \$30m per annum - wondering if this price is subject to annual increases based on CPI, labour costs and other fluctuations?

Yes. Increases are subject to the Consumer Price Index, labour costs (that may include the Labour Cost Index, minimum wage, pay parity increase, and a living wage increase), asset replacement and the room refresh programme, and public holidays within the financial year.

If so, could you provide the amount paid annually by NZDF to Compass Group or any subsidiaries in the last four years? Or just the percentage increase yoy during that period?

The following table provides the fixed fee paid to Compass Group for the current and previous four financial years.

FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
\$24,130,000	\$24,999,000	\$26,098,733	\$28,280,000	\$30,270,000

With respect to your subsequent email of 25 March 2025, answers to your additional questions are provided below:

The contract between NZDF and Compass started in July 2009. What was the initial term of the contract, and has it gone to tender again since and been allocated again to Compass, or was it just renewed?

The contract has been through several variations and renewals; the initial term was from 2009 to 2021. The contract has not gone to tender since 2009.

I see there is an RFP currently for this contract - has a decision been made for who will take on this contract next year?

Is there a possibility Compass will continue this contract?

A Future Procurement Opportunity announcement was published through the Government Electronic Tender Service website late last year notifying the market that the New Zealand Defence Force (NZDF) intended to issue a Request for Proposal (RFP) for the continued supply of catering and hospitality services. The RFP is an open-market competitive tender

process. A decision on who will be the NZDF's next supplier of continued catering and hospitality services will be determined in accordance with the evaluation and selection process, as detailed in the RFP documents.

You have the right, under section 28(3) of the OIA, to ask an Ombudsman to review this response to your request. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that responses to official information requests are proactively released where possible. This response to your request will be published shortly on the NZDF website, with your personal information removed.

Yours sincerely

GA Motley

Brigadier

Chief of Staff HQNZDF