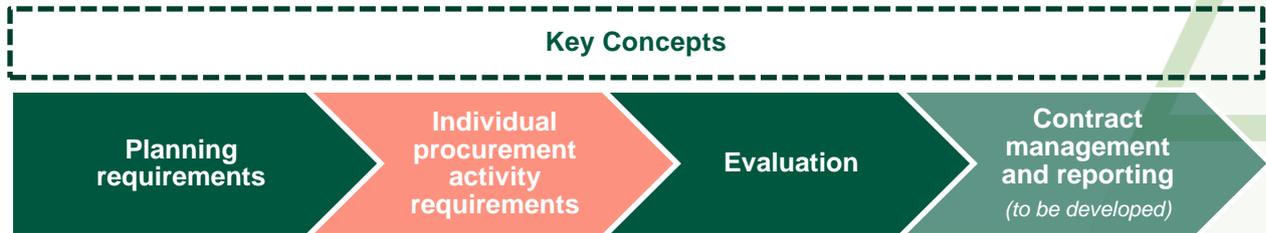


# Victoria’s Social Procurement Framework – Buyer Guidance

## Guide to individual procurement activity requirements



### Purpose of this guide

Victoria’s Social Procurement Framework (SPF) imposes mandatory individual procurement activity requirements on **government buyers** to:<sup>1</sup>

1. incorporate social procurement into regular procurement planning, or prepare a Social Procurement Plan during procurement planning; and
2. consider opportunities to deliver social and sustainable outcomes in every individual procurement activity. Table 3 of the SPF sets out ‘described approaches’ and ‘recommended actions’ that establish minimum expectations and are designed to guide government buyers in considering social procurement opportunities.

The purpose of this guide is to provide practical direction to government buyers in relation to the second requirement.

Practical direction to government buyers in relation to the first requirement is provided in the SPF *Guide to planning requirements* available online at [www.procurement.vic.gov.au](http://www.procurement.vic.gov.au).

The focus of this guide is on embedding SPF requirements and considerations within existing processes involved in the sourcing phase of the procurement lifecycle. It emphasises the importance of incorporating social and sustainable outcomes into the market approach.<sup>2</sup>

	This guide explains how government buyers can incorporate social and sustainable outcomes into their approaches to market for individual procurement activities.
	Government buyers must consider opportunities to deliver social and sustainable outcomes in every individual procurement activity.
	A strategic approach to the sourcing phase of the procurement lifecycle is fundamental to social procurement success.
	The described approaches and recommended actions in Table 3 of the SPF establish minimum expectations for government buyers.
	The SPF’s scalable and flexible approach empowers government buyers to set proportionate and achievable requirements to deliver social and sustainable outcomes, with a view to maximising social value and achieving optimal value for money.
	This guide includes model approaches to help government buyers identify and pursue opportunities to advance each SPF objective and outcome.
	This guide also includes model clauses for inclusion within invitations to supply and subsequent contracts.

<sup>1</sup> For the purposes of the SPF, ‘government buyer’ means the individual(s) responsible for planning, sourcing and/or approving the goods, services or construction being procured by, or on behalf of, a department or agency. Note that this definition includes end users, project control boards and financial delegates.

<sup>2</sup> The ‘market approach’ is the process undertaken by an organisation to inform the market of an organisation’s procurement requirements, to obtain offers from potential suppliers that meet those requirements. There are a range of market approaches, such as expression of interest, quotation, tender and registers.

## Using this guide

This guide is issued by the Department of Treasury and Finance to provide further information to support departments and agencies in implementing the SPF.

The approaches detailed in the guide are **not prescriptive** and are provided for reference only. The guide complements the existing legislative and policy framework applicable to Victorian Government procurement.

To the extent of any inconsistencies, the Supply Policies issued by the Victorian Government Purchasing Board under the *Financial Management Act 1994* (Vic), Supply Policies issued by Health Purchasing Victoria under the *Health Services Act 1998* (Vic) and the Ministerial Directions for Public Construction Procurement in Victoria issued under the *Project Development and Construction Management Act 1994* (Vic) take precedence over this guide.

This guide is current as of 1 September 2018. The suite of SPF guidance materials will be periodically reviewed and updated to reflect user feedback and any changes to the legislative and policy landscape.

## Contents of this guide

This guide contains the following sections:

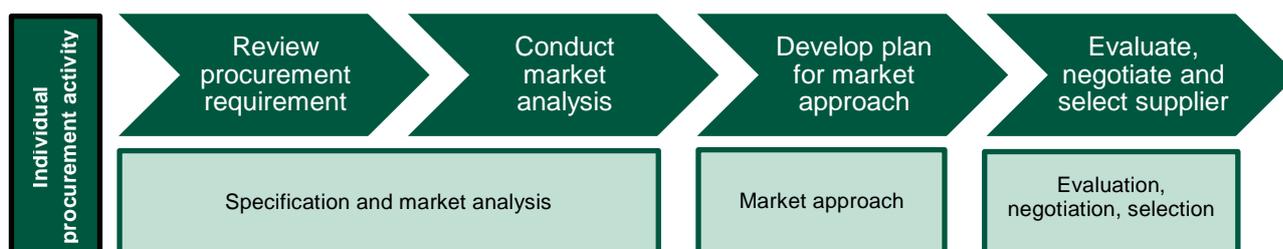
- **Section 1** provides a high-level overview of the sourcing phase of the procurement lifecycle
- **Section 2** provides guidance for government buyers on incorporating social and sustainable outcomes into the sourcing phase of the procurement lifecycle
- **Appendix A** provides model clauses for inclusion in invitations to supply and subsequent contracts between Government and preferred supplier(s)
- **Appendices B1 to B10** provides detailed guidance in relation to each social and sustainable procurement objective, including the benefits for Victorians, model approaches to delivering the outcomes sought, and further information for government buyers

# Section 1 – Sourcing phase of the procurement lifecycle

## Overview of sourcing phase

A strategic approach to the sourcing phase of the procurement lifecycle is fundamental to social procurement success.

The diagram below identifies the key steps involved in the sourcing phase of an individual procurement activity.<sup>3</sup>



## Market analysis

When planning an individual procurement activity, it is important to understand how the supply market is likely to respond to the incorporation of SPF requirements.

Market analysis and review provides an understanding of market dynamics to determine the optimal market approach.<sup>4</sup> Building on a social procurement opportunity analysis (at either a category or individual procurement activity level, as appropriate), market analysis also helps to test the viability of a procurement requirement, including requirements to deliver social and sustainable outcomes.

Specific to social procurement, proactive market analysis helps government buyers to understand:

- the current level of social procurement awareness and activity in the market;
- the extent to which 'social benefit suppliers' participate in the market, as well as their current capabilities and capacity;<sup>5</sup>
- the competitiveness of the market (including in relation to quality, service, price or value-add outcomes) and whether there are any specific barriers to entry for social benefit suppliers;
- whether government buyers have encountered compliance issues in the market in relation to other Government procurement policies (e.g. VIPP and MSPG) and how compliance risks in relation to requirements to deliver social and sustainable outcomes may be appropriately managed;
- whether any suppliers are currently delivering social and sustainable outcomes and, if so, which strategies have been effective or ineffective;
- the extent to which business drivers of mainstream suppliers in the market align with SPF objectives and outcomes; and
- the availability of intermediaries, organisations and support services that may assist in the delivery of social and sustainable outcomes.

<sup>3</sup> This diagram is based on the VGPB Guide to market approach available online at <http://www.procurement.vic.gov.au/Buyers/Policies-Guides-and-Tools/Market-Approach-Policy>.

<sup>4</sup> Market analysis and review should follow an assessment of complexity of the individual procurement activity, where applicable. In the procurement context, the term 'complexity' describes the level of intricacy and scope of issues involved in procuring the goods, services or construction taking into account a broad range of factors including risk, total cost of ownership and market dynamics.

<sup>5</sup> See the definition of 'social benefit supplier' in Section 5 of the of the SPF *Guide to key concepts*.

This market intelligence empowers government buyers to identify, and subsequently pursue, opportunities to deliver social and sustainable outcomes.

In relation to some social and sustainable outcomes, it is recommended in the model approaches outlined in Appendices B1 to B10 that government buyers undertake preliminary assessments in consultation with suitably qualified professionals prior to developing procurement specifications and the market approach. For example, where government buyers plan to incorporate project-specific requirements to use sustainable resources and to manage waste and pollution, the model approach outlined in Appendix B8 recommends that an environmental impact risk assessment and environmentally sustainable design opportunities assessment be completed.

Government buyers should also familiarise themselves with resources (such as supplier registers, services and programs) that suppliers may be expected to demonstrate knowledge of and/or connection with in their responses to expressions of interest or invitations to supply.<sup>6</sup>

## Requirements to deliver social and sustainable outcomes

Once the optimal market approach has been determined, it is critical that any requirements to deliver social and sustainable outcomes are clearly communicated to potential suppliers from the outset of the market approach.<sup>7</sup>

The invitation to supply and/or specification details the mandatory requirements of the individual procurement activity. A supplier must meet these requirements for their response to an invitation to supply to be considered as part of the evaluation process.<sup>8</sup> Government buyers should provide a clear and accurate description of any social and sustainable outcomes to be delivered through the individual procurement activity.

Requirements to deliver social and sustainable outcomes should be functional and performance-based – that is, they should define ‘what’ outcome is required, rather than ‘how’ the outcome is to be delivered by suppliers. Framing these requirements in this way provides suppliers with the opportunity to innovate because the requirements are outcome-orientated. This will also simplify the evaluation process by making it easier to directly compare social procurement commitments made in suppliers’ responses.<sup>9</sup> These requirements should also establish measurable performance indicators that enable progress against social procurement commitments to be monitored and verified.

It is essential that requirements to deliver social and sustainable outcomes are determined on a case-by-case basis, to ensure that the outcomes sought are proportionate to the circumstances (including scale and complexity) of the individual procurement activity. Requirements that are unduly onerous or inflexible may be unachievable or unnecessarily deter potential suppliers.

In response to invitations to supply, potential suppliers will have an opportunity to make social procurement commitments and explain how they will comply with, report on and verify compliance with those commitments. When the preferred supplier has been selected, any social procurement commitments will form part of the contract between Government and the preferred supplier.

---

<sup>6</sup> An ‘invitation to supply’ is a process of inviting offers to supply goods, services or construction, which covers both requests for quotation (RFQs) and requests for tender (RFTs). Invitations to supply are often accompanied by an offer template, which is a standard form requesting information to be submitted by suppliers in response to the invitation to supply. An offer template should only seek information from suppliers that is necessary to undertake a comparative analysis for the purposes of the individual procurement activity and help clarify what the supplier has to offer – this should be scalable to reflect the circumstances (including scale and complexity) of the activity.

<sup>7</sup> The ‘market approach’ is the process undertaken by an organisation to inform the market of an organisation’s procurement requirements, to obtain offers from potential suppliers that meet those requirements. There are a range of market approaches, such as expression of interest, quotation, tender and registers.

<sup>8</sup> The evaluation process should only consider offers that meet the mandatory requirements of the procurement process. Non-conforming offers may be eliminated, for example, through a shortlisting process.

<sup>9</sup> A ‘social procurement commitment’ is a commitment to deliver a social or sustainable outcome through a procurement activity.

## Section 2 – Incorporating social and sustainable outcomes into the sourcing phase

### Selecting social and sustainable outcomes

Tables 1 and 2 of the SPF identify the SPF objectives and outcomes.

Every individual procurement activity is not expected to deliver all social and sustainable outcomes. Importantly, the social and sustainable outcomes that can be delivered, as well as the degree to which they can be delivered, will depend on the specific circumstances of the activity. For that reason, a fundamental feature of the SPF is its scalable and flexible approach to selecting social and sustainable outcomes and setting requirements to deliver them.

Government buyers – who are closest to and best positioned to judge the circumstances of the individual procurement activity – are responsible for deciding which SPF objectives and outcomes are most relevant with a view to maximising social value. The purpose is to identify where the greatest opportunity lies to deliver social and sustainable outcomes in the specific circumstances, and to pursue and prioritise those outcomes accordingly.

The selection of social and sustainable outcomes should be informed by, among other things:

- the organisation's overall Social Procurement Strategy;
- a social procurement opportunity analysis (at the category or individual procurement activity level, as appropriate);
- the value, scale, complexity and location of the individual procurement activity.

As noted in Section 1 of this guide, any requirements to deliver social and sustainable outcomes incorporated in the market approach should be determined on a case-by-case basis, to ensure that the outcomes sought are proportionate and achievable in the circumstances.

### Key focus areas

As noted in Section 2 of the SPF *Guide to key concepts*, the categorisation of social and sustainable outcomes according to their 'key focus area' is particularly useful in relation to the sourcing phase of the procurement lifecycle.

The three key focus areas are:

- **Supplier attributes** – some social outcomes focus on the attributes of the supplier, namely whether it is a 'social benefit supplier' (defined in Section 5 of the SPF *Guide to key concepts*). Suppliers that are not social benefit suppliers are referred to as 'mainstream suppliers'.
- **Social or sustainable business practices** – some social and sustainable outcomes focus on the supplier's business practices, such as the adoption of family violence leave or environmentally sustainable business practices.
- **Social or sustainable outputs** – some social and sustainable outcomes focus on outputs of the supplier's business or outputs of the individual procurement activity, such as employment provided to Victorians with disability or reduction of waste and pollution.

Each key focus area recognises the different social and sustainable outcomes that can be delivered and should help government buyers understand how social and sustainable outcomes can be incorporated into invitations to supply and subsequent contracts between Government and the preferred supplier(s).

There is some overlap between the three key focus areas, as some social and sustainable outcomes can be framed as focusing on either business practices or outputs.

For example, if the social outcome of ‘employment of Victorians with disability by suppliers to the Victorian Government’ were prioritised in an invitation to supply, suppliers may be asked to:

- demonstrate inclusive employment practices in relation to Victorians with disability (i.e. a focus on business practices); and/or
- set performance standards or targets for employment outcomes for Victorians with disability, such as the number of labour hours to be performed (i.e. a focus on outputs).

## Four value thresholds

As outlined in Table 3 of the SPF (excerpted below):

- the SPF adopts a scalable approach to setting individual procurement activity requirements, based on the value of an individual procurement activity,<sup>10</sup> and
- there are four value thresholds (‘below threshold’, ‘lower band’, ‘middle band’ and ‘upper band’)

Victoria’s Social Procurement Framework Individual procurement activity requirements				
	Below threshold	Lower band	Middle band	Upper band
	Regional under \$1 million Metro or State-wide under \$3 million	Regional \$1 to \$20 million Metro or State-wide \$3 to \$20 million	\$20 to \$50 million	Over \$50 million
<i>Planning requirement for government buyers</i>	Incorporate SPF objectives and outcomes into regular procurement planning		Complete a Social Procurement Plan during procurement planning	
<i>Described approach</i>	<b>Encouraged</b> Seek opportunities where available procure directly or indirectly from social enterprises, ADEs or Victorian Aboriginal businesses	<b>Proportionate</b> Use evaluation criteria (5 to 10 per cent weighting) to favour businesses whose practices support social and sustainable procurement objectives	<b>Targeted</b> Include performance standards and contract requirements that pursue social and sustainable procurement objectives	<b>Strategic</b> Include targets and contract requirements that pursue social and sustainable procurement objectives
Recommended actions for government buyers				
<i>Note: The recommended actions for various SPF objectives and outcomes are not excerpted here and are contained in Table 3 of the SPF</i>				

## Described approaches and recommended actions

Corresponding to each of the four value thresholds, Table 3 of the SPF sets out a ‘described approach’ and several ‘recommended actions’.

The described approaches and recommended actions establish Government’s minimum expectations for undertaking social procurement in relation to each value threshold. As minimum expectations, they are not intended to be prescriptive or exhaustive; instead, they are designed to guide government buyers in considering available opportunities to deliver social and sustainable outcomes based on the value of an individual procurement activity. As noted above, the value of an activity is only one of several factors that should be actively considered by government buyers in selecting social and sustainable outcomes. This equally applies to the approach taken to incorporating selected outcomes into invitations to supply and subsequent contracts.

<sup>10</sup> Section 4 of the SPF *Guide to key concepts* provides guidance on determining the value of an individual procurement activity.

In practice, to ensure that government buyers can maximise social value in each individual procurement activity, the SPF provides flexibility in two ways:

- Government buyers are responsible for deciding which social and sustainable outcomes are to be pursued and prioritised in each individual procurement activity. In relation to the layout of Table 3 of the SPF, this might be described as **vertical flexibility** – that is, the government buyer can move up and down the rows of recommended actions.
- Although the described approach that corresponds to each value threshold is expected to be suitable in many individual procurement activities, government buyers are responsible for deciding which approach is appropriate in the circumstances. For example, it may be appropriate to apply the ‘proportionate’ approach to ‘below threshold’ activities or apply the ‘targeted’ or ‘strategic’ approach to activities valued under \$20 million. In relation to the layout of Table 3 of the SPF, this might be described as **horizontal flexibility** – that is, the government buyer can move across the columns of described approaches.

The following hypothetical applies the minimum expectations and the (vertical and horizontal) flexibility explained above:

A social procurement opportunity analysis of a construction project valued at \$2.5 million in the Melbourne metropolitan area (i.e. a ‘below threshold’ activity) reveals that there are significant opportunities to advance women’s equality and safety. This is also an objective prioritised in the agency’s Social Procurement Strategy.

Based on a market analysis and the nature of the construction involved, the government buyer determines that it is appropriate to adopt a ‘proportionate’ approach and includes a 10% weighted evaluation criterion in the request for tender that will favour tenderers that:

- offer family violence leave; and
- involve ‘women in non-traditional trades or professions’ in the construction project.<sup>11</sup>

Where an individual procurement activity involves multiple, discrete packages of work, it is important that any requirements to deliver social and sustainable outcomes are proportionate to the circumstances of each package of work. It is therefore appropriate to set requirements by reference to the value of each package of work, rather than the combined value of all packages of work.

For example, if an individual procurement activity is valued at \$60 million, which comprises four \$15 million packages of work, the minimum expectation would be to adopt a ‘proportionate’ approach to each package of work (i.e. rather than a ‘strategic’ approach that would ordinarily be the minimum expectation for an individual procurement activity valued at \$60 million which only involved one contract).

## Transition of key focus areas based on scalable approach

As the value of an individual procurement activity increases from one threshold to another, the recommended actions included in Table 3 of the SPF transition accordingly.

- For individual procurement activities valued at under \$20 million, the key focus areas are supplier attributes and social or sustainable business practices.
- For individual procurement activities valued at or above \$20 million, the key focus areas extend to include social or sustainable outputs.

This transition in key focus areas is demonstrated in the table below.

<sup>11</sup> Page 41 of the SPF defines ‘women in non-traditional trades or professions’ to mean ‘women working in technical or operational fields such as mining, construction, or utilities, with trade or higher education qualifications in the areas of building and construction, architecture, engineering, surveying, business, economics, and law’.

	<b>Below threshold</b> Regional under \$1 million Metro or State-wide under \$3 million	<b>Lower band</b> Regional \$1 to \$20 million Metro or State-wide \$3 to \$20 million	<b>Middle band</b> \$20 to \$50 million	<b>Upper band</b> Over \$50 million
	<b>Recommended actions for government buyers</b>			
<b>Key focus area(s)</b>	Supplier attributes	Supplier attributes <b>AND/OR</b> Social or sustainable business practices	Supplier attributes <b>AND/OR</b> Social or sustainable business practices <b>AND/OR</b> Social or sustainable outputs	Supplier attributes <b>AND/OR</b> Social or sustainable business practices <b>AND/OR</b> Social or sustainable outputs

Table 3 of the SPF also includes recommended actions for government buyers in relation to a number of SPF objectives and outcomes. As explained above, the list of recommended actions in Table 3 of the SPF set minimum expectations and are not intended to be prescriptive or exhaustive – the list canvasses a range of options available to government buyers that is designed to guide government buyers in considering available opportunities to deliver social and sustainable outcomes based on the value of an individual procurement activity.

### Model approaches for each SPF objective and outcome

The categorisation of social and sustainable outcomes into key focus areas, the transition of key focus areas across the four value thresholds, and the list of recommended actions in Table 3 of the SPF help demonstrate the scalability and flexibility of the SPF. However, they do not limit the government buyer's discretion to:

- decide which social and sustainable outcomes are to be pursued and prioritised in each individual procurement activity; and
- set requirements to deliver social and sustainable outcomes that are proportionate and achievable in the circumstances of the individual procurement activity, with a view to maximising social value and achieving optimal value for money.

Appendices B1 to B10 to this guide provide detailed guidance in relation to each of the seven social procurement objectives and three sustainable procurement objectives. Each appendix sets out:

- the relevant social or sustainable procurement objective;
- the social or sustainable outcome(s) corresponding to that objective;
- the model approach(es) to achieving each outcome;
- further information for government buyers in relation to each outcome.

### Model clauses for invitations to supply and subsequent contracts

Appendix A to this guide contains model clauses, which have been prepared to assist with including SPF-related content within invitations to supply and subsequent contracts between Government and the preferred supplier(s). Specifically:

- Part 1 of Appendix A provides content for inclusion within invitations to supply; and
- Part 2 of Appendix A provides content for inclusion in a subsequent contract between Government and the preferred supplier(s), consistent with the content in Part 1.

When incorporating SPF-related content into invitations to supply and subsequent contracts, it is important to note that:

- SPF-related content should be proportionate to the circumstances (including scale and complexity) of the individual procurement activity. The level of detail provided in these model clauses is likely to be suitable for requests for tender (RFTs) and subsequent contracts. Where an invitation to supply involves simplified documentation, such as a request for quotation (RFQ) to a limited number of suppliers, it may be preferable to streamline and simplify the content in Parts 1 and 2 accordingly;
- these model clauses should be used in accordance with any organisational processes or procedures that apply to preparing invitations to supply and contracts. For example, organisational templates for preparing RFQs and RFTs may need to be amended to incorporate SPF-related content and approved by the organisation's legal team;
- model clauses should be amended or removed as appropriate to reflect the context of the individual procurement activity and any specific terms used in the invitation to supply or contract (see, for example, 'Department/Agency', 'Tenderer', 'Contractor', 'Construction' and 'Social Procurement Response Schedule'); and
- the outcomes included in clause 1.3(b) of Part 1 should reflect the social and/or sustainable outcomes that the government buyer has decided to pursue and prioritise in the individual procurement activity.

# Appendix A – Model clauses for invitations to supply and subsequent contracts

## Part 1 – Model clauses for invitations to supply

### 1. Social Procurement Framework

#### 1.1 Overview

- (a) Victorian Government procurement is one of the largest drivers in the Victorian economy and makes a significant contribution to building a fair, inclusive and sustainable Victoria.
- (b) Value for money underpins Victorian Government procurement. It is the achievement of a desired procurement outcome at the best possible price – not necessarily the lowest price – based on a balanced judgement of financial and non-financial factors relevant to the procurement. The Victorian Government recognises environmental, social and economic factors as a core component of value for money.
- (c) The Victorian Government is committed to using its purchasing power to generate social value above and beyond the value of the goods, services and Construction it procures. In the Victorian Government context, social value means the benefits that accrue to all Victorians when the social and sustainable outcomes in *Victoria’s Social Procurement Framework* are achieved.
- (d) The Social Procurement Framework applies to the procurement of all goods, services and Construction undertaken by Departments/Agencies that are subject to the Standing Directions of the Minister for Finance 2016.
- (e) The social and sustainable outcomes in the Social Procurement Framework advance a number of important Victorian Government policy objectives. These outcomes include purchasing from Social Benefit Suppliers and working with all suppliers to adopt social and sustainable business practices and/or achieve social and sustainable outputs in the course of delivering the required goods, services or Construction. The Victorian Government considers that all suppliers are capable of delivering one or more of these outcomes when doing business with Government.
- (f) The following sections outline how the Social Procurement Framework will apply in the context of this tender. The Social Procurement Framework, further definitions and guidance materials for Tenderers and Contractors regarding the application of the Social Procurement Framework are available online at <http://www.procurement.vic.gov.au/Suppliers/Social-Procurement-Framework>.

#### 1.2 Definitions

The following definitions apply in this clause:

**Construction** includes “Works” and “Construction Services” as defined in the Ministerial Directions for Public Construction Procurement in Victoria.

**Kinaway** means Kinaway Chamber of Commerce Victoria Limited (ACN 600 066 199).

**Map for Impact** means the online map produced by the Victorian Social Enterprise Mapping Project (accessible at <https://mapforimpact.com.au/>), as amended from time to time.

**Social Benefit Supplier** means a business that meets one or more of the following criteria:

- (i) it is a Victorian Social Enterprise;
- (ii) it provides "supported employment services" as defined in section 7 of the *Disability Services Act 1986* (Cth), and operates and has a business premises in Victoria;
- (iii) it is a Victorian Aboriginal business and is verified by Supply Nation or Kinaway.

**Social or Sustainable Outcome** means an outcome listed in Tables 1 and 2 of the Social Procurement Framework.

**Social Procurement Commitment** means a commitment to deliver a Social or Sustainable Outcome through an individual procurement activity.

**Social Procurement Commitment Proposal** means a proposal provided by a Tenderer as part of a tender which provides as much detail as practicable as to how a Contractor will deliver the Social Procurement Commitments.

**Social Procurement Commitment Schedule** means the plan which details how the Contractor will comply with, report on and verify compliance with Social Procurement Commitments, and will form a schedule to the Contract.

**Social Procurement Framework** means *Victoria's Social Procurement Framework* published 26 April 2018 by the Victorian Government, as amended from time to time.

**Social Procurement Information Schedule** means a template, checklist, declaration (or equivalent) or other document provided by the Department/Agency to the Tenderer requesting written information from the Tenderer as part of a tender that evidences the Tenderer's status in relation to Social or Sustainable Outcomes (as at the time the tender is submitted).

**Social Procurement Performance Report** means a report submitted by a Contractor to the Contract Manager of the Department/Agency, which details the Contractor's performance against the Social Procurement Commitments made in the Contractor's Social Procurement Commitment Schedule.

**Social Traders** means Social Traders Limited (ACN 132 665 804).

**Supply Nation** means Australian Indigenous Minority Supplier Office Limited (trading as Supply Nation) (ACN 134 720 362)

**Victorian Aboriginal business** means a business that:

- (i) is at least 50 per cent Aboriginal and/or Torres Strait Islander-owned;
- (ii) undertakes commercial activity; and
- (iii) operates and has business premises in Victoria.

**Victorian Social Enterprise** means an organisation that is:

- (i) certified by Social Traders, and operates and has a business premises in Victoria; or
- (ii) listed on the Map for Impact.

### 1.3 Social Procurement Commitment Proposal

*[Delete/amend examples of recommended approaches as appropriate to provide the Tenderer with as much certainty as possible with respect to if/when they need to prepare a Social Procurement Commitment Proposal. It is best practice to prepare a Social Procurement Commitment Proposal for most procurement activities, to enable government buyers to incorporate Social Procurement Commitments in the Social Procurement Commitment Schedule into subsequent Contracts.]*

(a) **Example 1:** All Tenderers must prepare a Social Procurement Commitment Proposal.

**Example 2:** All shortlisted Tenderers, when advised by the Department/Agency that they have been shortlisted, must prepare a Social Procurement Commitment Proposal.

*[Delete/amend the objectives/outcomes sought as appropriate to provide the Tenderer with as much certainty as possible with respect to what Social or Sustainable Outcomes the government buyer aims to achieve and what the Tenderer is being asked to respond to]*

(b) The Social Procurement Commitment Proposal must contain sufficient information to demonstrate to the reasonable satisfaction of the Department/Agency that the Tenderer seeks to *[achieve/undertake all reasonable measures to achieve]* the following Social or Sustainable Outcomes:

**Example 1:** Create opportunities for *[Victorian Aboriginal people/Victorians with a disability/Women/Disadvantaged Victorians/People in regions with entrenched disadvantage/etc]*, by:

Purchasing *[quantity/value]* of *[description of goods/services/Construction]* from *[Social Benefits Suppliers]*.

Employing *[number/percentage]* of *[Victorian Aboriginal people/Victorians with a disability/ Women/Disadvantaged Victorians/people in regions with entrenched disadvantage/etc]*.

**Example 2:** *[Advance women's equality and safety/Support safe and fair workplaces/etc.]*, by:

*[Adopting a family violence leave policy/Demonstrating a commitment to gender equality/Complying with industrial relations laws and promoting secure employment/etc]*.

**Example 3:** *[Produce environmentally sustainable outputs/Adopt environmentally sustainable business practices/Implement the Climate Change Policy Objectives]*, by:

Adopting *[project-specific requirements to use sustainable resources and manage waste and pollution/sustainable business practices/project-specific requirements to minimise greenhouse gas emissions/etc]*.

Producing *[outputs that are resilient against the impacts of climate change/etc]*

Using *[recycled content in Construction/etc.]*.

*[Where a Social Procurement Information Schedule is required, the following clause should be included in the tender. If a Social Procurement Information Schedule is not required, the following clause (and the corresponding definition in 1.2 above) should not be included in the tender.*

*The Social Procurement Information Schedules enables government buyers to assess the current status of Tenderers' responses in relation to the SPF objectives and outcomes that the Department/Agency has identified in the tender. Model examples of Social Procurement*

*Information Schedules are included in Appendices B1 to B10 of this guide. Government buyers may modify the Schedules and/or include any additional Schedules as required to incorporate the SPF objectives and outcomes relevant to that tender. Not all individual procurement activities will require a Social Procurement Information Schedule to be included.]*

- (c) The Tenderer must complete the Social Procurement Information Schedule(s) included as part of a tender for the Tenderer's response to be compliant.
- (d) The Tenderer's Social Procurement Commitments made within the Social Procurement Commitment Proposal must be consistent with the information provided in the Tenderer's response to the Social Procurement Information Schedule(s).

#### **1.4 Use of the Social Procurement Commitment Proposal**

- (a) The Tenderer's Social Procurement Commitments made within the Social Procurement Commitment Proposal will be a key selection criterion as part of the overall tender evaluation process.
- (b) The Social Procurement Commitments made within the Social Procurement Commitment Proposal will be assessed against the relevant Social or Sustainable Outcomes as defined in 1.3(b) and this assessment will be weighted at *[percentage]* of the total tender evaluation score.
- (c) In addition to the relevant Social or Sustainable Outcomes identified at 1.3(b), consideration may also be given to any other Social or Sustainable Outcome that the Tenderer is willing to deliver as a Social Procurement Commitment within their Social Procurement Commitment Proposal which will form the basis of the Social Procurement Commitment Schedule.
- (d) The Social Procurement Commitments (made within the successful Tenderer's Social Procurement Commitment Proposal) will be included as part of the Social Procurement Commitment Schedule to the Contract to be entered into between the successful Tenderer and the Department/Agency.
- (e) The relevant Department/Agency may, at its discretion, seek:
  - (i) further information from the successful Tenderer; or
  - (ii) to hold discussions with successful Tenderer, regarding the successful Tenderer's Social Commitment Proposal.

#### **1.5 Reporting**

- (a) The successful Tenderer will be required to submit written Social Procurement Performance Reports to the Contract Manager of the Department/Agency outlining its performance against the Social Procurement Commitment Schedule every *[frequency]*.
- (b) The Social Procurement Performance Report submitted in accordance with clause 1.5(a) must:
  - (i) be in a form satisfactory to the Department/Agency (acting reasonably); and
  - (ii) include all supporting information reasonably required by the Department/Agency to verify the contents of the Social Procurement Performance Report.
- (c) In addition to these Social Procurement Performance Reports, the successful Tenderer will also be required to submit:

- (i) a final Social Procurement Performance Report within 2 months of the date of practical completion or the date the Contract is completed, whichever is earlier; and
  - (ii) a statutory declaration made by the Contractor declaring that the contents of the final Social Procurement Performance Report are true and correct, which must be submitted together with the final Social Procurement Performance Report.
- (d) Tenderers must attend any briefing provided by the Department/Agency on the Social Procurement Framework. Where it is not practicable for the Tenderer to attend such a briefing, the Tenderer must read and certify that they have read and understood any briefing materials provided to the Tenderer by the Department/Agency.

## Part 2 – Model contract clauses

### 2. Social Procurement Framework

#### 2.1 Definitions

The following definitions apply in this clause:

**Construction** includes “Works” and “Construction Services” as defined in the Ministerial Directions for Public Construction Procurement in Victoria.

**Kinaway** means Kinaway Chamber of Commerce Victoria Limited (ABN 43 600 066 199).

**Map for Impact** means the online map produced by the Victorian Social Enterprise Mapping Project (accessible at <https://mapforimpact.com.au/>), as amended from time to time.

**Social Benefit Supplier** means a business that meets one or more of the following criteria:

- (i) it is a Victorian Social Enterprise;
- (ii) it provides "supported employment services" as defined in section 7 of the *Disability Services Act 1986* (Cth), and operates and has a business premises in Victoria;
- (iii) it is a Victorian Aboriginal business and is verified by Supply Nation or Kinaway.

**Social or Sustainable Outcome** means an outcome listed in Tables 1 and 2 of the Social Procurement Framework.

**Social Procurement Commitment** means a commitment to deliver a Social or Sustainable Outcome through an individual procurement activity, as identified in the Social Procurement Commitment Schedule.

**Social Procurement Commitment Schedule** means the plan included at Schedule *[insert]* to this Contract (and includes the Social Procurement Commitments).

**Social Procurement Framework** *Victoria’s Social Procurement Framework* published 26 April 2018 by the Victorian Government, as amended from time to time.

**Social Procurement Performance Report** means a report submitted by a Contractor to the Contract Manager of the Department/Agency, which details the Contractor’s performance against the Social Procurement Commitments made within the Contractor’s Social Procurement Commitment Schedule.

**Social Traders** means Social Traders Limited (ACN 132 665 804).

**Supply Nation** means Australian Indigenous Minority Supplier Office Limited (trading as Supply Nation) (ACN 134 720 362).

**Victorian Aboriginal business** means a business that:

- (iv) is at least 50 per cent Aboriginal and/or Torres Strait Islander-owned;
- (v) undertakes commercial activity; and
- (vi) operates and has business premises in Victoria.

**Victorian Social Enterprise** means an organisation that is:

- (vii) certified by Social Traders, and operates and has a business premises in Victoria; or

(viii) listed on the Map for Impact.

## 2.2 Social Procurement Commitment Schedule

- (a) The Contractor must, in performing its obligations under this Contract, comply with the Social Procurement Commitment Schedule (including the Social Procurement Commitments).
- (b) The Contractor acknowledges and agrees that the Social Procurement Commitment Schedule (including the Social Procurement Commitments) applies during the term of the Contract, any extensions to the term and until all of its reporting obligations as set out in clause 2.3 are fulfilled.
- (c) The Contractor agrees that the Social Procurement Commitments will bind the Contractor in relation to:
  - (i) the Contract as a whole (or to all of the works specified in the Contract), including any change of scope during the term of the Contract; and
  - (ii) all Construction conducted off site provided that the work has been specified as part of the Contract.
- (d) The Contractor's failure to undertake all reasonable measures to achieve compliance with clauses 2.2, 2.3 and 2.4 may be determined by the Department/Agency to constitute a material breach of this Contract.
- (e) The Contractor must ensure that any sub-contracts entered into by the Contractor, or by sub-contractors of any tier, in relation to work under the Contract, contain clauses requiring sub-contractors of any tier to:
  - (i) comply with the Social Procurement Commitments to the extent that it applies to work performed under the sub-contract;
  - (ii) provide all necessary information to the Contractor so that the Contractor can fulfil its reporting obligations under clause 2.3 of this Contract; and
  - (iii) permit the Department/Agency to exercise its verification and inspection rights under clause 2.4 of this Contract.

## 2.3 Reports

- (a) The Contractor must submit written Social Procurement Performance Reports to the Contract Manager of the Department/Agency outlining its performance against the Social Procurement Commitment Schedule at least every *[frequency]*.
- (b) The Social Procurement Performance Report submitted in accordance with clause 2.3(a) must:
  - (i) be in a form satisfactory to the Department/Agency (acting reasonably); and
  - (ii) include all supporting information reasonably required by the Department/Agency to verify the contents of the Social Procurement Performance Report.
- (c) Social Procurement Performance Reports must include:
  - (i) details specifying the Contractor's performance in complying with the Social Procurement Commitment Schedule; and
  - (ii) any reasons for non-compliance with the Social Procurement Commitment Schedule.

- (d) In addition to the Social Procurement Performance Reports, the Contractor must submit:
  - (i) a final Social Procurement Performance Report within 2 months of the date of practical completion or the date the Contract is completed, whichever is earlier; and
  - (ii) a statutory declaration made by the Contractor declaring that the contents of the final Social Procurement Performance Report are true and correct, which must be submitted together with the final Social Procurement Performance Report.
- (e) Where maintenance or ongoing service components form part of the work under the Contract, the final Social Procurement Performance Report must be submitted at the time at which the primary substance of the work under the Contract has been practically completed (excluding any ongoing maintenance or service work).

## **2.4 Verification of Contractor's compliance with Social Procurement Commitment Schedule**

- (a) The Contractor agrees that the Department/Agency will have the right to inspect the Contractor's records to verify compliance with the Social Procurement Commitment Schedule.
- (b) The Contractor must:
  - (i) permit the Department/Agency, or its duly authorised representative, from time to time during ordinary business hours and upon reasonable notice, to inspect, verify and make copies at the Department's/Agency's expense of all records maintained by the Contractor for the purposes of this Contract at the Contractor's premises, or provide copies of those records to the Contract Manager of the Department/Agency at the Department's/Agency's request;
  - (ii) permit the Department/Agency, or its duly authorised representative, from time to time to undertake a review of the Contractor's performance in accordance with the Social Procurement Commitment Schedule; and
  - (iii) ensure that its employees, agents and sub-contractors give all reasonable assistance to any person authorised by the Department/Agency to undertake such audit or inspection as described in (i) and (ii) above.
- (c) The Contractor:
  - (i) acknowledges and agrees that the Department/Agency and the Department/Agency's duly authorised representative are authorised to obtain information from any relevant persons, firms or corporations, including third parties, in connection with the Contractor's compliance with the Social Procurement Commitment Schedule.
- (d) The obligations set out in this clause 2.4 are in addition to and do not derogate from any other obligation under this Contract.

## **2.5 Use of Information**

The Contractor acknowledges and agrees that the statistical information contained in the Social Procurement Commitment Schedule and the measures of the Contractor's compliance with the Social Procurement Commitment Schedule as reported will be:

- (a) provided by the Department/Agency to the Department of Treasury and Finance; and
- (b) considered in the assessment or review of the Contractor's eligibility to tender for future Victorian Government Contracts.

**2.6 Schedule *[insert]***

*[Attach copy of Social Procurement Commitment Schedule]*



# Appendix B1: Social Procurement Information Schedule

## Detailed guidance for opportunities for Victorian Aboriginal people

### Introduction

This objective is one of seven social procurement objectives included in the SPF.

#### Corresponding social outcomes

The SPF identifies two social outcomes corresponding to this social procurement objective:

1. Purchasing from Victorian Aboriginal businesses; and
2. Employment of Victorian Aboriginal people by suppliers to the Victorian Government.

These outcomes are addressed separately below.

#### SPF Table 3 recommended actions

For individual procurement activities that are 'below threshold', the SPF recommends that government buyers seek opportunities to directly or indirectly procure from Victorian Aboriginal businesses.

For individual procurement activities that fall within the 'lower band', the SPF recommends that government buyers consider whether part of the procurement can be unbundled for delivery from Victorian Aboriginal businesses.

For individual procurement activities that fall within the 'middle band' or 'upper band', the SPF recommends that government buyers set targets for supplier expenditure with Victorian Aboriginal businesses and ask suppliers to demonstrate how they will meet such targets.

### Outcome 1: Purchasing from Victorian Aboriginal businesses

#### Benefits for Victorians

The Victorian Government recognises that:

- Victorian Aboriginal people, organisations and businesses already make valuable contributions to Victoria's diverse economy;
- the Victorian Aboriginal business sector is large, diverse and includes for-profit businesses, social enterprises and community enterprises;
- Aboriginal economic development is vital to growing Victoria's wealth generally and to increasing overall economic productivity and competitive advantage; and
- Aboriginal economic participation and development is also a vital foundation for self-determination.

Improving the visibility and networks of Victorian Aboriginal businesses is a strategic priority of *Tharamba Bugheen* – Victorian Aboriginal Business Strategy 2017-2021.

The Victorian Government has set a target of one per cent of government procurement from small to medium enterprises to be from Victorian Aboriginal businesses. The target is to be achieved by 2019-2020.

#### Model approach for government buyers

There are two model approaches to delivering this outcome:

- *Direct approach to social procurement* – selectively target Victorian Aboriginal businesses or, alternatively, ensure that Victorian Aboriginal businesses are included in any market approach.

#### AND/OR

- *Indirect approach to social procurement* – require mainstream suppliers to include Victorian Aboriginal businesses within their supply chain (e.g. by way of sub-contracting).

Where appropriate, government buyers may also require suppliers to evidence their status, or the status of suppliers in their supply chain, as a Victorian Aboriginal business.

#### **Further information for government buyers**

The information below will help government buyers identify Victorian Aboriginal businesses for the purpose of the model approaches outlined in this appendix.

The VendorPanel procurement platform (<https://www.vendorpanel.com.au/>) is available to all departments and agencies to access social benefit suppliers. There is no cost for enabling this platform, as access has been provided through the Victorian Government State Purchase Contract for eProcurement.

VendorPanel has a social benefit supplier marketplace that, among other things, provides government buyers with access to the:

- Kinaway marketplace, verified by Kinaway, the Victorian Aboriginal Chamber of Commerce; and
- Indigenous business marketplace, verified by Supply Nation.

Government buyers can use VendorPanel's social benefit supplier marketplace to identify verified Victorian Aboriginal businesses, which are searchable by category and geographical location, and to put quotes to these businesses. The suppliers that you can view on VendorPanel will depend on the partner organisations with which your organisation has a membership. The following access arrangements currently apply:

- Kinaway Marketplace – available to all departments and agencies; and
- Supply Nation Marketplace – available only to those departments and agencies who are Supply Nation members.

Victorian Aboriginal businesses may be verified by Kinaway and/or Supply Nation. Where a government buyer identifies a supplier that appears to meet the definition of 'Victorian Aboriginal business' in the SPF, but which is not verified by either Kinaway or Supply Nation, contact Small Business Victoria ([business.victoria@ecodev.vic.gov.au](mailto:business.victoria@ecodev.vic.gov.au)) which, in consultation with Kinaway, will make a determination on whether the supplier meets the relevant definition.

Government buyers can obtain further information about:

- Kinaway online at <http://www.kinaway.com.au/>;
- Supply Nation online at <https://supplynation.org.au/>; and
- Small Business Victoria online at <http://www.business.vic.gov.au/>

## **Outcome 2: Employment of Victorian Aboriginal people by suppliers to the Victorian Government**

### **Benefits for Victorians**

Employment has a wealth of positive outcomes for individuals, from building confidence and self-esteem, to enabling more independent and stable lifestyles and providing opportunities for social interaction and community engagement.

The Victorian Government is actively working with Victorian Aboriginal businesses, members of the Victorian Aboriginal community and key partners to support the economic advancement of Aboriginal Victorians by:

- creating more job opportunities across the economy;
- building the capacity of employers to support and nurture Aboriginal talent; and
- growing Aboriginal enterprise and investment.

### **Model approach for government buyers**

The model approach to delivering this outcome involves two components:

- require suppliers to commit to targets for employment outcomes for Victorian Aboriginal people; and
- require suppliers to explain how they will identify Victorian Aboriginal people and support them to achieve and maintain employment outcomes, including by creating culturally safe work environments (see example table in Schedule 1 to this appendix).

#### **Further information for government buyers**

In considering employment opportunities, it is recommended that the focus be on responding to demonstrated employer/industry workforce needs and providing pathways to employment that are likely to be sustained over time.

There are several government, non-government and private sector organisations to help suppliers create employment opportunities for Victorian Aboriginal people, which include the following:

##### *Indigenous recruitment companies operating in Victoria*

Indigenous recruitment companies operating in Victorian include, but are not limited to:

- RAW recruitment – refer [www.rawrecruitment.com.au](http://www.rawrecruitment.com.au);
- Nerdu Badji Education – refer <http://nerdu.com.au>;
- Indigenous Prospects – Training and Recruitment – refer <http://www.iptr.com.au/>;
- Koori HR Pty Ltd (part of the Rusca Group) – refer <http://www.ruscaservices.com.au/sid-rusca-training-academy/services-remove>;
- Zancott Recruitment – refer <http://www.zancott.com/>; and
- Goal Indigenous Services – refer <http://www.goalis.com.au/>.

##### *Jobactive* - <https://jobactive.gov.au/>

jobactive is the Australian Government's way to get more Australians into work – connecting job seekers with employers – and is delivered by a network of jobactive providers in over 1,700 locations across Australia.

Employers can use a local jobactive provider for tailored recruitment services, at no cost to their business. jobactive providers work closely with employers to understand their recruitment needs. Job seekers can get help from a jobactive provider to obtain and maintain employment. jobactive providers have the flexibility to tailor their services to a job seeker's assessed needs.

##### *Jobs Victoria* - <https://jobs.vic.gov.au/>

Jobs Victoria was established in 2016. It provides tailored services to support and connect jobseekers and employers. With its network of partners throughout the state, it assists jobseekers to become job-ready through mentoring, training and development. At the same time, it works closely with employers to identify exactly the types of skills and experience they require.

Through this process, Victorian businesses gain access to a source of quality candidates, and jobseekers find meaningful, ongoing employment. This has great benefit for individuals, communities and the Victorian economy.

Information about two non-Indigenous group training organisations used by Jobs Victoria to place/train Aboriginal apprentices and trainees is available online at

- <http://www.aigroupapprentices.com.au/>; and
- <https://aflsportsready.com.au/>

## Schedule 1 – Employment for Victorian Aboriginal people

Information sought	Supplier response
1. Previous experience employing Victorian Aboriginal people	
2. Employment opportunities: <ul style="list-style-type: none"><li>- number</li><li>- type</li><li>- duration</li><li>- location/s</li></ul>	
3. Identifying Victorian Aboriginal people <ul style="list-style-type: none"><li>- how, where and when will these employees be identified</li></ul>	
4. Supporting Victorian Aboriginal people <ul style="list-style-type: none"><li>- strategies / mechanisms to be used to support these employees by creating culturally safe work environments.</li></ul>	
5. Where employment is on a fixed-term or casual basis, provide further details of employment transition planned for these employees	

# Appendix B2: Social Procurement Information Schedule

## Detailed guidance for opportunities for Victorians with disability

### Introduction

This objective is one of seven social procurement objectives included in the SPF.

#### Corresponding social outcomes

The SPF identifies two social outcomes corresponding to this social procurement objective:

1. Purchasing from Victorian social enterprises and Australian Disability Enterprises (ADEs); and
2. Employment of Victorians with disability by suppliers to the Victorian Government.

These outcomes are addressed separately below.

#### SPF Table 3 recommended actions

For individual procurement activities that are 'below threshold', the SPF recommends that government buyers seek opportunities to directly or indirectly procure from relevant Victorian social enterprises (i.e. those that create employment opportunities for Victorians with disability) or ADEs.

For individual procurement activities that fall within the 'lower band', the SPF recommends that government buyers:

- ask suppliers to demonstrate their own inclusive employment practices for Victorians with disability in weighted framework criteria; or
- consider whether part of the procurement can be unbundled for delivery from relevant Victorian social enterprises or ADEs.

For individual procurement activities that fall within the 'middle band' or 'upper band', the SPF recommends that government buyers:

- ask suppliers to include performance standards or set targets on labour hours performed by Victorians with disability and ask suppliers to demonstrate how they will meet such targets; or
- set targets for supplier expenditure with relevant Victorian social enterprises or ADEs and ask suppliers to demonstrate how they will meet such targets.

### Outcome 1: Purchasing from Victorian social enterprises and Australian Disability Enterprises

#### Benefits for Victorians

Paid work is one part of economic participation that builds a sense of self-worth and independence. When people with disability have higher incomes through work, they have more spending power as consumers and are more able to invest in housing and education. People with disability also contribute as producers of goods and services.

ADEs and a range of social enterprises create employment opportunities for Victorians with disability:

- ADEs are Commonwealth-funded (and generally not-for-profit) organisations that seek to operate in a commercial context, specifically to provide supportive employment opportunities to people with moderate to severe disability.

- In 2016-17, of the more than one million people with disability living in Victoria, 4,166 Victorians with disability were registered with an ADE.<sup>12</sup>
- Some ADEs also meet the definition of 'social enterprise' below.
- Social Traders describes social enterprises as 'businesses that trade to intentionally tackle social problems, improve communities, provide people with access to employment and training, or help the environment'. Key elements of Social Traders' definition of social enterprise, which is used for the purpose of verifying suppliers as certified social enterprises, are that the supplier:
  - is driven by a public or community cause, be it social, environmental, cultural or economic;
  - derives most of their income from trade, not donations or grants; and
  - uses the majority (at least 50 per cent) of their profits to work towards their social mission.

### Model approach for government buyers

There are two model approaches to delivering this outcome:

- *Direct approach to social procurement* – selectively target relevant Victorian social enterprises or ADEs, or alternatively, ensure that relevant Victorian social enterprises and ADEs are included in any market approach.

### AND/OR

- *Indirect approach to social procurement* – require mainstream suppliers to include relevant Victorian social enterprises and ADEs within their supply chain (e.g. by way of sub-contracting).

Where appropriate, government buyers may also require suppliers to evidence their status, or the status of suppliers in their supply chain, as a relevant Victorian social enterprise or ADE.

### Further information for government buyers

The information below will help government buyers identify relevant Victorian social enterprises and ADEs for the purpose of the model approaches outlined in this appendix.

The VendorPanel procurement platform (<https://www.vendorpanel.com.au/>) is available to all departments and agencies to access social benefit suppliers. There is no cost for enabling this platform, as access has been provided through the Victorian Government State Purchase Contract for eProcurement.

VendorPanel has a social benefit supplier marketplace that, among other things, provides government buyers with access to the Social Enterprise marketplace, verified by Social Traders.

Government buyers can use VendorPanel's social benefit supplier marketplace to identify verified social enterprises (including ADEs that are verified social enterprises), which are searchable by category and geographical location, and to put out quotes to these businesses. Further information is also available on VendorPanel in relation to each supplier to determine whether its mission involves creating employment opportunities for Victorians with disability.

All government buyers will also have access to the Social Traders secure buyer portal (<https://www.socialtraders.com.au/>) to identify verified social enterprises and their mission, and search these by category and geographical location. The Social Traders buyer portal will also include social procurement resources provided by Social Traders and upcoming Social Traders event information. Contact your Chief Procurement Officer/Accountable Officer for the government buyer password and log-in to the Social Traders buyer portal, or alternatively contact: [socialprocurement@dtf.vic.gov.au](mailto:socialprocurement@dtf.vic.gov.au).

Government buyers may also identify ADEs using BuyAbility's online directory at <https://buyability.org.au/directory/>.

The definition of social benefit supplier (see Section 5 of the SPF *Guide to key concepts*) also includes social enterprises that are listed on the Map for Impact (the Victorian Social Enterprise Mapping

<sup>12</sup> Source: <https://www.aihw.gov.au/getmedia/faed43f4-4440-473a-a93a-1832190926a3/aihw-aus-223.pdf.aspx?inline=true> (viewed 19 August 18).

Project). The Map for Impact resource is available online at <https://mapforimpact.com.au/>.

Government buyers can obtain further information about:

- Social Traders online at <https://www.socialtraders.com.au/>; and
- BuyAbility online at <https://buyability.org.au/>.

## Outcome 2: Employment of Victorians with disability by suppliers to the Victorian Government

### Benefits for Victorians

Paid work is one part of economic participation that builds a sense of self-worth and independence. When people with disability have higher incomes through work, they have more spending power as consumers and are more able to invest in housing and education. People with disability also contribute as producers of goods and services.

The opportunities for inclusion and benefits coming from employment and contributing to the economy make it a vitally important approach for driving change. When people with disability have the benefit of good education and training and are contributing to the economy as consumers, employers, entrepreneurs, and workers, they are also challenging outmoded attitudes.

A common assumption is that people with disability can only do basic, unskilled jobs. The opposite is actually the case – people with disability bring a range of skills, talents and abilities to the workplace. They work in all sorts of jobs and hold a range of tertiary and trade qualifications.

Australian and international studies have also proven people with disability to be reliable and productive employees, with lower recruitment, insurance cover and compensation costs and higher retention rates.

### Model approach for government buyers

There are two model approaches to delivering this outcome:

- Where government buyers focus on social business practices (here, inclusive employment practices for Victorians with disability):
  - require suppliers to complete an inclusive employment practices self-assessment checklist (see example checklist in Schedule 1 to this appendix) that covers key components such as:
    - existing plans or strategies to facilitate workforce diversity and employment opportunities for people with disability;
    - flexible work arrangements;
    - non-discriminatory recruitment and retention practices;
    - accessible office facilities and equipment;
    - targeted employment programs and pathways for people with disability;
    - relationships with Disability Employment Services;
    - adoption of accessible information technology, software, business applications and websites;
    - internal staff development and support mechanisms that are inclusive of people with disability; and
    - key performance indicators, benchmarks and/or targets for the employment and retention of people with disability.

Where appropriate, government buyers may require suppliers to:

- provide documentary evidence in support of their responses to the self-assessment checklist; and/or

- provide a written declaration in relation to their responses to the self-assessment checklist (see sample declaration in Schedule 3 to this appendix).

#### **AND/OR**

- Where government buyers focus on social outputs (here, employment outcomes for Victorians with disability):
  - require suppliers to commit to targets or targeted employment programs to drive employment outcomes for Victorians with disability; and
  - require suppliers to explain their recruitment and retention strategies for the employment of Victorians with disability and support them to achieve and maintain employment outcomes (see example table in Schedule 3 to this appendix).

#### **Further information for government buyers**

In considering employment opportunities, it is recommended that the focus be on responding to demonstrated employer/industry workforce needs and providing pathways to employment that are likely to be sustained over time.

There are a broad range of government-funded services and programs to help suppliers attract and retain candidates with disability and/or create targeted job opportunities for Victorians with disability including the following:

*JobAccess* - <https://www.jobaccess.gov.au/>

JobAccess is the national hub for workplace and employment information for people with disability, employers and service providers. Created by the Australian Government, it brings together the information and resources that can 'drive disability employment'.

The National Disability Recruitment Coordinator (NDRC) – funded by the Australian Government as a program of JobAccess – is designed to help larger employers access the skills and talents of people with disability. The NDRC can assist employers to develop workplace policies and practices that accommodate people with disability. As well as providing a comprehensive job vacancy service available online at <https://www.jobaccess.gov.au/employers/national-disability-recruitment-coordinator-job-vacancy>, the NDRC conducts workplace training and employer seminars on disability awareness. The NDRC can also connect employers to the national network of Disability Employment Services.

*Disability Employment Services* – refer to JobAccess website and <https://www.dss.gov.au/>

Disability Employment Services (DES) provide specialist employment assistance to help people with disability, injury or health conditions find and retain suitable employment in the open labour market.

For employers, DES can provide a range of free services, including help to employ and retain workers with disability and access to a range of financial incentives and support.

As of 31 December 2017, of the more than one million people with disability living in Victoria, over 50,000 were assisted by Victorian DES.<sup>13</sup>

*Jobs Victoria* - <https://jobs.vic.gov.au/>

Jobs Victoria was established by the Victorian Government in 2016. It provides tailored services to support and connect jobseekers and employers. With its network of partners throughout the state, it assists jobseekers to become job-ready through mentoring, training and development. At the same time, it works closely with employers to identify exactly the types of skills and experience they require.

Through this process, Victorian businesses gain access to a source of quality candidates, and jobseekers find meaningful, ongoing employment. This has great benefit for individuals, communities and the Victorian economy.

*Fee-for-service advice and support*

<sup>13</sup> Source:

<http://lmip.gov.au/default.aspx?LMIP/Downloads/DisabilityEmploymentServicesData/DESCaseloadandCommencementsData>

The Australian Network on Disability (AND) is an employer-driven organisation, with the specific purpose to advance the equitable inclusion of people with disability in all aspects of business. It is not-for-profit and has scores of Australian businesses, government departments and community-based organisations as members. Joining AND can help connect organisations with like-minded colleagues and support them in developing inclusive business practices. Further information about AND is available online at [www.and.org.au](http://www.and.org.au).

## Schedule 1: Inclusive Employment Practices Self-Assessment Checklist

A. Framework adopted by supplier	Yes	No
1) Does your organisation have a publicly available workforce diversity strategy that encompasses people with disability, or a disability action plan, or access and inclusion plan?	<input type="checkbox"/>	<input type="checkbox"/>
2) If 'Yes', has the strategy been endorsed by your organisation's governance body?	<input type="checkbox"/>	<input type="checkbox"/>
3) If 'No', is this being currently progressed by your organisation?	<input type="checkbox"/>	<input type="checkbox"/>

Comments on any responses to Q1 – Q3:

B. Policies and procedures	Yes	No
4) Does your organisation have policies and/or procedures supporting any of the following employment practices that are inclusive of people with disability?		
• Public statement promoting an inclusive / diverse organisational culture (e.g. on website)	<input type="checkbox"/>	<input type="checkbox"/>
• Flexible work arrangements	<input type="checkbox"/>	<input type="checkbox"/>
• Non-discriminatory recruitment and retention practices	<input type="checkbox"/>	<input type="checkbox"/>
• Accessible office facilities and equipment	<input type="checkbox"/>	<input type="checkbox"/>
• Targeted employment programs and pathways for people with disability	<input type="checkbox"/>	<input type="checkbox"/>
• Adoption of accessible information technology, software, business applications and websites	<input type="checkbox"/>	<input type="checkbox"/>
• Internal staff development and support mechanisms that are inclusive of employees with disability	<input type="checkbox"/>	<input type="checkbox"/>
• Relationships with employment services	<input type="checkbox"/>	<input type="checkbox"/>

General comments, explanations for any 'No' responses to Q4 and/or any steps being taken in relation to these items:

C. Performance measurement & targets	Yes	No
<b>5) Does your organisation have any of the following performance measures and targets for employment of people with disability?</b>		
• Disability employment action plan (or equivalent)	<input type="checkbox"/>	<input type="checkbox"/>
• Key Performance Indicators (KPIs)	<input type="checkbox"/>	<input type="checkbox"/>
• Benchmarks / targets for results to be achieved against KPIs	<input type="checkbox"/>	<input type="checkbox"/>
• Recording of performance / data collection	<input type="checkbox"/>	<input type="checkbox"/>
<b>6) Do you have any of the following formal internal monitoring and oversight of performance in place:</b>		
• Management review	<input type="checkbox"/>	<input type="checkbox"/>
• Governance review	<input type="checkbox"/>	<input type="checkbox"/>
• Periodic internal auditing process	<input type="checkbox"/>	<input type="checkbox"/>

General comments, explanations for any 'No' responses to Q5 or Q6 and/or any steps being taken in relation to these items:

D. External oversight	Yes	No
<b>7) Does your organisation have any external accreditation or certification of its approach to employment of people with disability (for example, the Australian Network on Disability's Access and Inclusion Index)?</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>8) In the last 24-month period, has your organisation been subject to:</b>		
a. any penalties or notices from the Victorian Equal Opportunity and Human Rights Commission relating to employment of people with disability?	<input type="checkbox"/>	<input type="checkbox"/>
b. any current investigations / proceedings in respect of a possible breach of the Victorian Equal Opportunity Act or Charter of Human	<input type="checkbox"/>	<input type="checkbox"/>

---

**Rights relating to employment of people with disability?**

---

***Note: If the answer to 8(a) or 8(b) is 'Yes', please attach evidence to this checklist of any strategies put in place to rectify the non-compliance.***

---

***Note: If the answer to Q7 is 'Yes', please provide details of any external accreditation / certification***

---

## Schedule 2: Inclusive Employment Practices Declaration

Organisation name		<b>(Supplier)</b>
ABN / ACN		

Authorised Representative (name)		<b>(Authorised Representative)</b>
Authorised Representative (title)		

I, the Authorised Representative of the Supplier, for and on behalf of the Supplier, declare as follows:

- I am authorised by the Supplier to sign this declaration for and on behalf of the Supplier.
- I confirm that the information in this *Inclusive Employment Practices Self-Assessment Checklist* provided as part of the [insert name of invitation to supply] is:
  - current and accurate; and
  - provided by the Supplier to [name of department/agency] in good faith.
- I acknowledge that [name of department/agency] may rely upon the information provided in this *Inclusive Employment Practices Self-Assessment Checklist*.
- I undertake to ensure that the Supplier promptly:
  - notifies [name of department/agency] upon becoming aware that any information provided in this declaration is incorrect or misleading; and
  - provides to [name of department/agency] such information as may be required to further assess the Supplier’s adoption of business practices that support the employment of people with disability.

.....  
Signature of Authorised Representative:

.....  
Name of Authorised Representative:

Dated: ...../...../.....

## Schedule 3 – Employment for Victorians with disability: demonstrating recruitment and retention strategies

Information sought	Supplier response
1. Previous experience employing Victorians with disability	
2. Employment opportunities: <ul style="list-style-type: none"><li>- number</li><li>- type</li><li>- duration</li><li>- location/s</li></ul>	
3. Supporting Victorians with disability <ul style="list-style-type: none"><li>- strategies / mechanisms to be used to support these employees</li></ul>	
4. Where employment is on a fixed-term or casual basis, provide further details of employment transition planned for employees	

# Appendix B3: Social Procurement Information Schedule

## Detailed guidance for women's equality and safety

### Introduction

This objective is one of seven social procurement objectives included in the SPF.

#### Corresponding social outcomes

The SPF identifies two social outcomes corresponding to this social procurement objective:

1. Adoption of family violence leave by Victorian Government suppliers; and
2. Gender equality within Victorian Government suppliers.

These outcomes are addressed separately below.

#### SPF Table 3 recommended actions

For individual procurement activities that fall within the 'lower band', the SPF recommends that government buyers ask suppliers:

- whether they offer family violence leave in weighted framework criteria; and
- to demonstrate gender equitable employment practices in weighted framework criteria.

For individual procurement activities that fall within the 'middle band' or 'upper band', the SPF recommends that government buyers ask suppliers:

- whether they offer family violence leave in weighted framework criteria; and
- to include performance standards or industry appropriate targets for labour hours performed by women.

### Outcome 1: Adoption of family violence leave by Victorian Government suppliers

#### Benefits for Victorians

Family violence can affect the productivity and wellbeing of people within the workplace. For example, it can result in higher levels of absenteeism and staff turnover and lower levels of productivity. Statistics show that one in six women is affected by family violence and it costs the Australian economy an estimated \$13.6 billion per year.

Workplaces that have robust family violence leave policies can play a significant role in raising awareness of family violence, reducing the stigma for victims of family violence, and promoting a workplace culture that is equitable, respectful and supportive. A family violence leave policy can mean the difference between a person staying in an abusive relationship or taking action to address the situation.

#### Model approach for government buyers

The model approach to delivering this outcome involves two components:

- require suppliers to demonstrate whether they have a formal family violence leave policy, including details of key provisions of the policy – if not, then require suppliers to commit to adopting a formal policy that covers the key components (see further information below); and
- require suppliers to demonstrate whether they have other support arrangements in place to assist employees experiencing family violence, including details of the arrangements.

#### Further information for government buyers

The information below is provided by the Office for Prevention and Women's Equality (Department of Health and Human Services) (OPWE) to help government buyers understand the concept of family

violence leave and what to expect from suppliers in relation to this outcome.

#### *Family violence leave policy*

'Family Violence' is defined in the *Family Violence Protection Act 2008* (Vic).

Family violence includes behaviour by a person towards a family member that is:

- physically or sexually abusive;
- emotionally or psychologically abusive;
- economically abusive;
- threatening or coercive; or
- in any other way controls or dominates the family member and causes that family member to feel fear for the safety or wellbeing of themselves or another family member.

Family violence leave is specific leave for employees experiencing or supporting someone who is experiencing family violence. Family violence leave can be paid or unpaid and is accessed by an employee who needs to do something due to the impact of family violence that is impractical to do outside of the ordinary hours of work.

Family violence leave policies exist in public and private sector organisations, including the current Victorian Government VPS enterprise agreement. Large private sector organisations have family violence leave policies, with some including these provisions in enterprise agreements.

In March 2018, the Fair Work Commission provisionally ruled to include a model term for leave to deal with family and domestic violence in all modern awards. Where they exist, family violence leave provisions are typically embedded within broader family violence support policies, including principles and guidelines for managers to follow when they become aware of an employee experiencing family violence. These include sections regarding confidentiality, non-discrimination, and access to support services.

#### *Example – Family violence leave policy, Rio Tinto<sup>14</sup>*

- *Rio Tinto has introduced a package of initiatives designed to protect and support Australian employees affected by family and domestic violence. Within the family violence workplace policy, employees are entitled to 10 paid days of leave to allow for court appearances, relocation, counselling and seeking legal assistance. The policy also includes the provision of safety plans to protect at risk employees at work including security, new telephone numbers, screening or blocking calls and email protection. Short term financial assistance and emergency accommodation can also be provided as required to employees who need immediate help.*

#### *Key components of a family violence policy*

The North West Metropolitan Region Primary Care Partnerships have produced a policy template for Workplace Family Violence, which is available online at <http://inwpcp.org.au/wp-content/uploads/2016/10/FINAL-Workplace-FV-Policy-8-Feb-2017-1.pdf>. This document will assist suppliers to develop their own workplace family violence leave policy and contains a comprehensive list of support organisations for referral purposes.

Drawing on existing family violence leave policies and the Fair Work Commission's 2017 Background Paper on family violence leave, a family violence leave policy should include:

- definitions;
- purpose and scope;
- clearly defined eligibility criteria;
- leave entitlements and conditions that provide:
  - dedicated paid or unpaid leave for employees experiencing family violence; and

<sup>14</sup> Rio Tinto, Media Release, *Rio Tinto increases support for workers affected by family and domestic violence*, 29 August 2017 ([http://www.riotinto.com/media/media-releases-237\\_23042.aspx](http://www.riotinto.com/media/media-releases-237_23042.aspx)).

- access to flexible working arrangements where appropriate.
- evidence requirements;
- privacy and protection against adverse action requirements that:
  - maintain confidentiality of employee details and disclosures of family violence; and
  - protect against adverse action or discrimination on the basis of disclosure / experience of family violence;
- Other types of assistance, which could include referral to appropriate family violence support services.

## Outcome 2: Gender equality within Victorian Government suppliers

### Benefits for Victorians

Women's full and equitable participation in political, economic and public life signals the value we place on women's contributions. Gender equality in leadership positions is proven to increase business performance and deliver diversity of thought leading to more innovative solutions.

The Victorian Government recognises that suppliers will be at different points on the continuum towards achieving gender equality and that this process involves long-term commitment and behaviour change.

### Model approach for government buyers

The model approach to delivering this outcome involves two components:

- require suppliers to complete a gender equitable business practices self-assessment checklist (see example checklist in Schedule 1 to this appendix) that covers key components such as:
  - gender equality strategy;
  - gender-inclusive culture with relevant supportive elements such as flexible work options;
  - gender equality in leadership and management;
  - gender composition of teams;
  - equal remuneration; and
  - gender equality audits;
- require suppliers to complete a current workforce profile and/or project contract staff profile table (see example profiles in Schedule 2 to this appendix).

Where appropriate, government buyers may require suppliers to:

- provide documentary evidence in support of their self-assessment and/or profiles; and/or
- provide a written declaration in relation to their responses to the self-assessment checklist and/or profiles (see example declaration in Schedule 3 to this appendix).

### Further information for government buyers

The information below is provided by the OPWE to help government buyers understand the concept of gender equality and considerations relevant to evaluating responses to invitations to supply.

#### *Supplier gender equality strategy*

There is a range of existing gender equality strategies in public and private sector workplaces. While these are diverse, key components could include:

- gender equality policies and procedures across the organisation's activities with a key focus on:
  - gender-inclusive culture including through equal remuneration, flexible workplace policies and an embedded family violence policy;
  - gender equality in leadership at senior levels of the organisation;

- gender composition of teams; and/or
- equal remuneration;
- gender equality indicators and outcomes linked to business strategy and outcomes; and
- collection and analysis of gender-disaggregated data for measurement and reporting, including the provision of, for example:
  - Sex-disaggregated data (including Workplace Gender Equality Agency data, where relevant, on labour hours, gender pay gap, composition of the workforce, leadership and any governing bodies).

The Workplace Gender Equality Agency (WGEA) provides information to support and educate organisations to increase their level of gender equality in a strategic, structured and sustainable way. WGEA has developed a toolkit to provide guidance for those organisations aiming to adopt best practice or become WGEA Employer of Choice for Gender Equality. The toolkit assists both those organisations starting on the gender equality journey, as well as those that have already taken action to progress sooner and more effectively. The toolkit is available on the WGEA website at [www.wgea.gov.au/sites/default/files/Gender\\_Strategy\\_Toolkit.pdf](http://www.wgea.gov.au/sites/default/files/Gender_Strategy_Toolkit.pdf).

Example – RMIT Gender Equality Action Plan 2016-2020<sup>15</sup>

- *The Action Plan consists of three key focus areas to embed RMIT’s commitment to gender equality, particularly around the representation of women in senior academic and executive roles. Each of the three areas consists of actions, targets, timelines and responsible enablers (e.g. executive champions). Leadership and Governance recognises and actively involves women at all levels of governance, management and leadership, including annual gender equality reporting and targets for executive and senior and roles. Employment Conditions of women are respected and protected to enable their full participation in the workforce, including addressing the gender pay gap and ensuring gender equality is included in succession planning. Women’s Career Advancement is supported to ensure talent is developed and retained, including an increase in women’s application and success rates in academic and professional promotion.*

*Flexible work*

One of the barriers to increased workforce participation is access to flexible work arrangements. The Victorian Government has committed to making flexible roles common practice across the Victorian Public Service, recognising the vast body of evidence which suggests that offering men and women flexible work options will lead to improved workplace gender equality.

Australian definitions of flexible work include arrangements which provide flexibility in hours of work, patterns of work and locations of work. This includes part-time work, purchased leave, unplanned leave, parental leave beyond statutory requirements, flexitime, compressed working weeks/hours, time in lieu, job sharing, flexible career management and working from home/telecommuting.

*Safe and Strong:* A Victorian Gender Equality Strategy links access to flexible work arrangements as a contributor to the gender gap in workforce participation and engaged Nous group to model the return on investing in flexible work. The public report prepared by Nous group titled *Flexible work, good for business? Modelling the bottom line impact of flexible work for the Office of Prevention and Women’s Equality (OPWE)* found that flexible work supports gender equality through enabling women’s participation in the workforce and supporting women’s success in the workplace. The report also found flow on effects to employers, which included:

- improved staff productivity;
- enhanced ability to attract quality employees;
- enhanced ability to retain experienced staff;

<sup>15</sup> RMIT Diversity and Inclusion *Gender Equality Action Plan*, viewed July 2018, <http://mams.rmit.edu.au/8e7c1ca5cfycz.pdf>

- improved employee health;
- safety and wellbeing;
- reduced absenteeism,
- greater workforce diversity, and
- enhanced customer service and greater innovation capacity.

The full report is available online at [https://www.vic.gov.au/system/user\\_files/Documents/women/Final%20-%20For%20public%20release%20-%20Report%20-%20Flexible%20work%20return%20on%20investment.pdf](https://www.vic.gov.au/system/user_files/Documents/women/Final%20-%20For%20public%20release%20-%20Report%20-%20Flexible%20work%20return%20on%20investment.pdf).

### *Targets*

The Victorian Government is committed to changing leadership norms at the highest levels, recognising that women's full and equitable participation in political, economic and public life signals the value we place on women's contributions, and is therefore critical to achieving gender equality.

Women are underrepresented in leadership and management positions in Australian workplaces. Research undertaken by the Centre for Ethical Leadership demonstrates that targets and quotas are a valuable means to increase gender equality and successful gender equality initiatives are those that apply challenging targets, backed by effective sanctions and incentives.

Workplaces that set voluntary targets can self-regulate their gender equality performance and set realistic goals that are tailored to their unique circumstances. The Workplace Gender Equality Agency has a target setting calculator to help organisations set and meet gender diversity targets, which is available online at [www.wgea.gov.au/lead/setting-gender-targets](http://www.wgea.gov.au/lead/setting-gender-targets).

Performance standards and industry-appropriate targets may also be set in relation to individual procurement activities, such as in relation to labour hours to be performed by women. Performance standards and targets may, for example, relate to 'women in non-traditional trades or professions', which is defined on page 41 of the SPF to mean:

*Women working in technical or operational fields such as mining, construction, or utilities, with trade or higher education qualities in the areas of building and construction, architecture, engineering, surveying, business, economics, and law.*

### *Gender auditing*

A key component of developing a successful gender equality strategy involves undertaking a gender audit. Gender auditing can identify structural and social barriers to gender equality in the workplace and provide an accurate picture of the current state of gender equality within an organisation. The audit process can provide objective, measurable evidence of baseline performance and progress over time with respect to equal pay, recruitment and promotion, leadership development and mentoring, flexible working and inclusive culture.

Audits can be used to identify and disrupt harmful workplace cultures, encourage participative forms of leadership and shift the structures and systems that produce inequality. This includes countering unconscious bias in recruitment and promotion, setting targets for women's representation, encouraging male advocacy in the workplace, and supporting men out of the paid workforce with flexible working conditions and parental leave.

Women's Health West has developed a useful guide for how to undertake a gender audit in your organisation, titled 'Gender audit guidelines for the government, community and health sectors', which is available online at <https://pvawhub.whwest.org.au/wordpress/wp-content/uploads/2016/01/Gender-Audit-Guidelines.pdf>.

### *Adapting to a gender equitable framework*

As noted above, suppliers will be at different points on the continuum towards achieving gender equality and this process involves long-term commitment and behaviour change.

There are many resources available to guide and support suppliers on the path toward embedding gender equitable policy into workplace procedures and practice. For example, suppliers can consider

whether they have:

- undertaken a workplace checklist to review its gender perspective? Courageous Conversations have developed a useful checklist that is available online at <https://www.whealth.com.au/documents/publications/courageous-conversations/workplace-checklist.pdf>
- undertaken a gender gap analysis? The WEPs Gender Gap Analysis Tool is available online at <https://weps-gapanalysis.org/>. The tool is free to use and involves a self-assessment for organisations to identify strengths, opportunities and areas for improvement in existing gender equality policies, programmes and initiatives.

## Schedule 1: Gender Equitable Business Practices Self-Assessment Checklist

A. Framework adopted by supplier	Yes	No
1) Does your organisation have a documented gender equality strategy?	<input type="checkbox"/>	<input type="checkbox"/>
2) If 'Yes', has the strategy been endorsed by your organisation's governance body and/or any external authority?	<input type="checkbox"/>	<input type="checkbox"/>
3) If 'No', is this being currently progressed by your organisation?	<input type="checkbox"/>	<input type="checkbox"/>

Comments on responses to Q1-3:

B. Policies and procedures	Yes	No
4) Does your organisation have policies and/or procedures supporting any of the following employment practices to achieve gender equality including:		
• Statement promoting a gender equal organisational culture	<input type="checkbox"/>	<input type="checkbox"/>
• Gender equality in leadership and management	<input type="checkbox"/>	<input type="checkbox"/>
• Gender composition in teams / work groups	<input type="checkbox"/>	<input type="checkbox"/>
• Gender equitable remuneration	<input type="checkbox"/>	<input type="checkbox"/>
• Flexible work options	<input type="checkbox"/>	<input type="checkbox"/>
• Sub-contractor requirements	<input type="checkbox"/>	<input type="checkbox"/>

General comments, explanations for any 'No' responses to Q4 and/or any steps being taken in relation to these items:

C. Performance measurement & targets	Yes	No
5) Does your organisation have any of the following performance measures and targets for gender equality:		
• Gender equality action plan (or equivalent)	<input type="checkbox"/>	<input type="checkbox"/>
• KPIs	<input type="checkbox"/>	<input type="checkbox"/>
• Benchmarks / targets for results to be achieved against KPIs	<input type="checkbox"/>	<input type="checkbox"/>
• Recording of performance / data collection	<input type="checkbox"/>	<input type="checkbox"/>

**6) Do you have any of the following formal internal monitoring and oversight of performance in place:**

• Management review	<input type="checkbox"/>	<input type="checkbox"/>
• Governance review	<input type="checkbox"/>	<input type="checkbox"/>
• Periodic internal auditing process	<input type="checkbox"/>	<input type="checkbox"/>

**General comments, explanations for any 'No' responses to Q5 and Q6 and/or any steps being taken in relation to these items:**

<b>D. External oversight</b>	<b>Yes</b>	<b>No</b>
<b>7) Does your organisation have any external accreditation / certification of its approach?</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>8) In the last 24-month period, has your organisation been subject to:</b>		
a. any penalties or notices from the Victorian Equal Opportunity and Human Rights Commission relating to unfair gender practices?	<input type="checkbox"/>	<input type="checkbox"/>
b. any current investigations / proceedings in respect of a possible breach of the Victorian Equal Opportunity Act relating to possible unfair gender practices?	<input type="checkbox"/>	<input type="checkbox"/>
c. any notices of non-compliance or potential non-compliance with requirements under the Workplace Gender Equality Act 2012 if your organisation is subject to reporting under this Act?	<input type="checkbox"/>	<input type="checkbox"/>

**General comments, explanations for any 'No' responses to Q7 and Q8 and/or any steps being taken in relation to these items:**

<b>E. Family Violence leave policy</b>	<b>Yes</b>	<b>No</b>
<b>9) Does your organisation have a family violence leave policy?</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>10) If Yes, please detail provisions in Comments section below. If No, does your organisation commit to implementing a Family Violence leave policy – detail timeline for this implementation in the Comments section below?</b>	<input type="checkbox"/>	<input type="checkbox"/>

**Comments on responses to Q9 and Q10:**

## Schedule 2: Gender equality - Workforce and Project Contract Staff Profiles

**Table 1 – Workforce Profile**

	Female	Male
Number of employees		
FTE		
Number of employees in permanent positions		
Number of staff in senior management roles (management positions including CEO and two levels below CEO)		
Number of governing body members		
Proportion of overall workforce labour hours		
Comments on workforce profile and/or data provided:		

**Table 2 – Project Contract Staff Profile**

	Female	Male
Number of proposed project contract staff		
Number of proposed senior project roles for contractors (Project Manager and two levels below Project Manager)		
Proportion of overall project contract staff labour hours		
Comments on project contract staff profile and/or data provided:		

### Schedule 3: Gender Equitable Employment Practices and Workforce and Project Contract Staff Profiles Declaration

Organisation name		<b>(Supplier)</b>
ABN / ACN		

Authorised Representative (name)		<b>(Authorised Representative)</b>
Authorised Representative (title)		

I, the Authorised Representative of the Supplier, for and on behalf of the Supplier, declare as follows:

- I am authorised by the Supplier to sign this declaration for and on behalf of the Supplier.
- I confirm that the information in this *Gender Equitable Employment Practices Self-Assessment Checklist* and *Workforce and Project Contract Staff Profiles* provided as part of the [insert name of invitation to supply] is:
  - current and accurate; and
  - provided by the Supplier to [name of department/agency] in good faith.
- I acknowledge that [name of department/agency] may rely upon the information provided in this *Gender Equitable Employment Practices Self-Assessment Checklist* and *Workforce and Project Contract Staff Profiles*.
- I undertake to ensure that the Supplier promptly:
  - notifies [name of department/agency] upon becoming aware that any information provided in this declaration is incorrect or misleading; and
  - provides to [name of department/agency] such information as may be required to further assess the Supplier’s adoption of business practices that support gender equality.

.....  
Signature of Authorised Representative:

.....  
Name of Authorised Representative:

Dated: ...../...../.....

# Appendix B4: Social Procurement Information Schedule

## Detailed guidance for opportunities for disadvantaged Victorians

### Introduction

This objective is one of seven social procurement objectives included in the SPF.

### Corresponding social outcomes

The SPF identifies two social outcomes corresponding to this social procurement objective:

1. Purchasing from Victorian social enterprises; and
2. Job readiness and employment for:
  - long-term unemployed people;
  - disengaged youth;
  - single parents;
  - migrants and refugees; and
  - workers in transition.

These outcomes are addressed separately below.

### SPF Table 3 recommended actions

For individual procurement activities that are 'below threshold', the SPF recommends that government buyers seek opportunities to directly or indirectly procure from relevant Victorian social enterprises (i.e. those that create job readiness and employment opportunities for disadvantaged Victorians).

For individual procurement activities that fall within the 'lower band', the SPF recommends that government buyers consider whether part of the procurement can be unbundled for delivery by relevant Victorian social enterprises.

For individual procurement activities that fall within the 'middle band' or 'upper band', the SPF recommends that government buyers:

- set supplier targets for employment and training for disadvantaged Victorians; or
- set targets for supplier expenditure with relevant Victorian social enterprises and ask suppliers to demonstrate how they will meet such targets.

### Outcome 1: Purchasing from Victorian social enterprises

#### Benefits for Victorians

Social enterprises play an important role in providing transitional employment for disadvantaged job seekers as a pathway to employment in mainstream businesses.

Social enterprises can also provide ongoing employment options for disadvantaged job seekers who may not be well placed to sustain mainstream employment over the longer term.

#### Model approach for government buyers

There are two model approaches to delivering this outcome:

- *Direct approach to social procurement* – selectively target relevant Victorian social enterprises or, alternatively, ensure that relevant Victorian social enterprises are included in any market approach.

#### AND/OR

- *Indirect approach to social procurement* – require mainstream suppliers to include relevant Victorian social enterprises within their supply chain (e.g. by way of subcontracting).

Where appropriate, government buyers may also require suppliers to evidence their status, or the status of suppliers in their supply chain, as a relevant Victorian social enterprise.

#### **Further information for buyers**

See further information provided in relation to Outcome 1 in Appendix B2 to help government buyers identify Victorian social enterprises.

## **Outcome 2: Job readiness and employment for disadvantaged Victorians**

### **Benefits for Victorians**

Victoria is the fastest growing state in Australia, moving rapidly towards a knowledge economy. Within this dynamic environment, it is important to support jobseekers at risk of being left behind.

Employment has a wealth of positive outcomes for individuals, from building confidence and self-esteem, to enabling more independent and stable lifestyles and providing opportunities for social interaction and community engagement.

### **Model approach for government buyers**

The model approach to delivering this outcome involves two components:

- require suppliers to commit to targets for employment and/or training outcomes for disadvantaged Victorians (note: the government buyer may select one or more disadvantaged cohorts or include all disadvantaged cohorts); and
- require suppliers to explain how they will identify disadvantaged Victorians and support them to achieve and maintain employment and training outcomes (see sample table in Schedule 1 to this appendix.)

### **Further information for government buyers**

In considering such opportunities it is recommended that the focus be on responding to demonstrated employer/industry workforce needs and providing pathways to employment that are likely to be sustained over time. The information below provides definitions for the cohorts of disadvantaged Victorians identified in the SPF and refers to various government funded services and programs to help suppliers create training and employment opportunities for disadvantaged Victorians.

#### *Cohorts of disadvantaged Victorians*

In the SPF context, **disadvantaged Victorians** means 'Victorian people or groups that are in unfavourable circumstances or considered to be vulnerable, especially in relation to financial, employment or social opportunities. This may include, but is not limited to, youth, long-term unemployed, people with disability, refugees, migrants and persons needing to develop skills to become work ready'.

Outcome 2 identifies five groups or 'cohorts' of disadvantaged Victorians as its focus (note: migrants and refugees are defined separately below), namely:

- **long-term unemployed people** – people who have not been employed for 12 months or more excluding people undertaking studies
- **disengaged youth** – people aged 15 to 24 years not studying and seeking full-time work
- **single parents** – sole parents that are responsible for dependent or non-dependent children of any age (either living in the household or outside the household) and not sustainably employed for a period of 12 months or more
- **migrants** – people who leave their country voluntarily to commence living in Australia and not in sustainable employment for period of 12 months or more
- **refugees** – people subject to persecution in their home country and who now reside outside

their home country and have resettled in Victoria, Australia and not sustainably employed for a period of 12 months or more

- **workers in transition** – jobseekers who are recently retrenched or facing pending retrenchment due to business closure or industry transition, who require further training or on-the-job support to transition to new employment

*Employment access and support services*

See further information provided in relation to Outcome 2 in Appendix B1 in relation to jobactive and Jobs Victoria.

## Schedule 1 – Employment and training opportunities for disadvantaged Victorians

Information sought	Supplier response
1. Focus cohort(s) - which cohort(s) of disadvantaged Victorians are the focus of this procurement activity? NB – answer may include more than one cohort	
2. Previous experience employing/training the people in the focus cohort(s)	
3. Training / job-readiness / employment opportunity detail: - number - type - duration - location/s	
4. Identifying prospective employees/trainees - how, where and when will these employees/trainees be identified	
5. Supporting these employees/trainees - strategies / mechanisms to be used to support employees/trainees	
6. Where employment is on a fixed-term or casual basis, or the focus is on training or job-readiness, provide further details of employment transition planned for these employees/trainees	

# Appendix B5: Social Procurement Information Schedule

## Detailed guidance for supporting safe and fair workplaces

### Introduction

This objective is one of seven social procurement objectives included in the SPF.

#### Note:

- All suppliers are required to comply with their legal obligations under applicable legislation and regulations, industrial awards and agreements, tribunal decisions and contracts of employment.
- The Victorian Government Purchasing Board's *Supplier Code of Conduct* applies to all contracts, agreements and purchase orders from 1 July 2017 and outlines minimum ethical standards in behaviour – including in relation to labour and human rights – that suppliers will aspire to meet when conducting business with, or on behalf of, the Victorian Government.

### Corresponding social outcomes

The SPF identifies one social outcome corresponding to this social procurement objective:

1. Purchasing from suppliers that comply with industrial relations laws and promote secure employment.

### SPF Table 3 recommended actions

For individual procurement activities that fall within the 'lower band', 'middle band' or 'upper band', the SPF recommends that government buyers ask suppliers to demonstrate compliance with industrial relations laws.

## Outcome: Purchase from suppliers that comply with industrial relations laws and promote secure employment

### Benefits for Victorians

The Victorian Government supports a stable, cooperative and fair system of industrial and workplace relations and believes that a single unitary national system provides the best framework for all employees, employers and unions.

The national workplace relations system aims to promote safety, flexibility and productivity in the workplace and to maintain clear and enforceable minimum national employment standards that ensure workers have access to a fair, safe and secure workplace.

### Model approach for government buyers

In relation to this outcome, there are existing requirements governing some types of procurement activity, as well as a model approach for all other types of procurement activity. The existing requirements and model approach are outlined below.

#### *Construction*

- Where an individual procurement activity involves the supply of Works and the value of Works (or Works component) exceeds \$500,000 (inclusive of GST), government buyers are required to use the mandatory evaluation criteria for industrial relations management set out in Attachment 2 to Instruction 3.7 of the *Instructions for Public Construction Procurement in Victoria* (IR Management Criteria) in their tender documentation. Government buyers must ensure that a tender participant satisfies the IR Management Criteria before awarding a contract to perform Works.
- Where a tender participant has already been assessed against the IR Management Criteria as part of a prequalification process to a register approved for use in public construction or is

becoming a member of a panel, then government buyers do not need to reassess the tender participant against the IR Management Criteria provided that the tender participant confirms, prior to contract award, that:

- in the case of a tender participant prequalified on a register or a member of a panel, they remain on that register or panel; and
  - there has been no material change to the information submitted to satisfy the IR Management Criteria that would affect the tender participant's ability to satisfy them.
- The IR Management Criteria assists government buyers to establish confidence in the industrial relations management practices of tender participants who seek to undertake public construction. To demonstrate compliance with the IR Management Criteria, tender participants are required to complete a self-assessment checklist and sign a declaration of compliance.
  - Compliance with the IR Management Criteria will advance the objective of supporting safe and fair workplaces.

#### *Call Centre services*

- Where an individual procurement activity involves procuring call centre services, government buyers are required to comply with the *Victorian Government Call Centre Code* (Call Centre Code), which includes a requirement that suppliers complete the Checklist for Compliance with the Code and sign the Declaration of Compliance when submitting a response to an invitation to supply in relation to call centre services.
- The Checklist and Declaration require suppliers to detail their record of compliance with workplace relations and occupational health and safety (OHS) legislation to assist government buyers to establish confidence in the workplace relations and OHS practices of suppliers.
- Compliance with the Call Centre Code will advance the social procurement objective of supporting safe and fair workplaces.

#### *All other goods, services and construction*

The model approach for all individual procurement activities that are not covered by the existing requirements outlined above has two components:

- require suppliers to complete a safe and fair workplaces self-assessment checklist and corresponding declaration of compliance (see example checklist and declaration in Schedules 1 and 2 of this appendix); and
- where appropriate, government buyers may request documentary evidence to substantiate their responses to the self-assessment checklist and declaration (e.g. after suppliers have been shortlisted).

The example checklist and declaration provide a framework for government buyers to qualitatively assess suppliers' compliance with industrial relations laws. They are also consistent with similar checklists and declarations contained within the IR Management Criteria and Call Centre Code.

## **Further information for government buyers**

### *Construction*

The Construction Policy team within Department of Treasury and Finance are responsible for the administration of the procurement framework for public sector construction. The Industrial Relations Management Criteria is available online at <https://www.dtf.vic.gov.au/public-construction-policy-and-resources/construction-procurement-and-delivery-requirements>.

### *Call Centre services*

Industrial Relations Victoria within the Department of Economic Development, Jobs, Transport and Resources can provide advice to government buyers and suppliers about the Call Centre Code. The Call Centre Code is available online at <https://economicdevelopment.vic.gov.au/about-us/overview/policy-framework/victorian-government-call-centre-code>.

## Schedule 1: Safe and Fair Workplaces Self-Assessment Checklist

A. Compliance with legal obligations	Yes	No
<b>1) Does your organisation have policies and/or procedures to ensure compliance with the following categories of legislation?</b>		
• Commonwealth workplace relations legislation (including the <i>Fair Work Act 2009</i> (Cth))	<input type="checkbox"/>	<input type="checkbox"/>
• Long service leave (including the <i>Long Service Leave Act 2018</i> (Vic))	<input type="checkbox"/>	<input type="checkbox"/>
• Occupational health and safety (including the <i>Occupational Health and Safety Act 2004</i> (Vic))	<input type="checkbox"/>	<input type="checkbox"/>
• Workers compensation (including the <i>Workplace Injury Rehabilitation and Compensation Act 2013</i> (Vic))	<input type="checkbox"/>	<input type="checkbox"/>
• Equal opportunity (including the <i>Equal Opportunity Act 2010</i> (Vic))	<input type="checkbox"/>	<input type="checkbox"/>
• Workplace gender equality (including the <i>Workplace Gender Equality Act 2012</i> (Cth))	<input type="checkbox"/>	<input type="checkbox"/>
• Anti-discrimination (including the <i>Age Discrimination Act 2004</i> (Cth), <i>Sex Discrimination Act 1984</i> (Cth), <i>Racial Discrimination Act 1975</i> (Cth) and <i>Disability Discrimination Act 1992</i> (Cth))	<input type="checkbox"/>	<input type="checkbox"/>
• Superannuation (including the <i>Superannuation Guarantee Administration Act 1992</i> (Cth))	<input type="checkbox"/>	<input type="checkbox"/>

**General comments and explanations for any 'No' responses to Q1:**

B. Management of Employee Entitlements	Yes	No
<b>2) Does your organisation only employ employees in accordance with an enterprise agreement approved by the Fair Work Commission, modern award or employment contract?</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3) Does your organisation have policies and/or procedures that allow employees to access information about the relevant enterprise agreement or modern award or ensure that employees are provided with a copy of their employment contract?</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>4) In the past 24-month period, has your organisation complied with its obligations under Commonwealth workplace relations legislation?</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>5) In the past 24-month period, has your organisation made the following payments relating to minimum wages and employment conditions?</b>		

• wages including penalty rates, overtime and casual rates;	<input type="checkbox"/>	<input type="checkbox"/>
• allowances;	<input type="checkbox"/>	<input type="checkbox"/>
• annual leave;	<input type="checkbox"/>	<input type="checkbox"/>
• long service leave;	<input type="checkbox"/>	<input type="checkbox"/>
• superannuation;	<input type="checkbox"/>	<input type="checkbox"/>
• workers compensation insurance;	<input type="checkbox"/>	<input type="checkbox"/>
• other lawful payments where they are specified in a modern award or enterprise agreement, (e.g. payments made to redundancy funds).	<input type="checkbox"/>	<input type="checkbox"/>

**6) In the last 24-month period, has your organisation been subject to:**

• any findings against it by a court or tribunal regarding breach of an industrial instrument, including a breach of a non-confidential consent order?	<input type="checkbox"/>	<input type="checkbox"/>
• any current proceedings in respect of a breach of an industrial instrument?	<input type="checkbox"/>	<input type="checkbox"/>

**General comments, explanations for 'No' responses to Q2 - Q5, or 'Yes' response to Q6, and/or any steps being taken in relation to these items:**

<b>C. Management of subcontractors</b>	<b>Yes</b>	<b>No</b>
--	------------	-----------

<b>7) Does your organisation have in place policies and/or procedures to ensure that relevant contractual documentation, arrangements or agreements requires subcontractors to comply with their legal obligations?</b>	<input type="checkbox"/>	<input type="checkbox"/>
---	--------------------------	--------------------------

**General comments, explanation for 'No' response to Q7, and/or any steps being taken in relation to this item:**

<b>D. Promote secure employment</b>	<b>Yes</b>	<b>No</b>
-------------------------------------	------------	-----------

<b>8) Does your organisation have policies and procedures in place that promote access to secure and permanent employment?</b>	<input type="checkbox"/>	<input type="checkbox"/>
--	--------------------------	--------------------------

**General comments, explanation for 'No' response to Q8, and/or any steps being taken in relation to this item:**

## Schedule 2: Industrial Relations Declaration of Compliance

Organisation name		(Supplier)
ABN / ACN		

Authorised Representative (name)		(Authorised Representative)
Authorised Representative (title)		

I, the Authorised Representative of the Supplier, for and on behalf of the Supplier, declare as follows:

- I am authorised by the Supplier to sign this declaration for and on behalf of the Supplier.
- I confirm that the information in this *Industrial Relations Self-Assessment Checklist* provided as part of the [insert name of invitation to supply] is:
  - current and accurate; and
  - provided by the Supplier to [name of department/agency] in good faith.
- I acknowledge that [name of department/agency] may rely upon the information provided in this *Industrial Relations Self-Assessment Checklist*.
- I undertake to ensure that the Supplier promptly:
  - notifies [name of department/agency] upon becoming aware that any information provided in this declaration is incorrect or misleading; and
  - provides to [name of department/agency] such information as may be required to further assess the Supplier's compliance with applicable industrial relations laws.

.....  
Signature of Authorised Representative:

.....  
Name of Authorised Representative:

Dated: ...../...../.....

# Appendix B6: Social Procurement Information Schedule

## Detailed guidance for sustainable Victorian social enterprise and Victorian Aboriginal business sectors

### Introduction

This objective is one of seven social procurement objectives included in the SPF.

### Corresponding social outcomes

The SPF identifies one social outcome corresponding to this social procurement objective:

1. Purchasing from Victorian social enterprises and Victorian Aboriginal businesses.

### SPF Table 3 recommended actions

For individual procurement activities that are 'below threshold', the SPF recommends that government buyers seek opportunities to directly or indirectly procure from Victorian social enterprises or Victorian Aboriginal businesses.

For individual procurement activities that fall within the 'lower band', the SPF recommends that government buyers consider whether part of the procurement can be unbundled for delivery from Victorian social enterprises or Victorian Aboriginal businesses.

For individual procurement activities that fall within the 'middle band' or 'upper band', the SPF recommends that government buyers set targets for supplier expenditure with Victorian social enterprises or Victorian Aboriginal businesses and ask suppliers to demonstrate how they will meet such targets.

### Outcome: Purchasing from Victorian social enterprises and Victorian Aboriginal businesses

#### Benefits for Victorians

Victorian social enterprises and Victorian Aboriginal businesses play an important role in driving employment participation and inclusive economic growth.

The Victorian Government recognises that:

- In relation to social enterprises:
  - The Map for Impact Report (November 2017) found that Victoria's social enterprise sector is a significant contributor to the Victorian economy, creating jobs for over 60,000 people (equating to approximately 35,000 full-time equivalent jobs); and
  - Over 30 per cent of social enterprise workers are from cohorts that face particular challenges in gaining mainstream employment, such as people with a disability, Indigenous Australians and long-term unemployed people.
- In relation to Victorian Aboriginal businesses
  - Victorian Aboriginal people, organisations and businesses already make valuable contributions to Victoria's diverse economy;
  - The Victorian Aboriginal business sector is large, diverse and includes for-profit businesses, social enterprises and community enterprises;
  - Aboriginal economic development is vital to growing Victoria's wealth generally and to increasing overall economic productivity and competitive advantage; and
  - Aboriginal economic participation and development is also a vital foundation for self-determination.

Improving the visibility and networks of Victorian Aboriginal businesses is a strategic priority of *Tharamba Bugheen* – Victorian Aboriginal Business Strategy 2017-2021.

The Victorian Government has set a target of one per cent of government procurement from small to medium enterprises to be from Victorian Aboriginal businesses. This target is to be achieved by 2019-2020.

### **Model approach for government buyers**

There are two model approaches to delivering this outcome:

- *Direct approach to social procurement* – selectively target Victorian social enterprises and Victorian Aboriginal businesses or, alternatively, ensure that Victorian social enterprises and Victorian Aboriginal businesses are included in any market approach.

### **AND/OR**

- *Indirect approach to social procurement* – require mainstream suppliers to include Victorian social enterprises and Aboriginal businesses within their supply chain (e.g. by way of sub-contracting).

Where appropriate, government buyers may also require suppliers to evidence their status, or the status of suppliers in their supply chain, as a Victorian social enterprise or Victorian Aboriginal business.

### **Further information for buyers**

See further information provided in relation to Outcome 1 in Appendix B1 and Outcome 1 in Appendix B2 to help government buyers identify Victorian Aboriginal businesses and social enterprises, respectively.

# Appendix B7: Social Procurement Information Schedule

## Detailed guidance for sustainable Victorian regions

### Introduction

This objective is one of seven social procurement objectives included in the SPF.

#### Corresponding social outcomes

The SPF identifies one social outcome corresponding to this social procurement objective:

1. Job readiness and employment for people in regions with entrenched disadvantage.

#### SPF Table 3 recommended actions

There is no recommended action in Table 3 of the SPF in respect of this objective.

### Outcome: Job readiness and employment for people in regions with entrenched disadvantage

#### Benefits for Victorians

Victoria is the fastest growing state in the nation, moving rapidly towards a knowledge economy. Within this dynamic environment, it is important to support jobseekers at risk of being left behind.

Employment has a wealth of positive outcomes for individuals, from building confidence and self-esteem, to enabling more independent and stable lifestyles and providing significant opportunities for social interactions and community engagement.

#### Model approach for government buyers

There are two model approaches to delivering this outcome, each of which involves the following preliminary component:

- Prior to market approach, government buyers should:
  - identify any locations where the individual procurement activity will occur;
  - determine whether those (and neighbouring) locations have a low score on the Socio-Economic Indexes for Areas (SEIFA) Index of Relative Socio-economic Disadvantage (IRSD), or are otherwise determined to be experiencing entrenched disadvantage based on data available to the department or agency undertaking the procurement activity; and
  - where a location has a low score on the SEIFA IRSD, or is otherwise determined to be experiencing entrenched disadvantage, consider opportunities to purchase from local suppliers in that location or provide training or employment opportunities to residents in that location.

Each model approach then has a unique second component, set out below:

- Purchase from suppliers based in the area(s) experiencing entrenched disadvantage.

#### AND/OR

- Require suppliers to commit to targets for employment and/or training outcomes to be provided to people who are residents in the area(s) experiencing entrenched disadvantage;<sup>16</sup> and
- Require suppliers to explain how they will identify these residents and support them to achieve and maintain employment and training outcomes (see sample table in Schedule 1 to this appendix).

---

<sup>16</sup> The focus of this objective is on geographical location. As such, the 'people who are residents in the area(s) experiencing entrenched disadvantage' do not also need to meet the definition of 'disadvantaged Victorians', although government buyers / suppliers may wish to focus on disadvantaged Victorians in such areas (this would promote multiple SPF objectives).

### **Further information for government buyers**

In considering employment opportunities, it is also recommended that a focus be on responding to demonstrated employer/industry workforce needs and providing pathways to employment that are likely to be sustained over time.

The information below outlines how government buyers can identify regions with entrenched disadvantage and refers to various government funded services and programs to help suppliers create training and employment opportunities for people in such regions (including, but not limited to, people that meet the definition of 'disadvantaged Victorians' in the SPF).

#### *Identifying regions with entrenched disadvantage*

Socio-Economic Indexes for Areas (SEIFA) is an ABS product that ranks areas in Australia according to relative socio-economic advantage and disadvantage. The indexes are based on information from the five-yearly Census of Population and Housing.

SEIFA 2016 has been created from Census 2016 data and consists of four indexes:

- the Index of Relative Socio-economic Disadvantage (IRSD);
- the Index of Relative Socio-economic Advantage and Disadvantage (IRSAD);
- the Index of Education and Occupation (IEO); and
- the Index of Economic Resources (IER).

Each index is a summary of a different subset of Census variables and focuses on a different aspect of socio-economic advantage and disadvantage. Regions with entrenched disadvantage may be identified using the SEIFA IRSD, categorised by postcode (referred to as "Postal Area (POA) Code"). The postcodes with the lowest ranking, Decile 1, in Victoria are the most disadvantaged regions. The index and data are available online at <http://www.abs.gov.au/websitedbs/censushome.nsf/home/seifa>.

Victorian Government departments and agencies also collect a range of data relevant to their respective roles within the Victorian community. This data may help government buyers identify regions with entrenched disadvantage.

#### *Employment access and support services*

See further information provided in relation to Outcome 2 in Appendix B1 about jobactive and Jobs Victoria.

## Schedule 1 – Job readiness and employment for people in regions with entrenched disadvantage

Information sought	Supplier response
1. Focus area(s) <ul style="list-style-type: none"><li>- which area(s) of entrenched disadvantage are the focus of this procurement activity?</li></ul> NB – answer may include more than one area	
2. Previous experience employing people from the focus area(s)	
4. Training / job-readiness / employment opportunity detail: <ul style="list-style-type: none"><li>- number</li><li>- type</li><li>- duration</li><li>- location/s</li></ul>	
5. Identifying prospective employees/trainees from the focus area(s) <ul style="list-style-type: none"><li>- how, where and when will employees/trainees be identified</li></ul>	
7. Supporting employees/trainees <ul style="list-style-type: none"><li>- strategies / mechanisms to be used to support these employees/trainees</li></ul>	
8. Where employment is on a fixed-term or casual basis, or the focus is on job-readiness, provide further details of employment transition planned for these employees/trainees	

# Appendix B8: Social Procurement Information Schedule

## Detailed guidance for environmentally sustainable outputs

### Introduction

This is one of three sustainable procurement objectives included in the SPF.

### Corresponding sustainable outcomes

The SPF identifies two sustainable outcomes corresponding to this sustainable procurement objective:

1. Project-specific requirements to use sustainable resources and to manage waste and pollution.
2. Use of recycled content in construction.

These outcomes are addressed separately below.

### Table 3 recommended action

For individual procurement activities that fall within the 'middle band' or 'upper band', the SPF recommends that government buyers include requirements as relevant on recycled content, waste management and energy consumption.

### Outcome 1: Project-specific requirements to use sustainable resources and to manage waste and pollution

#### Benefits for Victorians

The sustainable use of resources has an important impact on Victoria by reducing waste. For example, the use of sustainable resources can reduce carbon emissions, use of virgin materials, transport costs and impacts, and energy and water use.

Appropriate management increases the recovery of resources, minimises illegal dumping and avoids undue stress on the environment.

Considering sustainability at the design and planning stages of a project maximises the opportunities to achieve positive outcomes in the most cost-effective way. Good design can often reduce the use of materials from the outset and improve other aspects of performance and reduce lifecycle costs.

#### Model approach for government buyers

The model approach to delivering this outcome involves three components:

- prior to going to market, complete an environmental impact risk assessment and environmentally sustainable design opportunities assessment for the proposed project in consultation with a suitably qualified environmental professional(s) with expertise in environmental impact assessment and environmentally sustainable design;
- prepare information for suppliers on environmental impact risk areas identified from the assessment and include detailed environmental performance standards and specifications for suppliers to comply with (including, but not limited to, applicable regulatory standards). Performance may be specified as meeting a specific rating level(s) within nominated industry rating system(s); and
- require suppliers to commit to developing, implementing and reporting against an environmental management plan and relevant environmental performance rating tool(s) for the project.

### **Further information for buyers**

#### *Sustainable use of materials*

Refer to Sustainability Victoria for further advice on sustainable use of materials.

#### *Industry standards and rating systems*

See further information provided in relation to Outcome 1 in Appendix B10 about industry standards and rating systems.

#### *Disposal of construction and demolition waste*

The correct disposal of waste (end of life materials) from construction projects is important to minimise illegal dumping and avoid harm to the environment. Where a procurement involves construction and demolition, refer to the Environment Protection Authority's *Toolkit for the management of solid waste from civil and construction & demolition sites* to ensure the correct management of waste. The Toolkit is available online at <https://www.epa.vic.gov.au/our-work/publications/publication/2017/july/1655>.

## **Outcome 2: Use of recycled content in construction**

### **Benefits for Victorians**

A significant opportunity exists to reduce demand on virgin resources by substituting them with alternative or recycled materials and without comprising performance.

Where virgin materials can be substituted, or complemented using alternative or recycled materials, and the resulting product is fit-for-purpose, the Victorian Government strongly recommends the use of those materials.

This approach not only frees up supply to meet demand where no substitute for extractive resources is available, but it also helps prevent stockpiles of recovered materials such as glass, plastics and rubber (tyres) that have the potential to impact the health, safety and environment of the Victorian community.

The use of recycled materials is a critical element of a circular economy. It creates demand, which will support a robust recycling industry and enable Victoria to use and reuse resources in a sustainable and cost-effective way.

### **Model approach for government buyers**

The model approach to delivering this outcome involves four components:

- prior to going to market, complete an analysis in consultation with a suitably qualified professional of the materials likely to be required for use within a proposed construction and identify opportunities for use of recycled content;
- establish appropriate minimum targets for the use of recycled content for the supplier response, for example in relation to specific materials;
- prepare information for suppliers on opportunities for using recycled content based on the professional analysis and specify requirements for suppliers to provide detailed proposals within their written response in relation to recycled content to be sourced for and used in the project; and
- require suppliers to commit to developing, implementing and reporting against an environmental management plan which includes a specific focus on the use of recycled content.

### **Further information for buyers**

Sustainability Victoria is currently consulting across Government, with support from the Department of Treasury and Finance, to develop a catalogue of recycled content for use in construction. Further guidance will be made available by Sustainability Victoria in accordance with the Victorian Government's *Recycling Industry Strategic Plan*, which is available online at <https://www.environment.vic.gov.au/sustainability/victorians-urged-to-keep-recycling>.

# Appendix B9: Social Procurement Information Schedule

## Detailed guidance for environmentally sustainable business practices

### Introduction

This is one of three sustainable procurement objectives included in the SPF.

### Corresponding sustainable outcome

The SPF identifies one sustainable outcome corresponding to this sustainable procurement objective:

1. Adoption of sustainable business practices by suppliers to the Victorian Government.

### SPF Table 3 recommended action

For individual procurement activities that fall within the 'lower band', the SPF recommends that government buyers ask suppliers to demonstrate environmentally sustainable business practices in weighted framework criteria.

### Outcome: Adoption of sustainable business practices by suppliers to the Victorian Government

#### Benefits for Victorians

The Victorian Government is committed to promoting environmental responsibility and expects its suppliers to minimise the environmental impact of their operations and maintain environmentally responsible policies and practices, in accordance with the Victorian Government Purchasing Board's Supplier Code of Conduct, which is available online at <http://www.procurement.vic.gov.au/Buyers/Supplier-Code-of-Conduct>.

The Supplier Code of Conduct applies to all contracts, agreements and purchase orders from 1 July 2017, and requires suppliers to acknowledge minimum ethical standards of behaviour, including in relation to environmental management which are excerpted below:

#### ***Environmental impacts***

*Suppliers must comply with all applicable laws and regulations relating to the environment, including any management and reporting obligations. Suppliers are expected to manage the environmental impact of their operations by:*

- a) ensuring the safe storage, transportation and disposal of hazardous substances including hazardous waste;*
- b) maintaining policies and practices for the efficient use of energy, water and natural resource consumption; and*
- c) maintaining policies and practices that reduce the risk of pollution, loss of biodiversity, deforestation, damage to ecosystems and greenhouse gas emissions.*

All procurement has some level of impact on the environment that should be minimised. By requiring suppliers to adopt environmentally sustainable business practices that meet or exceed specified standards of environmental performance, Government can reduce the environmental impact of acquiring goods, services and construction, and raise performance across the State.

Ensuring that suppliers operate in an environmentally responsible manner and meet or exceed minimum standards of environmental performance can contribute to, for example:

- maximising recyclable and recovered content;
- minimising waste and greenhouse gas emissions;

- conserving energy, water and natural resources;
- minimising habitat destruction and environmental degradation; and
- providing non-toxic solutions and dealing with hazardous substances responsibly.

### **Model approach for government buyers**

The model approach to delivering this outcome involves two components:

- Prior to going to market, consider the potential environmental impact of the goods, services or construction being procured and how these may be best mitigated and managed, including but not limited to:
  - whether the goods, services or construction can be delivered with reduced waste;
  - the lifecycle impact of the goods, services or construction being procured; and
  - available options for sustainable design and materials in delivery of required outcomes.
- Include environmentally sustainable business practices as a weighted evaluation criterion when undertaking procurements and require suppliers to:
  - complete an environmentally sustainable business practices self-assessment checklist (see sample at **Schedule 1** to this appendix), and
  - where applicable provide documentary evidence in support of the responses in the self-assessment checklist.

Where appropriate, government buyers may require suppliers to provide a written declaration in relation to the supplier's responses to the self-assessment checklist (see sample declaration in Schedule 2 to this appendix).

### **Further information for buyers – Sustainability Victoria**

Environmentally sustainable business practices cover a variety of areas, including but not limited to:

- minimising the use of energy, water and natural resources;
- waste management (including maximising resource recovery);
- use of recycled products and products with low environmental impact;
- minimising and mitigating carbon / greenhouse gas emissions;
- habitat and environment protection; and
- travel.

Organisations may implement relevant business practices under a broader framework such as an environment management system (EMS) or sustainability policy or feature a number of individual strategies targeting specific environmental business practice areas.

An EMS is a systemic and structured system designed to ensure that organisations manage any environmental impacts created by their products, services and activities and continuously improve environmental performance. An EMS provides a formal structure to environmental management and covers areas such as training, record management, inspections, objectives and policies.

An EMS may be designed to meet accreditation requirements, such as those of the International Organisation for Standardisation (ISO) or another relevant, recognised authority.



C. Performance measurement and targets	Yes	No
<p><b>5) Does your organisation have performance measures and/or targets in place that support those environmentally sustainable business practices identified in your responses to sections A and B of this checklist?</b></p> <p><i>(Attach your last annual report or a summary of achievements where appropriate)</i></p>	<input type="checkbox"/>	<input type="checkbox"/>
<i>If the answer to this question is 'Yes' how is this achieved?</i>		
<ul style="list-style-type: none"> <li>Environment sustainability / management plan</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Key Performance Indicators (KPIs)</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Benchmarks / targets for results to be achieved against KPIs</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Publication of performance / data collection</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>6) Do you have any of the following formal internal monitoring and oversight of performance in place:</b></p>		
<ul style="list-style-type: none"> <li>Management review</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Governance review</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>7) Does your organisation have any external oversight of its approach and/or performance?</b></p> <p><i>If the answer to this question is 'Yes' provide details below:</i></p> <p><b>General comments, explanations for any 'No' responses to Q5- Q7, and/or any steps being taken in relation to these items:</b></p>	<input type="checkbox"/>	<input type="checkbox"/>

D. Regulatory performance	Yes	No
<p><b>8) In the last 24-month period, has your organisation been subject to:</b></p>		
<p><b>a. any penalties or notices from the Victorian Environmental Protection Authority (EPA) or breaches of any other environmental legislation or regulation?</b></p>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>b. any current investigations / proceedings in respect of a possible breach of any environmental legislation or regulation?</b></p>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>The Tenderer acknowledges that checks may be undertaken with the EPA or other regulators about its, and its related entities, environmental or other regulatory performance.</b></p>	<input type="checkbox"/>	<input type="checkbox"/>
<i>If the answer to this question is 'Yes' to either 8a or 8b provide details below:</i>		

## Schedule 2: Environmentally sustainable business practices declaration

<b>Organisation name</b>  <b>ABN / ACN</b>		<b>(Supplier)</b>
<b>Authorised Representative (name)</b>  <b>Authorised Representative (title)</b>		<b>(Authorised Representative)</b>

I, the Authorised Representative of the Supplier, for and on behalf of the Supplier, declare as follows:

- I am authorised by the Supplier to sign this declaration for and on behalf of the Supplier.
- I confirm that the information in this *Environmentally Sustainable Business Practices Self-Assessment Checklist* provided as part of the [insert name of invitation to supply] is:
  - current and accurate; and
  - provided by the Supplier to [name of department/agency] in good faith.
- I acknowledge that [name of department/agency] may rely upon the information provided in this *Environmentally Sustainable Business Practices Self-Assessment Checklist*.
- I undertake to ensure that the Supplier promptly:
  - notifies [name of department/agency] upon becoming aware that any information provided in this declaration is incorrect or misleading; and
  - provides to [name of department/agency] such information as may be required to further assess the Supplier’s adoption of environmentally sustainable business practices.

.....  
Signature of Authorised Representative:

.....  
Name of Authorised Representative:

Dated: ...../...../.....

# Appendix B10: Social Procurement Information Schedule

## Detailed guidance for implementation of climate change policy objectives

### Introduction

This is one of three sustainable procurement objectives included in the SPF.

### Corresponding sustainable outcomes

The SPF identifies two sustainable outcomes corresponding to this sustainable procurement objective:

- Project-specific requirements to minimise greenhouse gas emissions; and
- Procurement of outputs that are resilient against the impacts of climate change.

These outcomes are addressed separately below.

### SPF Table 3 recommended action

For individual procurement activities that fall within the 'middle band' or 'upper band', the SPF recommends that government buyers include requirements in relation to greenhouse gas emissions / climate change resilient outputs.

### Outcome 1: Project-specific requirements to minimise greenhouse gas emissions

#### Benefits for Victorians

The *Climate Change Act 2017 (Vic)* recognises the global agreement (the Paris Agreement) to keep global average temperature rise this century to well below 2°C above pre-industrial levels, and to pursue efforts to limit temperature increases to 1.5°C.

A key aspect of the Act is the commitment to reduce Victoria's greenhouse gas emissions to net zero by 2050. It also provides a framework to manage the risks and opportunities that arise from the transition to a net-zero economy. Victoria's *Renewable Energy (Jobs and Investment) Act 2017 (Vic)* legislates the Victorian Renewable Energy Targets of 25% of electricity generated in Victoria by 2020 and 40% by 2025.

Buildings and infrastructure can play an important role in this transition to a net zero emissions future. Long-lived, high-carbon buildings and infrastructure can create a 'lock-in' effect, which results in a commitment to high emissions over many years. The construction process itself, as well as the selection of raw materials, can involve the release of large quantities of greenhouse gases.

Throughout the procurement lifecycle, the Victorian Government can:

- reduce emissions through design features, including low-energy design and incorporating low-carbon materials, helping Victoria to meet its emissions reductions targets;
- use government procurement to stimulate markets for energy-efficient and low-carbon technologies, products and services; and
- provide significant cost savings over the life of assets by improving energy efficiency.

#### Model approach for government buyers

The model approach to delivering this outcome involves two components:

- require suppliers to commit to achieving specific rating level(s) within nominated industry rating system(s) for design, delivery and operational phases of a project – for example, the Infrastructure Sustainability Council of Australia (ISCA) and Green Building Council of Australia (GBCA) Frameworks (see further information below); and

- require suppliers to commit to developing, implementing and reporting against an Environmental Management Plan to identify and manage risks to achieving and maintaining the specific rating level(s) through the design, delivery and operational phases of a project.

This model approach is designed to be scalable and flexible, to ensure that it remains appropriate for and proportionate to the value, scope, objectives and context of the project.

### **Further information for government buyers – Victorian Department of Environment, Land, Water and Planning (DELWP)**

#### *Industry standards and ratings systems*

Industry standards exist to help drive better practice in the planning, design and operation of infrastructure projects. They set industry sustainability standards or benchmarks, which cover energy use, construction from low-impact materials and even the project's management – covering practices and processes applied throughout the different phases of a project's design, construction and ongoing operation. Projects that demonstrate they have met these existing standards achieve a rating.

These standards allow a procuring authority to pre-define a rating level for projects that is appropriate for the project's budget, context and objectives. It is recommended that potential certifications are considered very early in the project planning process, otherwise some standards or credits may be unachievable, or much more difficult to achieve.

Two widely-used ratings systems for infrastructure are the Infrastructure Sustainability Council of Australia (ISCA) and Green Building Council of Australia (GBCA) frameworks.

- ISCA has developed the Infrastructure Sustainability (IS) rating system. This provides a performance and outcomes-based framework, covering improved sustainability outcomes (including emissions reduction) through planning, design, construction and operation of infrastructure assets. It evaluates performance of the project against a quadruple bottom line (governance, economic, environment and social performance). Projects are awarded points based on a score out of a possible 100 and potential ratings of 'commended', 'excellent' or 'leading' depending on final score. There are four stages involved in seeking ISCA certification.

To support this process, the procuring authority should ensure the project appoints an Infrastructure Sustainability Accredited Professional to apply the scheme. This status is achieved by completing the certified IS training programs and paying the appropriate fee. This person is then able to manage the implementation, document collation and application processes.

Further information on the IS rating system can be found at [http://www.isca.org.au/is\\_ratings](http://www.isca.org.au/is_ratings)

- GBCA's 'Green Star' framework is a voluntary rating system for buildings in Australia to support the sustainable transformation of Australia's built environment. It has four separate 'Green Star' ratings systems, covering community-scale precinct development, the design and construction of a building, the retrofit of a building and the operational performance of a building. Certification ranges from one star (minimum practice) to six star (world-leading).

Similar to ISCA, projects must register and compile appropriate documentary evidence for the application process. Formal Green Star certification requires an independent assessment panel to assess the application against the appropriate benchmarks. The final Green Star rating is determined by how many points are achieved in this assessment.

Further information on Green-Star can be found at <https://new.gbca.org.au/green-star/>

- Examples
  - The Level Crossing Removal Authority (LXRA) required all level crossing removal projects to achieve, at a minimum, an ISCA IS rating of 'Excellent' and a 4 Star rating from GBCA for Above Ground Rail.
  - Rail Projects Victoria mandated the Metro Tunnel Project to achieve an ISCA IS rating of 'Excellent' and a 5 Star GBCA rating.

### *Environmental Management Plans*

To assist in meeting emissions reduction goals, an Environmental Management Plan should be developed. Environmental Management Plans describe how an action might impact on the natural environment in which it occurs and outlines clear commitments from the entity taking the action on how any impacts will be avoided, minimised and managed so that they are environmentally acceptable.

These plans operate in a similar way to risk management plans by identifying potential environmental risks and opportunities and then considering actions to minimise or mitigate those risks. Again, this can be mandated as a requirement for all projects within a category.

The Federal Government's Environmental Management Plan Guidelines provide general guidance to stakeholders preparing environmental management plans for environmental impact assessments and approvals under the *Environment Protection and Biodiversity Conservation Act 1999* (Cth). Regardless of whether an application is made under this legislation, the guidance can be used to prepare an Environmental Management Plan. Further information is available online at <http://www.environment.gov.au/epbc/publications/environmental-management-plan-guidelines>.

General guidance on establishing environmental management systems that can support the development of an Environmental Management Plan is also available in *AS/NZS ISO 14001:2015 Environmental Management Systems – Requirements with Guidance for use* (Standards Australia). The whole or parts of this standard can be used to systematically improve environmental management of an organisation and its projects.

If internal capability does not exist within an organisation, a suitably-qualified professional can be appointed to work with the project team to develop an Environmental Management Plan.

## **Outcome 2: Procurement of outputs that are resilient against the impacts of climate change**

### **Benefits for Victorians**

Climate change already poses significant physical, operational and economic risks to buildings, infrastructure and the users and communities they serve.

The Victorian Government is responsible for managing risks to its own operations, assets and services, and for ensuring that future assets and services procured are resilient to the impacts of climate change. All departments and agencies need to consider and prepare for climate change impacts to minimise disruptions to services and additional costs, as well as help communities to adapt accordingly.

There is growing recognition that the public and private sectors should be more proactive in how they identify and address climate change risks in relation to assets they build, own and operate. Financial institutions and shareholders are increasingly expecting infrastructure owners and operators to better account for climate change risks in their business planning and governance systems. Relying on insurance to pay for reconstruction or repair after an event is becoming more difficult for assets with high exposure to climate change risks. Instances of uninsurable assets are becoming more common.

Buildings and infrastructure typically have long operating lives, making them vulnerable to long-term climate change impacts, including sea level rises and changing rainfall patterns and increased extreme temperatures. It is often expensive or difficult to retrofit or move these assets once they have been established. In addition, as climate change increases the frequency and severity of natural hazards (such as extreme weather events, floods, droughts, heatwaves and bushfires), it can negatively impact on the health and wellbeing of infrastructure users and building occupants.

Incorporating design features that account for existing and future climate change risks will enable Government to reduce long-term maintenance costs of buildings and infrastructure, maintain asset performance standards, improve usability, and reduce downtime, repair and replacement costs when climate change impacts occur. Taking account of climate change risks when designing buildings and infrastructure can help protect the wellbeing and safety of people and communities who use and depend on these assets.

## Model approach for government buyers

The model approach to delivering this outcome involves three components:

- Prior to the market approach, government buyers should:
  - complete a climate risk assessment for a proposed project via a suitably qualified professional in accordance with a recognised standard (for example, ISO 31000:2009 *Risk Management – Guidelines* and Australian Standard AS 5334 *Climate Change Adaptation for Settlements and Infrastructure – a risk-based approach* – further information on these standards provided below); and
  - prepare information for potential suppliers on meeting climate risk requirements identified in the climate risk assessment and include specifications in the market approach that set mandatory requirements; and
- Require suppliers to commit to achieving specific rating level(s) within nominated industry rating system(s) (for example, ISCA, GBCA) and/or developing, implementing and reporting against an Environmental Management Plan.

This model approach is designed to be scalable and flexible, to ensure that it remains appropriate for and proportionate to the value, scope, objectives and context of the project.

### Further information for government buyers – Victorian Department of Environment, Land, Water and Planning (DELWP)

The primary method for addressing climate resilience in a building or infrastructure project is to complete a climate change risk assessment during the procurement/design phase.

Typically, a climate change risk assessment will:

- summarise the project site's characteristics and the assets on the project site;
- identify the current and future climate impacts that may occur on the project site, relying on best available information (including relevant climate change scenarios, if available);
- assess the risks that these impacts pose for the assets and people on the project site;
- list actions and responsibilities for addressing these risks, particularly those rated as high or extreme;
- include a mechanism for monitoring and reviewing impacts, risks and actions over time.

A climate change risk assessment is a flexible and scalable tool that can be used to assess different types and sizes of projects.

#### Examples:

- The Fishermans Bend Climate Readiness Strategy, developed for Australia's largest urban renewal project at Fishermans Bend, is a comprehensive plan for identifying, assessing and managing climate change risks that may impact on the infrastructure, built environment and community that will be located at Fishermans Bend.
- The Metro Tunnel Project includes a climate risk assessment and an adaptation plan to address climate risks. This involves measures to protect infrastructure, stations and precincts, as well as use materials that are resilient to climate change.

The climate risk assessment should be developed in accordance with a recognised standard by a suitably qualified professional. DELWP provides a range of information and resources that can be used to inform a climate risk assessment. Further information is available online at [www.climatechange.vic.gov.au](http://www.climatechange.vic.gov.au).

The most commonly used and recognised standards for developing climate change risk assessments are:

- ISO 31000:2009 and the Australian Greenhouse Office (AGO) *Climate Change Risks and Impacts: A Guide for Government and Business 2006*; and
- Australian Standard AS 5334:2013 *Climate change adaptation for settlements and*

*infrastructure - a risk based approach.*

'Suitably-qualified professional' generally refers to someone with a formal tertiary qualification in environmental science, planning or another related field and has experience in conducting climate change risk assessments.

To ensure that climate change risks are embedded throughout the project, the climate change risks identified in the climate change risk assessment should be incorporated into the broader project risk register.

Where a project involves multiple, discrete packages of work, government buyers should consider developing a climate change and resilience framework that coordinates and standardises climate change risk assessments across the entire project.

Example:

- LXRA developed a climate change risk assessment framework to guide contractors in how to meet LXRA's climate risk requirements outlined in its Sustainability Policy. The framework ensures that all LXRA projects meet their mandatory minimum requirements for a climate change risk assessment and adaptation actions that respond to any high priority or extreme climate change risks.

As noted in relation to Outcome 1 in this appendix, consider adopting accepted industry standards in sustainability rating tools. Government buyers can pre-define and specify a specific rating level that is appropriate and proportionate to the project.

If the infrastructure project falls under Victoria's Critical Infrastructure Resilience Arrangements, consider incorporating the long-term effects of climate change into the emergency risk management planning for the project.

## Other approaches

The model approaches outlined in Appendices B8 and B9, which provide guidance on the other sustainable procurement objectives in the SPF, may also contribute to the implementation of Victoria's Climate Change Policy Objectives.

Authorised and published by the Victorian Government

1 Treasury Place, Melbourne 3002

© The State of Victoria 2018

ISBN 978-1-925551-12-9 (pdf/online)



This work is licensed under a Creative Commons Attribution 4.0 International licence. You are free to re-use the work under that licence, on the condition that you credit the State of Victoria as author. The licence does not apply to any images, photographs, or branding, including the Victorian Coat of Arms and the Victorian Government logo. To view a copy of this licence, visit [creativecommons.org/licenses/by/4.0/](https://creativecommons.org/licenses/by/4.0/).

Copyright queries may be directed to [IPpolicy@dtf.vic.gov.au](mailto:IPpolicy@dtf.vic.gov.au).