



Government of **Western Australia**
Department of **Finance**

The Western Australian Social Procurement Framework

Making a positive difference to Western
Australian people, businesses, places and
communities.



April 2022

The Western Australian Social Procurement Framework

The Western Australian Social Procurement Framework (the Framework) has been developed to enable improved social, economic and environmental benefits across the State by leveraging government’s procurement activity to achieve identified community outcomes.

The Framework will facilitate a positive difference to Western Australian people, businesses, places and communities. The Framework represents a renewed focus for both State Agencies and suppliers, enabling a sustainable approach to social procurement considerations, that may include, but are not limited to:

| | | | | |
|---|--|-------------------------------|--|--|
| The creation of employment and training opportunities for all Western Australians | Economic opportunities for the Western Australian Aboriginal community | Increased regional employment | Increased opportunities for small and medium enterprises | Long term environmental benefits for all Western Australians |
|---|--|-------------------------------|--|--|

Introduction

The Western Australian government spends a significant amount of taxpayers money on the procurement of goods, services and works. Government procurement, when strategically planned and undertaken, is a major driver of the Western Australian economy and presents a clear opportunity to maximise positive outcomes for the wider community.

This Framework contextualises the Value for Money principle regarding social procurement and brings together all relevant Western Australian Government social procurement policies and priorities into one place to ensure these are at the centre of value for money decision making in public procurement.

This Framework establishes consistent and transparent community outcomes and applies to all of the Western Australian Government’s procurement activities including goods, services and works purchased by State Agencies.

The Framework outlines government’s commitment and expectations that procurement aims to achieve wider benefits for the community. Providing suppliers with clear community objectives and desired outcomes will assist business intelligence and, development supporting economic growth across the State.

For the purposes of the Framework and associated materials, the term Social Procurement encompasses;

All social, economic and environmental benefits enabled through government procurement that lead to the achievement of the identified Community Outcomes.

The Framework is supported by practice guidance for government Officers.

The Procurement Rules developed under the Procurement Act 2020 are particularly important in supporting both State agencies and suppliers in terms of opportunity, accountability, probity and the achievement of community outcomes. In this way policy and practice are linked across the procurement life cycle.

Planning and Procurement

State Agencies are required by the Western Australian Procurement Rules to ensure all procurement planning activities include consideration of government's desired social, economic and environmental outcomes. A list of applicable government policies and priorities can be found at Attachment 1.

Identified community objectives and sustainable procurement principles should be considered throughout all stages of the procurement life cycle - from agency strategic procurement planning, individual procurement planning, request development, through to evaluation of offers, contract formation to contract management and contract review.

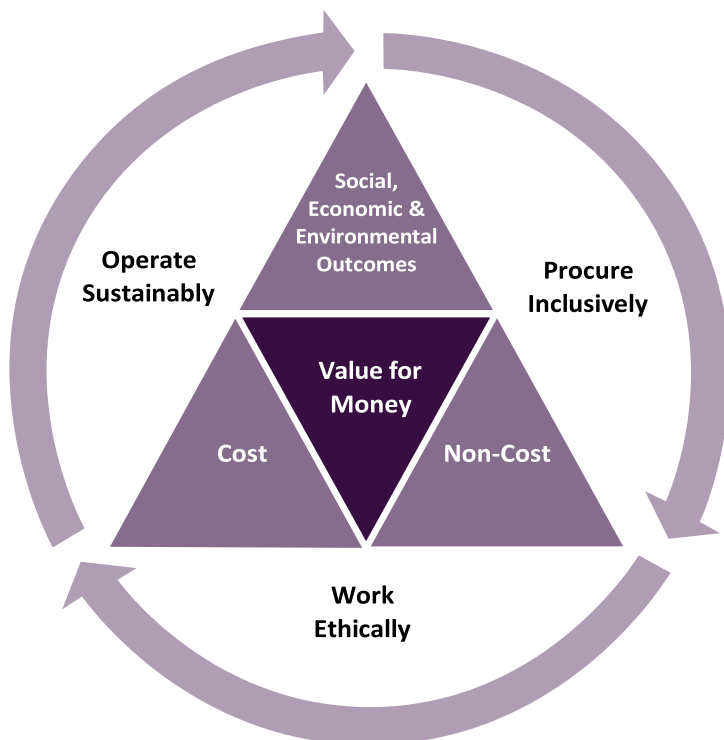
Where possible State Agencies should apply an outcomes-based approach to social procurement considerations. This approach will encourage sustainable and innovative options from suppliers when addressing possible community outcomes.

Community outcomes realised through the procurement process should be proportionate to the scope and value of the contract and balance the realisation of those benefits against the contractual effort and resources required.

Value for Money: Social Procurement

By being publicly accountable for procurement decisions and conducting procurement transparently, government fosters a culture of openness and honesty, building the trust and confidence of the community. Ethical government procurement instils suppliers with confidence to participate and empowers the achievement of value for money outcomes.

Value for Money is the fundamental principle that underpins government procurement in Western Australia, as prescribed in the Western Australian Procurement Rules.



The 'Achieve Value for Money' Rule requires State Agencies to consider all relevant social, economic and environmental outcomes, cost and non-cost factors through the procurement process. This Framework seeks to elevate the consideration of social, economic and environmental outcomes to be at the forefront of procurement related decision-making.

Appropriate application of the Value for Money Rule enables State Agencies to focus on and justify the advantages of sourcing from businesses and organisations that make a strong contribution towards achieving desired community outcomes for Western Australians.

Community Objectives, Community Outcomes and Resources

The table below establishes the Western Australian Government’s community objectives and community outcomes related to State Agencies social procurement activities.

It is not expected that every procurement will focus on all of the community objectives listed in the table below. State Agencies should consider their strategic goals and the most appropriate community objectives, and prioritising and aligning one or more of these objectives with the nature of the procurement.

A comprehensive list of the Western Australian Government’s social, economic and environmental policies and priorities suite can be found at Attachment 1.

| Community Objectives | Community Outcomes | Policies and Priorities | Supporting Resources |
|---|---|--|--|
| Opportunities for the Western Australian Aboriginal community | <ul style="list-style-type: none"> Increased purchasing from Aboriginal businesses. Improved employment prospects for the Aboriginal community. | Aboriginal Procurement Policy Aboriginal Empowerment Strategy Closing the Gap WA’s Implementation Plan | <ul style="list-style-type: none"> Aboriginal Procurement Policy Info Page Aboriginal Procurement Policy Implementation Guide Guidelines on directly engaging an Aboriginal Business Contracting with the Western Australian Government; A Guide for Aboriginal Business <p>Note: Exceptions from competitive procurement requirements are permitted when purchasing from a registered Aboriginal business.</p> <ul style="list-style-type: none"> Aboriginal Empowerment Strategy – Policy Guide Closing the Gap – Community Guide |

| Community Objectives | Community Outcomes | Policies and Priorities | Supporting Resources |
|--|---|--|---|
| <p>Opportunities for Western Australian regions and regional Western Australians</p> | <ul style="list-style-type: none"> Improved job readiness, training and employment for people from regional Western Australia. Overall Increase in job creation including that of apprentices and trainees through government contracts. Increased use of regional small and medium enterprises (SME) within the supply chain. | <p>Western Australian Buy Local Policy 2020</p> <p>Western Australian Industry Participation Strategy</p> <p>Priority Start Policy</p> | <ul style="list-style-type: none"> Western Australian Industry Participation Strategy (WAIPS) information page Procurement Practice Guideline – Buy Local and Western Australian Industry Participation Strategy Guideline Buy Local Policies information page WAIPS factsheet WAIPS FAQ's Priority Start information page Priority Start fact sheet |
| <p>Opportunities for Western Australians with a disability</p> | <ul style="list-style-type: none"> Increased purchasing from Western Australian Disability Enterprises. Increased employment of Western Australians with a disability. | | <ul style="list-style-type: none"> Guidelines on directly engaging Australian Disability Enterprises West Australian Disability Enterprises website <p>Note: Exceptions from competitive procurement requirements are permitted when purchasing from an Australian Disability Enterprise.</p> |
| <p>Opportunities for gender equality</p> | <ul style="list-style-type: none"> Increased compliance with the Workplace Gender Equality Act. Improved gender equality in the workplace. | <p>Gender Equality</p> | <ul style="list-style-type: none"> Implementation and action plan Complying with the Workplace Gender Equality Act home page |

| Community Objectives | Community Outcomes | Policies and Priorities | Supporting Resources |
|--|--|---|---|
| Opportunities for local industry ¹ and SME suppliers to win government business | <ul style="list-style-type: none"> • Increased use of local industry in the supply chain. • Improved confidence in sustainable regional employment. • Increased engagement and sustainability of Western Australian SME's. • Increased opportunity to bid for more accessible contracts. | <p>Western Australian Buy Local Policy 2020</p> <p>Western Australian Industry Participation Strategy</p> | <ul style="list-style-type: none"> • Western Australian Industry Participation Strategy (WAIPS) information page • Procurement Practice Guideline – Buy Local and Western Australian Industry Participation Strategy Guideline • Buy Local Policies information page • WAIPS factsheet • WAIPS FAQ's |
| Opportunities for multicultural Western Australians | <ul style="list-style-type: none"> • Increased opportunities for businesses established by Western Australians from culturally and linguistically diverse backgrounds. | <p>Multicultural Policy Framework</p> | <ul style="list-style-type: none"> • Multicultural Policy Framework – landing page • Multicultural Policy Framework - State Agency guidelines and suggestions |

¹ Local industry is as defined within Western Australian Jobs Act 2017

| Community Objectives | Community Outcomes | Policies and Priorities | Supporting Resources |
|-------------------------------|---|--|--|
| Sustainable Western Australia | <ul style="list-style-type: none"> • Minimising negative impact to the environment • Reduction in the use of disposable materials. • Increased use of recyclable materials. • Increased use of non-toxic materials. • Improved energy and water conservation. • Improved environmentally sustainable business practices. • Increased use of locally produced recycled materials. | <p><u>Premier’s Circular: Reducing the Use of Disposable Plastic</u></p> <p><u>Waste Avoidance and Resource Recovery Strategy 2030</u></p> <p><u>Western Australia’s Plan for Plastics</u></p> <p><u>Western Australian Climate Policy</u></p> | <ul style="list-style-type: none"> • <u>Disposals Guideline</u> |

Mandatory policies and priorities

The following policies are mandatory policies:

- Western Australian Buy Local Policy 2020 (excluding Delivering Community Services in Partnership Policy procurements)
- Western Australian Industry Participation Strategy
- Aboriginal Procurement Policy (State Agency targets apply)
- Priority Start Policy (Only applies to government building, construction and maintenance contracts valued over \$5 million).

Reporting

State Agencies must undertake all reporting requirements as prescribed by each individual Western Australian social, economic and environmental policy and priority as listed, see Attachment 1.

State Agencies are encouraged to include community outcomes achieved through social procurement in departmental annual reports.

Framework Support

For information on how to implement this Framework, guides and reference materials will be available or contact the Department of Finance [Procurement Policy and Governance](#).

| Policy or Priority | State Agency / Entity | Email |
|--|---|--|
| Aboriginal Empowerment Strategy | Department of the Premier and Cabinet | AboriginalEngagement@dpc.wa.gov.au |
| Aboriginal Procurement Policy | Department of Finance | procurementadvice@finance.wa.gov.au |
| Australian Disability Enterprises | Department of Finance | procurementadvice@finance.wa.gov.au |
| Western Australian Buy Local Policy 2020 | Department of Jobs, Tourism, Science and Innovation | industrylink@jtsi.wa.gov.au |
| Closing the Gap WA Implementation Plan | Department of the Premier and Cabinet | AboriginalEngagement@dpc.wa.gov.au |
| Gender Equality | Department of Communities | women@communities.wa.gov.au |
| Priority Start Policy | Department of Training and Workforce Development | policy.prioritystart@dtwd.wa.gov.au |
| Western Australian Industry Participation Strategy | Department of Jobs, Tourism, Science and Innovation | industrylink@jtsi.wa.gov.au |
| Western Australian Multicultural Policy Framework | Office of Multicultural Interests | strategy@omi.wa.gov.au |
| Reducing the Use of Disposable Plastic | Department of Water and Environmental Regulation | plastic-action@dwer.wa.gov.au |
| The Waste Avoidance and Resource Recover Strategy 2030 | Department of Water and Environmental Regulation | info@wasteauthority.wa.gov.au |
| Western Australian's Plan for Plastics | Department of Water and Environment Regulation | plastic-action@dwer.wa.gov.au |
| Western Australian Climate Policy | Department of Water and Environment Regulation | climate@dwer.wa.gov.au |

Definitions

State Agencies – as defined in the Procurement Act 2020 (WA).

Attachment 1

Western Australian Social, Economic and Environmental Policies and Priorities

This framework is designed to be responsive to government requirements and may be updated at any time to enable government to remain contemporary with community needs.

Social and Economic Policies and Priorities

Aboriginal Empowerment Strategy

The Aboriginal Empowerment Strategy (the Strategy) sets out how the Western Australian Government will direct its efforts towards a future in which all Aboriginal people, families and communities are empowered to live good lives and choose their own futures from a secure foundation.

The Strategy outlines a high-level framework for future State Government policies, plans, initiatives and programs that contribute to better outcomes for Aboriginal people, built around genuine partnerships and engagement with Aboriginal people, strong accountability, and culturally responsive ways of working.

Policy owner: Department of the Premier and Cabinet

Aboriginal Procurement Policy

The State Government is committed to supporting Aboriginal owned businesses through the introduction of the Aboriginal Procurement Policy (the Policy). Government departments are required to award contracts to registered Aboriginal businesses, consistent with progressive targets set within the Policy. The targets will apply to all government agencies when purchasing goods, services, community services and works.

State Agencies may purchase directly from a registered Aboriginal business under the Western Australian Procurement Rules.

Policy owner: Department of Finance

Australian Disability Enterprises

An Australian Disability Enterprise (ADE) offers opportunities to engage in a wide variety of work tasks and offer similar working conditions as other employers. ADEs give people with a disability the opportunity to earn a wage and contribute to and connect with their local community. ADE employees gain training and experience to step into open employment or to continue in supported employment. Buying from an ADE makes good business sense both commercially and socially.

State Agencies may purchase directly from Australian Disability Enterprises under the Western Australian Procurement Rules.

Policy owner: Department of Finance

Western Australian Buy Local Policy 2020

The Western Australian Buy Local Policy 2020 contains a range of initiatives and price preferences that provide local businesses with an enhanced opportunity when bidding to supply to the Western Australian Government. The primary focus of the policy is on small and medium sized enterprises (SMEs), which make up at least 97% of WA businesses.

Policy owner: Department of Jobs, Tourism, Science and Innovation

Closing the Gap WA Implementation Plan

The WA Government's Closing the Gap Implementation Plan outlines how the WA Government will meet our commitments under the National Agreement on Closing the Gap.

The National Agreement sets out a range of targets for improving Aboriginal economic and social wellbeing, and commits to critical reforms that support a new way of working between governments and Aboriginal and Torres Strait Islander people.

The WA Plan builds on the foundations of the transformative Aboriginal Empowerment Strategy 2021-2029. The Strategy sets out a long-term whole-of-Government approach to how WA Government will work with Aboriginal Western Australians to ensure Aboriginal people, families and communities are empowered to live good lives and choose their own futures, from a secure foundation.

Note: the WA Plan includes specific, mandatory actions for certain agencies. More broadly, all agencies are encouraged to think about how their procurement activities may contribute to the WA Plan's objectives.

Policy owner: Department of the Premier and Cabinet

Gender Equality

The State Government has released a plan to address gender inequality in Western Australia: Stronger Together: WA's Plan for Gender Equality.

The plan provides a framework for coordinated action by government, business, organisations and individuals with practical steps to advance gender equality.

Stronger Together sets out how the government will lead the way to bring about generational change and create a better, fairer and more equitable community in Western Australia.

Policy owner: Department of Communities

Priority Start Policy

The Priority Start Policy, administered by the Department of Training and Workforce Development (DTWD), aims to increase the overall numbers of apprentices and trainees in the building and construction industry.

Head contractors must meet a target training rate, for the employment of in-scope apprentices and trainees, across the combined Western Australian construction trades workforce of their company and all subcontractors used for the contract. The policy came into effect on 1 April 2019 and applies to all government building construction, civil and maintenance contracts with a total value over \$5 million (including GST).

Policy owner: Department of Training and Workforce Development

Western Australian Industry Participation Strategy

The Western Australian Industry Participation Strategy (WAIPS) aims to provide local businesses with full, fair and reasonable opportunity to access and win State Government supply contracts. In particular, it focuses on small and medium sized enterprises, which make up approximately 97% of businesses in Western Australia.

The WAIPS requires prospective suppliers to complete and submit a participation plan as part of their tender bid for contracts above relevant thresholds.

Policy owner: Department of Jobs, Tourism, Science and Innovation

Western Australian Multicultural Policy Framework

The Framework is outcome-focused, providing a structure for State Agencies to direct their efforts in achieving the government's vision for multiculturalism in Western Australia — through effective leadership, planning, service provision and engagement with communities

Reviewing procurement practices to encourage support for organisations and businesses established by Western Australians from culturally and linguistically diverse backgrounds.

Policy owner: Office of Multicultural Interests

Environmental Policies

Premier's Circular: Reducing the Use of Disposable Plastic

This policy seeks to significantly avoid the amount of single use plastics procured by State Government agencies. It aims to support agencies to make better purchasing choices through the integration of sustainability in the procurement process. This policy requires agencies to choose sustainable options when procuring goods and services to improve sustainability and increase the use of recycled products.

This includes, as a minimum:

- replacing commonly purchased single use plastic products with recyclable, compostable or reusable alternatives. Examples of this include replacing disposable plastic cups, foam cups, plastic straws and plastic utensils with paper or other compostable alternatives
- reviewing existing agency contracts to achieve better pricing and discussing opportunities with suppliers to substitute plastic products with reusable and compostable products.

Policy owner: Department of Water and Environmental Regulation

The Waste Avoidance and Resource Recover Strategy 2030

Waste Avoidance and Resource Recovery Strategy: 2030 is Western Australia's strategy to move our State towards becoming a sustainable, low waste, circular economy in which human health and the environment are protected from the impacts of waste. It encourages Western Australians to work towards three objectives – avoid, recover and protect – and sets targets that underpin these objectives.

Policy owner: Department of Water and Environmental Regulation

Western Australia's Plan for Plastics

The Plan for Plastics reflects the complexity of tackling plastic issues and aims to produce positive outcomes in households, businesses, the environment, and industry for our collective long-term future.

Policy Owner: Department of Water and Environmental Regulation

Western Australian Climate Policy

The Western Australian Climate Policy sets out the McGowan Government's plan for a climate-resilient community and a prosperous underscores our commitment to adapting to climate change economy to achieve net zero greenhouse gas emissions by 2050.

Policy Owner: Department of Water and Environmental Regulation.



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