

ABORIGINAL PROCUREMENT POLICY

GUIDE FOR ABORIGINAL SUPPLIERS

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Department of Finance

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1. Overview

This Guide outlines considerations for registered Aboriginal businesses and Aboriginal Community Controlled Organisations (ACCOs) interested in contracting with the Western Australian (WA) Government and has been developed to support the Aboriginal Procurement Policy (the Policy).

A checklist is provided in <u>Appendix 1 - Checklist of Considerations for Contracting</u> with the WA Government that summarises the key points in this Guide.

This Guide should be read in conjunction with the <u>Policy</u> and the <u>Delivering</u> <u>Community Services in Partnership (DCSP) Policy</u>. The <u>WA Procurement Rules</u> and other procurement directions continue to apply.

Throughout this Guide the WA Government purchasing process is referred to as the 'procurement process'.

This Guide aims to be useful for both businesses and not-for-profit organisations. For simplicity, 'business' and 'Aboriginal supplier' are used to refer to both commercial and not-for-profit providers.

2. How does the WA Government buy?

WA Government agencies (State agencies)¹ are required to follow policies and processes to ensure taxpayers' money is spent effectively and achieves value-formoney for the state. The requirements that State agencies need to follow when engaging with registered Aboriginal businesses are set out in the <u>WA Procurement</u><u>Rules</u>.

For more information on how State agencies can directly engage ACCOs, refer to section four, Procurement Arrangements, of the <u>DCSP Policy</u>.

While the overall requirements are the same for all types of procurements, community services procurement and works (construction) have some additional requirements. To assist businesses and ACCOs in understanding the WA Government's process for buying goods and services, there is information for suppliers available on the WA.gov.au website at <u>Supplying goods and services</u>.

Community services procurement

The procurement of community services is covered by an additional policy, called the <u>DCSP Policy</u>. The DCSP Policy acknowledges the importance of collaboration between WA Government, ACCOs and the community services sector in delivering outcomes to the community. The DCSP Policy sets out guiding principles for State agencies to follow when designing and procuring community services.

More information about community services procurement, including guidelines and upcoming training session details, is available on the WA.gov.au website at <u>Supplying community services.</u>

¹ 'State agency' as defined in the *Procurement Act 2020*, section 5.



Works procurement

The procurement of public works, construction services and building maintenance are undertaken by a number of State agencies. These agencies specialise in a particular type of building or construction work, which may have different requirements and processes depending on the type of work.

Works agencies have a variety of initiatives to promote Aboriginal business engagement, ranging from: tendering preferences, direct engagement opportunities, modified builder prequalification and dedicated information sessions.

Interested Aboriginal businesses are invited to view the State agencies' websites for more information. A summary of the State agencies that undertake works procurement is provided in <u>Appendix 2 – Works (Construction) Agencies</u> at the end of this document.

3. WA Government initiatives

The Aboriginal Procurement Policy

The WA Government implemented the <u>Policy</u> in 2018. In 2021, the Policy was extended for a further three years, and includes increases to State agency targets for the number of contracts awarded to registered² Aboriginal businesses and ACCOs. In December 2023, the Policy was updated to include contracts with ACCOs to count towards agencies' Policy targets.

The Policy applies to all State agencies when purchasing goods, services, community services and works (construction services). Government Trading Enterprises (including the public utilities) are not bound by the Policy.

From 1 January 2022, suppliers on certain contracts will need to meet Aboriginal participation targets, either an Aboriginal subcontracting target or an Aboriginal employment target. Contracts valued at \$5 million or above in construction, community services, education and training or public administration will include these targets. Where the contract will be predominantly delivered to Aboriginal people or target the specific needs of Aboriginal people, targets will also apply. The targets will provide additional opportunities for registered Aboriginal businesses and ACCOs to access subcontracting opportunities on government contracts.

The Policy aims to create opportunities for registered Aboriginal businesses and ACCOs – and given that State agencies are required to meet mandatory targets, this means that they are motivated to work with you and find out about your business. With the introduction of targets for suppliers on certain government contracts, these opportunities will soon extend to further options for your business to find work as a subcontractor on government projects.

Further details of the Policy are provided on the <u>WA.gov.au</u> website.



² 'Registered' businesses are registered on either the Aboriginal Business Directory of WA or Supply Nation's Indigenous Business Direct.

Direct engagement

Under Rule C4 of the <u>Procurement Rules</u>, State agencies can choose to directly engage any Aboriginal business registered on either the Aboriginal Business Directory WA or Supply Nation's Indigenous Business Direct when purchasing goods, services, or works. To use this option, State agencies are required to internally document how the business has demonstrated that it represents value-formoney. This option can also be used when the required products or services are available from a whole-of-government contract, called a Common Use Arrangement.

<u>Social Procurement</u> can provide advice on the direct purchase option, and more information is available on the <u>WA.gov.au website</u>.

Since 1 December 2023, under the DCSP Policy, State agencies can choose to directly engage an ACCO when purchasing a community service. For more information and guidance, visit <u>WA.gov.au</u>. For support with community services procurement email the Community Services Procurement Policy (CSPP) team cspp@finance.wa.gov.au or call 61 8 6551 1515.

State agency specific initiatives

In addition to the Policy, State agencies may also have initiatives to support Aboriginal suppliers. Some examples are detailed below.

• Aboriginal Suppliers and Employment Tendering Preference

Some State agencies may apply a tendering preference to your offer, meaning that it is evaluated as though the price of your offer is reduced. These preferences may apply to:

- Registered Aboriginal businesses and ACCOs;
- Aboriginal subcontractors, subconsultants or suppliers;
- direct employment of Aboriginal persons.

State agencies that apply a price preference include:

- Department of Finance: applies a preference to works contracts only. For more information go to <u>Aboriginal Business and Employment Tendering Preference</u> (<u>ABETP</u>).
- Main Roads: applies a 20 per cent price preference to the percentage of works to be delivered by Aboriginal subcontractors, and/or the value of proposed Aboriginal employment.
- Department of Biodiversity, Conservation and Attractions: applies a five per cent price preference to all works contracts for Aboriginal businesses, the portion of the contract to be undertaken by Aboriginal subcontractors or the portion of the tender attributable to the direct employment costs of Aboriginal people.



Aboriginal participation plans

Some State agencies may require respondents to complete an Aboriginal Participation Plan, outlining how they intend to engage Aboriginal employees throughout the contract. This may be required from successful respondents only, or it may be included as a qualitative criterion. Where plans are included as a qualitative criterion (often weighted), the quality of a respondent's plan may improve their chances of winning the contract.

Aboriginal employment targets

The Department of Communities has Aboriginal employee targets in construction and demolition (contracts above \$250,000) and civil works (contracts with a total labour value above \$300,000). This presents opportunities for Aboriginal businesses.

More information about the Aboriginal Employment Targets is available on the <u>Department of Communities website</u>.

4. How do you find opportunities to work with WA Government?

Request for Tenders: Contracting opportunities above \$250,000

Most State agencies publicly advertise contracting opportunities valued \$250,000 or above (called a Request for Tender) on the <u>Tenders WA website.</u>⁴

It is recommended that you register on Tenders WA to receive alerts for Requests for Tender that are relevant to your business. In addition to registering for alerts, it is recommended that you check the Tenders WA website on a regular basis to ensure you do not miss any opportunities.

Tenders WA training is available for suppliers under the 'Help' section of the <u>Tenders</u> <u>WA website</u>.

Request for Quotes and direct purchases: Contracting opportunities below \$250,000

Contracting opportunities that are valued below \$250,000 are not generally advertised on Tenders WA. These opportunities are referred to as Requests for Quote (where the purchase is valued between \$50,000 and \$250,000) or direct purchases (where the purchase is valued below \$50,000).

State agencies will usually research suitable businesses before issuing a Request for Quote or making a direct purchase. State agencies will search Supply Nation's Indigenous Business Direct and the Aboriginal Business Directory Western Australia to find Aboriginal businesses, so it is important to make sure your business is registered and contact information is current.

⁴ There are some State agencies that are not required to use Tenders WA, such as the public utilities.



Strategic Forward Procurement Plan - Public Report

The <u>Strategic Forward Procurement Plan (SFPP) Public Report</u> contains data on procurements valued at \$250,000 and above planned by Government agencies across two financial years. The SFPP data is available on wa.gov.au and includes goods, services, community services and works procurements.

Aboriginal suppliers can use the SFPP data to identify upcoming opportunities to contract with the WA Government. WA Government agencies are required to update their SFPP data annually, although they may update their data more frequently if they choose.

More information about how to promote your business is covered in the Section 5.

Identifying subcontracting opportunities on WA government contracts

As suppliers on certain government contracts in construction, community services, education and training or public administration will now need to meet an Aboriginal employment or Aboriginal subcontracting target, it is expected that there will be more opportunities for registered Aboriginal businesses and ACCOs to find subcontracting opportunities on government contracts.

Using Tenders WA

Tenders WA is a good place to start to identify opportunities. You will be able to see who has been awarded major contracts in the sectors that your business operates and contact them for potential subcontracting opportunities.

On some works contracts, the agency may make information available regarding which businesses have downloaded the specification documents. This gives a good indication of the businesses that are likely to submit an offer for the work and includes contact details to allow you to approach them regarding potential opportunities.

Opportunities in the regions

The Local Content Advisers (LCAs) can provide information about large projects in the pipeline in their region and may be able to offer suggestions about subcontracting opportunities on those projects.

The Department of Jobs, Tourism, Science and Innovation also run a series of Communication Forums each year to provide small-to-medium sized businesses the opportunity to hear about local contract opportunities in each respective region. Information about the forums is regularly updated on the <u>Industry Link events page</u>.

5. Promoting your business to the WA Government

Consider the methods outlined in this section to help promote your products or services to the WA Government.

Aboriginal business directories

To be counted towards the achievement of the targets for the Policy, a business must be registered on a suitable directory with the exception of ACCOs who are providing community service contracts under the DCSP Policy. The directories provide government with the confidence that a registered business is a minimum of 50%



owned by an Aboriginal interest.

The Department of Finance has determined that both the <u>Aboriginal Business</u> <u>Directory Western Australia</u> and Supply Nation's <u>Indigenous Business Direct</u> are suitable directories.

It is therefore recommended that you register your business on either or both of these directories.

Registration on both directories is a free and straightforward process. Businesses can choose to apply for Supply Nation certification, which has additional registration requirements, however this is not necessary for the purposes of the Policy.

As the business information on the directories is brief, businesses are encouraged to also use other avenues of promotion, such as those listed below.

Peak Body Membership for ACCOs

ACCOs may wish to consider joining the Council of Aboriginal Services WA (CASWA) as it is a peak body organisation for ACCOs in Western Australia. For more information, visit <u>https://www.caswa.org.au/member-information/</u>.

Business information

It is important to ensure your business information is current on directories and websites. The directories or a business website is often a government buyer's first impression of a business and out-of-date information can make it difficult for buyers to make further enquiries.

Having a website for your business is a good opportunity to provide additional information that is not available on the Aboriginal business directories.

Government buyers generally look for the following information on business websites:

- Contact details, including phone number and email addresses.
- Details of the services available, focusing on core capabilities and expertise. This could include a capability statement or similar promotional information.
- Examples of previous contracts, particularly if your business has prior experience in contracting with the WA Government.
- Experience of the personnel employed by your business.

Contacting government buyers

You are welcome to contact relevant State agencies to ensure government buyers are aware of your business. The best point of contact for businesses is usually the procurement or purchasing team within a State agency, or the contact email provided for a procurement listed in the SFPP. Contact information for each State agency is available on the <u>Government Purchasing Officers List</u>.

Businesses could consider providing the following type of information when contacting State agencies:



- Links to your business website or promotional material.⁵
- A capability statement or details of core capabilities. If your business is able to provide multiple services, it is beneficial to advertise the services that are most relevant to the State agency being contacted.
- Details of previous contracts with the WA Government, local government, Commonwealth Government or private industry that demonstrate your business's core capabilities.
- Experience of the personnel employed by your business. This can be useful information if you have a new business that does not have contracts with WA Government.

6. Researching WA Government buying

Before contacting State agencies, it can be helpful to research which State agencies may be interested in your products or services and then market your business to these agencies. Suggestions for how to identify relevant State agencies are listed below.

• Tenders WA

Tenders WA is a useful tool for market research. Some of the useful information available on Tenders WA includes:

- Currently advertised Request documents
- Closed Request documents, which may be useful for market research
- Details of contracts valued over \$50,000, including the estimated total contract value and successful supplier/s

Early Tender Advice (ETA) for upcoming opportunities

- A State agency contact person for each Request document or contract.

There are help guides available on the <u>Tenders WA website</u> that explain how to use the search functions.

It is recommended that businesses use the information available on Tenders WA to identify which State agencies have a requirement for the products or services that your business provides.

• Strategic Forward Procurement Plan – Public Report

The <u>Strategic Forward Procurement Plan (SFPP) Public Report</u> contains data on procurements valued at \$250,000 and above planned by Government agencies across two financial years. The SFPP data includes goods, services, community services and works procurements. This data is updated annually.

• Who Buys What and How Report

The Department of Finance provides the <u>Who Buys What and How</u> report on WA Government purchasing online.

You can use this report to identify which State agencies are purchasing the goods and services that your business offers.

⁵ Please note that if your business uses a Facebook or other social media page, State agencies may not be able to access it due to IT restrictions.



• Structure of Government

The WA.gov.au website provides information on State agencies including <u>a chart</u> that can be useful for researching the structure of government.

• Pipeline of Work

The <u>Pipeline of Work</u> is a listing of current and future infrastructure projects coming up across government over a four year period, which is continually updated to assist businesses to plan for WA Government tenders.

Networking events with Government

There are a number of events held in WA that aim to build connections between Aboriginal suppliers and buyers and these events can be a great opportunity to market your business and learn more about State agencies.

Events are hosted by the WA Government, Commonwealth Government, private industry, and other groups. The Social Procurement team will advise businesses of any upcoming events the team is aware of. Please contact the <u>Social</u> <u>Procurement team</u> to ensure you are included on the mailing list.

Local Content Advisers

The Department of Primary Industries and Regional Development (DPIRD) has Local Content Advisors (LCAs) located in each of the Regional Development Commissions. The LCAs can provide advice about upcoming opportunities in their region and link local businesses with WA Government funded projects.

Further information about the LCAs is available on the Industry Link WA website.

7. Training and support

The Department of Finance also provides training for Aboriginal suppliers to help develop an understanding of the WA Government procurement process. You can find details of available training at <u>Training for suppliers</u>.

Two organisations have also been engaged to provide Aboriginal suppliers with individualised capability building services across four areas:

- Tendering skills
- Business development
- Internal governance
- Contractual compliance requirements

You can find more information about the providers and their service offerings on their websites:

- <u>Indigenous Professional Services</u>: provider for the Mid West, Gascoyne, Goldfields-Esperance, South West and Great Southern regions
- Morrgul: provider for the Kimberley and Pilbara regions.

Waalitj Hub provide capability building and business support services to Aboriginal suppliers, and holds events throughout WA. More information can be found on their website.



Further information about support available for Aboriginal suppliers throughout the State is available at Appendix 3: Support services for Aboriginal suppliers.

8. Other government jurisdictions

This Guide provides information relating to working with the WA Government. Aboriginal suppliers are encouraged to be aware that there are differences when working with local government or the Commonwealth Government.

- For information about working with Commonwealth Government departments located within WA, please refer to the <u>Indigenous Procurement Policy</u>.
- For information about working with local government, please refer to WALGA.

9. Support from the Department of Finance

The Social Procurement team can provide advice on the Aboriginal Procurement Policy and contracting with the WA Government.

Please call 6551 2475 or email <u>socialprocurement@finance.wa.gov.au</u> for more information.

The Community Services Procurement Policy team can provide advice on the DCSP Policy and community services contracting for ACCOs.

Please call 6551 1515 or email <u>cspp@finance.wa.gov.au</u> for more information.



Appendix 1 - Checklist of considerations for contracting with the WA Government

This Guide covers considerations for Aboriginal suppliers when contracting with the WA Government. It provides a good starting point, however State agencies may have other requirements or considerations that are not listed here.⁵

The following checklist summarises the key considerations outlined in this Guide.

Understand the WA Government procurement process using the information available in this Guide and on the WA.gov.au website.
Register for the training sessions available from the Department of Finance.
Register your business on the Aboriginal business directories: Supply Nation's <u>Indigenous Business Direct</u> (IBD) and the <u>Aboriginal Business Directory Western</u> <u>Australia</u> (ABDWA).
Register your business on <u>Tenders WA</u> .
Register for alerts for relevant Requests for Tender on <u>Tenders WA</u> . It is also recommended that businesses regularly check Tenders WA to ensure opportunities are not missed.
Research WA Government to identify which State agencies have a requirement for your products and services.
Ensure business details and information are readily available and current on directories, websites and other sources.
Determine the core capabilities of your business and identify examples of previous experience.
Contact relevant State agencies using the contact listed on the <u>SFPP – Public Report</u> <u>dashboard</u> , or using the <u>Government Purchasing Officers list</u> .

⁵ Individual procurement processes will have specific requirements and considerations that are not covered in this Guide. This may include specific insurance requirements, ISO certifications, compliance with Australian standards or other requirements. These details will be specified in Requests for Quote or Tender documents where required.



Appendix 2 - Works (construction) agencies

A summary of State agencies that undertake works procurement is provided below:

• **Department of Biodiversity Conservation and Attractions:** undertakes a range of works required for Botanic Gardens and Parks Authority, Parks and Wildlife Service, Perth Zoo, and Rottnest Island. This includes the building and maintenance of facilities in Western Australia's national parks.

More information is available on the agency's website.

• **Department of Communities:** delivers state-owned residential building projects and maintains state-owned residential buildings. The Housing Authority is also an affordable housing provider involved in land development, housing construction and property management.

More information is available on the agency's website.

• **Department of Finance – non-residential building projects:** undertakes nonresidential building work, maintenance and property lessor opportunities. Finance manages projects on behalf of client agencies, including the Departments of Education, Health and Justice.

Find more information about <u>contracting with the Department of Finance on works</u> projects.

• **Department of Planning, Lands and Heritage:** manages the development and maintenance of heritage buildings in Western Australia.

More information is available on the agency's website.

• **Department of Transport:** undertakes non-residential building and transport-related works.

More information is available on the agency's website.

• **DevelopmentWA:** is the State Government's central development agency, with a diverse portfolio of industrial, commercial and residential projects.

More information is available on the agency's website.

• Energy Corporations: undertake minor and major works.

More information is available on each energy corporation's website:

- Horizon Power
- <u>Synergy</u>
- Western Power
- **Main Roads:** delivers and manages a safe and efficient main road network in WA through operations including building the state's major government road infrastructure projects and maintaining the state's major government roads, bridges, verges and reserves.

More information is available on the agency's website.

• **Public Transport Authority:** designs and build major transport infrastructure (rail, bus and ferry networks), maintenance of transport infrastructure.

More information is available on the agency's website.

• VenuesWest: owns, manages and maintains Western Australia's sport and entertainment venues on behalf of the State Government.

More information is available on the agency's website.

• Water Corporations: undertake major and minor capital works.

More information is available on the water corporations' websites:

- Water Corporation
- Bunbury Water Corporation
- Busselton Water Corporation
- WA Port Authorities: undertake major and minor works.

More information is available on each Port Authority's website:

- Fremantle Ports
- Kimberley Ports
- Mid West Ports
- Pilbara Ports
- Southern Ports



Appendix 3: Support services for Aboriginal suppliers

The below table outlines where you can access various services relating to:

- Finance and economic support: includes grant and funding programs.
 Business and administrative support: includes business development, secretarial, risk and safety, and HR and employee relations advice and support.
- Training, mentoring, and capability building.
- Brokering and connecting services: includes events and other networking opportunities.

	Target audience	Costs	Finance and economic	Business and administrative	Training, mentoring capability buildi
Government run services					
Business.gov.au	Australian suppliers	None			-ESS
Indigenous Business Australia	Aboriginal suppliers	None			Ê
Indigenous Land and Sea Corporation	Aboriginal suppliers in Agriculture and Tourism	None	**		Ê
National Indigenous Australians Agency	Aboriginal suppliers	None			
Noongar Enterprise Development Support	Aboriginal suppliers in the Wheatbelt region	None			Ê
Small Business Development Commission	Small businesses in WA	None (some workshops have a \$50 registration fee)			
Tourism WA	Tourism businesses in WA	None			
WA Industry Link	Small and local businesses in WA	None			-
Not for profit organisations					
ABDWA	Aboriginal businesses, purchasing officers in WA	None (for Aboriginal businesses)			
Business Foundations <u>- New</u> Enterprise Incentive Scheme	Small businesses	None for eligible participants			E
Chamber of Commerce and Industry of Western Australia	WA businesses	Membership fees, fees for training		-200	

g and ng	Brokering and connecting services
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	Target audience	Costs	Finance and economic	Business and administrative	Training, mentoring capability buildir
Many Rivers	Small businesses	None			
<u>Morrgul</u>	Aboriginal suppliers	None			E
<u>Noongar Chamber of</u> <u>Commerce</u>	WA Aboriginal businesses	None (for members)			
Regional Chambers of Commerce and Industry	Regional WA businesses	Annual membership fees, costs associated with some events			
Supply Nation	Aboriginal businesses, purchasing officers	None (for Aboriginal businesses)			
<u>Waalitj Hub</u>	Aboriginal suppliers, purchasing officers	None		**	8
Businesses					
Indigenous Professional Services	Aboriginal suppliers	Costs associated with services			- AND
<u>Keogh Bay</u>	Aboriginal suppliers	Costs associated with services			



