



# Guidance for Agencies on Evaluating a WAIPS Participation Plan

This guide is for Western Australian State Government agencies and tender evaluation panels. It provides guidance on evaluating Western Australian Industry Participation Strategy (WAIPS) Participation Plans submitted as part of a tender process.

The Department of Energy, Environment and Economic Development (DEED) can assist agencies and evaluation panels with the evaluation of a Participation Plan and the use of this guide. If further assistance is required, contact [WAIPS.Industrylink@deed.wa.gov.au](mailto:WAIPS.Industrylink@deed.wa.gov.au).

## General Guidance

The Participation Plan (and this guide) is separated into the following 4 sections:

- Company & Contract details
- Workforce (Section A)
- Industry Development (Section B)
- Reporting and Declaration

Depending on the tender, the questions in the Participation Plan which required a response in the Industry Development (Section B) will differ. However, all the Participation Plans received by prospective suppliers for the one tender should be the same in terms of coverage. It is recommended evaluation panels review the Participation Plan questions, and then refer to the relevant guidance in this document.

When reviewing a Participation Plan, agencies should note the following:

- This guide provides clarification of local industry participation and the requirements under the *Western Australian Jobs Act 2017* (WA Jobs Act) and WAIPS.
- The guidance is indicative. Agencies may adopt an alternative evaluation approach provided that the objectives of the WA Jobs Act are still addressed.
- Standard tender evaluation principles apply. These include relevance, demonstrated experience, regional development outcomes, verifiability of commitments, demonstrated understanding of specifications, and customer references. The WAIPS Portal will not allow a Participation Plan to be submitted unless all mandatory fields have been completed. The agency should consider the



completeness of the Participation Plan and refuse to evaluate or downgrade any offer that does not include both Workforce (Section A) and Industry Development (Section B) fully completed.

- Workforce (Section A) is not assessed or scored by the agency as part of the evaluation process. This information is requested, collected and required for reporting to government, as well as analysis of local industry, supply chains and the government market. The Australian Constitution and the Australian and New Zealand Government Procurement Agreement, limits the ability of agencies to assess this information in tender evaluations. However, this section forms part of the contractual commitments for the successful supplier.
- The responses provided in Industry Development (Section B) is reviewed, assessed and scored by the panel and will result in the overall Participation Plan evaluation score. This section forms part of the contractual commitments for the successful supplier.

## Industry Development (Section B) Guidance

When reviewing, assessing and scoring Industry Development (Section B) of the Participation Plan, agencies should note the following:

- The Participation Plan questions have been designed to align with the objectives of the WA Jobs Act. Consideration of these objectives will assist with the intention of the question and therefore the evaluation of the Participation Plans. The objectives are:
  - promoting the diversification and growth of the Western Australian economy by targeting supply opportunities for local industry;
  - providing suppliers of goods or services with increased access to, and raised awareness of, local industry capability;
  - encouraging local industry to adopt, where appropriate, world's best practice in workplace innovation and the use of new technologies and materials;
  - promoting increased apprenticeship, training and job opportunities in Western Australia;
  - promoting increased opportunities for local industry to develop import replacement capacity by giving local industry, in particular small or medium enterprises, a full, fair and reasonable opportunity to compete against foreign suppliers of goods or services.



- Examples of local participation activities are available in the *Guidance for Suppliers on Completing a Participation Plan*.
- Terms used in the Participation Plan are defined and available for reference in the *Guidance for Suppliers on Completing a Participation Plan*. Terms which may be of interest to you include:
  - **Local content:** the portion of the contracted value of a product or service generated within a jurisdiction. Local content is generally expressed as a percentage of the total contract value.
  - **Local Industry:** Suppliers of goods produced, or services provided, in WA, another State or Territory or New Zealand.
  - **Regional:** As prescribed in the *Regional Development Commissions Act 1993*, Schedule 1 – Regions defined by reference to districts.



## Evaluation of Questions Guidance

Question	Guidance for reviewing the Participation Plan questions	Prompt Questions which may provide ideas or support the responses to these questions
<b>In general/For all questions</b>	For each question, consider if: <ul style="list-style-type: none"> <li>• the activities the prospective supplier is proposing and the value of these activities enhance local participation; and</li> <li>• the prospective supplier’s evidenced ability to deliver the Participation Plan as part of the contract (i.e. is the proposal practical, realisable and is the assessor confident the local participation activities will occur).</li> </ul>	What local participation activities have been proposed? Will the activities improve local participation? Will the prospective supplier be able to deliver the activities? Does the Participation Plan support the objectives outlined in the WA Jobs Act?  The prompt questions are indicative only. They are not exhaustive and should not limit consideration of innovative, practical and high-value proposals.
<b>Provide a response on how you will: Ensure local industry is given full, fair and reasonable</b>	The government is seeking for suppliers to communicate how local industry will, for example, be provided the same opportunity as global supply chain partners to participate in all aspects of a project, and that	Did the business articulate a clear approach, position or strategy? Has the response covered full, fair and reasonable? Across which project areas will



<p><b>opportunity to participate</b></p>	<p>local industry will be provided the opportunity to compete on an equal and transparent basis.</p> <p><b>Full</b> refers to local industry being provided the same opportunity as other global supply chain partners to participate in all aspects of a project (e.g. design, engineering, project management, professional services, IT architecture).</p> <p><b>Fair</b> refers to local industry being provided the same opportunity as global suppliers to compete on projects on an equal and transparent basis, including being given reasonable time to tender.</p> <p><b>Reasonable</b> refers to tenders which are free from non-market burdens that might rule out local industry and are structured in such a way as to provide local industry the opportunity to participate in projects.</p>	<p>opportunities be created? How will you provide opportunities? Does the approach cover the full term of the contract? Were local participation activities included, do they have value and is it likely they will be delivered?</p>
<p><b>Provide a response on how you will: Increase access to, and raise awareness of local industry capability</b></p>	<p>This section is providing the business the opportunity to detail its understanding of the local industry, its knowledge of local capability and the nature and extent of its interaction with local suppliers.</p>	<p>What information does the business have, or will need to have to increase awareness of local industry capability? Has the business detailed communication it will need to establish? Were local participation activities included, do they have value and is it likely they will be delivered?</p>
<p><b>Provide a response on how you will: Aim to provide more supply</b></p>	<p>An effective response to this section will highlight the initiatives the business has to ensure that local industry can supply, as well as proactively taking steps to support local supply towards the project.</p>	<p>Does the business have suitable actions/processes in place to make it easier for local business</p>



<p><b>opportunities to local industry</b></p>		<p>to supply? What initiatives are there for ensuring more local supply? Will these initiatives be effective?</p>
<p><b>Provide a response on how you will: Encourage your supply chain to adopt, world’s best practice in innovation, technologies and materials</b></p>	<p>Best practice and innovation improve the outcomes from the government procurement and drive business growth, competitiveness and resilience. This question is seeking initiatives with impact.</p>	<p>Did the business detail what it does with suppliers to encourage them to improve their operations and outcomes? Did the business provide approaches and examples?</p>
<p><b>Provide a response on how you will: Provide opportunities for local industry to develop import replacement capacity</b></p>	<p>Import replacement capacity is the goods or services being produced in WA rather than being imported. Increasing import replacement capacity supports local job creation and the development of new local industries. A response in this section should provide more relevant detail about the particular products and service and outline practical steps to transition supply to local providers.</p>	<p>What information has been provided on the specific products and services currently being imported? Has local industry been identified that can provide these products and services? Did the business outline how they will be effective?</p>
<p><b>Provide a response on how you will: increase apprenticeship, training and job opportunities</b></p>	<p>Improving and increasing local jobs and training opportunities is an important aspect of building local industry capability and skills. The response should outline how the business is increasing local jobs and training opportunities. The approaches should be clear, beneficial and effective.</p>	<p>What is the business’s current approach and position? What roles and opportunities are currently available? What can or does the business do to increase these opportunities? Has the</p>



		<p>business identified specific roles?          Have groups to communicate with been identified? What are the processes? Are there targets? Are subcontractors included in workforce development initiatives?</p>
<p><b>Will you provide feedback to unsuccessful bidders seeking sub-contractual opportunities? Yes/No. If Yes, please explain the process. If No, please explain why not?</b></p>	<p>It is important to provide feedback to unsuccessful suppliers to encourage improved performance, continuous improvement and be more competitive in future tenders.</p> <p>The feedback should be offered and if requested should include:</p> <ul style="list-style-type: none"> <li>• An explanation as to why their tender submission was unsuccessful;</li> <li>• Details about what areas of the submission were either non-compliant or lacking; and</li> <li>• Suggestions on how they could improve for future submissions</li> </ul> <p>The form (phone or email) of the feedback can be flexible but face-to-face is considered the most effective.</p> <p>An unsuccessful bidder letter that is sent to all unsuccessful suppliers is not constructive feedback.</p>	<p>What is the business's approach to feedback? How? What areas? What type of solutions? What is the communication approach? Will the feedback approach outlined benefit subcontractors?</p>
<p><b>If necessary, will you liaise with the Industry</b></p>	<p>The responses should indicate a willingness to work with government agencies to increase the capability, competitiveness and capacity of</p>	<p>Has the business indicated that they are willing to work with the</p>



<p><b>Link Advisory Service / Local Content Advisers on local industry participation issues?</b></p>	<p>local industry. This includes working with the tendering agency, DEED and/or Local Content Advisers in the regions. This liaison assists government with a better understanding of local industry issues.</p> <p>The bidder commits to provide a Participation Plan report in full and on time to the procuring Agency outlining achieved outcomes aligned with the commitments of the Participation Plan.</p> <p>The bidder is also prepared to undertake investigation, in conjunction with DEED and/or the Local Content Advisers, of potential import replacement opportunities for goods or services listed in the Participation Plan as overseas supply.</p>	<p>tendering agencies, DEED and/or the Local Content Advisers in the regions? Will the business provide Participation Plan reporting? Has the business indicated an interest in working on local industry participation issues? Has the business indicated how it will liaise with government agencies? In what circumstances will it liaise? If not, has it provided valid or reasonable reasons for not liaising communicating with these services?</p>
<p><b>If this contract is for whole or part regional delivery, please describe any other economic or community benefits the awarding of this contract will deliver to the regional economy.</b></p>	<p>Consider if the potential supplier has outlined any other measurable identifiable benefits for the relevant regional economy.</p> <p>This question provides suppliers with the opportunity for local and non-local businesses to demonstrate the benefits that will be provided to the local regional economy. Examples could include sponsoring apprenticeships or traineeships, local skilled and unskilled labour in the regions, using regional businesses for logistics, accommodation and travel, supporting a community program; and undertaking significant activity from regional location.</p>	<p>Is the business providing community or community benefits from the contract to the regional area? What are the examples? Do the examples appear realistic and will they have impact?</p>



<p><b>For subcontractors that will outsource components of the package to other businesses, describe what mechanisms will be used to ensure that the obligation to provide full, fair and reasonable opportunity to local industry is passed on to their relevant subcontractors.</b></p>	<p>In this question, the business details their method of ensuring the commitments (supporting full, fair and reasonable opportunity to local industry) cascade down the supply chain.</p> <p>If there will be no sub-contracting as part of your delivery of this contract just enter “NA” indicating Not Applicable and explain why it’s not applicable.</p>	<p>Has the business detailed if it is outsourcing components of the package to other businesses?        Has the business described what activities will be established to ensure full, fair and reasonable opportunity for local industry?        Does the business have well developed approaches to ensure they are passed on to subcontractors?</p> <p>If there is no subcontracting, has the business detailed why its not applicable and is this realistic?</p>
<p><b>Will you be specifying standards to subcontractors beyond those prescribed in the tender? If you intend to and they are not Australian standards, please specify the standards and provide an explanation as to why</b></p>	<p>If the business is not specifying Australian standards to their subcontractors they should indicate whether these standards can be met by Australian industry. Also, what impact not using Australian standards may have on the ability of Australian industry to participate.</p> <p>Bidders need to ensure specifications issued to subcontractors take Australian industry capabilities and Australian standards into account and that Australian industry is not “designed out” of supply opportunities.</p> <p>If the business is not specifying Australian standards (or equivalent standards that Australian industry can meet) the response should</p>	<p>Is the business specifying standards for subcontractors, including those not mentioned in the tender? Are they Australian standards or other standards?        What other standards were specified and were explanations for these standards provided? Is this likely to have any impact on Australian industry supplying to the project?</p>



	indicate what impact the specified standard may have on the ability of Australian industry to participate.	
<b>Has your business previously provided a Participation Plan for a successful tender bid for any Western Australian government agencies? Select Yes/No. If Yes, please provide (up to 3 of) your most recent successful tender bid references</b>	<p>This information supports the agency in understanding the experience and ability of the business to perform to state government standards and requirements.</p> <p>It also provides an opportunity to address a bidder's performance in terms of meeting the commitments made in previous Participation Plans. If a bidder has a history of dealing with agencies where a Participation Plan is required, their previous performance can be taken into consideration as follows:</p> <ul style="list-style-type: none"><li>• <b>No previous history with Agency</b> – No action to be taken and score remains the same.</li><li>• <b>Previously has met the commitments made in a Participation Plan</b> – No action to be taken and score remains the same.</li><li>• <b>Previously has failed to meet commitments made in a Participation Plan which is not related to changes in external circumstances</b> – a deduction on their overall score, for the Participation Plan, may be applied at the discretion of the Agency.</li></ul>	<p>Has sufficient information been provided based on the suppliers experience? Does it appear that the business will be able to perform the project based on the requirements? Do you think there are indicators that further investigation should occur with procurement managers of previous contracts? Should there be a reduction to the score based previous performance?</p>



## Scoring of the Participation Plan

When scoring consider:

- the benefits outlined in the Participation Plan can be considered collectively, i.e. a Participation Plan does not need to address all the objectives and should be evaluated as a whole;
- a rating should be allocated that reflects the overall value and impact of the major benefits that the Participation Plan contributes to;
- Whether the Participation Plan outlines specific examples of benefits which can be verified and captured for reporting purposes; and
- the Participation Plan demonstrates credible capacity to achieve the objectives detailed in the WA Jobs Act.

The rating scale below is an option to assess the Participation Plan and allocate it a score.

Score	Description
0	The response does not contain sufficient information to make any assessment.
1	The evaluation panel is not confident that the potential supplier understands the requirements of the WAIPS. OR The response does not contain sufficient information to demonstrate how the potential supplier will achieve WAIPS requirements.
3	The response offers minimal benefits in relation to the WAIPS. OR The evaluation panel has some reservations as to whether the potential supplier will be able to satisfactorily meet WAIPS requirements.
5	The response offers a reasonable or average level of benefits in relation to the WAIPS. OR The evaluation panel is reasonably confident that the potential supplier will be able to satisfactorily meet WAIPS requirements to a reasonable standard.
7	The response offers a high or above average level of benefits in relation to the WAIPS. AND The evaluation panel is confident that the potential supplier will be able to satisfactorily meet the WAIPS requirements to a high standard.
9	The response offers a very high level of benefits in relation to the WAIPS. AND The evaluation panel is completely confident that the potential supplier will be able to satisfactorily meet the WAIPS requirements to a very high standard.

This is the standard scoring scale advocated by the Department of Treasury and Finance. However, agencies may utilise alternative scoring approaches at their discretion.



Regardless of the scoring approach adopted, it is important that the procurement documentation used by the agency for the supply aligns with the assessment and scoring method proposed.

Refer below for the 0-9 scoring method extrapolated to result in the total score for the Participation Plan for the offer as follows:

<b>Score</b>	<b>Weighted 10%</b>	<b>Weighted 20%</b>	<b>Weighted 30%</b>
0	0	0	0
1	1	2	3
3	3	7	9
5	6	11	18
7	8	16	24
9	10	20	30

e.g. If a Participation Plan is to be weighted at 20%, a score of 7 converts to a score of 16 out of a possible 20.