# Social Procurement Plan Template

## General instructions

Government buyers are required to develop a Social Procurement Plan for each individual procurement activity [valued at or above $20 million](https://www.buyingfor.vic.gov.au/social-procurement-determining-value-individual-procurement-activities) (exclusive of GST).

This involves a scope-specific opportunity analysis that considers Agency/Department priorities and areas where the greatest social and sustainable impact can be achieved.

With the Social Procurement Framework’s (SPFs) flexible and scalable approach, two additional Victorian Government priorities now apply:

1. Goods, services and construction procurement over $20 million (exclusive of GST) to include job readiness and employment opportunities for women and young people, aligned with prioritised SPF social objectives. This will contribute to Victoria’s COVID-19 recovery initiative, designed to address the disproportionate impact of the pandemic on people aged 24 and under and women.
2. Construction procurement over $20 million (exclusive of GST) to include Building Equality Policy requirements, with targets to drive more opportunities for women in a range of roles across the construction industry.
3. For further information see: [SPF Requirements and Expectations](https://www.buyingfor.vic.gov.au/social-procurement-framework-requirements-and-expectations), [Social Procurement Assurance](https://www.buyingfor.vic.gov.au/social-procurement-assurance-function) and the [Building Equality Policy](https://www.vic.gov.au/building-equality-policy).

The Social Procurement Plan must be approved by the financial delegate responsible for the individual procurement activity.

## Social Procurement Plan

### Procurement details

**Organisation:** [*Department/agency*]

**Key contact for social procurement:** [*Name, title and contact details]*

**Key contact for procurement:** [*Name, title and contact details]*

**Contract manager:**[*Name, title and contact details]*

**Procurement activity:** [*Name and category of procurement activity, for example, type of goods and services, or construction project name]*

**Procurement approach:** [*Invitation to supply model, listing multi-stages if applicable]*

**Estimated value:** *[Estimated contract cost]*

**Key dates:** [*Targets dates for applicable procurement stages and contract award if known]*

**Date:** [*Date Social Procurement Plan finalised*]

### Procurement context

Please outline:

* the strategic objectives and key priorities for this individual procurement activity;
* if the individual procurement activity is expected to be high profile and/or high risk; and
* if the individual procurement activity involves one or more discrete packages of work, for example, a procurement valued at $30 million (exclusive of GST) may be comprised of two discrete packages of work valued at $15 million (exclusive of GST) each.

|  |
| --- |
|  |

### Department/Agency social procurement commitments

Please outline:

* prioritised Department/Agency [SPF objectives](https://www.buyingfor.vic.gov.au/victorian-governments-social-and-sustainable-procurement-objectives-and-outcomes), including any applicable targets (check the Department or Agency’s Social Procurement Strategy);
* other organisational policies and programs that leverage high value procurement to deliver social and sustainable outcomes, for example, Inclusive Employment Framework; and
* other strategic priorities associated with this individual procurement activity.

|  |
| --- |
|  |

### Delivering a positive legacy

High value procurement provides the opportunity to deliver significant social value and lasting benefits for the community. It is also a chance for procurement teams to be visionary about opportunities for social, economic, cultural, environmental and supply chain innovation.

Procurement team discussions early in the project planning stage can capture ideas and options, such as those based on:

* location, co-design opportunities with the community and traditional owner groups, local demographics, lessons learnt and best practice approaches from similar projects;
* helping Victoria transition to a circular economy and net zero emissions, through the use of recycled materials, using clean energy, reducing waste to landfill and greenhouse gas emissions;
* Department/Agency and broader government priorities, such as gender equality, employment pathways for young people, targeted approaches for local priority cohorts, capability building that supports the growth and increased impact of Victorian social enterprises and Aboriginal businesses, and inclusive policies and practices within government suppliers.

For inspiration, see: [SPF Annual Reports](https://www.buyingfor.vic.gov.au/social-procurement-annual-reports)

To discuss relevant opportunities, contact: the [Social Procurement Assurance](https://www.buyingfor.vic.gov.au/social-procurement-assurance-function) team

Please outline positive legacy opportunities:

|  |
| --- |
|  |

### Social procurement opportunity analysis

There are many ways to leverage procurement to achieve social and sustainable objectives, as outlined across the Tables 1-5 overleaf. This includes opportunities and relevant targets (mandatory or optional) across SPF objectives, several bundled together to maximise social spend or inclusive employment outcomes.

Drafting notes indicate key areas to be completed, with support available from the [Social Procurement Assurance](https://www.buyingfor.vic.gov.au/social-procurement-assurance-function) team.

#### **Table 1: Opportunities to buy from Victorian social enterprises and Aboriginal businesses**

| **Relevant objective** | **High level opportunities to consider** | **Relevant targets** |
| --- | --- | --- |
| **SPF Objective 1:** Opportunities for Victorian Aboriginal people**SPF Objective 4:** Opportunities for disadvantaged Victorians/Priority Jobseekers**SPF Objective 6:** Sustainable Victorian social enterprise and Aboriginal business sectors | How does this procurement provide opportunities to engage Victorian social enterprises (**SPF Objective 4**) and/or Aboriginal businesses **(SPF Objectives 1**)? *Drafting note: delete points that do not apply** Ask sub-contractor to provide specific goods, services or construction required to deliver the contract
* To provide goods or services to support wider business operations (for example, print and stationery, recycling, cultural awareness training or signage)
* Ask a partner, including outcomes related to business growth, shared capability building and/or targeted employment

Please list opportunities to engage Victorian social enterprises and Aboriginal businesses (**SPF Objective 6**), for example:* sub-contract cleaning services for project offices
* engaging a specialist employment and training provider to help increase priority jobseeker outcomes
* traffic control partnership to create jobs for young people facing complex barriers to employment

*Drafting note: Outline key opportunities***1.** **2.****3.****4.** | Mandatory: As part of Victoria’s COVID-19 recovery initiative, job readiness and employment opportunities for women and young people should be elevated alongside any prioritised SPF social objectives.Optional:* social spend target of 1-2% (expenditure with Victorian social enterprises and Aboriginal businesses as a percentage of total contract value)
* social spend target of 3-5%, if employment and training costs for priority jobseekers \* are included (expenditure with Victorian social enterprises and Aboriginal businesses as a percentage of total contract value PLUS associated workforce outcomes and costs)
* spend and/or number of Victorian Aboriginal businesses to be engaged (determine target based on industry capability)
* spend and/or number of Victorian social enterprises to be engaged (determine target based on industry capability)

\* Victorian social enterprises and Aboriginal businesses often employ, train and support priority jobseekers. Some infrastructure projects define social spend as expenditure with these businesses plus employment and training costs for these priority cohorts directly involved in delivering the contract. |

#### **Notes for Table 1:** the [Social Procurement Assurance](https://www.buyingfor.vic.gov.au/social-procurement-assurance-function) team can provide advice on targets and identifying social spend opportunities, especially based on procurement scope and location. [Social Traders](https://www.socialtraders.com.au/) and [Kinaway](https://kinaway.com.au/) support suppliers to connect with Victorian social enterprises and Aboriginal businesses, through directory access, marketplace events, targeted Expressions of Interest and facilitating new partnerships.

#### **Table 2: Opportunities for Inclusive Employment Outcomes**

| **Relevant objective** | **High level opportunities to consider** | **Relevant targets** |
| --- | --- | --- |
| **SPF Objective 1:** Opportunities for Victorian Aboriginal people**SPF Objective 2:** Opportunities for Victorians with Disability**SPF Objective 4:** Opportunities for disadvantaged Victorians/Priority JobseekersSPF Objective 7: Sustainable Victorian regions (Opportunities for people in regions with entrenched disadvantage) | Please identify at least three priority cohorts to benefit from this procurement *Drafting note: delete points that do not apply:** Aboriginal Victorians (**SPF Objective 1**)
* Victorians with disability (**SPF Objective 2**)
* Job readiness and employment for people living in metropolitan or regional areas of entrenched disadvantage (**SPF Objective 7**). *Drafting note:* *Please specify locations and postcodes:*

 *\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_***SPF Objective 4** (disadvantaged Victorians/priority jobseekers) *Drafting note: delete points that do not apply:** Long-term unemployed Victorians
* Workers in transition
* Migrants, refugees, and asylum jobseekers
* Other Victorians facing complex barriers to employment such as social housing tenants, ex-offenders, single parents and veterans. *Please specify:*

 *\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_* | Mandatory:As part of Victoria’s COVID-19 recovery initiative, job readiness and employment opportunities for women and young people should be elevated alongside any prioritised SPF social objectives.Optional:As a percentage of total contract estimated labour hours*Drafting note: delete points that do not apply*:* 2.5% Aboriginal employment hours (mandated for major transport infrastructure projects)
* 2.5% inclusive employment hours (can include more than one SPF objective)
* 10-30% inclusive employment hours (in sectors with low barriers to entry)
* Creating roles for priority jobseeker cohort.  *Drafting note: Please specify the number of roles and cohort:*

 *\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_* |

#### **Notes for Table 2**: the [Social Procurement Assurance](https://www.buyingfor.vic.gov.au/social-procurement-assurance-function) team can advise on inclusive employment opportunities and the use of targets. [Jobs Victoria](https://jobs.vic.gov.au/) can support suppliers to connect with specific priority cohorts or to run targeted recruitment campaigns.

#### **Table 3: Opportunities to improve women’s equality and safety**

| **Relevant objective** | **High level opportunities to consider** | **Relevant targets** |
| --- | --- | --- |
| **SPF Objective 3:** Women’s Equality and Safety | Please identify opportunities for Victorian women that could be achieved through this procurement*Drafting note: delete points that do not apply*:* More women in senior technical roles, especially in areas where participation has traditionally been low (for example, ICT and construction)
* More women in leadership and Board roles
* Greater pay equity
* More women in apprenticeships and traineeships
* More women in trade and labour roles
* More women in internships and cadetships
* Greater participation of Aboriginal women (**SPF Objective 1**)
* Greater participation of women with disability (**SPF Objective 2**)
* Greater participation of disadvantaged women/priority jobseekers (**SPF Objective 4**)
* Greater participation of women in regions of entrenched disadvantage (**SPF Objective 7**)
* Gender equality policies, programs and practices in place, or to be developed, as a direct result of the contract
* Other: *Drafting note:* *Please specify*

 *\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_* | *Drafting note: delete points that do not apply*Mandatory: As part of Victoria’s COVID-19 recovery initiative, job readiness and employment opportunities for women and young people are to be elevated alongside any prioritised SPF social objectives.For construction projects, the [Building Equality Policy](https://www.vic.gov.au/building-equality-policy) requirements apply:* Suppliers to provide organisation-wide and draft project specific Gender Equality Action Plans during the procurement process and a final project-specific Plan post-award.
* Management/s**upervisory** and specialist labour (staff) - women are required to perform at least 35% of the total contract estimated labour hours for each staff position
* Trade covered labour - women are required to perform at least 3% of the total contract estimated labour hours for each trade position
* Non-trade Construction Award covered labour - women are required to perform at least 7% of the total contract estimated labour hours for each non-trade Construction Award covered labour position
* At least 4% of the total contract estimated labour hours to be performed by women who are registered apprentices or trainees

Optional:* Paid family violence leave
* Flexible working arrangements
* Prevention and responses to sexual harassment
* Zero gendered pay gap
* Gender equality audit and Action Plan in place (for goods and services procurement)
 |

**Notes for Table 3:** the [Social Procurement Assurance](https://www.buyingfor.vic.gov.au/social-procurement-assurance-function) team provides advice on embedding Building Equality Policy requirements in invitations to supply for construction projects. It can also assist with identifying gender equality opportunities for good and services procurements. For further support or information see:

#### [Women in Construction](https://womeninconstruction.com.au/)

#### [Victoria's Gender Equality Strategy](https://www.vic.gov.au/our-gender-equality-strategy)

#### [Jobs Victoria](https://jobs.vic.gov.au/)

#### **Table 4: Opportunities to support safe and fair workplaces**

| **Relevant objective** | **High level opportunities to consider** | **Relevant targets** |
| --- | --- | --- |
| **SPF Objective 5:** Supporting safe and fair workplaces | *Drafting note: delete points that do not apply*Compliance with industrial relations lawsCommit to the [Victorian Supplier Code of Conduct](https://www.buyingfor.vic.gov.au/supplier-code-conduct)Promoting secure employment | *Drafting note: delete points that do not apply*Mandatory:Agree to complyOptional:Address barriers to secure employment (for example, security of tenure or commitment to minimum hours) |

#### **Table 5: Opportunities to drive sustainability outcomes**

|  |  |  |
| --- | --- | --- |
| **Relevant objective** | **High level opportunities to explore/pursue** | **Relevant targets**  |
| **SPF Objective 8:** Environmentally sustainable outputs**SPF Objective 9:** Environmentally sustainable business practices**SPF Objective** **10:** Implementation of climate change policy objectives | *Drafting note: delete points that do not apply*Specify waste and pollution reduction or minimisation requirementsSupplier commitments at an organisation (could be international, national or state) and project-specific level, with a focus on the Victorian context for:* the use of sustainable resources
* recycled content
* clean energy
* waste reduction
 | *Drafting note: delete points that do not apply*Mandatory: For major transport infrastructure projects, [Recycled First Policy](https://roadprojects.vic.gov.au/about/recycled-first) requirements apply:* Optimise and report on the use of recycled and reused materials

Optional:* Commitment to a net zero emissions timeline
* Commitment to project specific waste reduction, circular economy, sustainable inputs and climate resilience actions
* Commitment to sourcing all contract (or organisational) electricity from renewable sources
* Commitment to having 25% of project fleet comprised of electric vehicles by 2024
 |

**Notes for Table 5:**  the [Social Procurement Assurance](https://www.buyingfor.vic.gov.au/social-procurement-assurance-function) team can assist with embedding sustainability outcomes into procurement planning and invitations to supply. [Sustainability Victoria](https://www.sustainability.vic.gov.au/) provides specialist information, advice and programs to support suppliers.

### Priority objectives

Government buyers are expected to prioritise at least three social objectives and one sustainability objective from the SPF in high value procurements. Women’s Equality and Safety (Objective 3) and Opportunities for Disadvantaged Victorians/Priority Jobseekers (Objective 4) are important objectives that deliver across multiple government priorities.

This acknowledges the importance of intersectionality and leverages the flexibility of the SPF to drive outcomes aligned with current and emerging Victorian Government commitments.

When prioritising SPF objectives, considering the following:

1. Department/agency objectives, from a social procurement and broader program and policy perspective
2. Scope to achieve a positive legacy over the contract term and beyond, such as greater workforce inclusion, supply chain diversity, environmental innovation or lasting benefits for the community
3. Creating priority cohort experiences to drive inclusive employment outcomes, together with:
* support from specialist employment and training providers;
* targeted attraction, development and retention strategies that meets the needs of particular priority cohorts (for example, young Aboriginal people, overseas qualified engineers or female apprentices);
* upskill for managers and broader organisational training around cultural awareness, unconscious bias, anti-discrimination, accessibility and workplace safety for marginalised groups; and
* mentoring and wrap around case management and peer support.

This approach builds safety and a more inclusive workplace culture. It helps move beyond tick-box recruitment approaches that can occur with social procurement, to more sustainable employment outcomes that benefit those facing the most complex barriers to equitable participation.

1. Opportunities to learn from previous procurements with similar scope, to embrace best practice or to trial ambitious new approaches.

What SPF objectives offer the best opportunities through this individual procurement activity? Can some objectives be bundled together, for example: social spend (across 2 SPF objectives) and/or inclusive employment (across 2 or more SPF objectives), to make it easier for tenderers to respond and play to their strengths?

|  |
| --- |
| 2.3.4. |

### Social procurement evaluation

The evaluation criteria and weighting for social and sustainable outcomes in invitations to supply sends a strong message to the market on project-specific expectations. For most projects over $20 million (exclusive of GST), a 10-20% weighting is recommended.

For construction projects, a minimum 15% is suggested as evaluation spans three key areas:

* women in construction targets, policies and practices (Building Equality Policy);
* job readiness and employment opportunities for women and young people (COVID-19 recovery initiative); and
* inclusive employment, social spend, sustainability, gender equality and other social procurement objectives.

When designing the evaluation framework for this procurement, consider how to assess:

* Baseline (current performance) vs commitments (year on year over contract term) to improve outcomes across prioritised SPF objectives.
* Current vs future capability building activities, with commitments across relevant existing policies and practices, or strategies and initiatives to be developed or expanded as part of the contract.
* The important Victorian context, especially for organisations that may have a national or international presence (for example, if a tenderer has a global environmental management system, what are the initiatives and associated performance in Victoria).

For support with procurement planning, including evaluation design and advice, please contact the [Social Procurement Assurance](https://www.buyingfor.vic.gov.au/social-procurement-assurance-function) team.

Planned approach to evaluation criteria and associated weightings:

|  |
| --- |
|  |

### Social procurement tactics

Throughout the procurement and contract management process, there are several ways to drive social and sustainable outcomes, including:

Project scope:

* Ringfence scope within larger contracts for Victorian social enterprises and Aboriginal businesses to quote
* Unbundle projects over time, geography, complexity or industry

Market engagement:

* Consider targeted Expression of Interests through Social Traders and/or Kinaway to determine capability, capacity and past performance of Victorian social enterprises and Aboriginal businesses
* Narrow the field invited to supply
* Market briefings that highlight key social procurement opportunities based on project scope, location and insights from targeted Expressions of Interest
* Extend timelines for Request for Tender responses to enable partnership development

Assessment process:

* Maximise social and sustainable commitments through weighting and evaluation criteria
* Best and final offer processes
* Pre-qualify a broader supplier group

Supplier relationship model:

* Panel arrangements
* Potential for partnerships and supplier development initiatives
* Public Private Partnership, Alliances, preferred supplier panels, active supplier models and other arrangement

Contract management:

* Build in financial penalties and rewards based on social and sustainability performance
* Unbundled contracts can be used as a series, based on performance
* Establish reporting requirements at invitation to supply stage

For more ideas see: [Level Crossing Removal Project - Social Procurement in Practice](https://levelcrossings.vic.gov.au/media/publications/social-procurement-in-practice)

For practical support contact: the [Social Procurement Assurance](https://www.buyingfor.vic.gov.au/social-procurement-assurance-function) team

List tactics to achieve the identified objectives:

|  |
| --- |
|  |

### Social procurement capability and reporting

Social procurement spans the procurement lifecycle, with procurement and contract management teams needing the skills and tools to confidently manage the securing and managing of commitments, especially in high-profile or high-risk projects.

Please outline key action areas to build procurement capability (across people, processes and systems). These may be general or relate to specific SPF objectives:

|  |
| --- |
| 1. Contract managers to undertake [Victorian Management Centre training](https://www.eventbrite.com.au/e/icn-vmc-training-sessions-for-agencies-tickets-128431420837)2. 3.4. |

### SIGNATURE:

**Signed by financial delegate:** ..................................................... Date ........................

© State of Victoria 2021 (Department of Treasury and Finance)



This work is licensed under a [Creative Commons Attribution 4.0 licence](http://creativecommons.org/licenses/by/4.0/). 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, the Victorian Government logo and the Department of Treasury and Finance logo.

Copyright queries may be directed to IPpolicy@dtf.vic.gov.au