



Organisational guideline

Indigenous (Aboriginal and Torres Strait Islander) Procurement Guideline

Corporate Plan reference	<p>A smart economy A regional hub for innovation, entrepreneurship and creativity</p> <p>A strong community Resilient and engaged communities</p> <p>An outstanding organisation Collaborative, proactive partnerships with community, business and government</p>
Endorsed by Chief Executive Officer	
Manager responsible for policy	Manager Business Development

Purpose

Council's *Corporate Plan 2018-2022* recognises that "In all our communities, people are included, treated with respect and opportunities are available to all".

Council's *Reconciliation Action Plan 2017-2019* (RAP) aims to address the social, economic, cultural and environmental needs of our region and to meet that aim it provides a plan for enabling social change and economic opportunities for Aboriginal and Torres Strait Islander (Indigenous) people. In addition the RAP commits to identifying opportunities for Aboriginal and Torres Strait islander owned businesses to supply council with goods and services.

Further, the *Sunshine Coast – The Natural Advantage: Regional Economic Development Strategy 2013-2033* seeks to ensure the region realises its full potential – with a confident future and as an active participant in the global economy which will afford greater stability to the regional economy in terms of a broader (including Indigenous) industry and investment base.

Council recognises the inherent benefits in contracting with Indigenous (Aboriginal and Torres Strait Islander) suppliers or supply chains for the provision of goods and services.

The purpose of this guideline is to outline Council's framework to increase procurement from Indigenous Business and Indigenous supply chains and in the first year of this guideline to assess the baseline spend with a view to setting spend targets in future years.

Objectives

The objectives of this guideline include:

- Developing a competitive Indigenous business and industry both locally and regionally;

- Creating new business and commercial opportunities for Indigenous suppliers, and support the existing Indigenous business and commercial base;
- Creating new local employment opportunities and maintain the existing Indigenous local employment base;
- Supporting Indigenous supply chains by incentivising all Council suppliers to sub-contract with, or procure goods and services from, Indigenous suppliers;
- Diversifying economic growth contributing to community prosperity.

Scope

This guideline applies to any contracting activities for the provision of goods and services undertaken by Council.

Guideline statement

Council will incentivise the development of a competitive Indigenous business and industry by facilitating a preference for Indigenous businesses and supply chains in its contracting activities.

The preference for Indigenous business and industry engagement to be applied to contracting activities is as follows:

1. Conducting a restricted procurement process where capable Indigenous businesses have been identified; or
2. Identifying contracting activities where the contract will require a supplier to reach a specific target relating to the employment and/or training of local Indigenous people in the delivery of the services under the contract; or
3. Inviting and assessing Tenders and Quotes from suppliers as set out in the table below.

Contract Value	Procurement process	Indigenous Business
\$0 - \$25,000	One quote required	If any Indigenous businesses is able to be identified through the Black Business Finder (or other approved registers that identify Indigenous businesses) who provide the goods or services required then they must be invited to Quote.
\$25,000 - \$1,000,000	Request for Quote processes for inviting three or five quotes	If any Indigenous businesses is able to be identified through the Black Business Finder (or other approved registers that identify Indigenous businesses) who provide the goods or services required then they must be invited to Quote. Evaluation criterion for Indigenous contracting will receive 5% minimum weighting.
\$250,000 and above	Written public tender	Evaluation criterion for Indigenous contracting will receive 5% minimum weighting.

Forming Supplier Arrangements

Council creates Supplier Arrangements by conducting a written tender.

When conducting a written tender to create a Supplier Arrangement, Council will, at a minimum, include the evaluation criterion for the Indigenous contracting. This criterion will receive a minimum 5% weighting. Council may, in appropriate circumstances, consider and apply other strategies in those tenders to support or drive greater Indigenous engagement.

Contracts formed from External Supplier Arrangements

An externally created Supplier Arrangement is one that Council did not form, but Council is seeking to utilise for a particular procurement. The most common example of such arrangements are those created by Local Buy, and by Commonwealth, State or other Local Governments.

Where a contract is sought to be formed using an externally created Supplier Arrangement, Council Officers should seek to identify if there are any suppliers on that supplier arrangement that would be considered an Indigenous Business. If there are, appropriate consideration should be given to inviting quote/s from those supplier/s.

Tender and Request for Quote - Evaluation of Indigenous contracting opportunities

When Council undertakes a contracting activity where responses are to be evaluated against pre-determined evaluation criteria then the evaluation criterion of Indigenous contracting must be included and evaluated.

The criterion will be evaluated having regard to the business of the Respondent and the Respondent's explanation of the contribution to Indigenous contracting. When considering that contribution the following must be evaluated:

- Whether the Supplier is an Indigenous Business;
- Whether the Supplier's Indigenous employment rate exceeds 25%
- Whether the Supplier is engaging in its supply chain, an Indigenous Business.

Evaluation of each submission will consider the above information and scoring will be applied as follows:

Indigenous Business	Scoring:	% Score	Overall weighting
Supplier that is an Indigenous Business	5/5	100%	Minimum 5%
Supplier that is not an Indigenous Business that demonstrates that they are engaging Indigenous Business/es in their supply chain or are employing Indigenous people in the delivery of the contract	5/5	100%	
Non-Indigenous Business that is not engaging Indigenous Business in their supply chain	0/5	0%	

Genuine reason *not* to follow this guideline

Council acknowledges there will be occasions when the requirements of this guideline cannot be followed, either because it is not possible to comply due to the nature of the procurement, or it is not in the best interests for achieving the most advantageous outcome.

A genuine reason not to comply with the guideline will exist where there is Indigenous Business availability, but because of the size, complexity or timing of the goods and/or services required, it is not in the interests of achieving the most advantageous outcome to invite the Indigenous Business/es.

Where there is a genuine reason that the requirements of this guideline cannot be met then certain Council Officers may approve a departure from it.

A Council Officer at the level of Co-ordinator (L4 or equivalent position) may approve departure from this guideline when a genuine reason exists and the contract value is within that Council Officer's delegated authority for creating the contract. All other departures from this guideline must be approved by a Manager (L3).

All departures from this guideline are to be reported to the Manager Business Development who will provide an exception report to the CEO on a quarterly basis.

Roles and responsibilities

Council Officers with a role or responsibility under this guideline are:

Chief Executive Officer is responsible for approving this Guideline.

Group Executive Business Performance is responsible for overseeing all financial management systems and services, including Contracting Activities.

Manager Business Development is responsible for implementing and maintaining this guideline. This includes reviewing and reporting on its effectiveness, Council's compliance with it, and recommending changes to improve its effectiveness.

All Managers are responsible for ensuring all Council Officers comply with this guideline when undertaking Procurement and Contracting Activities.

All Officers are responsible for complying with this guideline when undertaking Procurement and Contracting Activities. Only Officers delegated the authority to conduct Contracting Activities as per Delegation No 2 – Procurement and Contracting Activity Delegation are permitted to commence or bind Council in contract resulting from a Contracting Activity, and only within the limits of the relevant financial authority set in that delegation.

Measurement of success

Success of this guideline will be measured by assessing:

- Yearly dollar value and percentage of available procurement spend with Indigenous Business; and
- Number of contracts awarded to Indigenous Business compared with non-Indigenous suppliers; and
- Number of contracts formed with suppliers that engage Indigenous Businesses or employ local Indigenous people.

Definitions

The definitions in the Procurement Policy and Contract Manual apply to this guideline. The definitions applicable to this guideline are:

Indigenous Business means a supplier or respondent who:

1. is majority owned by Aboriginal or Torres Strait Islander people;
2. is 50% owned by Aboriginal or Torres Strait Islander people;
3. is a non-Indigenous business that employees at least 75% of Aboriginal or Torres Strait Islander workers;
4. is an equal Joint Venture agreement with a majority owned Aboriginal or Torres Strait Islander business entity; or
5. Is registered as an Indigenous Business with the Black Business Finder or with Supply Nation.

Related policies and legislation

Public Sector Ethics Act 1994 (Qld)

Local Government Act 2009 (Qld)

Local Government Regulation 2012 (Qld)

Procurement Policy (as updated from time to time) and other guidelines for that policy

Reconciliation Action Plan 2017-2019

Version control:

Version	Reason/ Trigger	Change (Y/N)	Endorsed/ Reviewed by	Date
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1.0	Create New	N	Council	
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