

Victorian Government Social Procurement Framework

ANNUAL REPORT 2021–22



ACKNOWLEDGEMENTS

Victoria's Social Procurement Framework was developed by the Department of Jobs, Precincts and Regions and the Department of Treasury and Finance. A range of departments and agencies across government contribute to the Social Procurement Framework annual report each year. From 1 January 2023, all functions relating to the Social Procurement Framework will be coordinated by the newly formed Department of Government Services. The Hon. Danny Pearson is the responsible Minister for the framework in his capacity as the Minister for Government Services.

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This report was designed by Little Rocket. The engagement of Little Rocket is an example of the government's Social Procurement Framework in action, directly contributing to the outcomes sought under the following 2 objectives: 'Opportunities for Victorian Aboriginal people' and 'Sustainable Victorian social enterprise and Aboriginal business sectors'.

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LANGUAGE STATEMENT

We recognise the diversity of Aboriginal people living in Victoria. We use the term 'Aboriginal Victorians' to include Victorian Traditional Owners, clans, family groups, and all other Aboriginal and Torres Strait Islander descendants living in Victoria. The term 'Aboriginal community' includes Traditional Owners, business owners and other community representatives.

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"This is the fourth year that Little Rocket has designed the Victorian Government Social Procurement Framework Annual Report. Given so much of the work we conduct is as a direct result of government social procurement, we are keen to help showcase this work and its direct effect where we can. It means jobs, experience, exposure and importantly impact."

JOHN BURGESS
Owner / Marketing & Communications Director,
Little Rocket

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Foreword

Message from Danny Pearson, Minister for Government Services

The Victorian Government is building a sustainable future and supporting Victoria's economic and social recovery. We know our purchasing decisions can benefit all Victorians, so we take a whole-of-government approach to everything we buy – goods, services and construction.

Victoria's *Social Procurement Framework* means all government departments and agencies use their buying power to the greatest effect. They're not focused only on the lowest price but also on delivering social and economic benefits. They're giving social value to Victorians while delivering valuable services and infrastructure to Victoria. They're ensuring every Victorian – no matter their gender, background or ability – can participate and share in our economic recovery. And they're helping get the people who need the most support into sustainable jobs.

In 2021–22, our government spent \$27.5 billion on goods and services and \$18.7 billion on public construction and infrastructure. Spending this money wisely delivered social, environmental and economic outcomes, including inclusive employment.

The *Social Procurement Framework* supports us to increase spending with social enterprises to create greater opportunity and inclusion. This was recognised at the international Catalyst 2030 Awards when our *Social Procurement Framework* and *2021–25 Social Enterprise Strategy* won the Asia Pacific Government Award for its work in supporting social entrepreneurship and sustainability.

Our government has also committed to economic parity for Aboriginal Victorians within a generation, launching a \$25 million Aboriginal employment and economic strategy¹ that brings employment and business initiatives together. The Framework supports this outcome by directing purchasing toward Aboriginal-owned businesses and encouraging suppliers to employ Aboriginal Victorians.

Yuma Yirramboi ('Invest in Tomorrow' in the Woiwurrung language) was developed in partnership with the Koori Caucus of the Victorian Aboriginal Employment and Economic Council and the Aboriginal community.

It will support First Peoples businesses, employment, and wealth creation by improving the economic participation of Aboriginal young people, women, those living with a disability and those in regional Victoria.

This work is changing lives and transforming communities. It is creating sustainable jobs and providing opportunities for all Victorians, so everyone can share in the prosperity ahead.

You can read some of their stories in this report.



DANNY PEARSON
Minister for Government Services

1. These figures have been extracted from the 'Improving economic prosperity for Aboriginal Victorians' media release, July 2022

About the Social Procurement Framework

Victorian Government procurement is one of the largest drivers in the Victorian economy. Value for money is a key consideration underpinning all Victorian Government procurement decisions.

The *Social Procurement Framework* (the Framework) ensures value-for-money considerations are not solely focused on price but encompass opportunities to deliver social and sustainable outcomes that benefit the entire Victorian community. In this way, the Framework also helps government create jobs for all Victorians.

Objectives and outcomes

The Framework has 10 objectives, each with specific and measurable outcomes.

Table 1: The framework’s objectives and outcomes

OBJECTIVE	OUTCOMES SOUGHT
Opportunities for Victorian Aboriginal people	<ul style="list-style-type: none"> • Purchasing from Victorian Aboriginal businesses • Employment of Victorian Aboriginal people by suppliers to the Victorian Government
Opportunities for Victorians with disability	<ul style="list-style-type: none"> • Purchasing from Victorian social enterprises and Australian disability enterprises • Employment of Victorians with disability by suppliers to the Victorian Government
Women’s equality and safety²	<ul style="list-style-type: none"> • Adoption of family violence leave by Victorian Government suppliers • Gender equality within Victorian Government suppliers • Improved gender equality within the construction sector
Opportunities for disadvantaged Victorians	<ul style="list-style-type: none"> • Purchasing from Victorian social enterprises • Job readiness and employment for: <ul style="list-style-type: none"> ◦ long-term unemployed ◦ disengaged youth ◦ single parents ◦ migrants and refugees ◦ workers in transition
Supporting safe and fair workplaces	<ul style="list-style-type: none"> • Purchasing from suppliers that comply with industrial relations laws and promote secure employment
Sustainable Victorian social enterprise and Aboriginal business sectors	<ul style="list-style-type: none"> • Purchasing from Victorian social enterprises and Aboriginal businesses
Sustainable Victorian regions	<ul style="list-style-type: none"> • Job readiness and employment for people in regions with entrenched disadvantage
Environmentally sustainable outputs	<ul style="list-style-type: none"> • Project-specific requirements to use sustainable resources and to manage waste and pollution • Use of recycled content in construction works
Environmentally sustainable business practices	<ul style="list-style-type: none"> • Adoption of sustainable business practices by suppliers to the Victorian Government
Implementation of the Climate Change Policy objectives	<ul style="list-style-type: none"> • Project-specific requirements to minimise greenhouse gas emissions • Procurement of goods and services that are resilient against the impacts of climate change

² From 1 January 2022, construction procurements valued at \$20 million or more are subject to the Building Equality Policy, which is implemented via the Framework. Outcomes sought include gender equality within on-site employment in the construction sector and greater hours worked by women apprentices and trainees

Social Procurement objectives and summary of priorities

The Framework is used by 285 government departments and agencies³ to identify their social and sustainable procurement goals.

These goals are detailed in their Social Procurement Strategy and will often align with other government strategies, priorities and initiatives. Departments and agencies report on progress towards their social and sustainable procurement goals in their respective annual reports and contribute to the whole-of-government report. Social Procurement Strategies can provide suppliers with useful information about priorities for the coming year.

Figure 1: Priority objectives of departments and core agencies in 2021–22

SPF OBJECTIVE	Department of Environment, Land, Water and Planning	Department of Education and Training	Department of Families, Fairness and Housing	Department of Health	Department of Justice and Community Safety	Department of Jobs, Precincts and Regions	Department of Transport ⁴	Department of Premier and Cabinet	Department of Treasury and Finance	Victoria Police
Opportunities for Victorian Aboriginal people		✓	✓	✓	✓	✓	✓	✓	✓	
Opportunities for Victorians with disability			✓	✓	✓		✓	✓	✓	
Women's equality and safety		✓	✓			✓	✓		✓	✓
Opportunities for disadvantaged Victorians		✓		✓	✓	✓	✓	✓	✓	
Supporting safe and fair workplaces		✓	✓	✓				✓		✓
Sustainable Victorian social enterprise and Aboriginal business sectors	✓			✓			✓	✓		✓
Sustainable Victorian regions			✓			✓	✓			
Environmentally sustainable outputs	✓	✓	✓	✓	✓					
Environmentally sustainable business practices	✓				✓					
Implementation of the Climate Change Policy objectives			✓							

3. This refers to government departments and agencies subject to the Standing Directions 2018 under the *Financial Management Act 1994* as at May 2021.

4. The Department of Transport includes the consolidated priority objectives as stated for 2021-22 for VicRoads, Public Transport Victoria and Major Transport Infrastructure Authority.

Highlight Achievements

Achievements since the launch of the Framework in 2018

Victorian Government departments and agencies have invested heavily in Victoria's social benefit suppliers since 2018, spending:



Achievements in this reporting period (1 July 2021–30 June 2022)

Victorian Government departments and agencies have spent:



\$21.7

MILLION

with 129 certified Victorian Aboriginal businesses and other Aboriginal organisations



\$24.6

MILLION

with 112 certified social enterprises. Of this, \$14.9 million was spent with 33 certified social enterprises with a mission for people experiencing disadvantage



\$6

MILLION

with 40 Australian Disability Enterprises⁸ or social enterprises led by a mission for people with disability



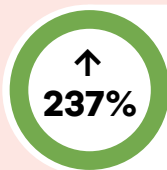
Over \$235

MILLION

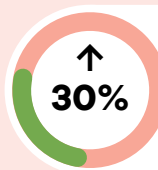
with Aboriginal businesses, social enterprises and disability enterprises has been contractually committed in projects that commenced in the reporting period. This spend will occur through supply chains during the contract delivery period

How this compares with the inaugural whole of Victorian Government Social Procurement Framework Annual Report 2018–19

Significant increases have been made in comparison to the strong benchmarks set in the inaugural annual report:



Increase in expenditure with certified social enterprises



Increase in expenditure with certified Victorian Aboriginal businesses and other Aboriginal organisations

5. Certified Aboriginal businesses refers to Victorian Aboriginal businesses that are certified by Kinaway or Supply Nation.

6. Other Aboriginal organisations refers to Victorian Aboriginal organisations that are an:

- Aboriginal Community Controlled Organisation (ACCO);
- Aboriginal Community Controlled Health Organisation (ACCHO);
- Traditional Owner Corporation (or Registered Aboriginal Party, RAP); or
- Aboriginal Corporation registered with the Office of the Registrar of Indigenous Corporations (ORIC).

7. Certified Victorian Social Enterprises refers to organisations that are certified by Social Traders, and operate with business premises in Victoria

8. Australian Disability Enterprises are Commonwealth-funded (and generally not-for-profit) organisations that seek to operate in a commercial context, specifically to provide supportive employment opportunities to people with moderate to severe disability. Australian Disability Enterprises are listed on BuyAbility's directory.

Social procurement delivers win-win for Victoria

The Victorian Government was recognised for creating social value at the Catalyst 2030 awards in 2022.

Catalyst 2030 is a global movement of social change innovators, including non-government organisations, social entrepreneurs, and other innovators working to achieve the United Nations Sustainable Development Goals by 2030. The annual Catalyst 2030 awards recognise achievers in sustainable social development.

In June 2022, the Victorian Government's *Social Procurement Framework* and *2021–25 Social Enterprise Strategy* won the Asia Pacific Government Award in recognition of work by the Department of Jobs, Precincts and Regions (DJPR). Victorian Government departments and agencies that engage social enterprises, Aboriginal businesses and businesses employing people with disabilities contributed to this recognition.

Embedding the Framework into the culture of the procurement community

The Victorian Government continues to work hard to embed the Framework into the hearts and minds of all Victorian public servants procuring goods, services, and construction.

In 2021, the Social Procurement Assurance team was established at the Department of Treasury and Finance (DTF) to support and ensure the Framework is effectively implemented on Government projects valued at \$20 million or more. In the 2021–22 financial year, the team supported 53 projects worth an estimated \$35 billion – ensuring the Framework was embedded into the procurement process. These projects prioritise outcomes for women and young people to support a more equitable COVID-19 recovery.

Skilled and trained Victorian Government procurement professionals have a significant role to play in creating social and environmental value through the adoption of targeted strategies and by supporting the engagement of diverse suppliers within their supply chains.

Social procurement is increasingly embedded in procurement management training for future procurement professionals. During 2021–22, Swinburne University of Technology approached DJPR to find innovative ways to incorporate the Framework within their procurement training syllabus. DJPR partnered with Swinburne to design and evaluate an assignment for their Procurement Management course. Students had to design an infographic for small business to help them understand the Framework.

Social procurement is now taught as a foundation principle, signalling the importance of the Framework and social procurement principles.

We welcome engagement with education and research institutions to enhance future social procurement.



Strengthening and extending support networks

Having a strong support network for government buyers and suppliers is core to the success of the Framework.

In 2021–22, DJPR had agreements with the following support network partners:



Kinaway Chamber of Commerce provides business support and advice to Victorian Aboriginal business people and helps improve the visibility and networks of Aboriginal businesses to strengthen relationships and create opportunities.

Kinaway publishes a list of certified Victorian Aboriginal businesses and provides departments and Victoria Police with support services to identify opportunities to increase engagement with Victorian Aboriginal businesses. Since its launch in October 2018, the number of certified businesses listed on its directory has increased from 15 to 440 businesses by 30 June 2022, an increase of 63 members since the previous financial year.

Jobsbank[®]

Jobsbank is focused on making inclusive employment and social procurement work for business. Jobsbank has a unique role in the Victorian ecosystem, building capability among employers and enabling them to participate in the opportunities created by government's investment in infrastructure, job creation and service expansion.

Social Traders

Unlocking business for good

Social Traders certifies, strengthens and connects social enterprises with business and government members. By activating the power of social enterprise procurement, Social Traders creates positive impact through jobs, community services and support for the most marginalised. Social Traders provides access to a portal of certified social enterprises with rich search functionality for all Victorian Government departments and agencies.

There were 448 active social enterprises certified with Social Traders as at 30 June 2022, an increase of 22% from the previous year. Victorian social enterprises accounted for 44% of the growth, increasing from 202 certified enterprises to 238 as at 30 June 2022.⁹



Industry Capability Network is a network of independent experienced industry procurement and supply chain specialists introducing large and small businesses to projects across Australia and New Zealand. ICN is continuing to develop system capability to capture the Framework commitments and achievements through the Victorian Management Centre platform. The platform is supported by the provision of dedicated industry advisors, training, e-learning modules, guides and toolkits.

⁹ Social Traders' reporting has changed since the previous reporting year. Social enterprises whose certifications have lapsed (i.e. have not re-certified in over 3 years) are no longer included in totals.

Measuring and reporting achievements

Measuring and reporting on outcomes is essential in successful policy implementation. It provides the basis for understanding the components of the policy that have been effectively implemented and those that require further nurturing.

Since 2018, measurement and reporting on the Framework has been informed by:

- the provision of direct spend data by Victorian Government departments, Victoria Police, Cenitex and Major Transport Infrastructure Authority
- case studies on social procurement achievement from all eligible entities.

In April 2021, DJPR, in conjunction with DTF and Industry Capability Network (ICN), developed the Victorian Management Centre (VMC) platform – a system designed to enable government to measure and report on the Framework’s performance and impact. More buyers and suppliers have been using the platform over the past 12 months, including the development and staged transition of the Major Transport Infrastructure Authority agencies to the platform.

The VMC allows government buyers to record contracts that include social and sustainable procurement commitments/targets and suppliers to then report their achievements against those commitments/targets. The Social Procurement Assurance and Social Procurement Framework

teams will continue to work with ICN to improve data capture and reporting functionality within the VMC. This will assist both government buyers and suppliers to meet their Framework reporting obligations and provide a richer understanding of the achievements made by the government entities required to report under the Framework.

The Social Procurement Framework team will also continue to work with mandated Victorian Government entities to prepare them for reporting for future financial years. ICN provides training and dedicated industry advisors for both government buyers and suppliers to support the effective use of the VMC.

The VMC continues to undergo significant development to enable all 275 eligible entities to comprehensively report against the Framework. This capturing of social and sustainable procurement commitments/targets within a central reporting platform drives incremental improvements to both the outcomes themselves and the way the Victorian Government measures and reports on those outcomes at an entity and whole-of-government level. This data capture can more holistically demonstrate the impact of outcomes within the Framework.

Further information on the VMC can be found by visiting icn.org.au or by phoning 1300 961 139.

Social objectives and outcomes

The Framework outlines the Victorian Government’s social procurement objectives and corresponding social outcomes.

There are 7 social procurement objectives which align with important government work.



Opportunities for Victorian Aboriginal people

Aboriginal Peoples have enjoyed thriving economies for thousands of years, based on connections to land, water and resources. Colonisation, along with its associated dispossession and intergenerational trauma, disrupted these economic systems and continues to play out in experiences of Victoria’s Aboriginal communities.

The Framework, alongside Yuma Yirramboi (Invest in Tomorrow), Victoria’s Aboriginal employment and economic development strategy, aims to level the playing field and drive economic prosperity for Aboriginal Victorians.

By supporting Victorian Aboriginal businesses to participate in government procurement processes, the Victorian Government is creating more opportunities for Aboriginal people to participate in economic opportunities that others take for granted as well as supporting them to achieve self-determination.

This supports the Victorian Government to work alongside Aboriginal businesses, peak bodies, Traditional Owners and community more broadly to build a pathway toward Treaty with the First People’s Assembly of Victoria.

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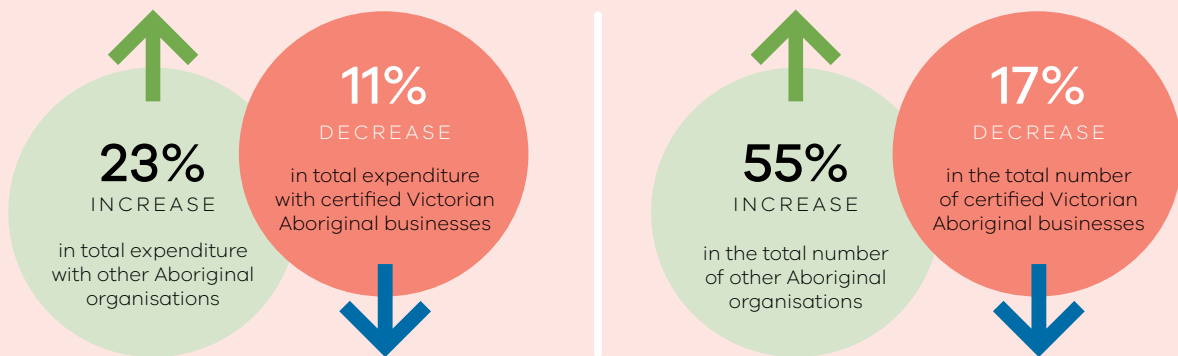
As we continue to work towards self-determination, the growth and success of the First Nations business sector in Victoria is crucial. By supporting First Nations entrepreneurship and economic development, we are creating opportunities for self-determination and building stronger, more resilient communities. Kinaway Chamber of Commerce, in partnership with the Victorian Government continue to work together to promote economic and social inclusion and support the growth of First Nations businesses. By working together, we are helping to build stronger and more sustainable communities for all.

SCOTT MCCARTNEY
Chief Executive Officer, Kinaway Chamber of Commerce

From 1 July 2021 to 30 June 2022, the Victorian Government directly spent:



Between 2020–21 and 2021–22, there were fluctuations in expenditure and engagement with the Victorian Aboriginal business sector:



There was a spike in expenditure with certified Victorian Aboriginal businesses during financial years 2020–21 and 2021–22, primarily due to the COVID-19 pandemic. Subsequent reductions in expenditure are associated with a significant decrease in spend on personal protective equipment for whole-of-Victorian-Government including frontline workers and community groups experiencing vulnerability. Current spend is still above the inaugural reporting year of 2018–19.

There is increased expenditure with other Aboriginal organisations primarily because they delivered critical services to Aboriginal Victorians living in regions experiencing entrenched disadvantage.

Compared to the inaugural reporting year (2018–19), the Victorian Government has engaged with **37% more certified Victorian Aboriginal businesses and other Aboriginal organisations. This represents a 30% increase in expenditure with those businesses and organisations.**

Case Study

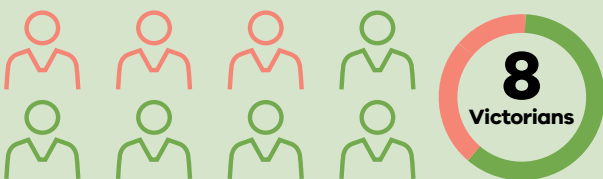
Bendigo Kangan Institute and Barpa

Working in partnership with Victorian Aboriginal communities and providing economic opportunities is key to boosting self-determination. This is one of the core concepts that underpins the Bendigo Kangan Institute's engagement of Aboriginal construction company, Barpa. Barpa was engaged to undertake 5 construction projects across Bendigo Kangan Institute's campuses.

Barpa is a Kinaway-certified, majority Aboriginal-owned business, formed in 2014. They provide training and employment opportunities for Aboriginal people, support the Aboriginal business sector and pay dividends to their community of Aboriginal owners. Barpa has experience constructing commercial buildings, manufacturing facilities, retail outlets, educational facilities, hospitals and sports and recreation facilities. Committed to making a positive difference for Aboriginal people, Barpa embeds several core principles across its entire business, including empowering Aboriginal people and businesses. Building Australian infrastructure allows Barpa to achieve this mission.

Bendigo Kangan Institute engaged Barpa for 5 projects totalling approximately \$2 million during 2021–22.

Two of these projects provided employment opportunities for 8 Victorians, 3 of whom are Aboriginal.



The first project Barpa undertook in Victoria was the refurbishment of a general-purpose classroom into a retail veterinary clinic at the Broadmeadows Campus that also served as a Vocational Education and Training space to ensure compliance with the Veterinary Training Practice Standards of the Australian Veterinary Association. This project provided an opportunity for one Aboriginal employee from Barpa's Djarrmbi Mentoring Program to work on the refurbishment.



After the successful completion of the Broadmeadows veterinary clinic project, Bendigo Kangan Institute engaged Barpa to undertake further works at their Essendon Campus to create a 'Health Hub' for nursing and allied health students. This learning space included 2 nursing simulators, a pathology simulator, a nursing store, a pathology store, a shared bathroom and shared 'clean and dirty rooms'.¹⁰

Both projects provided crucial construction experience and career development opportunities for the 3 Aboriginal employees involved over the duration of the works and all employees engaged on the projects have ongoing work with Barpa. Along with the construction experience for Aboriginal employees, Barpa made conscious efforts to include other Aboriginal businesses within their supply chain while completing these projects with Bendigo Kangan Institute. These businesses included Djurwa Waste Management; marketing and creative agency, Little Rocket; commercial painting company, Kianga Group; and office supplies provider, Muru Group.

To commemorate the completion of the Essendon Health Hub project, Aboriginal Site Supervisor Alex Kerr created a message stick to present to Bendigo Kangan Institute CEO Sally Curtain and other Bendigo Kangan Institute staff on site, with the artwork's story focusing on healing and education. As a Wurundjeri Traditional Owner, Alex chose the artwork's story to align with the newly built facility. Alex believes that 'Bendigo Kangan now have an awesome facility which will allow students to get the best education/experience in the health sector'.

10. 'Clean' and 'dirty' rooms refer to whether items inside are clean and can be used with patients or have been in contact with patients and need to be cleaned or disposed of.



Opportunities for disadvantaged Victorians

No Victorian was left untouched by the COVID-19 pandemic. However, some groups were affected more than others and continue to need support to recover from the social and economic impacts. The Framework steers employment opportunities being created in the pandemic recovery economy to Victorians experiencing disadvantage.

Creating jobs is crucial, as good, stable employment that pays a fair wage provides not only income, but dignity, resilience and connection.

The Framework supports social enterprises right across the state to generate employment opportunities

and help Victorians experiencing disadvantage transition into long-term, stable employment.

By strategically leveraging its spending, the Victorian Government is creating an economy in which all Victorians can find their space to flourish.

From 1 July 2021 to 30 June 2022, the Victorian Government directly spent:



with 112 certified social enterprises
Of this, \$14.9 million was spent with 33 certified social enterprises with a mission for people experiencing disadvantage

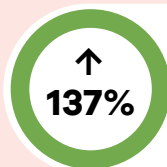


with certified social enterprises through the Print Management and Associated Services state purchase contract

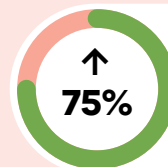


with 272 social enterprises identified by the Map for Impact project
Of this, \$43 million was spent with 129 social enterprises identified by Map for Impact, with a mission for people experiencing disadvantage

This year there was significant growth in engagement and expenditure with the Victorian social enterprise sector:



In expenditure with certified social enterprises



In the number of certified social enterprises engaged

The launch of the second Victorian *Social Enterprise Strategy 2021–2025* in October 2021, which aims to grow the social enterprise sector, strengthen its connectivity and unlock the potential to create more jobs and deliver enhanced economic and social value to the Victorian community, may have contributed to the increase in engagement and expenditure with social enterprises.

Compared to the inaugural reporting year 2018–19, there has been a **60% increase in engagements and a 237% increase in expenditure with certified social enterprises.**



“

Victoria's Social Procurement Framework is a crucial driving force behind the growth of the Victorian social enterprise sector. There's a reason that 54% of social enterprise procurement activity is happening in Victoria. It's the catalyst that encourages industry to engage in social procurement and then embed it in their business over time. And as spend with social enterprises increases, they continue to grow and create wide-ranging impact for the most marginalised people in our communities. It's this kind of progressive approach that will help build a values-led economy and make social enterprise business as usual. We are proud to continue working in partnership with the Victorian Government. Victoria's framework is a leading example to showcase with other state governments and through international networks.

TARA ANDERSON
Chief Executive Officer, Social Traders

Case Study

Homes Victoria – Icon and The Big Issue Women’s Workforce

Social enterprises play an important role in providing transitional employment for Victorians experiencing disadvantage as a pathway to employment in mainstream businesses. One aim of the *Opportunities for disadvantaged Victorians* objective is to increase supply chain opportunities for social enterprises that support Victorians experiencing disadvantage with employment opportunities.

The re-development and construction of more than 1,100 new homes at social housing sites in Brighton, Flemington and Prahran provided Homes Victoria with an opportunity to engage a supplier who could meet their social procurement targets as part of the Ground Lease Model project.

Homes Victoria partnered with a consortium of businesses to implement their Ground Lease Model, that enabled them to lease public land to the consortium, which has and will continue to finance, design, and construct the new social housing. After completion of the construction phase, the community housing provider will manage and maintain the sites for 40 years before handing the land and all dwellings back to Homes Victoria.

In Phase One, Homes Victoria engaged one of Australia’s largest construction providers, Icon, to manage the construction works. Icon was required to inform the local community about upcoming construction work in their area. To meet the social procurement targets within their contract, Icon engaged The Big Issue Women’s Workforce (The Women’s Workforce) to undertake newsletter distribution.

The Women’s Workforce was established as a social enterprise in 2010 to help provide safe, female-friendly employment opportunities to women experiencing marginalisation and disadvantage, often as a result of long-term unemployment. The Women’s Workforce has employed 180 women to date across a wide range of projects.



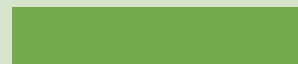
2021-22



9



Employment opportunities



77



Hours of work

The partnership with Homes Victoria began in June 2021, creating employment opportunities for 9 long-term unemployed women and totalling 77 hours of work assisting with printing, mailing and letterbox drop services of works notifications and newsletters during 2021–22. With a total spend of \$20,500 across the 2021–22 financial year, The Women’s Workforce was able to create multiple employment opportunities for women who were previously excluded from mainstream employment for a substantial period.

Employment with The Women’s Workforce has enabled these women to improve their financial situation and mental health. For employees like Tina, working with The Women’s Workforce gave her something to look forward to each day. Tina was homeless for 2 years before starting with The Women’s Workforce and she has now been working with them for 6 years. Tina supported the Ground Lease Model project by delivering pamphlets in the local area of Prahran.

Case Study

Level Crossing Removal Project/ Major Transport Infrastructure Authority and YMCA Rebuild

Creating employment opportunities for Victorians facing significant barriers to employment is a high priority for government. The *Opportunities for disadvantaged Victorians* objective includes a focus on job readiness and skills-based training for people or groups that are underrepresented in the workforce or are at risk of being left behind.

As part of the Level Crossing Removal Project's (LXRP) commitment to achieving this objective, they engaged YMCA ReBuild. YMCA ReBuild has been operating for 10 years as a commercial maintenance social enterprise, training young people¹¹ within corrections centres in Victoria before transitioning them into employment within the business upon their release. There is a 43.6% recidivism rate across Victoria.¹² YMCA ReBuild addresses recidivism through mentorship, training and specialised support enabling young people to integrate back into their communities and into the workforce.

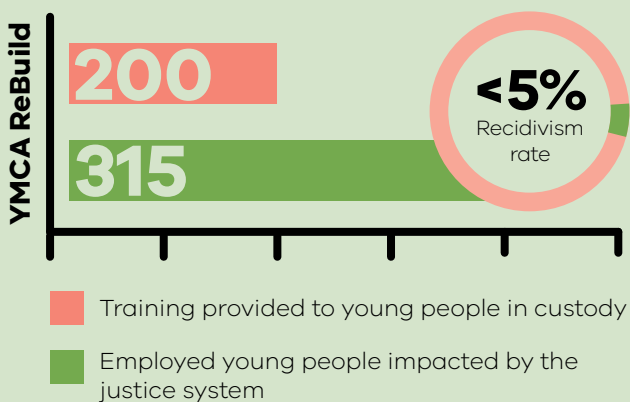
YMCA ReBuild has employed more than 315 young people who have been impacted by the justice system and provided training to more than 200 young people in custody. For young people who participate in these programs, the recidivism rate is less than 5%.

YMCA ReBuild delivers a 6-week program at Ravenhall Correctional Centre, where participants undertake trade and employability skills training 5 days a week and gain assistance transitioning from prison to direct employment. In 2021–22, YMCA ReBuild was engaged to complete works totalling more than \$600,000 across multiple level crossing removal projects, which resulted in 24 employment opportunities for disengaged youth.

One such partnership between the LXRP and Rail Academy Newport (RAN) involved YMCA ReBuild providing landscaping services, design work, build and installation of facilities totalling \$250,000. Spread across the 24 employees engaged in 2021–22, YMCA ReBuild spent a total of 624 hours at the RAN project site.

Each young person who enters a YMCA ReBuild program receives a high level of support to ensure a smooth transition from the justice system into employment. Skills development, training and support is prioritised to enable job readiness. Fifteen crew leaders provide on-the-job trade skills training, support and mentoring 5 days a week and a full-time case manager is dedicated to participant support. Additional support is provided by operational staff, with the office manager and operations manager spending approximately 50% of their time supporting participants and the manager spending approximately 25% of their time supporting participants.

LXRP Rail Training Centre Manager Vera Georgiou welcomed the chance to provide social value to the community while also improving the centre's facilities through the engagement of a social enterprise.



¹¹ YMCA ReBuild defines 'young person' as someone 28 years or under.

¹² These figures have been extracted from 'Report on Government Services 2022' by the Australian Government Productivity Commission, January 2022, and 'Prisoners Returning to Prison' by the Sentencing Advisory Council, no date.





Opportunities for Victorians with disability

Paid work is one part of economic participation that builds a sense of self-worth and independence. When people with disability have higher incomes through work, they have more spending power as consumers and are better able to invest in housing and education. Australian Disability Enterprises and a range of social enterprises create employment opportunities for Victorians with disability. People with disability also contribute as producers and consumers of goods and services.

Opportunities for inclusion and benefits from employment and contributing to the economy, make it a vitally important approach for driving change. When people with disability have access

to good education and training and the opportunity to contribute to the economy as consumers, employers, entrepreneurs and workers, they are also challenging outdated attitudes.

The Framework is a key tool for driving inclusive employment as part of standard procurement practice.

From social enterprises whose mission it is to provide employment for people with disability to big companies that are now realising the benefits of being an inclusive employer and purchaser, social procurement is changing lives for Victorians with disability and creating a more just and diverse labour market.

From 1 July 2021 to 30 June 2022, the Victorian Government directly spent:



\$6
MILLION

With 40 Australian Disability Enterprises or social enterprises led by a mission for people with disability



\$22.5
MILLION

With an additional 77 social enterprises that support people with disability, identified by the Map for Impact





Case Study

Wannon Water and WDEA Works

Providing essential water and sewerage services to south-west Victoria is a primary focus for Wannon Water. They also strive to support their community by contributing to the wellbeing and prosperity of the entire region.

WDEA Works is a not-for-profit organisation operating at 36 sites across western Victoria and south-east South Australia, with a team of more than 400 people. Over the past 30 years, WDEA Works has helped more than 40,000 people find meaningful and inclusive employment, improving their lives and enriching local communities.

WDEA Works' comprehensive suite of programs focus on offering meaningful employment opportunities for people with disability through a range of social enterprises. These businesses provide a supportive environment for people with disability to develop their job skills and work ethic, along with an opportunity to make the transition from supported to open employment.

Wannon Water has utilised several of WDEA Works' social enterprises over the years, including ordering car cleaning/detailing from Steam and Clean and grass cutting from Clear Cut. During 2021–22, 15 WDEA Works employees with disability completed car cleaning, mowing and grounds maintenance for Wannon Water, valued at just over \$16,000.

To support their community members with disability, Wannon Water utilised their partnership with WDEA Works to create an all-abilities labour hire position. The 6-month fixed-term facility assistant position undertook day-to-day maintenance and up-keep tasks at Wannon Water's head office. Several candidates were provided to Wannon Water for this position and Brendan was chosen as the ideal candidate for the all-abilities position due to his skills and interest in the role. Brendan thrived in the role and his contract was extended to a 12-month contract after just 4 months in the role.

While the initial 12-month labour hire position through WDEA works has ended, Wannon Water's Corporate Services department has extended the opportunity by creating a permanent part-time position as the corporate services facility assistant. After a 2-year period of unemployment before his placement with WDEA Works and Wannon Water, Brendan enjoys coming to work and meeting new people at his job.

This partnership aligns strongly with the *Inclusive Victoria: State Disability Plan (2022–2026)* and the *Victorian Social Enterprise Strategy 2021–2025* through the creation of positions for people with disability and the continued use of WDEA Works' social enterprises to complete works at Wannon Water.



Women's equality and safety

Gender equality is essential to economic prosperity for all Victorians and gender inequality has significant economic costs to the state.

Gender equality is a precondition for the prevention of family violence and other forms of violence against women and girls. In Victoria, family violence continues to cost the economy more than \$3.4 billion a year and constitutes 40% of police work.¹³ There are considerable savings to be realised by reducing violence against women and girls. If Victorians are serious about ending violence against women, Victorians must begin by addressing gender inequality.

Women are far more likely to be in insecure work, reflecting the growing insecurity of the service industry and community services sector and the need for women to seek casual, part-time and flexible forms of work to help them balance work with parenting and caring responsibilities (that women still overwhelmingly have responsibility for).

By leveraging government purchasing power through the Framework, the Victorian Government is supporting the private sector to make progress on gender equality. Through this work, the

government has seen industry adopt gender equality policies in the workplace and improve flexible and family violence leave arrangements. However, women continue to be underrepresented in non-traditional roles and industries such as construction.

The strongest contributor to this disparity is gender discrimination and the reinforcement of gender norms. Women have consistently comprised only 2% of field-based workers in the Australian male-dominated construction sector over the past 30 years. The Victorian Government has taken action to address gender imbalance in the construction industry to ensure women have the same access to secure work, economic security and adequate superannuation in comparison to men.

13. These figures have been extracted from 'Safe and strong: A Victorian Gender Equality Strategy' by the State of Victoria (Department of Premier and Cabinet), 2016.



Building Equality Policy

On 1 January 2022, the Victorian Government launched the *Building Equality Policy* to improve gender equality in the building, infrastructure and civil engineering sectors.

The policy applies to all publicly funded construction projects valued at \$20 million or more (excluding GST) or where the total budget allocated over the life of the project exceeds \$20 million (excluding GST). The policy is being implemented via the Framework's *Women's equality and safety objective*.

There is strong demand for workers in male-dominated industries including construction. A failure to attract and equip women for careers in this industry leads to a loss of productivity gains by not drawing on the skills and capabilities of a large sector of the labour force. It also entrenches occupational segregation, with the potential to widen the gender pay gap and reduce economic security for women and their families.

Objectives

The Victorian Government is creating training and employment opportunities for women through government procurement on building, infrastructure, civil engineering and any other capital works projects.

The Victorian Government has set workforce and apprenticeship targets and site-based behaviour change requirements in the *Building Equality Policy* to create a more gender-inclusive industry. Over the 2022 and 2023 calendar years, the *Building Equality Policy* will be subject to a transitional compliance period on all applicable government procured projects.





Supporting safe and fair workplaces

The Victorian Government supports a stable, cooperative and fair system of industrial and workplace relations for all Victorians. The Framework provides a set of principles for companies that seek to work with the Victorian Government. All suppliers are required to comply with their legal obligations under applicable legislation and regulations, industrial awards and agreements, tribunal decisions and contracts of employment.

The national workplace relations system aims to promote safety, flexibility and productivity in the workplace and to maintain clear and enforceable minimum national employment standards that ensure workers have access to a fair, safe and secure workplace.

These principles send the clear message that high standards for workplace safety and industrial practices are the norm rather than the exception.

The Victorian Government promotes safe and secure work by purchasing from suppliers that comply with industrial relations laws and promote secure employment, foundational to an inclusive society.

The *Supporting Safe and Fair Workplaces* objective aligns with and supports the Victorian Government's Supplier Code of Conduct. While compliance with key industrial relations laws throughout supply chains is the primary focus of this objective, it also promotes job security and can address underpayment and exploitation of workers.

The Victorian Government's Code of Conduct for its suppliers

The Victorian Government has a Code of Conduct for its suppliers to ensure their businesses and supply chains meet expectations around integrity, conflict of interest, corporate governance, labour and human rights, health and safety, and environmental management.

In particular, the government believes that all workers in its supply chains must be treated with dignity and respect and paid fair wages.

Suppliers are expected to provide a fair and ethical workplace that upholds high standards of human rights and integrates appropriate labour and human rights policies and practices into its business.

They must not bully, harass, victimise, abuse or discriminate against any worker and have an obligation to identify modern slavery practices in their supply chains.

No one deserves to be injured at work and all suppliers must demonstrate how they comply with workplace health and safety laws.

Suppliers must also show how they minimise the environmental impact of their operations, including managing waste; using energy and resources efficiently; and reducing the risk of pollution, loss of biodiversity, damage to ecosystems and greenhouse gas emissions.



“

Because of social procurement, 37 Fruit2Work families will enjoy having their brother or sister, mother or father, son or daughter home. Social procurement changes lives and saved mine.

SIMON FENECH
General Manager, Fruit2Work

Case Study

Victorian School Building Authority and Hutchinson Builders

Compliance with the Supplier Code of Conduct and industrial relations is a crucial part of Hutchinson Builders' contract with the Victorian School Building Authority (VSBA), and they have attested that their business and all their sub-contractors also complied with these requirements. Hutchinson Builders and their sub-contractors ensured key requirements were achieved while also promoting job security for their employees throughout the course of the project.

One of the sub-contractors they engaged was Fruit2Work, a social enterprise providing fruit, milk and pantry items to their clients while providing training and employment pathways to people who have been through the justice system. Fruit2Work provided kitchen consumables to projects that were part of the VSBA's New Schools 2023 Bundle A Project, comprising of 5 project sites in the western suburbs of Victoria.

While the *Supporting Safe and Fair Workplaces* objective was the focus of the engagement, VSBA, Hutchinson Builders and Fruit2Work also worked towards achieving the *Opportunities for Disadvantaged Victorians* objective. During 2021–22, Hutchinson Builders spent nearly \$7,500 with Fruit2Work, representing 130 hours of employment for people experiencing long-term unemployment. These hours were spread across several employees, including 3 Aboriginal employees, 2 employees with disability

and 38 long-term unemployed people. During 2021–22, Fruit2Work supported 94% (15 of 16 employees) of their staff to transition into further employment outside of Fruit2Work. Fruit2Work employed an additional 18 people during 2021–22 with 4 employed full-time and 6 as casuals.

Fruit2Work pays employee wages at or above the Storage Services and Wholesale Award and have adopted a modern slavery policy developed in conjunction with the Red Cross. Fruit2Work also requires their suppliers to adopt and adhere to a modern slavery policy before engaging with them.

Fruit2Work General Manager Simon is one person who has benefited from Fruit2Work's people-centred holistic employment and training program. After a workplace injury led him down the path of drug addiction and crime, he was sentenced to 12 months' prison in 2016. Upon his release, he was unable to find a job, with continuous rejection from most employers due to his criminal record. Simon was soon hired by Fruit2Work and has progressed over 5 years from his initial role as a packer to driver, operations manager and, since February 2022, general manager. Simon now provides guidance to new staff members as they join Fruit2Work and is thrilled to have rebuilt his life through meaningful work.

Hutchinson Builders' engagement of sub-contractors such as Fruit2Work enables the Victorian Government to work with suppliers that provide safe and fair workplaces, promote job security and address exploitation of workers.



Sustainable Victorian social enterprises and Aboriginal business sectors

Victorian social enterprises and Aboriginal businesses play an important role in driving employment participation and inclusive economic growth. Victoria’s social enterprise sector, for example, is a significant contributor to the Victorian economy, creating jobs for more than 60,000 people (equating to approximately 35,000 full-time equivalent jobs). More than 30% of employees of social enterprises are from groups that face additional challenges in gaining mainstream employment.

The Victorian Aboriginal business sector is large and diverse and includes for-profit businesses, social enterprises and community enterprises. Aboriginal economic development is vital to growing Victoria’s wealth generally and to increasing overall economic productivity and competitive advantage. More importantly, Aboriginal economic participation and development is also a vital foundation for self-determination.

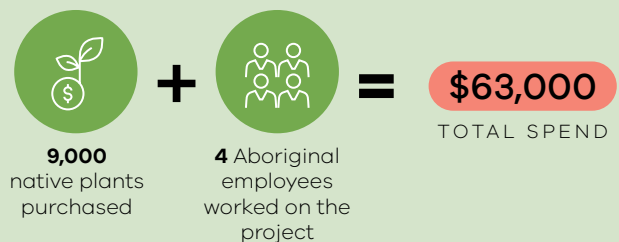
To help support these 2 vital sectors, the Framework directs spending toward social enterprises and Aboriginal businesses, helping ensure they remain financially sustainable over time. Using Victorian Government spending to help these sectors will ensure Victoria grows with a vibrant and inclusive economy.

Case Study

East Gippsland Catchment Management Authority and Moogji Nursery

The Victorian Government is improving market access and increasing the visibility of both the social enterprise and the Aboriginal business sectors in Victoria to support their sustainability. To meet this objective, East Gippsland Catchment Management Authority (the Authority) utilised their long-standing relationship with Moogji Aboriginal Council East Gippsland, an Aboriginal Community Controlled Organisation.

Moogji was established in 1993, providing a range of essential services such as dental services, a general practice clinic, a clinical nurse, counselling, outreach services and environmental health services to the surrounding Aboriginal community in East Gippsland. Moogji’s Aboriginal Economic Development – Social and Environmental Enterprises arm supports self-determination for Aboriginal people, enabling Moogji to create meaningful jobs for Aboriginal people that are connected to family, community, culture and Country.



The Authority’s revegetation works at Bluenose Creek required them to purchase many native plants to improve the health of the area. They turned to Moogji’s nursery, purchasing 9,000 native plants and the accompanying labour costs for a total spend of approximately \$63,000. Four Aboriginal employees worked on the project, undertaking brush cutting and herbicide treatment and planting at Bluenose Creek.



The purchase of these plants enabled Moogji to expand their nursery, construct a greenhouse to grow more plants and establish a retail sales channel.

Purchasing from Aboriginal businesses like Moogji supports their ability to grow and develop into more stable and sustainable businesses, directly providing employment opportunities for Aboriginal people and encouraging self-determination.

Nursery Coordinator, Misty Anderson shared how great it has been for Moogji to receive the plant orders then undertake inspections of the local area to source seeds and see where the plants will be grown.

“

We [Moogji] are really looking forward to watching the plants grow and for the river to be rehabilitated to its original state.

MISTY ANDERSON
Nursery Coordinator



Sustainable Victorian regions

While Victoria's economy continues to perform well in its recovery from the COVID-19 pandemic, there are people and regions who are at risk of being left behind.

The Framework seeks to direct government spending to businesses operating in postcodes identified as experiencing the greatest relative socio-economic disadvantage. Government buyers are expected to either procure directly from businesses in these regions or set targets for employment and/or training outcomes for residents of these postcodes.

Targeting regions experiencing entrenched disadvantage means more job opportunities in those areas and helps ensure they can receive a bigger share of the economic opportunities Victoria has to offer.

Case Study

Major Transport Infrastructure Authority and CPB Contractors

While providing employment opportunities and skills-based training is a key pillar of the Framework, the *Sustainable Victorian Regions* objective focuses specifically on job readiness and employment opportunities for people in Victorian regions experiencing entrenched disadvantage. Supporting people living in regions with entrenched disadvantage was an important part of the negotiations with CPB Contractors when they were awarded the tender for works to upgrade the M80 Ring Road.

As part of the M80 Ring Road project, the Major Transport Infrastructure Authority worked with CPB Contractors on multiple upgrades including freeway widening, enhanced on- and off-ramps, and the installation of a new freeway management system between Sydney Road and Edgars Road in Melbourne's north. This freeway management system features overhead electronic signs which will provide real time travel information for drivers and help manage traffic flow. The freeway management system also includes overhead variable speed limits and ramp signals to manage access onto the Ring Road.

CPB Contractors is the Australasian construction company of the CIMIC Group, who have designed and built infrastructure across numerous key sectors including rail, tunnelling, defence, building and resources infrastructure.

Throughout the project, CPB Contractors engaged 4 businesses in regions of entrenched disadvantage. Regions of entrenched disadvantage can be identified using the Socio-Economic Indexes for Areas Index of Relative Socio-economic Disadvantage, categorised by postcode. These businesses were based in Dandenong South, Wendouree, Newcomb and Breakwater, which are 4 regions with postcodes in Victoria with the lowest ranking – decile 1 – which are considered the most disadvantaged regions. Businesses based in these regions not only service those living in the area, they also provide employment opportunities for people in the region.

Over the life of the project, CPB Contractors engaged these businesses to provide a wide range of services including surveying, security, plant hire, personal protective equipment, cleaning services and products, general construction and labour, catering, mailout, printing services and signage. This resulted in close to \$10 million spent supporting the sustainability of areas experiencing entrenched disadvantage and providing jobs to people living in those regions.



Environmental and sustainable objectives and outcomes

The Victorian Government is working to protect the natural environment. The Framework works alongside other policies, such as Victoria’s *Climate Change Strategy*, the *Recycling Victoria* policy and the *Recycled First* policy to not only avoid the harmful effects of environmental destruction but ensure future Victorians will be able to enjoy their natural surroundings for generations to come. The Framework helps minimise the government’s impacts on the environment and supports Victorians prepare for a safe and prosperous future, even in a changing climate.



Environmentally sustainable outputs

Procuring sustainable outputs can have a wide range of positive impacts on the environment. By requiring government buyers to incorporate into contracts a requirement to use resources sustainably or use recycled content in construction works, the Victorian Government is helping reduce waste, carbon emissions, use of virgin materials, transport costs and impacts, and energy and water use.

There is also a significant opportunity to use alternative or recycled content in construction works to reduce demand on virgin resources without comprising performance. The Victorian Government is moving Victoria to a circular

economy and released the State’s Circular Economy Policy called *Recycling Victoria* in February 2020. A key intent of *Recycling Victoria* is to optimise the use of recycled and reused Victorian materials in transport infrastructure projects through the *Recycled First* policy. Road and rail projects provide many opportunities to use recycled content and reduce our reliance on virgin materials. Working together with delivery partners, several projects delivered by Major Road Projects Victoria, LXP, the North East Link Program, the West Gate Tunnel Project and Rail Projects Victoria have used recycled or reused materials over the life of these major projects:

Table 2: Major road and rail projects that have used recycled content


PRODUCT	MAJOR PROJECTS		
 368,595 T Crushed concrete	<ul style="list-style-type: none"> • Barwon Heads Road Upgrade • Bell to Moreland Level Crossing Removal Project • Childs Road Upgrade • Craigieburn Road Upgrade • Echuca-Moama Bridge Project • Fitzsimons Lane Upgrade • Gap Road Level Crossing Removal • Golf Links Road Upgrade • Hall Road West Upgrade 	<ul style="list-style-type: none"> • Hallam North and Heatherton Road Upgrade • Lathams Road Upgrade • M80 Upgrade – Sydney Road to Edgars Road • Metro Tunnel Project • Monash Freeway Upgrade Stage 2 • Mordialloc Freeway • Narre Warren North Road Upgrade • Plenty Road Upgrade Stage 2 	<ul style="list-style-type: none"> • Pound Road West Upgrade • Princes Highway East Traralgon to Sale Stage 3 • Seaford and Carrum Level Crossing Removals • Shepparton Line Upgrade • South Road Upgrade • Sunbury Line Upgrade • West Gate Tunnel

Table 2: Major road and rail projects that have used recycled content





PRODUCT	MAJOR PROJECTS		
 <p>86,894 T Crushed rock/ brick/ballast (Specific material not known)</p>	<ul style="list-style-type: none"> Echuca-Moama Bridge Project 	<ul style="list-style-type: none"> Monash Freeway Upgrade Stage 2 	<ul style="list-style-type: none"> O’Herns Road Upgrade Stage 2
 <p>27,384 T Glass/glass fines</p>	<ul style="list-style-type: none"> Barwon Heads Road Upgrade Childs Road Upgrade Fitzsimons Lane Upgrade Gap Road Level Crossing Removal Hallam North and Heatherton Road Upgrade 	<ul style="list-style-type: none"> Lathams Road Upgrade M80 Upgrade – Sydney Road to Edgars Road Metro Tunnel Project Mordialloc Freeway Narre Warren North Road Upgrade 	<ul style="list-style-type: none"> Plenty Road Upgrade Stage 2 Warrnambool Line Upgrade West Gate Tunnel
 <p>220,166 T Crushed rock</p>	<ul style="list-style-type: none"> Barwon Heads Road Upgrade Childs Road Upgrade Craigieburn Road Upgrade Gap Road Level Crossing Removal Gippsland Line Upgrade 	<ul style="list-style-type: none"> Golf Links Road Upgrade M80 Upgrade – Sydney Road to Edgars Road Metro Tunnel Project North East Link – Early Works Plenty Road Upgrade Stage 2 	<ul style="list-style-type: none"> Pound Road West Upgrade Sunbury Line Upgrade – Sunbury Corridor Substation Package West Gate Tunnel
 <p>256,515 T Fill (Recycled/reused)</p>	<ul style="list-style-type: none"> Barwon Heads Road Upgrade Echuca-Moama bridge project Gippsland Line Upgrade Lathams Road Upgrade 	<ul style="list-style-type: none"> M80 Upgrade – Sydney Road to Edgars Road Metro Tunnel Project North East Link – Early Works Pound Road West Upgrade 	<ul style="list-style-type: none"> Princes Highway East Traralgon to Sale Stage 3 Shepparton Corridor upgrade

Table 2: Major road and rail projects that have used recycled content (Continued)

PRODUCT	MAJOR PROJECTS		
 <p>118,525 T Reclaimed asphalt pavement</p>	<ul style="list-style-type: none"> • Barwon Heads Road Upgrade • Childs Road Upgrade • Craigieburn Road Upgrade • Fitzsimons Lane Upgrade • Golf Links Road Upgrade • Hallam North and Heatherton Road Upgrade • Lathams Road Upgrade 	<ul style="list-style-type: none"> • M80 Upgrade – Sydney Road to Edgars Road • Metro Tunnel Project • Monash Freeway Upgrade Stage 2 • Mordialloc Freeway • Narre Warren North Road Upgrade • North East Link – Early Works 	<ul style="list-style-type: none"> • O’Herns Road Upgrade Stage 2 • Plenty Road Upgrade Stage 2 • Pound Road West Upgrade • Princes Highway East Traralgon to Sale Stage 3 • Shepparton Line Upgrade • South Road Upgrade • West Gate Tunnel
 <p>25,361 T Supplementary cementitious materials¹⁴</p>	<ul style="list-style-type: none"> • Barwon Heads Road Upgrade • Childs Road Upgrade • Echuca-Moama bridge project • Fitzsimons Lane Upgrade • Gap Road Level Crossing Removal • Gippsland Line Upgrade • Hallam North and Heatherton Road Upgrade 	<ul style="list-style-type: none"> • Lathams Road Upgrade • M80 Upgrade – Sydney Road to Edgars Road • Metro Tunnel Project • Monash Freeway Upgrade Stage 2 • Mordialloc Freeway • Narre Warren North Road Upgrade • North East Link – Early Works 	<ul style="list-style-type: none"> • Pound Road West Upgrade • Princes Highway East Traralgon to Sale Stage 3 • Shepparton Line Upgrade • South Road Upgrade • West Gate Tunnel
 <p>65,594 T Topsoil (Recycled/reused)</p>	<ul style="list-style-type: none"> • Childs Road Upgrade • Echuca-Moama bridge project • Gippsland Line Upgrade • Monash Freeway Upgrade Stage 2 	<ul style="list-style-type: none"> • Narre Warren North Road Upgrade • North East Link – Early Works • Plenty Road Upgrade Stage 2 • Pound Road West Upgrade 	<ul style="list-style-type: none"> • Princes Highway East Traralgon to Sale Stage 3 • Shepparton Line Upgrade • South Gippsland Highway

DID YOU KNOW?

If you are looking for products with recycled content, there is a Victorian Government directory to help you find suppliers:

Sustainability Victoria’s Buy Recycled Directory

14. Supplementary Cementitious Materials (also known as SCM) are materials added to cement to alter the properties of hardened concrete (e.g., hardness).



Environmentally sustainable business practices

As one of the largest customers in the market, the Victorian Government is using its purchasing power to drive sustainable practices among its suppliers. The *Environmentally sustainable business practices* objective applies not only to suppliers' outputs but to their back-of-house operations. By encouraging suppliers to adopt best-practice industry environmental standards, the Victorian Government is extending the positive environmental impact of its procurement beyond the purchased outputs.

These practices can impact many areas including maximising recycling, minimising waste and greenhouse gas emissions, conserving energy, water and natural resources, minimising habitat destruction and environmental degradation and providing non-toxic solutions and dealing with hazardous substances responsibly.



Implementation of the Climate Change Policy objectives

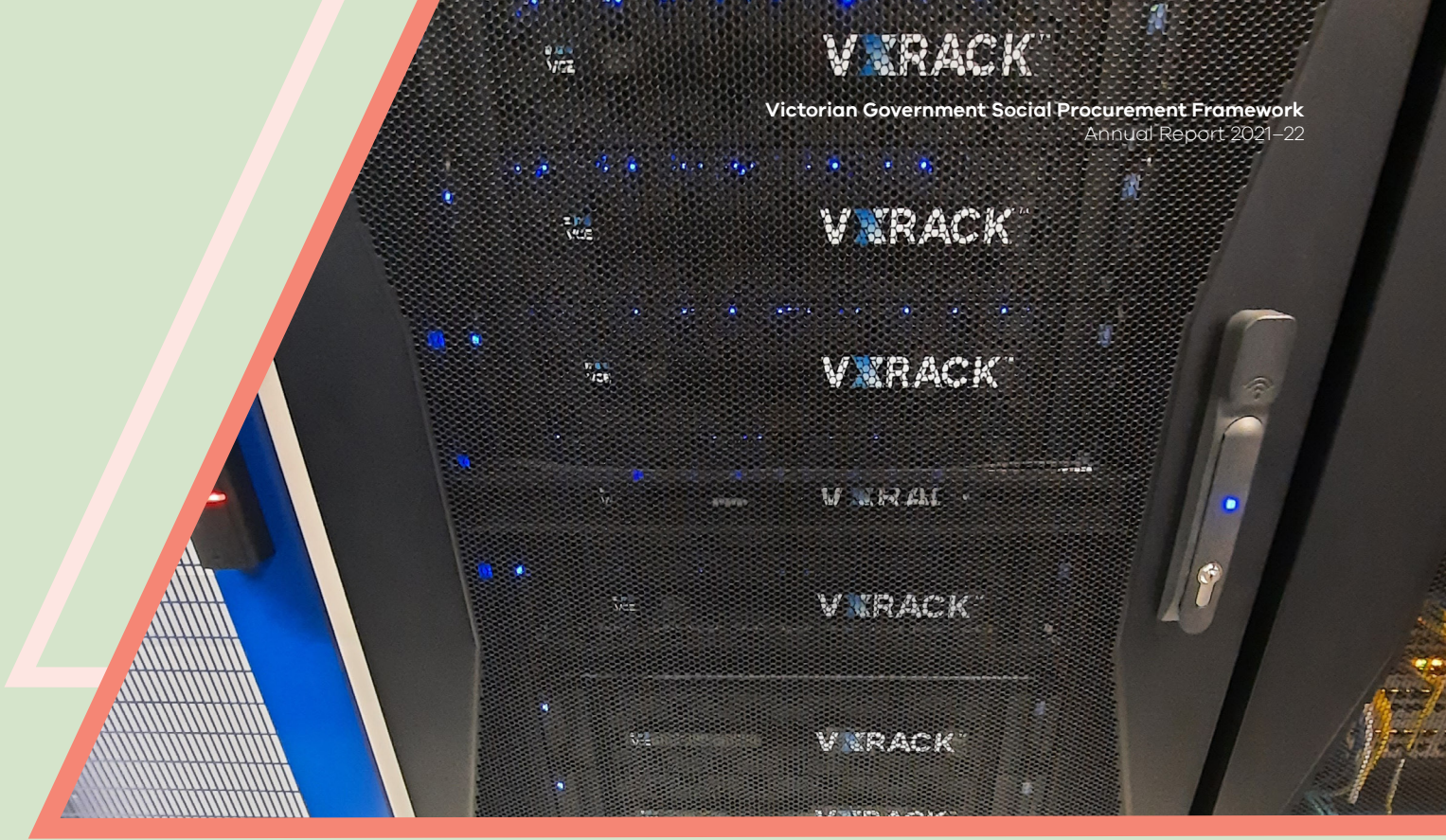
Climate change poses risks and dangers for generations to come. The Victorian Government is helping mitigate these effects through its procurement.

Government can include project-specific requirements to minimise greenhouse gas emissions. Long-lived, high-carbon structures can lock in increased emissions over many years. The creation of raw materials, the construction phase, and the operation of buildings and infrastructure can all involve the release of large quantities of greenhouse gases.

By enacting requirements throughout the planning, construction and operation phases of these assets, the government is helping Victorians minimise their carbon footprint. These requirements build on the *Climate Change Act 2017* and Victoria's *Climate Change Strategy* to achieve a target of net-zero by 2050.

Because of their long operating lives, buildings and infrastructure are particularly vulnerable to the long-term impacts of climate change, including sea level rises, changing rainfall patterns and increased temperatures. Accounting for climate change risk when designing buildings and infrastructure can help protect the wellbeing and safety of people and communities who use the assets. It also helps avoid the costs and difficulties of retrofitting existing assets.





Case Study

DELWP and PonyUp for Good

To support the Framework’s objective to achieve positive environmental outcomes through sustainable procurement practices, the Department of Environment, Land, Water, and Planning (DELWP) engaged Telstra and PonyUp for Good and included clauses within the contract for *Environmentally Sustainable Business Practices*.

When it came to sourcing IT equipment to run emergency management systems, DELWP promoted sustainable business practices by ensuring suppliers complied with relevant industry recognised standards, such as ISO 14001 Environmental Management, AS/NZS 5377 E-Waste Management System and ISO 9001 Quality Management Systems.

Not only that, but once the equipment was no longer needed, DELWP produced *Environmentally Sustainable Outputs* by ensuring their decommissioned IT equipment was disposed of in a responsible manner.

DELWP partnered with PonyUp for Good, a female-led social enterprise delivering e-waste sustainability programs to businesses across Australia. They collect donated, decommissioned devices and securely cleanse their data to ensure the technology is diverted from landfill and can be re-used for up to 7 more years. PonyUp for Good donate 50% of their profits to their charity impact partner SecondBite, providing fresh meals to people in need.



1,180

KILOGRAMS OF
Technology diverted
from landfill



Telstra and PonyUp for Good decommissioned server equipment from Next DC offices in Melbourne and Sydney in 2021. As part of this project, 1,180 kilos of technology were diverted from landfill and 100% of the equipment was able to be reused. Alongside the environmental impacts, PonyUp for Good donated 25,668 meals to support vulnerable people during the initial COVID-19 State of Emergency.

For any equipment that is unable to be re-used, PonyUp for Good works with several accredited recycling partners. One of those partners is the Activ Group, which has developed an Environmental Management System (EMS) in line with the internationally recognised standard ISO 14001:2015. The EMS has enabled the Activ Group to manage its operations and services in alignment with its environmental objectives. Through the implementation of the EMS, the Activ Group aims to minimise the use of resources and reduce non-renewable energy consumption, reduce waste through reuse and recycling and work collaboratively with suppliers and contractors to promote sustainable solutions.

How suppliers work with the Framework

There are 2 types of government suppliers: social benefit suppliers and mainstream suppliers.

A **social benefit supplier** operates and has business premises in Victoria and meets one or more of the following criteria:

- is a social enterprise certified by Social Traders or listed on the online social enterprise Map for Impact
- is an Australian Disability Enterprise providing 'supported employment services' as defined in s. 7 of the *Disability Services Act 1986 (Cth)*
- is a Victorian Aboriginal business, certified by Supply Nation or Kinaway.

To count an engagement in its social procurement activity reports, a department or agency must ensure the social benefit supplier is certified.

A **mainstream supplier** is any supplier that is not a social benefit supplier.

Direct and indirect social procurement

The Victorian government delivers social and sustainable outcomes through both direct and indirect social procurement. Government buyers should consider opportunities to deliver social and sustainable outcomes as part of every procurement activity.

Delivering direct procurement, departments or agencies undertake a Victorian Government procurement process or use an established state purchase contract to purchase goods, services or construction from a certified social benefit supplier.

When it comes to indirect procurement, departments or agencies purchase goods, services or construction from a mainstream supplier using invitations to supply and clauses in contracts to deliver social and sustainable outcomes. This can include subcontracting social benefit suppliers in supply chains.

What suppliers need to demonstrate

When making purchasing decisions under the Framework, government buyers must apply the same due diligence for social benefit suppliers as they would for mainstream suppliers. They should consider whether certified social benefit suppliers:

- are suitably qualified
- demonstrate experience and have a proven track record
- have the capacity and scale to deliver the requisite work
- comply with mandatory government agency contract terms
- comply with all relevant industry standards, regulations and legislation
- are competitively priced
- have business practices that align with the Framework, such as a corporate social responsibility policy, gender or disability action plans or engagement with social benefit suppliers.

Social procurement benefits suppliers

The Framework integrates positive social and environmental outcomes with core business. The ability to demonstrate these outcomes makes suppliers more competitive when bidding for government work.

It also helps to foster workplace diversity, capability and productivity and contributes to innovative solutions for complex social, economic and environmental problems.

FIND OUT MORE

More information for government buyers and suppliers about the Social Procurement Framework can be found on the **Buying for Victoria** website.

Recycled First is a Victorian Government policy that requires bidders on government road and rail projects to demonstrate how they will optimise the use of sustainable products.

Sustainability Victoria's **Buy Recycled directory** helps you find products with recycled content.

Business Victoria also has information on selling to government.



