



WESTERN AUSTRALIAN INDUSTRY PARTICIPATION STRATEGY

AGENCY GUIDELINES FOR ASSESSMENT OF A PARTICIPATION PLAN

1. Background

Under the *Western Australian Jobs Act 2017 (WA Jobs Act)* and the Western Australian Industry Participation Strategy (WAIPS), the assessment of a Participation Plan (PP) submitted as part of an offer to supply is undertaken by the procurement agency.

This set of guidelines has been developed to support assessors with determining the level of alignment of the benefits and/or commitments included in a PP with the objectives of the WA Jobs Act and WAIPS. These guidelines are applied in a competitive procurement process by an agency when it evaluates and assesses offers to supply. The guidelines can also be useful to an agency when assessing and considering the quality of a PP in a sole bid.

The WA Government procuring agency confirms the successful supplier's participation plan through the WAIPS Portal.

2. Participation Plans

The WAIPS Participation Plan provides guidance for completing a Participation Plan. There are different questions for suppliers depending on details of the supply (e.g. value, metro/region) and there are a total of eight criteria available to assessors for scoring the offers.

3. Participation Plan Methodology

The assessment of a participation plan focuses the assessor on the supplier's evidenced ability to deliver the PP as part of the contract. This basis for this when assessing PPs is about practicability (i.e. is it realisable?). Therefore, the assessment of a PP is reflective of the confidence an assessor has that a PP represents the appropriate approach to the conduct of local industry participation in the contract.

4. Strategic Criteria

Participation Plans are divided into two sections:

- Section A: Workforce and Sourcing (not scored); and
- Section B: Industry Engagement (scored).

Section A seeks quantitative data which is for reporting and relates to the supported direct and subcontractor workforce. This information is a central requirement for the submission of the Minister for Jobs' annual report to Parliament and satisfactory completion of it should therefore be required by the Agency. Section 5 of these guidelines sets out further information as to how an Agency should deal with unsatisfactory completion of a Participation Plan.

Section B of a PP is concerned with qualitative responses which are all assessable and scored. There are a number of different elements to consider for assessment. These are:

- Industry Engagement.
- WAIPS Objectives.
- Supplier feedback
- Willingness to work with Government.



- Regional Delivery.
- Cascading obligations to subcontractors.
- Australian standards.
- Meeting previous Participation Plan commitments.

Criteria	Participation Plan Reference
<p>Industry Engagement</p> <p>In order to comply with offering local industry a full, fair and reasonable opportunity to participate in any sub-contracting or supply opportunities, it is important an industry engagement strategy be outlined covering the course of a contract. Providing details on procurement processes is important for the inclusion of local industry.</p> <p>Examples include (but not limited to):</p> <ol style="list-style-type: none"> Use of Australian Standards where available and appropriate. A further illustration would be use of a vigorous compliance checking system to ensure any imports actually meet specifications. A communication strategy that includes openly advertising supply opportunities and making the procurement/tendering strategy publicly available and where possible, notification of early tender advice. Hosting supplier workshops and briefings, providing procurement timelines, guidance on upcoming opportunities and minimum supplier requirements. Committing to briefing unsuccessful bidders for sub-contracting or supply, on request. As necessary, passing on the full, fair and reasonable opportunity approach to subcontractors for their application. 	<p>Section B Industry Engagement – Question 1 (i) a.</p>
<p><i>Western Australian Jobs Act 2017 and WAIPS Objectives</i></p> <p>In assessing the benefits of the commitments detailed in the PP, the important question to determine is, ‘What contribution does this Participation Plan make towards the achievement of the WAIPS objectives?’</p> <p>The WAIPS key objectives being:</p> <ul style="list-style-type: none"> • Ensure local Industry is given full, fair and reasonable opportunity to participate. • Increase access to, and raise awareness of local industry capability. • Aim to provide more supply opportunities to local industry. • Encourage your supply chain to adopt, best practice in innovation, technologies and materials. • Provide opportunities for local industry to develop import replacement capacity. • Increase apprenticeship, training and job opportunities. <p>Benefits outlined in the PP can be considered collectively. A PP need not cover off all the objectives. A rating should be allocated that captures the major benefits that the PP contributes to.</p> <p>It is important when undertaking assessment that the Plan outlines specific examples of the benefits which can be captured for reporting purposes.</p>	<p>Section B Industry Engagement – Question 1 (i) b. c. d. e. f. (ii) a. b. c.</p>



<p>Feedback to Unsuccessful Bidders</p> <p>It is important to provide feedback to unsuccessful suppliers to encourage improved performance in future tenders. If feedback is requested, the Contractor must provide advice as appropriate and should offer:</p> <ul style="list-style-type: none">• An explanation as to why their tender submission was unsuccessful;• Details about what areas of the submission were either non-compliant or lacking; and• Suggestions on how they could improve for future submissions <p>The feedback can be provided by phone or email, the best way to provide an effective tender debrief session is through a face-to-face meeting.</p> <p>An unsuccessful bidder letter that is sent to all unsuccessful suppliers is not constructive feedback.</p>	<p>All PPs: Section B Industry Engagement – Question 2</p>
<p>Willingness to work with Government</p> <p>The bidder has confirmed a willingness to work with government agencies to increase the capability, competitiveness and capacity of local industry. This includes working with the tendering Agency, LIP and/or LCAs in the regions.</p> <p>The bidder commits to provide a Participation Plan report in full and on time to the procuring Agency outlining achieved outcomes aligned with the commitments of the PP.</p> <p>The bidder is also prepared to undertake investigation of potential import replacement opportunities for Good or Services listed in the PP as overseas supply in conjunction with ILAS and/or LCAs.</p>	<p>Section B Industry Engagement – Question 3</p>
<p>Regional Delivery*</p> <p>The potential supplier has outlined any other measurable identifiable benefits for the relevant regional economy.</p> <p>Benefits may include but are not limited to:</p> <ul style="list-style-type: none">• Sponsoring traineeships in the region.• Seeking skilled and unskilled labour in the region.• Utilising regional businesses for logistics, accommodation and travel.• Support or sponsor a community program in the region.• Undertaking significant activity from regional location <p>*This question can only form part of the Participation Plan assessment if the final analysis of the bids is between Western Australian businesses.</p>	<p>Section B: Industry Engagement – Question 4.</p>
<p>Cascading bidders' obligations of Full, Fair and reasonable opportunity to subcontractors</p> <p>The bidder describes their method of ensuring the commitments made in their PP are cascaded down to subcontractors.</p> <p>Examples of actions that can be undertaken include:</p>	<p>Section B: Industry Engagement – Question 5.</p>



<ul style="list-style-type: none"> • Standard contractual arrangements with suppliers to outline their Industry Participation requirements. • Specify a requirement in tender documents that successful tenderers adopt a defined Industry Participation strategy. • Establish reporting requirements which show how Industry Participation strategies have been implemented. 	
<p>Specifying Standards to subcontractors</p> <p>The purpose of this question is to get the bidder to reveal which standards if any will be specified to subcontractors beyond those specified in the tender documents.</p> <p>In addressing this question, if the bidder is not specifying Australian standards to their subcontractors they should indicate whether these standards can be met by Australian industry and what impact not using Australian standards may have on the ability for Australian industry to participate.</p> <p>Bidders need to ensure specifications issued to subcontractors take Australian industry capabilities and Australian standards into account and that Australian industry is not “designed out” of supply opportunities.</p>	<p>Section B Industry Engagement – Question 6</p>
<p>Meeting previous Participation Plan commitments</p> <p>If a bidder has a history of dealing with Agencies where a PP is required, their previous performance can be taken into consideration. Below are the recommended actions:</p> <ul style="list-style-type: none"> • No previous history with Agency – No action to be taken and score remains the same. • Previously has met the commitments made in a PP – No action to be taken and score remains the same. • Previously has failed to meet commitments made in a PP which is not related to changes in external circumstances – a deduction on their overall score, for the PP, may be applied at the discretion of the Agency. <p>This method provides an opportunity to address a bidder’s performance in terms of meeting the commitments made in previous PPs.</p>	<p>Section B Industry Engagement – Question 7</p>

5. Scoring a Participation Plan

Plans will be weighted at 10% or 20% of the qualitative evaluation at the Agency’s discretion, as set out in the procurement documentation issued by the Agency.

This Agency decision will be influenced by factors including, the estimated value of the contract, the extent of contestable content, contract duration, contract location and anticipated degree of realisable benefits as defined by Section 7 of the WA Jobs Act. Other possible considerations include the contract potential for technology transfer/upgrade, the contract’s relationship with innovation and the capacity of the contract to generate further investment and business activity or the contract’s likelihood that it will serve to highlight the State’s potential as a trading and operational hub.

The rating scale below is a possible way to assess the PP and allocate it a score.



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

This is the standard scoring scale advocated by the Department of Finance for Goods and Services. Agencies may, however, utilise their own scoring approaches at their discretion. Whichever approach is chosen, it is important that the procurement documentation which the Agency uses for the supply aligns with the assessment and scoring method proposed.

The 0-9 scoring method extrapolated to percentages are as follows:

Score	Weighted 10%	Weighted 20%
0	0%	0%
1	1%	2%
3	3%	7%
5	6%	11%
7	8%	16%
9	10%	20%

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



How completeness is to be considered by the Agency

Whilst the quantitative data (Section A) will not be scored, the completeness of this section is nevertheless very important. The procurement Agency should refuse to evaluate an offer which does not include both Section A and Section B fully completed.

Potential Suppliers must ensure all questions are answered with either a valid response in order to complete their participation plan via the WAIPS portal. Supplier guidance instructs not to leave questions unanswered but to use "NA" (Not Applicable and provide as reason) if they deem the question not relevant to their offer.

6. Terms Used

Agency means an agency as defined in the *Western Australian Jobs Act 2017*.

Full, fair and reasonable opportunity:

Full: Australian and New Zealand industry is afforded the same opportunity as other global supply chain partners to participate in all aspects of a project (e.g. design, engineering, project management, professional services, IT architecture).

Fair: Australian and New Zealand industry is provided the same opportunity as global suppliers to compete on projects on an equal and transparent basis, including being given reasonable time to tender.

Reasonable: Tenders are free from non-market burdens that might rule out Australian industry and are structured in such a way as to provide Australian and New Zealand industries the opportunity to participate in projects.

Local industry means suppliers of goods produced, or services provided, in Western Australia, another State or Territory or New Zealand.

Local Economy: means economic activity in WA, another State or Territory or New Zealand.

Supplier a person or body that supplies goods or services to or for an Agency or the State.

Supply means a supply of goods or services to or for an Agency or the State.

WAIPS Portal means the specifically developed system for managing WAIPS available at <https://waips.industrylink.wa.gov.au>.

7. Conclusion

The Local Industry Participation Team (LIP) can provide support to agencies with the assessment of a participation plan and the use of this guide. These are suggested guidelines and agencies can vary the approach provided that the Strategic Criteria are addressed.

Should you require assistance or wish to comment on these guidelines please contact JTSI on:

Phone: +61 8 6277 2999

Email: industrylink@jtsi.wa.gov.au

Web: www.industrylink.wa.gov.au

The WA Government procuring agency is to submit the successful supplier's participation plan using the WAIPS Portal.