

## Australian Ramp & Access Solutions Pty Limited

### Social Procurement

#### Glossary

<b>Business Case</b>	<ul style="list-style-type: none"> <li>A well-structured document which summarises the rationale for initiating a project</li> </ul>
<b>Contractual Clause</b>	<ul style="list-style-type: none"> <li>A section in a contract that specifies a legal requirement</li> </ul>
<b>KPI</b>	<ul style="list-style-type: none"> <li>Key Performance Indicator</li> <li>Quantifiable measurements used to evaluate the success or otherwise of a project in achieving its strategic goals</li> </ul>
<b>Objectives</b>	<ul style="list-style-type: none"> <li>The purpose(s) of the social procurement</li> </ul>
<b>Performance Measurement</b>	<ul style="list-style-type: none"> <li>The system of measurement to be adopted to evaluate the implementation of the objectives</li> </ul>
<b>Provider</b>	<ul style="list-style-type: none"> <li>The term "provider" includes: <ul style="list-style-type: none"> <li>supplier of goods</li> <li>supplier of services</li> <li>contractor</li> <li>consultant</li> </ul> </li> </ul>
<b>Probity</b>	<ul style="list-style-type: none"> <li>Fair and ethical conduct, especially in relation to tendering processes</li> </ul>
<b>RFI</b>	<ul style="list-style-type: none"> <li>Request for Information</li> <li>In limited circumstances, an RFI is issued to the market in order to collect information to be used to further develop the procurement documentation</li> </ul>
<b>Risk</b>	<ul style="list-style-type: none"> <li>The probability of a negative effect of an external or internal vulnerability which may be mitigated through pre-emptive planning</li> </ul>
<b>Selection Criteria</b>	<ul style="list-style-type: none"> <li>Factors used to assess the capability and experience of potential providers</li> </ul>
<b>Social Clauses</b>	<ul style="list-style-type: none"> <li>Contractual provisions of a procurement which fulfil a particular social aim</li> </ul>
<b>Specifications</b>	<ul style="list-style-type: none"> <li>All the technical or descriptive specifications of functional, operational, performance or other characteristics required of a deliverable provided by one of the parties under a contract</li> <li>The term "specifications" in this document includes: <ul style="list-style-type: none"> <li>project brief</li> <li>brief of services</li> </ul> </li> </ul>
<b>Tender</b>	<ul style="list-style-type: none"> <li>A tender is the process of inviting parties to submit an offer by public advertisement followed by evaluation of offers and selecting a successful bidder</li> </ul>

#### Business Case Template

The components of a business case are tabulated below.

**Note, that the components are similar to those of a general procurement, but with social procurement elements included.**

These requirements are comprehensive - for smaller projects, some components may be omitted (for example, market analysis) or proportionally scaled back.

COMPONENT	ELEMENTS
Objectives	<ul style="list-style-type: none"> <li>Clearly articulated goals of the project and the outcomes that would indicate success and convincing reasons for the project to be implemented</li> </ul>
Scope of the project	<ul style="list-style-type: none"> <li>Clearly specify the parameters of the project inclusive of the social procurement requirement/outcomes</li> </ul>
Background	<ul style="list-style-type: none"> <li>Information to contextualise the proposed project, including the local need for the project, legislative and regulatory requirements and council policies</li> </ul>
Contextual analysis	<ul style="list-style-type: none"> <li>Incorporating: <ul style="list-style-type: none"> <li>a market analysis (if required) to ensure that required important factors/components are available (for example, social benefit suppliers in the municipality, businesses that incorporate social procurement as part of their operations, sufficient training providers, etc.)</li> <li>stakeholder expectations</li> </ul> </li> </ul>
Project management	<ul style="list-style-type: none"> <li>Development of a project management process which: <ul style="list-style-type: none"> <li>defines all major aspects of the project</li> <li>ensures that the project has a complete and sound basis before there is any major commitment to the project</li> <li>acts as a base document against which the project team can assess progress, change management issues, and ongoing viability questions.</li> </ul> </li> </ul>

Requirements and outputs	A general specification/brief of services of requirements and outputs
Delivery	<ul style="list-style-type: none"> <li>• Include delivery goals of the project</li> </ul>
Timeframe	<ul style="list-style-type: none"> <li>• The timeframe of the project, including key milestones</li> </ul>
Performance measurements and monitoring	<ul style="list-style-type: none"> <li>• Development of a monitoring and performance measurement document, including all the critical key performance indicators</li> </ul>
Reporting	<ul style="list-style-type: none"> <li>• Including reporting requirements for performance measurement of the objectives, outputs and timelines</li> </ul>
Alternative options	<ul style="list-style-type: none"> <li>• Alternative scenarios (including not undertaking the project at all) should be assessed and responses provided as to why these are not preferable to the proposed project</li> <li>• An analysis and risk identification should be undertaken for each of the alternatives</li> </ul>
Benefits	<ul style="list-style-type: none"> <li>• Benefits should include qualitative and quantitative benefits of the project (including benefits to stakeholders)</li> </ul>
Formal procurement	<ul style="list-style-type: none"> <li>• The procurement component may include the following (as relevant): <ul style="list-style-type: none"> <li>○ evaluation criteria and methodology</li> <li>○ probity plan</li> <li>○ social procurement implementation team/officer</li> <li>○ contract or non-contract management arrangements</li> <li>○ monitoring arrangements</li> <li>○ transitional issues</li> <li>○ asset disposal arrangements.</li> </ul> </li> </ul>
Evaluation	<ul style="list-style-type: none"> <li>• The evaluation of any project involving social procurement is critical and the collection of baseline data and information must occur at the outset of the project</li> </ul> <p>Evaluation data collection processes and key performance indicators should be included in the business case.</p>

## ATTACHMENT 1

### Development of Social Procurement Strategy and Objectives

The type of social procurement to be undertaken often depends on the outcome that is being sought.

Intended Objective	Mechanism for achieving that goal
<ul style="list-style-type: none"> <li>• Increasing local employment</li> </ul>	<ul style="list-style-type: none"> <li>• Employment opportunities stipulated in contracts</li> <li>• Establishing a social benefit supplier</li> <li>• Purchasing from a social benefit supplier</li> </ul>
<ul style="list-style-type: none"> <li>• Purchase of goods or services including a social outcome</li> </ul>	<ul style="list-style-type: none"> <li>• Establishing a social benefit supplier</li> <li>• Purchasing from a social benefit supplier</li> <li>• Inclusion of social procurement requirements in a purchasing contract</li> </ul>
<ul style="list-style-type: none"> <li>• Increasing employment of people from disadvantaged backgrounds</li> </ul>	<ul style="list-style-type: none"> <li>• Training and/or employment opportunities for disadvantaged groups in the municipality (for example, disabled, youth)</li> <li>• Establishing a social benefit supplier</li> <li>• Purchasing from a social benefit supplier</li> </ul>
<ul style="list-style-type: none"> <li>• Raising awareness</li> </ul>	<ul style="list-style-type: none"> <li>• Promotional activities</li> <li>• Social procurement investment mapping (defined as part of this toolkit)</li> </ul>
<ul style="list-style-type: none"> <li>• Capacity building in the local community</li> </ul>	<ul style="list-style-type: none"> <li>• Promotional activities</li> <li>• Social procurement investment mapping (defined as part of this toolkit)</li> </ul>
<ul style="list-style-type: none"> <li>• Environmental sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• Inclusion of social environmental requirements in a purchasing contract</li> </ul>

The decision as to the strategy and objectives of the social procurement the council is seeking to implement may be finalised before the development of the business case, or as part of the analysis within the business case.