# TAFE NSW Aboriginal Participation Strategy

FY22/23 Building strong partnerships Updated: April 2023







#### **Acknowledgement**

TAFE NSW respects the Aboriginal lands on which our campuses are located. We would like to pay our respect and acknowledge Aboriginal and Torres Strait Islander Peoples as the Traditional Custodians of the land, rivers and sea. We acknowledge and pay our respect to the Elders past, present and emerging of all Nations.

We acknowledge and celebrate the long-standing traditions, customs and culture that has existed for 60,000 years. We honour Elders through lived examples and leadership, Elders who have, and continue to fight tirelessly for the betterment of Aboriginal people across the country.

We acknowledge the importance and strength of our Aboriginal young people, and commit to supporting and developing them as the future of our Aboriginal culture and communities.

TAFE NSW recognises that education and employment play a fundamental role in providing a foundation and platform to exercise self-determination and empowerment of Aboriginal people. This will be achieved through collaboration and by providing culturally responsive employment, education and procurement activities or actions.

We seek to educate and contribute to the development of strong and harmonious communities by fostering mutual respect, social justice and a united voice between Aboriginal and non-Aboriginal Australians.

TAFE NSW will continue to develop opportunities for Aboriginal people to access and succeed in employment and tertiary education. We are committed to providing an environment that is free of racism and discrimination, and we will continue to embrace the unique and diverse cultures of Aboriginal people, the oldest surviving continuous culture in the world.

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Under the TAFE NSW Aboriginal and Torres Strait Islander Protocols for Appropriate Language and Reference Guide, the NSW Aboriginal Education Consultative Group (AECG) policy, and the custom of government agencies in New South Wales the use of the term 'Aboriginal' rather than 'Indigenous' is used in this document relating to all Indigenous people resident within this state.



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#### **About this Strategy**

#### **NSW Government**

The NSW Government values the economic, social and cultural contribution offered to NSW from the Aboriginal community. NSW Government procurement activities provide a significant opportunity to increase Aboriginal skills and economic participation. The <u>Aboriginal Procurement Policy (APP)</u> was updated by the NSW Government on 1 January 2021. The key objectives of the policy are to support:

- Employment opportunities for Aboriginal and Torres Strait Islander peoples, and
- Sustainable growth of Aboriginal businesses by driving demand via NSW Government procurement of goods, services and construction.

The APP had set the following targets for NSW Government clusters to meet by 31 December 2021. Note that the outcomes and effectiveness of the APP is currently under review. These targets may change following consultation

- Direct one per cent of addressable spend to Aboriginal businesses
- Award at least three per cent of the total number of goods and services contracts to Aboriginal businesses, and
- Support an estimated 3,000 full time equivalent employment opportunities for Aboriginal and Torres Strait Islander peoples through NSW Government procurement activities.

To assist TAFE NSW to meet the targets, procurement has identified relevant initiatives for implementation which are set out in Appendix 1.

#### **TAFE NSW**

As the largest provider of vocational education and training in NSW, with well over 130 locations across the state in metropolitan, regional and rural locations, TAFE NSW has a unique opportunity to engage with Aboriginal communities to develop and implement this TAFE NSW Aboriginal Participation Strategy (APS). TAFE NSW will work with Aboriginal employees, Aboriginal students and Aboriginal and non-Aboriginal businesses in our communities to create opportunities for growing the First Nation economy in NSW.

The purpose of this APS is to provide a framework for recognising Aboriginal businesses and providing them an opportunity to grow and develop through awareness, training, education and opportunity. The strategy is aligned to the following focus areas of the <u>TAFE NSW Innovate Reconciliation Action Plan 2020 -2022</u> (RAP) being:

- Relationships
- Respect
- Opportunities
- Governance

Together, TAFE NSW will strive towards building strong partnerships with Aboriginal businesses.



#### **Document Hierarchy**

This strategy is a compulsory deliverable in the *RAP* under the responsibility of the Director, TAFE NSW Procurement. Both this strategy and RAP are aligned to the broader NSW Government objectives articulated in *OCHRE: Growing NSW's First Economy* and the *APP*.

Implementation of the strategy is the responsibility of the TAFE NSW Procurement team and focuses on procurement opportunities with Aboriginal businesses. The strategy is complemented by other documents in TAFE NSW business areas such as the <u>TAFE NSW Be Empowered: Empowering Aboriginal People through Employment</u> strategy which aims to double and diversify Aboriginal employment within TAFE NSW to ensure representation across all levels, portfolios and roles.

Each Regional Aboriginal Engagement Team is responsible for implementing a *TAFE NSW Regional Engagement Plan* and identifying specific opportunities and regional initiatives that will be implemented.

The diagram below shows a visual representation of the how this strategy is aligned to the Whole of Government framework to support Aboriginal Businesses.

NSW Government Strategic Economic Policy: Growing NSW's First Economy

OCHRE: Wealth creation for Aboriginal people through increased employment and enterprise development

NSW Government Aboriginal Procurement Policy (APP) 2021

TAFE NSW Innovate: Reconciliation Action Plan 2020 - 2022

TAFE NSW Be Empowered: Employing Aboriginal People Through Employment

TAFE NSW Aboriginal Participation Strategy



#### TAFE NSW's Aboriginal Participation Strategy Targets

- 1% of addressable <sup>2</sup> procurement spend with Aboriginal businesses
- 3% of all addressable contracts<sup>3</sup> awarded to Aboriginal businesses
- 10% increase year on year in the number of Aboriginal businesses contracted to TAFE NSW
- Procurement to facilitate a minimum of two information sessions per year to internal or external stakeholders that supports Aboriginal business procurement.
- Create a culture that first considers Aboriginal businesses when undertaking new sourcing events.

#### TAFE NSW will report against these targets to NSW Treasury each financial quarter to ensure transparency and accountability and will adjust this APS as required.

Did you know?4

- For every dollar of revenue, Aboriginal businesses create \$4.41 of economic and social value
- Aboriginal businesses employ more than 30x the proportion of Aboriginal people than other businesses
- Aboriginal businesses are a 'safe place' for families
- Owners of Aboriginal businesses reinvest revenue in their communities
- Aboriginal owners, employees and communities are proud of Aboriginal businesses

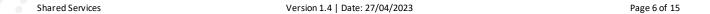


<sup>&</sup>lt;sup>2</sup> Defined by the APP as "Addressable expenditure excludes categories where no Aboriginal businesses are available to supply goods or services, or where Aboriginal businesses are excluded due to market dynamics (e.g. where a monopoly or reduced competition is in place)".

<sup>&</sup>lt;sup>3</sup> A contract may also be a purchase order, Pcard transaction, or a sub-contract of any value.

<sup>&</sup>lt;sup>4</sup> A Social Return on Investment Report on Supply Nation certified suppliers







# **Analysis of TAFE NSW Aboriginal business expenditure**

#### Historical expenditure data

The below table shows the historical spend with Aboriginal Businesses;

Percentage of expenditure with Aboriginal businesses	0.80%	0.83%	1.67%
Number of unique Aboriginal businesses directly engaged by TAFE NSW	27	24	27
TAFE NSW spend with Aboriginal businesses	\$4,163,866	\$4,461,543	\$9,928,387
TAFE NSW addressable spend <sup>5</sup>	\$517,908,085	\$535,620,237	\$592,974,322
Expenditure Data	FY 19/20	FY 20/21	FY 21/22

#### **Historical contract data**

The below data relates to past contracts greater than \$50,000 that have been awarded by TAFE NSW to an Aboriginal Business and disclosed on the NSW Government eTendering system.

Contract Data	FY 19/20	FY 20/21	FY 21/22
Contracts awarded	2	3	1

#### Historical engagement data

The below data relates to the number of unique Aboriginal businesses that transacted with TAFE NSW.

Supplier Data	FY 19/20	FY 20/21	FY 21/22
Aboriginal Business Count	27	24	27

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<sup>&</sup>lt;sup>5</sup> Addressable expenditure is a category of expenditure where there are opportunities for agencies to engage Aboriginal businesses



#### **Future Participation Targets**

Aboriginal participation targets are established at a cluster level, not at an individual agency level. This means that the NSW Department of Education (DoE) is responsible for reporting on the overall cluster achievement of:

- 1% of all addressable spend directed to Aboriginal businesses, and
- 3% of all contracts awarded to Aboriginal business.

NSW Government has published <u>APP cluster targets for FY 22/23</u> that commit Department of Education (including TAFE NSW) to contributions through procurement opportunities for Aboriginal businesses.

Department of Education cluster target	FY 22/23
Addressable spend with Aboriginal Businesses	\$27.9 million
Number of goods and services contracts directly with Aboriginal Businesses	12

#### TAFE NSW is a member of **Supply Nation** and has access to:

- Supplier diversity training modules
- Guidance and training
- A dedicated Relationship Manager
- Ability to meet, connect and mentor Aboriginal businesses
- Attend networking events to learn and share information





#### **Key Focus Areas**

To implement the APS, a number of initiatives have been developed and grouped into key focus areas that align to the organisational core values and pillars of Reconciliation Australia. This strategic and consistent alignment to the TAFE NSW core values and RAP provides a foundation for our organisational commitment.



#### **Focus Area: Opportunity**

Providing opportunity through awareness and training will play a key role in ensuring the APS objectives are met.

Development and delivery of awareness and training programs aimed at internal TAFE NSW staff and stakeholders to ensure they understand the policy and processes and have confidence in applying them. Successful deployment of these programs ensure that Aboriginal businesses are supported and value for money outcomes are achieved. Awareness can also be achieved through reporting Aboriginal business spend and marketing success stories.

#### **Focus Area: Relationships**

TAFE NSW will prioritise its relationships with all stakeholders including Aboriginal and Torres Strait Islander colleagues, Aboriginal Businesses, Aboriginal communities and industry bodies. This includes hosting and attending networking events, maintaining membership of key industry bodies and actively engaging with Aboriginal business to support their development, growth and opportunity to participate in procurement opportunities and win government contracts.

#### **Focus Area: Respect**

Understanding of and respect for Aboriginal and Torres Strait Islander cultures, rights and experiences is critical for the successful implementation of this strategy. By embedding cultural education programs within TAFE NSW, we build stronger, more connected and culturally inclusive individuals and communities, which is paramount for successful Aboriginal business engagement.

#### **Focus Area: Governance**

TAFE NSW is committed to ensuring the procurement framework supports the implementation of this APS. This will include reviewing policy and establishing a reporting framework to monitor compliance. Periodic reviews and reporting will maintain TAFE NSW's accountability and transparency. As TAFE NSW's buyer behaviour matures, we will review and refine initiatives and associated activities to ensure they are relevant to the current market and supplier trends, and in accordance with changing NSW Government procurement policies and targets.

#### **Upcoming Procurement Opportunities**

In accordance with the APP, agencies are required to identify any upcoming procurement initiatives valued over \$7.5M where they may be an opportunity for Aboriginal participation. Participation opportunities may



include direct contracting, subcontracting or support of Aboriginal and Torres Strait Islander People and Businesses as set out in the supplier's Aboriginal Participation Plan.

Category	*Opportunity / Projects

Suppliers are encouraged to visit the <u>NSW Government eTendering system</u> to view a list of Government prequalification and tender opportunities.

#### **Initiatives**

Supporting this Strategy are a series of initiatives that are outlined in Appendix 1.

#### **Document Approval History**

Version	Date	Approved by	Amendment
1	08 May 2020	Chief Financial Officer	Final Approved
3	April 2021	General Manager, Procurement	Annual update to reflect APP 2021
4	March 2023	Director, TAFE Procurement	Annual update



#### **Appendix 1 - Initiatives**

The Director, TAFE Procurement will be accountable for the implementation of the initiatives within the TAFE NSW Aboriginal Participation Strategy.

	Focus Area	Key Initiative	Procurement Activity	Activities	Responsible	Accountable	Timeframe
1	Relationships	Collaborate with other organisations to develop relationships and attend networking events.	Supplier Relationships	Encourage the attendance of Regional Aboriginal Engagement teams to local industry networking events for Aboriginal businesses hosted by Supply Nation, the NSW ICC or other NSW Government organisations.	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Ongoing
2	Relationships	Collaborate with other organisations to develop relationships and attend networking events.	Capability (Internal)	Engage with business stakeholders to leverage supplier relationships with industry bodies and raise awareness of sustainable procurement outcomes and opportunities to include Aboriginal businesses in supply chains.	Directors, Procurement	Directors, Procurement	Ongoing
3	Relationships	Collaborate with other organisations to develop relationships and attend networking events.	Supplier Relationships	Champion the engagement of Aboriginal communities and businesses in forums, roadshows or social media activities held with our strategic suppliers.	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Ongoing
4	Relationships	Maintain membership of industry bodies such as Supply Nation and the NSW ICC.	Supplier Relationships	Maintain active membership with Supply Nation and NSW ICC, either through the NSW Government's overarching membership, or via specific TAFE NSW membership.	Director of Procurement Capability & Governance	Director, TAFE NSW Procurement	Ongoing
5	Relationships	Maintain membership of industry bodies such as Supply Nation and the NSW ICC.	Reporting	Ensure ongoing access for TAFE NSW staff to databases of Aboriginal businesses registered and/or certified with Supply Nation and the NSW ICC.	Director of Procurement Capability & Governance	Director, TAFE Procurement	Ongoing
6	Relationships	Maintain membership of industry bodies such as Supply Nation and the NSW ICC.	Supplier Relationships	Collaborate with Supply Nation and the NSWICC to implement the APS.	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Ongoing
7	Relationships	Identify specific procurement opportunities for Aboriginal businesses.	Pipeline	Identify, implement and monitor projects with a contract value of \$7.5 million or more, and identify eligible Aboriginal Participation opportunities	Directors, Procurement	Directors, Procurement	Ongoing



8	Relationships	Identify specific procurement opportunities for Aboriginal businesses.	Supplier Relationships	Connect relevant Aboriginal businesses with TAFE NSW Corporate, Regional and Delivery Business Units and staff purchasing goods and services on behalf of TAFE NSW.	Directors, Procurement	Director, TAFE NSW Procurement	Ongoing
9	Relationships	Engage with Aboriginal businesses within each Region.	Supplier Relationships	Connect Aboriginal businesses that are not yet prequalified on Whole-of-Government Prequalification Schemes to the NSW Treasury concierge service that assists Aboriginal businesses to become prequalified.	NSW Treasury	Director of Procurement Capability & Governance	Ongoing
10	Relationships	Engage with Aboriginal businesses within each Region.	Supplier Relationships	Meet with Aboriginal businesses already supplying to TAFE NSW to explore opportunities to increase spend with these businesses, from TAFE NSW as well as other NSW Government agencies.	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Ongoing
11	Respect	Participate in Aboriginal cultural Education programs.	Capability	Support procurement staff to attend available training and information sessions that increase awareness of Aboriginal culture	People & Culture	Director, TAFE NSW Procurement	Ongoing
12	Responsibility	Work with Regional Engagement teams and relevant TAFE NSW Skills teams to deliver targeted development opportunities for local Aboriginal businesses.	Capability	Sourcing teams to proactively contact any unsuccessful Aboriginal businesses to offer sourcing debrief sessions.	Procurement Directors	Directors, Procurement	Ongoing
13	Governance	Implement a review and reporting framework to measure performance against targets set out in this document	Reporting	Report quarterly spend with Aboriginal businesses to social procurement stakeholders such as Supply Nation and Commonwealth-funded programs (i.e. AMEP).	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Ongoing
14	Governance	Implement a review and reporting framework to measure performance against targets set out in this document	Stakeholder Engagement	Nominate a Procurement representative to participate in the TAFE NSW Reconciliation Action Plan (RAP) Working Group and Coordination Committee.	Director of Procurement Capability & Governance	Director, TAFE NSW Procurement	Ongoing
15	Governance	Articulate the preference for sourcing from Aboriginal businesses in the TAFE NSW Procurement Policy	Framework	Update TAFE NSW Procurement Policy to align to requirements within the APP including any categories excluded from consideration under the policy.	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Ongoing
16	Governance	Articulate the preference for sourcing from Aboriginal	Framework	Publish and maintain an intranet Buyer's Guide on Social Procurement which supports engagement of Aboriginal businesses and include a list of local Aboriginal businesses.	Director of Procurement	Director of Procurement	Ongoing

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		businesses in the TAFE NSW Procurement Policy			Capability & Governance	Capability & Governance	
17	Governance	Articulate the preference for sourcing from Aboriginal businesses in the TAFE NSW Procurement Policy	Framework	Develop a Social Procurement Compliance Register in respect to supporting Social Enterprises which includes Aboriginal businesses	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Ongoing
18	Governance	Review and update TAFE NSW Procurement Framework	Framework	Review procurement governance templates such as the Procurement Strategy and evaluation plan to encourage including non-price criteria supporting Aboriginal participation, and appoint, where appropriate, an Aboriginal representative on the Tender Evaluation Team.	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Ongoing
19	Governance	Review and update TAFE NSW Procurement Framework	Framework	Develop and maintain an eProcurement sourcing library questions that enable preference and consideration to Aboriginal businesses and support APP compliance including the declaration and evaluation of past performance in Aboriginal participation contracts.	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Ongoing
20	Governance	Review and update TAFE NSW Procurement Framework	Framework	Simplify tender documentation and language where possible, to ensure requirements are easily understood. This will include word limits, use of plain English.	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Ongoing
21	Governance	Review and update TAFE NSW Procurement Framework	Capability	Conduct tender briefing sessions for all significant procurements at \$7.5 million or more to ensure suppliers understand the APP requirements in sourcing events.	Directors, Procurement	Directors, Procurement	Ongoing
22	Governance	Review and update TAFE NSW Procurement Framework	Framework	Require tenderers to submit a draft Aboriginal Participation Plan for sourcing at \$7.5 or more during the procurement process that sets out how the tenderer plans to meet the Aboriginal participation requirements	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Ongoing
23	Governance	Review and update TAFE NSW Procurement Framework	Framework	Require successful suppliers to implement an Aboriginal Participation Plan for contracts at \$7.5 or more, report quarterly on Aboriginal participation requirements, and submit a final report on contract completion.	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Ongoing
	Relationships	Engage with Aboriginal businesses within each Region.	Stakeholder Engagement	Identify regional 'Aboriginal procurement champions' to support local businesses and staff and communicate to Aboriginal businesses via the internet.	Director of Procurement	Director of Procurement	Complete

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				Capability & Governance	Capability & Governance	
Respect	Participate in the implementation of the TAFE NSW Innovate RAP	Capability	Procurement Representative to be appointed to the Reconciliation Implementation Coordination Committee (RICC).	Project Manager  - Reconciliation Action Plan	Director, TAFE NSW Procurement	Complete
Responsibility	Ensure all internal procurement training addresses supplier diversity, specifically the NSW Government's Aboriginal Procurement Policy and the Small and Medium Enterprises and Regional Procurement Policy	Capability	Review and update all procurement training templates to reflect TAFE NSW supplier diversity policies and commitments.	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Complete
Responsibility	Offer tailored procurement training sessions and training to relevant TAFE NSW stakeholder groups.	Capability (Internal)	Provide training to TAFE NSW Contract and Sourcing Managers on the NSW Government APP requirements to support social and sustainable procurement objectives including use of Aboriginal businesses.	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Complete
Responsibility	Work with appropriate internal stakeholders and industry to promote Aboriginal businesses to TAFE NSW staff.	Stakeholder Engagement	Develop and implement a Communication Plan to raise awareness of the APS across the broader TAFE NSW community	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Complete
Responsibility	Work with appropriate internal stakeholders and industry to promote Aboriginal businesses to TAFE NSW staff.	Supplier Relationships	Consult with Aboriginal Engagement Teams to consider implementing of a Team site to promote the APS and as a way of identifying Aboriginal Businesses in specific regions and categories.	Regional Aboriginal Engagement teams	Director of Procurement Capability & Governance	Complete
Governance	Comply with the requirements set out in the APP and RAP.	Frameworks	Publish on the TAFE NSW intranet and internet websites information on the Procurement Board complaints process and details of the NSW Deputy Ombudsman (Aboriginal Programs) and their role in respect of monitoring the policy.	Director of Procurement Capability & Governance	Director of Procurement Capability & Governance	Complete
Governance	Comply with the requirements set out in the APP and RAP.	Stakeholder Engagement	Gain endorsement of this APS by the RACC and Focus Group.	Director of Procurement Capability & Governance	Director, TAFE NSW Procurement	Complete

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	Go	overnance	Implement a review and	Reporting	Develop a standard report on Aboriginal business spend to	Director of	Director of	Ongoing
1			reporting framework to measure		be part of the procurement dashboard and form part of	Procurement	Procurement	
1			performance against targets set		procurement reporting to RACC, Focus Group and	Capability &	Capability &	
1			out in this document		Accreditation	Governance	Governance	
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