LOCAL JOBS FIRST
COMMISSIONER

AUDITING LOCAL JOBS FIRST COMPLIANCE

A guide for agencies

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1 Purpose

This document sets out the Local Jobs First Commissioner's approach to audit as one means of effectively discharging the Commissioner's monitoring and compliance function under the *Local Jobs First Act 2003* (the Act).

Specifically, this document sets out:

- the Commissioner's procedure for audit that promotes transparency, consistency and procedural fairness
- a framework to establish 3 levels of audit, where levels 1 and 2 are underpinned by the Commissioner's regulatory powers under section 23 of the Act, and level 3 audits which while not underpinned by statutory powers, are undertaken proactively to assess compliance to help regulated entities to continuously improve
- a non-exhaustive list of items of evidence that can be requested of an agency, reviewed and assessed as part of an audit to verify and validate reported data against Local Jobs First commitments.

2 About Local Jobs First

Local Jobs First is the scheme established under the Act and, as set out in the Act, any regulations made under the Act and the Local Jobs First Policy. For the purposes of the Act, the Local Jobs First Policy includes any guidelines or material prepared by the Minister responsible for Local Jobs First regarding the application of, and procedures to be followed in complying with the Act, the regulations or the Local Jobs First Policy. This includes the Local Jobs First Policy document, Local Jobs First Agency Guidelines and Local Jobs First Supplier Guidelines.

Local Jobs First is administered by the Department of Jobs, Skills, Industry and Regions (DJSIR).

Local Jobs First is mandatory and must be applied by all Victorian Government agencies defined as either a public body or a department under section 3 of the *Financial Management Act 1994,* and suppliers, contractors and grant and loan recipients for projects that fall within the scope of Local Jobs First.

Detailed instructions that agencies and suppliers must follow to ensure compliance with Local Jobs First are provided in the Agency Guidelines and Supplier Guidelines, which are publicly available on the Local Jobs First Key Documents page.

In line with the Act, the Local Jobs First Policy includes the policy document, the Victorian Industry Participation Policy, the Major Projects Skills Guarantee, Agency Guidelines and Supplier Guidelines.

3 Scope and application

The scope of this document is limited to agencies and the Local Jobs First Commissioner conducting audits in relation to Local Jobs First as defined under the Act.

While the scope of this guide is limited to agencies, it may be useful to suppliers and contractors to audit and improve their own systems and procedures for compliance with Local Jobs First obligations.

3.1 Audits under Local Jobs First

Audits are a part of the Local Jobs First scheme:

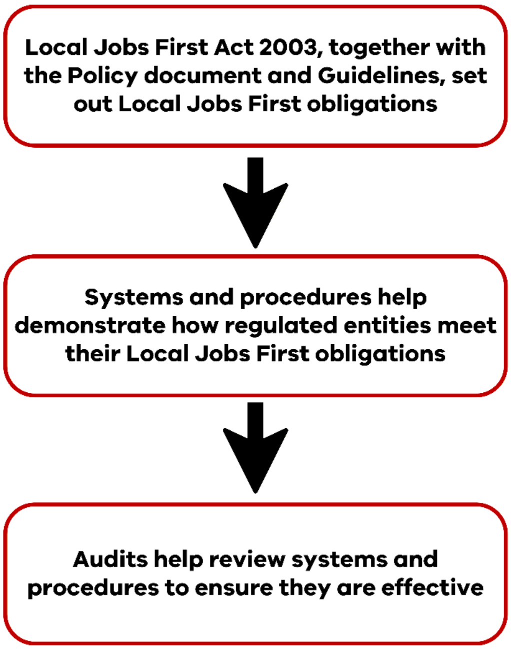
- **Guidelines:** audits are mentioned in the Local Jobs First Agency Guidelines and the Local Jobs First Supplier Guidelines which state that compliance with Local Jobs First obligations is 'audited regularly to investigate and report on the application of Local Jobs First'.

- **Commissioner:** audits are part of the Commissioner's powers, under section 23, to request agencies to undertake audits and report on compliance with Local Jobs First and the Local Industry Development Plan (LIDP). The Commissioner may also conduct its own monitoring activities in the performance of its monitoring and compliance reporting function under section 18 of the Act.
- **Agencies**: audits are a useful step to help agencies demonstrate they are discharging their obligations under section 4D of the Act to monitor and take all reasonable steps to manage compliance.
- **Suppliers:** audits can help suppliers demonstrate that they are complying with Local Jobs First requirements and commitments. This can include ensuring they are keeping and maintaining strong supporting evidence to demonstrate compliance with LIDP commitments.

3.2 The Commissioner's approach to audits

The Commissioner's approach to audits is based on helping agencies review and assess compliance, identify areas of improvement, enabling each person to fulfil their Local Jobs First obligations forming a chain-of-compliance.

The link between Local Jobs First obligations, systems and procedures, and audits is shown below:



The Commissioner's approach to systems and procedures is underpinned by the following principles:

- **Documented:** systems or procedures are documented, auditable and traceable such as in documents, digital filing systems or software.
- **Tailored:** systems and procedures used to achieve compliance with Local Jobs First obligations are appropriate for, and can be adequately scaled to, the size, complexity and risk profile of each project.
- **Integrated:** systems and procedures are integrated into existing systems rather than a separate, standalone system. For example, part of business management systems, enterprise risk management systems and other systems that manage compliance with other requirements such as quality, health and safety.

4 Types of audit

The Commissioner has established 3 types of audit as part of the Commissioner's audit framework[1]:

- Level 1 audit
- Level 2 audit
- Level 3 audit

The proceeding sections of this document set out the Commissioner's approach to audits.

4.1 Level 1 audit

Level 1 audits are intended to provide a high-level assessment of the effectiveness of the systems and procedures an agency uses to ensure compliance with Local Jobs First and the LIDP.

It is intended that these audits are undertaken by an agency's staff (such as the internal audit team) and can include agencies with standard projects, strategic projects or both. The level 1 audit tool (see Appendices) is used to conduct the audit.

The process the Commissioner generally adopts when requesting agencies conduct a level 1 audit include the following 4 key actions:

Level 1 audit action	Details
1. Commissioner notifies agency	The Commissioner issues to an agency an audit request to conduct a level 1 audit. This audit request is issued using the Commissioner's powers under section 23(1) of the Act to request an agency to undertake an audit.
2. Agency to conduct the audit and submit draft audit report	Agencies may be requested to use the level 1 audit tool to undertake an audit in accordance with the terms of reference set out in the audit request. It is intended that such audits are undertaken by the agency's internal audit team. The terms of reference may request the agency include a corrective action plan as part of their report and provide that report within 5 weeks.
3. Commissioner to review audit report	On receipt, the Commissioner will review both the completed audit (to ensure it has been completed accurately and objectively) as well as the corrective action plan (to ensure corrective actions are SMART[2] and address the audit findings). The Commissioner's approach is to provide this feedback on the draft audit report within 14 days.
4. Closure of corrective actions	The agency is expected, but not required, to consider the Commissioner's feedback and complete all corrective actions listed in their corrective action plan. Once all corrective actions listed in the corrective action plan are closed, the agency is requested to notify the Commissioner. Depending on the scope, nature and risks of the corrective actions, the Commissioner may meet with the agency to track and monitor their closure.

[1] The Commissioner adopts a risk-based approach to determine which audits to conduct. Several factors are considered including: the nature and value of the Local Jobs First projects involved, any known issues, maturity of an agency's project governance and prior experience, and previous compliance history.

[2] SMART means specific, measurable, achievable, relevant and time-bound.

4.2 Level 2 audit

Level 2 audits are intended to provide a detailed assessment of the effectiveness of the systems and procedures an agency uses to ensure compliance with Local Jobs First and the LIDP.

It is intended that these audits are undertaken by an agency's staff (such as the internal audit team). The level 2 audit tool (see Appendix 2) is used to conduct the audit. While it can be applied to agencies with standard projects, level 2 audits are primarily for agencies with strategic projects. The process the Commissioner generally adopts when requesting agencies conduct a level 2 audit include the following 4 key steps:

Level 2 audit action	Details
1. Commissioner notifies agency	The Commissioner issues to an agency an audit request to conduct a level 2 audit. This audit request is issued using the Commissioner's powers under section 23(1) of the Act to request an agency to undertake an audit.
2. Agency to conduct the audit and submit audit report	Agencies may be requested to use the level 2 audit tool to undertake an audit in accordance with the terms of reference set out in the audit request. It is intended that such audits are undertaken by the agency's internal audit team. The terms of reference may request the agency include a corrective action plan as part of their report and provide that report within 8 weeks.
3. Commissioner to review audit report	On receipt, the Commissioner will review both the completed audit (to ensure it has been completed accurately and objectively) as well as the corrective action plan (to ensure corrective actions are SMART[3] and address the audit findings). The Commissioner's approach is to provide this feedback on the audit report within 21 days.
4. Closure of corrective actions	The agency is expected, but not required, to consider the Commissioner's feedback and complete all corrective actions listed in their corrective action plan. Once all corrective actions listed in the corrective action plan are closed, the agency is requested to notify the Commissioner. Where there are multiple corrective actions, the Commissioner's approach is to meet with the agency to track and monitor the closure of corrective actions.

4.3 Level 3 audit

A level 3 audit is an audit conducted at the agency's office by the office of the Local Jobs First Commissioner to give effect to the Commissioner's function to monitor and report on compliance with the Local Jobs First obligations under section 18 of the Act. Level 3 audits are intended to provide the Commissioner with information about an agency's compliance with Local Jobs First and the LIDP. While applicable to agencies with standard projects, level 3 audits are primarily intended for agencies with strategic projects.

While not mandatory, during a level 3 audit the Commissioner may undertake the following activities:

- request information and documents related to Local Jobs First obligations
- ask questions about Local Jobs First related systems, procedures, policies, process and documents
- request to view or ask for copies or screenshots of systems or procedures
- take notes of information presented.

[3] SMART means specific, measurable, achievable, relevant and time-bound.

The process the Commissioner adopts when conducting a level 3 audit includes the following 5 key steps outlined in the table below:

Level 3 audit action	Details
1. Commissioner notifies the agency	The Commissioner issues to an agency a request to conduct a level 3 audit at the agency's premises. The request would typically include a list of documentation and materials that explain the context and evidence base of reporting on Local Jobs First commitments. A level 3 audit assists the Commissioner to proactively monitor compliance in furtherance of the Commissioner's general monitoring and compliance reporting function under the Act.
2. Commissioner conducts the audit	The Commissioner undertakes level 3 audits onsite at the agency's premises. Following the onsite audit, the Commissioner may request the agency to provide any additional outstanding evidence within 5 days post-audit.
3. Review of draft audit report	The Commissioner's approach is to issue a draft audit report to the agency 14 days after the audit. The Commissioner may request the agency to provide written feedback on the draft report within 7 days. The Commissioner's approach is to review this feedback and if necessary, update and amend the audit report before issuing the final audit report to the agency.
4. Corrective action plan	The agency is requested to provide a corrective action plan that addresses any findings in the audit report within 21 business days of receiving the final audit report. The Commissioner's approach is to review and provide feedback on the agency's proposed corrective actions within 5 days of receiving the agency's corrective action plan to ensure they both are SMART and address the audit findings.
5. Closure of corrective actions	Once all corrective actions listed in the corrective action plan are closed, the agency is requested to notify the Commissioner. Where there are multiple corrective actions, the Commissioner's approach is to meet with the agency to track and monitor the closure of corrective actions arising from the level 3 audit.

5 Evidence for audits

Given the variation between projects, agencies, suppliers and contractors, the Commissioner neither prescribes nor mandates what evidence is used as 'strong supporting evidence to demonstrate compliance with LIDP commitments'[4]. Instead, the Commissioner's approach is to have regard to the facts and circumstances of each project and that the supporting evidence is effective to verify and validate compliance with LIDP commitments.

5.1 Considerations

The following considerations illustrate how the nature of the goods, services or commitments may impact the type of evidence used to demonstrate compliance. The non-exhaustive list of considerations provided below are intended to assist compliance of agencies and suppliers and should not be considered a checklist for compliance.

[4] Refer to the Local Jobs First Agency Guidelines and Local Jobs First Supplier Guidelines.

The Commissioner's approach is to have regard to the relevance and sufficiency of evidence, and the fact and circumstances of each project.

Evidence for consideration[5]	Example
Local by nature goods and services	Evidence is not usually required to demonstrate local content.
Contestable goods	Physical or documentary evidence that verifies production has occurred in an Australian or New Zealand facility.
Contestable services	Records demonstrating that the work was allocated to an Australia or New Zealand based entity.
MPSG hours	Records demonstrating that work was allocated to an apprentice, trainee or cadet. Documentary evidence demonstrating the eligibility of that apprentice, trainee or cadet.
Contestable goods with complex supply chains	Where it is not reasonably practicable to provide evidence for locally added value at each step in a supply chain, a reasonable estimate of local content agreed with the agency based on obtainable evidence.

5.2 Examples

Both the Local Jobs First Agency Guidelines and the Local Jobs First Suppliers Guidelines discuss the importance of keeping and maintaining strong supporting evidence to demonstrate compliance with LIDP[6]. The non-exhaustive list of examples provided below are intended to assist agencies and suppliers comply and should not be considered a checklist for compliance. The Commissioner's approach is to have regard to the relevance and sufficiency of evidence and the fact and circumstances of each case.

Type	Examples
Country of origin label	Made in Australia
Stamping and imprints	Steel stamped with heat numbers that can be traced to the mill, such as batch, cast, plate, piece, heat number, steel grade or EN 1090 standard
Witness testing / direct observation	Directly observing staff working or installing, loading, transporting, moving items onsite
Purchase orders and invoices	Purchase orders and invoices that show traceability from supplier including the specific factory or work order number including: ▪ material tracking systems ▪ bills of lading ▪ purchase claims ▪ certified chain of custody records

[5] Physical and documentary evidence, rather than testimonial evidence, should be relied on as strong supporting audit evidence to demonstrate compliance with LIDP commitments. Testimonial evidence would include file notes of verbal information such as phone calls or discussions with suppliers through meetings or forums.

[6] This may also be useful for Part 4 Verification and validation of the level 1 audit tool and Part 4. Verification and validation of the level 2 audit tool.

Type	Examples
Certificates and statements	Certificates and statements can be used as evidence if associated documentation verifies the manufacturing location. These could include: ▪ Certificate of Origin (including shipping or import certificates) ▪ Certificate of Conformity (such as CodeMark, WaterMark) ▪ certificate of approval ▪ compliance statement ▪ mill test certificate (MTC) ▪ milling test report (MTR) ▪ quality assurance certificate ▪ Ethical Clothing Australia certification ▪ manufacturer's product technical statement
Records	▪ Victorian Registration and Qualifications Authority (VRQA) registration number ▪ Australian Skills Quality Authority (ASQA) registration number ▪ timesheets ▪ attendance records and logs ▪ photographs

6 Appendices

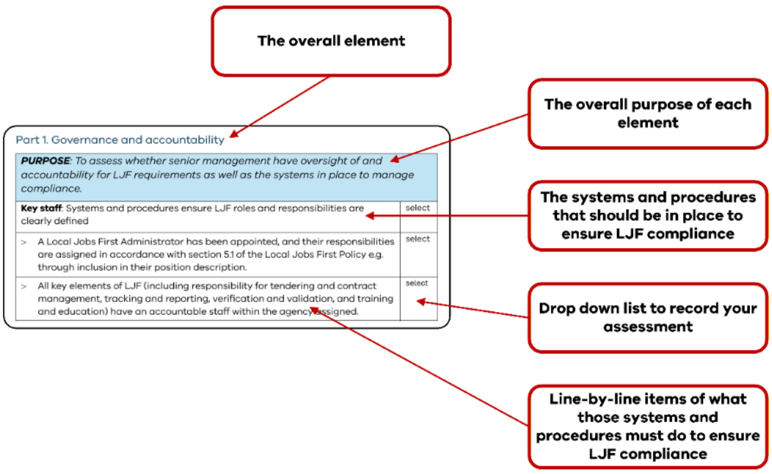
Level 1 audit tool

How to use it

Level 1 audit tool is used by the agency to conduct a level 1 audit. The tool is structured around 5 key elements shown in the diagram below:

Sitting under these elements are the detailed systems and procedures[7] that document how Local Jobs First project operations are done and can include process documents and maps, procedures, frameworks, standard operating procedures (SOP), arrangements, work instructions, issues and change logs, manuals, policies, templates, forms, online file systems and training materials which assist the agency to achieve compliance with their Local Jobs First obligations.

Beneath systems and procedures are the line-by-line items of what systems and procedures must do to ensure compliance. As shown in the diagram below, each line item has a drop-down list that can be selected to record your assessment:



[7] Given the dynamic environment of projects where personnel and project focus can change, implementing adequate systems and procedures provides a reliable record of compliance, improves efficiency and effectiveness and ensures Local Jobs First obligations, like other project requirements, are able to be tracked and met over the life of the project.

Assessment items

Part 1. Governance and accountability

PURPOSE: To assess whether senior management have oversight of and accountability for Local Jobs First obligations as well as the systems in place to manage compliance.		
Who is the person assigned Local Jobs First Administrator with your agency?		Insert name of person
Processes are in place to escalate potential non-compliances with Local Jobs First, including notifying the Commissioner.	select	Attach evidence such as email or other communications
All key elements of Local Jobs First (including responsibility for tendering and contract management, tracking and reporting, verification and validation, and training and education) have an accountable person assigned.	select	Attach evidence such as work instructions or position descriptions

Part 2. Tendering and contract management

PURPOSE: To assess whether Local Jobs First obligations are integrated into tenders and contracts to incentivise compliance.		
Local Jobs First obligations and model clauses are part of the market approach and contract documentation.	select	Attach evidence such as work instructions or procedures
The final agreed LIDP is attached to the contract as a project deliverable.	select	Attach evidence such as excerpt from a contract

Part 3. Tracking and reporting

PURPOSE: To assess whether tracking and reporting is complete, correct and timely.		
Regular reporting throughout the project is undertaken according to Local Jobs First obligations.	select	Attach evidence such as work instructions or procedures
Contractor reports are reviewed and approved in the Victorian Management Centre (VMC) ahead of each 6-monthly and annual report data extraction.	select	Attach evidence such as excerpt from the contract

Part 4. Verification and validation

PURPOSE: To assess whether adequate evidence of compliance is verified and validated providing assurance that contractors and subcontractors are meeting their Local Jobs First obligations.		
People or teams (usually the agency internal audit team) have a remit for carrying out verification and validation of Local Jobs First data.	select	Attach evidence such as work instructions or procedures

Defined methods and processes to validate Local Jobs First related data such as desktop reviews of evidence, audits, inspections, site visits and on-site validation and witness testing.	select	Attach evidence such as work instructions or procedures

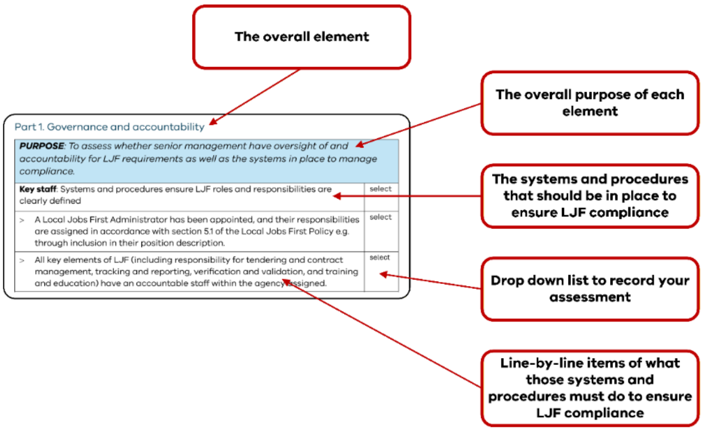
Level 2 audit tool

How to use it

The Level 2 audit tool is used by the agency to conduct a level 2 audit. The tool is structured around 5 key elements shown in the diagram below:

Sitting under these elements are the detailed systems and procedures[8] that document how Local Jobs First project operations are done and can include process documents and maps, procedures, frameworks, standard operating procedures (SOP), arrangements, work instructions, issues and change logs, manuals, policies, templates, forms, online file systems and training materials which assist the agency to achieve compliance with their Local Jobs First obligations.

Beneath systems and procedures are the line-by-line items of what the systems and procedures must do to ensure compliance. As shown in the diagram below, each line item has a drop-down list that can be selected to help assess compliance:



[8] Given the dynamic environment of projects where personnel and project focus can change, implementing adequate systems and procedures provides a reliable record of compliance, improves efficiency and effectiveness and ensures Local Jobs First obligations, like other project requirements, are able to be tracked and met over the life of the project.

Assessment items

Part 1. Governance and accountability

PURPOSE: To assess whether senior management have oversight of and accountability for Local Jobs First obligations as well as the systems in place to manage compliance.	
Key staff: Systems and procedures ensure Local Jobs First roles and responsibilities are clearly defined.	select
• A Local Jobs First Administrator has been appointed and their responsibilities are assigned in accordance with clause 2.1 of the Local Jobs First Agency Guidelines, for example through inclusion in their position description.	select
• All key elements of Local Jobs First (including responsibility for tendering and contract management, tracking and reporting, verification and validation, and training and education) are assigned an accountable agency staff member.	select
Governance groups/committees: Systems and procedures ensure project governance groups and committees are set up to manage Local Jobs First obligations.	select
• Processes related to project governance groups, teams or committees[9] include Local Jobs First obligations as part of their oversight function.	select
• Processes are in place to ensure regular monitoring of Local Jobs First deliverables by project management staff.	select
• Processes are in place to escalate potential non-compliances with Local Jobs First, including notifying the Commissioner.	select
Management of change: Systems and procedures minimise adverse impacts to Local Jobs First delivery from changes in staff and the operational environment.	select
• Changes to Local Jobs First projects or staff responsibilities and accountabilities are managed through internal management of change processes.	select
• The Commissioner's office and DJSIR are notified of changes to key personnel (including the Local Jobs First Administrator[10] and primary project contacts) or changes to the project phase such as moving from tendering to contract execution.	select
• Systems and procedures related to Local Jobs First are reviewed, maintained and kept up to date.	select
Notes	

[9] For example, the Project Control Group and Project Steering Committee.

[10] Under the Local Jobs First Agency Guidelines each agency is required to have a Local Jobs First Administrator.

Part 2. Tendering and contract management

PURPOSE: To assess whether Local Jobs First obligations are integrated into tenders and contracts to incentivise compliance.	
Project registration and notification: Systems and procedures ensure project registration and ICN notification is undertaken according to Local Jobs First obligations.	select
• Project registration on the VMC occurs no less than 30 days before the release of tender documentation to bidders.	select
• ICN notified of appointed supplier through the VMC within 5 business days of awarding a contract.	select
Request for tender: Systems and procedures ensure Local Jobs First obligations and model clauses are part of the request for tender process.	select
• Tender documents accurately reflect the minimum local content for the project and include any additional obligations set by the Minister.	select
• The latest Local Jobs First model clauses are included in the approach to market and contract documents and match the type of LIDP stated in the strategic project framework.	select
• Where Local Jobs First model clauses have been modified, they are consistent with the objectives and principles of the policy and relevant approval was obtained prior to modification.	select
Tender evaluation: Systems and procedures ensure tenders are assessed and reviewed according to Local Jobs First obligations.	select
• Mandatory weightings of 10% for local industry development and 10% for job outcomes are applied during the tender evaluation process.	select
• As part of the tender evaluation process, the agency has reviewed LIDP commitments and addresses issues with bidders regarding LIDP and/or those raised in the ICN Achievability Rating Report11 and applied deprioritisation weightings, where applicable.	select
• Bidders are requested to resubmit their LIDP if: o further clarification is required o there are mistakes o the LIDP is assessed as 'high risk' o to address recommendations in the ICN Achievability Rating Report.	select
• Agency's project manager notifies ICN through the VMC that a bidder is going to resubmit their LIDP.	select
Contracts: Systems and procedures ensure contracts hold suppliers accountable for Local Jobs First and LIDP commitments.	select
• Ministerial requirements are accurately and unambiguously reflected in LIDP requirements.	select
• LIDP are written with clear, unambiguous, objectively measurable requirements and commitments which are not subject to misinterpretation.	select

[11] Formerly known as Local Jobs First Risk Evaluation Report.

• Contracts include a contingency amount that is appropriate to incentivise compliance and consistent the DJSIR's guidance.	select
• Contracts include the most recent Local Jobs First model clauses published at the time of contract execution.	select
Significant diversions and scope changes: Systems and procedures ensure significant diversions and scope changes are managed according to Local Jobs First obligations.	select
• Sourcing changes are reviewed to determine whether they meet significant diversion thresholds.	select
• Significant diversion review processes are complied with, including timelines for notifying DJSIR, the Commissioner and ICN, where applicable.	select
• Project scope and value changes are reviewed to determine whether they meet minor or major change thresholds.	select
• Processes for minor or major change to project scope and value processes are complied with.	select
Notes:	

Part 3. Tracking and reporting

PURPOSE: To assess whether tracking and reporting is complete, correct and timely.	
Regular reporting: Systems and procedures ensure regular reporting is undertaken throughout the project according to Local Jobs First obligations.	select
• Overall LIDP commitments, as well as any other commitments that form part of the LIDP, are identified, tracked and monitored.	select
• All Ministerial requirements, and commitments from associated documents (such as sourcing plans) are identified, tracked and monitored.	select
• Contractor reports are reviewed and approved in the VMC ahead of each 6-monthly and annual report data extraction.	select
• Project details in commencement reports on the VMC are correct and contracts have been awarded.	select
• Suppliers are reporting in the VMC at their contractually agreed frequency.	select

Completion reporting: Systems and procedures ensure final and completion reporting and statutory declarations are undertaken in accordance with Local Jobs First obligations.	select
• The final Local Jobs First monitoring table accurately reflects the agreed LIDP commitments.	select
• Statutory declarations state that the information in the monitoring table is true, correct and signed by the supplier's company director, chief executive or chief financial officer.	select
• Completed Local Jobs First monitoring table and signed statutory declaration are uploaded in the VMC.	select
• Late reporting by contractors is promptly managed and addressed.	select
• The Local Jobs First Commissioner is notified of completion reports not submitted within 90 days of practical completion.	select
Identifying and managing discrepancies: Systems and procedures ensure discrepancies in reporting are identified and managed.	select
• Differences between expected and achieved Local Jobs First outcomes are explained including to the ICN where required.	select
• Inaccurate Local Jobs First monitoring table and/or signed statutory declarations are returned to the supplier.	select
• Certification of outcomes is provided to the ICN through the VMC.	select
• DJSIR is notified of suppliers failing to provide adequate reporting information.	select
• Notification to DJSIR includes explanations of failures and any actions taken under the contract.	select

Notes:

Part 4. Verification and validation

PURPOSE: To assess whether adequate evidence of compliance is verified and validated providing assurance that contractors and subcontractors are meeting their Local Jobs First obligations.	
Responsibility: Systems and procedures ensure staff are assigned responsibility for verifying and validating Local Jobs First data.	select
• Persons or teams (such as the project management, procurement or internal audit team) in the agency have a remit for carrying out verification and validation of Local Jobs First data.	select
• Staff resources assigned to verification and validation are proportionate to the risk of non-compliance.	select
Methods and processes: Systems and procedures ensure adequate methods and processes for verifying and validating Local Jobs First-related data.	select
• Clearly defined methods and processes exist to validate Local Jobs First-related data, requirements such as desktop reviews of evidence, audits, inspections, site visits and on-site validation and witness testing.	select
• Frequency of undertaking these methods of validation, including ensuring a sufficient sample is selected, matches the risks of the project.	select
• Corrective actions arising from these methods and processes are tracked and managed to ensure timely close-out and completion.	select
• Predefined responses to identified compliance issues are documented and actioned.	select
• Accuracy of final reported outcomes are verified and validated through the above processes.	select
Evidence requirements: Systems and procedures ensure that objective, measurable evidence is used to verify and validate Local Jobs First-related data.	select
• Evidence requirements are explained to suppliers at the beginning of a project and agreed to.	select
• VIPP evidence relied on for validation is appropriate, such as certificates (quality assurance, mill, coating and testing) receipts, work orders, procedures, standards.	select
• MPSG evidence relied on for validation is appropriate to verify and validate MPSG data and risk-based, such as VRQA, ASQA and timesheets.	select
• Sufficiently large sample sizes are used for local content and MPSG evidence and the evidence selected for verification is randomised.	select
Records management: Systems and procedures ensure contractors and the agency maintain appropriate records related to Local Jobs First obligations.	select
• A log or register maintains the evidence received.	select
• Contractors and suppliers retain evidence to support verification of reported LIDP outcomes.	select
Notes:	

Part 5. Training and education

PURPOSE: To assess whether agencies, project teams, suppliers, contractors and subcontractors understand and are aware of the Local Jobs First obligations that apply.	
Internal training: Systems and procedures ensure that internal training covers Local Jobs First.	select
• Training covers the latest version of the Local Jobs First obligations provided in the Act, policy and guidelines.	select
• Training is delivered to all key personnel and teams with responsibilities for Local Jobs First.	select
• Staff are made aware of internal project governance groups, teams or committees, key personnel and the agency's governance processes for managing the delivery of Local Jobs First outcomes.	select
Supplier training: Systems and procedures ensure that training is provided to suppliers so that they are aware of Local Jobs First obligations:	select
• Training or communication is delivered to ensure suppliers and their subcontractors understand Local Jobs First obligations.	select
Lessons learned: Systems and procedures ensure lessons learned from past projects or audits improve Local Jobs First compliance:	select
• Lessons learned from internal or external audits related to Local Jobs First are incorporated into new business processes.	select
• Lessons learned are identified and recorded at the time of project completion.	select
• Lessons learned are shared, implemented, tracked and monitored.	select
Notes:	

Name of organisation	Local Jobs First Commissioner
Document title	Auditing Local Jobs First Compliance – A guide for agencies
Approved by	Acting Local Jobs First Commissioner
Date approved	7 September 2026
Last reviewed date	4 September 2026
Next review date	(1 year)
Responsible officer	Manager, Regulatory Compliance and Audit