Local jobs first policy

Agency Guidelines

Under the *Local Jobs First Act 2003*

May 2020

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# Overview

1. These guidelines are issued by the Minister for Jobs, Innovation and Trade to help agencies in the application of the Local Jobs First Policy and *Local Jobs First Act 2003* (the Act). They are mandatory to follow if you are applying Local Jobs First to a project. These guidelines should be read in conjunction with the Act, Local Jobs First Policy and Local Jobs First Supplier Guidelines.
2. Local Jobs First Projects are designated either Standard or Strategic, based off their value and/or ministerial determination. There are different processes for applying Local Jobs First to Standard Projects, Strategic Projects, and grants and loans.

A Local Jobs First Standard Project is a project:

* with a budget of $1 million or more in rural and regional Victoria; or
* with a budget of $3 million or more for state-wide projects or for projects in metropolitan Melbourne; or
* declared to be a Standard Project by the Minister under section 7A (1) of the Act.

A Local Jobs First Strategic Project is a project:

* with a budget of $50 million or more; or
* declared to be a Strategic Project by the Minister under section 7a(2) of the Act.

# Application

1. The Local Jobs First Policy and these guidelines apply to all entities defined as either a public body or a department under section 3 of the *Financial Management Act 1994*.
2. Advice regarding transitional arrangements for projects started under the former *Victorian Industry Participation Policy Act 2003* are outlined on the [Local Jobs First](https://localjobsfirst.vic.gov.au/) website.

# Starting a Project

1. The following steps apply to all Local Jobs First Standard and Strategic Projects as outlined in the Local Jobs First Policy. There are different processes for applying Local Jobs First (LJF) to market led proposals and grants and loans projects.

# Applying Local Jobs First

1. Application of LJF must be considered at the earliest practical stage of project initiation and development, as the pre-step to all others listed below.
2. If a project is likely to meet the LJF financial threshold then LJF must be considered in the business case and subsequent project design (including if administered through a competition) and development. Projects may undergo development for a period of months or years, LJF must be considered during this development, with each package of work requiring engagement with the Industry Capability Network Victoria (ICN).
3. LJF applies to all projects that meet the thresholds, regardless of the procurement strategy implemented by an agency. This includes instances where agencies may directly procure each individual minor works that contribute to a project or through a work order to an existing panel.
4. If the estimated project value is close to the financial threshold, then consideration should be given to applying LJF to avoid issues with non-compliance and delays to procurement processes caused by late application of LJF requirements. For example, if a package of construction works in metropolitan Melbourne is announced and is valued at $2.9 million, it is advisable to apply LJF. This also includes contingency spending that may send a project over the threshold.
5. The value of the project refers to the total budget allocated over the life of the project and not the value of individual contracts, excluding GST. This ensures opportunities for industry development and workers are maximised under Local Jobs First. For example:

* If a construction project involves stages such as early works, design, construction activities, maintenance, with a combined total value of $50 million or more, then the project must be treated as a Local Jobs First Strategic Project, with minimum local content requirements to be applied as specified by the Act and Minister for Jobs, Innovation and Trade.
* If a services project in regional Victoria involves annual delivery activities to the value of $500,000 per year for each over four years, this project would have a total value of $2 million and as such it would be treated as a Local Jobs First Standard Project.
* If the above project had an option to renew for a further four years, its total value would be $4 million and as such it would be treated as a Local Jobs First Standard Project irrespective of location.

1. The source of a project budget does not impact the application of the Local Jobs First Policy. For example, a project budget may be sourced from State Government appropriations, internal agency resources, grants, loans or other contributions, which together make up the project value for Local Jobs First Policy purposes.
2. To determine if your project is LJF applicable consider the following:
   1. Is your project a goods, service or construction activity that involves:
      * A **metropolitan or state-wide activity** valued at **$3 million or more, but less than $50 million?** If yes, your project may be an **LJF Standard Project**. Please refer to the LJF Standard process at Section 5 for more information and next steps.
      * A **regional activity valued at $1 million or more, but less than $50 million?** If yes, your project may be an **LJF Standard Project**. Please refer to the LJF Standard process at Section 5 for more information and next steps.
   2. **Is it a construction project valued at $20 million or more?** Then the Major Projects Skills Guarantee (MPSG) applies. Please refer to the LJF Strategic Project process at Section 6 for more information and next steps.
   3. **Is it valued at $50 million or more?** If yes, your project is automatically deemed a **Strategic Project** under the Act. Please refer to the LJF Strategic Project process at Section 7 for more information and next steps.
   4. **Are you giving a grant or loan that is valued at the LJF thresholds?** Then you must apply the grants process outlined in Section 9.
3. If you answered no to all of the above, then your project falls outside of the Local Jobs First Policy and no further action in relation to LJF is required.

Agencies need to consider the application of LJF at the earliest practical stage of project initiation and development to prevent the risk of non-compliance with the Local Jobs First Policy.

LJF applies to all projects that meet the thresholds, regardless of the procurement strategy implemented by an agency.

The value of the project refers to the total budget allocated over the life of the project and not the value of individual contracts, excluding GST. This ensures opportunities for industry development and workers are maximised under the Local Jobs First Policy.

Agencies should review the criteria for Local Jobs First applicability to determine whether it needs to be applied to a project. For any clarification, agencies should contact the Department of Jobs, Precincts and Regions.

# Applying Local Jobs First to Standard Projects

**Step 1 – Local Jobs First Standard Project Registration**

1. Before the release of the tender documents, agencies need to register the project including project specifications, scope of works and cost breakdown with the Victorian Local Jobs First Management Centre (VMC) (at [www.icnforce.com](https://icnvic.force.com/s/login/?ec=302&startURL=%2Fs%2F)). Project registration should occur no less than 30 days before the release of documents to bidders. If you do not have an account, you will be required to create one. If you require assistance, please contact the ICN Policy Implementation Team on (03) 9864 6700.
2. To register the project, agencies are required to provide the specifications, scope of works, project phasing information to the ICN. Please specify:

* if the project is part of a larger one, e.g. a quantity surveyor project which is part of a strategic design and construction project, and provide details of the overall project
* if the project is a panel contract by selecting the panel box
* the project type and category
* ensure all fields are completed before submitting the tender.

**Step 2 - Contestability assessment– Standard Projects only**

1. After you have registered the project on the VMC, the ICN will review the project specifications and assess contestable and non-contestable items and capable local suppliers. A contestable item is something that can be manufactured or provided competitively both locally and internationally. Non-contestable goods and services are those that are either local or international by nature, or those goods and services that can only be sourced internationally.
2. The ICN will issue the agency with a contestability assessment letter with a list of contestable and non-contestable items.
3. The agency must review the list of contestable and non-contestable items before they are included in the Local Industry Development Plan (LIDP) for bidders. A copy of this letter will be available to the Department of Jobs, Precincts and Regions (DJPR**). If the ICN determine a project has limited or nil contestability, then Local Jobs First still applies.**
4. The contestability assessment determines the type of LIDP that is required to be prepared by the bidder. There are different types of LIDPs that reflect the size and complexity of the project to ensure only the relevant information is captured by a bidder. For Standard projects, these include:

* Standard contestable Project
* Standard contestable Project with MPSG
* Standard Project, with nil or limited contestability

**Step 3 – Specify Local Jobs First requirements in tender documents and approach to market**

1. The agency must notify prospective bidders in tender documents of the LJF requirements, including Expressions of Interest, Requests for Proposals/Tenders and other processes. Model clauses can be found at [www.localjobsfirst.vic.gov.au/key-documents](http://www.localjobsfirst.vic.gov.au/key-documents) and are required to be used.
2. On a case by case basis, LIDPs are not required to be submitted where the agency must first assess bidders’ ability to meet technical capabilities and safety requirements in the first instance. This will be subject to the LJF Commissioner’s oversight to ensure that local players are not being locked out of the procurement process. Market approach documents will also be required to inform bidders that they will be subject to LJF and will be required to submit an LIDP at a later stage of the procurement process. Agencies will be required to seek agreement with the DJPR and inform the Commissioner via email when this process is being undertaken.
3. The model clauses to include must match the type of LIDP stated in the contestability assessment letter. For instance, a Standard Project with MPSG must include the Standard Project with MPSG model clauses.
4. Agencies are not to delete any part of the template model clauses (including any definitions).
5. The model clauses direct bidders to the VMC in which they will prepare a custom LIDP through an online form. Microsoft Word based LIDP are no longer in use.
6. Model clauses have been developed to be incorporated into project documents to be applied by the agency. Any variation to these clauses must be agreed by the agency’s LJF Administrator. (Refer to website – [www.localjobsfirst.vic.gov.au](http://www.localjobsfirst.vic.gov.au)).

**Step 4 – Bidders preparation and ICN acknowledgement of LIDP**

1. An ICN Industry Advisor will be available to assist bidders in preparing LIDPs
2. Bidders must submit an LIDP through the ICN’s VMC at [www.icnforce.com](https://icnvic.force.com/s/login/?ec=302&startURL=%2Fs%2F).
3. The LIDP is an online form.
4. A compliant LIDP must be submitted by bidders for any project subject to LJF.
5. An LIDP must reflect the size and complexity of the project. Preparation of an LIDP can take up to three weeks and is prepared by the bidders and submitted as part of the tender documents. Close consultation with the ICN is encouraged.
6. Information to be given in the LIDP will be contingent on the size and type of the project. Broadly, it will include information on:

* the industry development commitments (Victorian Industry Participation Policy (VIPP) commitments) (local content, technology transfer, supply chain engagement)
* the jobs outcomes commitments (new and retained jobs, training), including the MPSG commitments where applicable
* how the LIDP will be implemented and management of risks, including industry engagement strategies and selection and benchmarking of local content
* monitoring and reporting requirements, including those to be delivered as part of normal project management procedures
* the amount of Small to Medium Enterprises (SMEs) that will be engaged as part of the contract.

1. Agencies and DJPR have access to the submitted LIDPs, Acknowledgement Letters, contestability assessment and the ICN’s risk evaluation report from the VMC.
2. The ICN will acknowledge receipt of an LIDP and issue an Acknowledgement Letter to a bidder. The ICN will only issue the Acknowledgement Letter if:

* all sections of the LIDP are fully complete;
* the LIDP has been submitted within the specified tender timeframe; and
* the Statutory Declaration and all other conditions are agreed, including monitoring, reporting, auditing and compliance.

1. The ICN will also provide an LJF risk evaluation report to the agency, after a specified time form the tender close date, to help the agency with the tender evaluation process.
2. The ICN will rate a bidder’s likelihood of achieving the commitments on a scale of High Risk, Medium Risk and Low Risk. The risk rating reflects the ICN’s evaluation of the risk a bidder has in not meeting their stated commitments. The ICN will draw on their industry experience and internal benchmarking when making these determinations.
3. The ICN will inform a bidder and the agency in writing if the bidder’s LIDP has been deemed non-compliant due to incompleteness or inaccessible information being provided. When this happens, a non-compliance letter will be issued instead.
4. A tender proposal is not complete without an ICN Acknowledgement Letter, which is provided via email. This would mean the end of the procurement process for the bidder.

Agencies must register projects on the Victorian Local Jobs First Management Centre (VMC) prior to the release of tender documents.

The Industry Capability Network (ICN) will notify agencies of a project’s contestability.

Agencies must notify prospective bidders of Local Jobs First requirements within tender documents.

A **Local Industry Development Plan (LIDP)** must be provided by bidders to be eligible for any project subject to Local Jobs First.

The ICN can assist suppliers in completing an LIDP. The LIDP review function and identification of local goods and services and other assistance functions are administered by the ICN separately from one another. This is for reasons of probity and privacy. Agencies are required to report on Local Jobs First outcomes, including local content and jobs to be delivered on the project and actual achievements, irrespective of the contestability assessment.

The ICN will issue an Acknowledgement Letter to a bidder if the LIDP has been completed properly and submitted on time.

The ICN will provide an LJF risk evaluation report to the agency to help the agency with the tender evaluation process.

**A tender proposal is not complete without an ICN Acknowledgement Letter.**

**Step 5 – Final tender evaluation and consideration of LIDP**

1. Bidders must submit their LIDP and ICN Acknowledgement Letter to the agency. Only bidders with an ICN acknowledged LIDP may be considered by the agency during selection of the preferred bidder.
2. The agency must use the LJF risk evaluation report completed by the ICN in the tender evaluation process for bidder short-listing and selection.
3. During the tender evaluation process, the agency should assure themselves of the LIDP commitments and address with the bidders any issues of concern with the LIDPs, including risks identified in the LJF risk evaluation report. **Agencies may request bidders re-submit an LIDP**. It must be revised and resubmitted to the ICN for acknowledgement through the VMC, and subsequent reassessment by the ICN and agency.
4. The agency’s project manager must notify the ICN through the VMC that a bidder is going to re-submit their LIDP. Once a plan is re-submitted, it will go through the same process for an Acknowledgement Letter and evaluation.
5. Instances requiring re-submission may cover instances where mistakes have been identified or further clarification is required to provide assurance to the agency a specific supplier will able to meet their stated commitments.
6. Any re-submissions must be compliant with an agency’s own probity rules and regulations.

**Step 6 – Scoring the 20 per cent weighting**

1. The Act sets a mandatory weighting of 10 per cent for industry development and 10 per cent for job outcomes to be applied by all government agencies in the evaluation of the Local Jobs First commitments. It is therefore not permissible to include other evaluation criteria such as social procurement requirements, as part of the legislated 20 per cent weighting for LJF. This is designed to ensure that industry development and job opportunities are maximised by bidders in delivery of the project.
2. Where there are multiple stages within a procurement process, the agency must apply the weightings as early as possible and all subsequent stages.
3. In addition, evidence that the weightings have been applied must be retained for project auditing purposes, including reviews undertaken by DJPR and the Victorian Local Jobs First Commissioner.
4. For LIDPs that reflect a nil- or limited contestability contract, the 10 per cent weighting for industry development (local content) should be automatically assessed as a 10 out of 10 due to this tender being of nil- or limited contestability.
5. Below are recommendations on how to apply the Local Jobs First weightings. However, your agency may wish to apply a different methodology in order to meet the intent of a specific project. Contact DJPR in order to establish the feasibility of the methodology.

**Example scoring for 10 per cent industry development outcomes**

1. LJF has a clear objective to provide for local industry development. Priority areas of focus include SME growth, supply chain augmentation and the level of activity in Victoria. The measure used is a commitment to local content in the project.
2. For a tender evaluation where a maximum of 100 points can be earned, 10 points must be allocated to the evaluation of industry development outcomes.
3. Scoring will consider each bidder’s commitment to industry development, noting that the following applies when scoring for industry development. Points will be adjusted based on the risk of delivery and hence achievement of local content commitments.
4. The total number of points a bidder can obtain for the industry development criterion is 10 out of 10.
5. Scores are allocated for local industry development on the basis of a combination of factors, and taking into account the level of risk, as shown in the table 1 below:

**Table 1 - Local industry development scores**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Item** | **Points  (out of a total of 10)** | **Apply ‘Risk Discount’** | | |
|  |  | **Low Risk** | **Medium Risk** | **High Risk** |
| Local content commitment | 10 points | No discount required | Discount 2 points | Zero score for industry development |

Points for Industry development commitment

1. Scoring for the local content can be calculated by dividing the local content commitment in a bid by 10 and applying a ‘risk discount’ as required. For example, a local content commitment of 94 per cent in a bid would earn 9.4 points out of 10, a local content commitment of 90 per cent would score 9 points out of 10 and a local content commitment of 100 per cent in a tender would earn 10 points out of 10.
2. A risk discount should then be applied where required. The local content commitment should be discounted depending on the level of risk assigned by the ICN. The ICN assessment reports will classify the risk of achieving local content commitments as ‘high, medium or low’ and provide a summary for the assessment.
3. A ‘High Risk’ rating will mean the ICN believe the local content commitment in the LIDP is unlikely to be met and will receive a score of zero). A ‘Medium Risk’ rating means there is a medium risk that the local content commitments will not be achieved, and has a discount of two points, and a ‘Low Risk’ rating means there is minimal risk the local content commitments will not be achieved and receives nil discounts from the local content commitment. This becomes the score for industry development and gets added to the relevant bidder’s total score.

Example of scoring for industry development

**Table 2- Standard Project Score Example**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Shortlisted Bidder** | **Local content commitment** | **Local Content Score** (up to 10 points) | **Less Local Content ‘Risk Discount’** | **Total score (out of 10)** |
| Bidder 1 – High Risk | 94 per cent | 9.4 | All points deducted | **0** |
| Bidder 2 – Low Risk | 90 per cent | 9 | 0 | **9.0** |
| Bidder 3 – Medium Risk | 84 per cent | 8.4 | -2 | **6.4** |

**Scoring for job outcomes**

1. A maximum of 10 points for jobs outcomes is allocated and bid scores are calculated using a reference or comparison method.
2. Job outcomes in bids are required to be compared against each other and relative scores assigned.
3. The Scoring Table below should be used to rate the job outcomes of each bid out of 10. Bids that commit to creating or retaining a higher number of Victorian jobs and job development opportunities are scored more highly than bids that commit to a lower number of jobs. The bid with the least number of jobs and job development opportunities will receive the lowest rating out of 10. Each element has equal weighting (e.g. Victorian jobs created or retained). Agencies should not favour created or retained jobs – they should be treated equally.
4. If the Tenderer’s submission contains no job creation (Victorian, ANZ or otherwise) the tenderer gets 0.
5. If the Tenderer is not committing to any new or retained jobs then the score would be a 0. However, if it is still committing to retaining jobs then this should be judged accordingly. The Policy does not differentiate against new/retained jobs.
6. If the Tender’s submission contains no job creation (Victorian, ANZ or otherwise), but details a very low number of Victorian jobs retained, the Tenderer gets 1-3. However, it is important to keep in mind the context of the specific tender and bidder. The delivery agency should consider the likely employment needed to fulfil the contract and benchmark jobs commitments against this accordingly. Also, a large company will naturally be able to commit a larger (and perhaps ultimately unrealistic) number of jobs, so the size and capability of a company should also be taken into consideration.

**Table 3 - Relative scores for Standard Projects**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Score** | **0** | **1-3** | **4-7** | **8-10** |
| **Mandatory** | No Victorian jobs created or retained  No Australian/New Zealand jobs created or retained.  No use of apprentices, cadets and trainees  No job development/ training opportunities have been identified | Very low number of Victorian jobs created or retained  Very low number of Australian/New Zealand jobs created or retained.  Low use of apprentices, cadets and trainees  No job development/ training opportunities have been identified | Medium number of Victorian jobs created or retained.  Medium number of Australian/New Zealand jobs created or retained.  Some use of apprentices, cadets and trainees  Job development/ training opportunities have been identified. | Very high number of Victorian jobs created or retained.  Very high number of Australian/New Zealand jobs created or retained.  Very high number of apprentices, cadets and traineeship positions created  High number of job development/ training opportunities have been identified in detail. |

**Step 7 – Awarding a contract**

1. The agency project manager must notify the ICN of the appointed supplier for a given tender. This must be done through the VMC and must occur within five business days of awarding a contract.
2. The LIDP and LJF commitments must be incorporated into the contract as project deliverables. This can be achieved by attaching the final agreed LIDP to the contract and including the relevant model clauses in the agreement. Refer to the LJF Model Clauses, which have been prepared by the Victorian Government Solicitor's Office (VGSO) and is available on the Local Jobs First website.
3. If a bidder wishes to receive feedback on a successful or unsuccessful tender, then an agency must provide it to the bidder. Agencies can provide the feedback provided by the ICN in the ICN risk evaluation report to suppliers.

**Step 8 – Monitoring Local Jobs First during delivery of the project**

1. There are reporting requirements for all projects. Suppliers are required to report on their LJF commitments as contained in the LIDP during the life of the project to practical completion.
2. For all projects valued over $20 million, agencies monitor and report local content and job outcomes on a six-monthly basis.
3. Further information regarding Local Jobs First monitoring and reporting is available at section 10.

Bidders must submit their LIDP and ICN Acknowledgement Letter to the agency’s tender evaluation panel.

Agencies must use the LJF risk evaluation report during the evaluation process.

Agencies are required to apply a mandatory minimum 10 per cent weighting for local industry development and 10 per cent for job outcomes and notify the ICN of the appointed supplier.

For all projects valued over $20 million, agencies must agencies monitor and report local content and job outcomes on a six-monthly basis.

**LIDP commitments must be incorporated into the contract as project deliverables.**

**Step 9 – Changes during the delivery of the Project**

1. If an agency or supplier vary a contract, then LJF must be considered when changing the value of the contract or scope of work. If there are changes to the list of items for the project deemed contestable or non-contestable, the supplier must re-submit the LIDP to the ICN for re-evaluation, in order that their commitments can be re-assessed. Contact DJPR for more advice on a project by project basis.

**Step 10 – Project completion**

1. The LJF model clauses include a requirement that the contractor must submit a final LJF monitoring report, including jobs data. You will need to ensure that this is obtained from the contractor at project completion. For construction projects, this is practical completion. For goods projects, it is at the time of full supply (ahead of the defects period). For services projects, it is often at the end of the life of the contract.
2. The final LJF monitoring report must be submitted to the agency, who will provide this to the ICN, which will review the final local content and job outcomes and include this in their LJF reporting.
3. Detailed steps for completing a project are at section 11.

# Step by step process in applying Local Jobs First to Major Projects Skills Guarantee applicable projects

1. The Major Project Skills Guarantee (MPSG) applies to construction projects with a total project value of $20 million or more. MPSG may therefore apply to both Standard or Strategic (more than $50 million) Projects.
2. The MPSG applies regardless of the amount given over in a project budget to the actual construction. If only $20 million of a $60 million construction project is for actual construction (as opposed to things such as traffic or transport management) the MPSG still applies to the total project value but can be utilised across all aspects of the project.
3. **All steps for applying the MPSG are identical to those applying to Standard Projects, outlined above, excluding steps 2,3 and 5,** **as detailed below**. This process also applies in full to Public Private Partnership (PPP) projects and other forms of contracting such as alliance contracts, auctions, or the use of a panel of suppliers that are LJF Strategic Projects.

**Step 2 – registering with the ICN and preparing an LIDP**

1. In order to work out MPSG commitments, bidders must follow what is called the “Deemed Hours Formula”
2. The total labour hours under the MPSG are based on the total value of the contract, including all sub-contracting under the principal contract, and is determined by using the prescribed Deemed Hours Formula.
3. The ratios and rates used within the Deemed Hours Formula vary with the type of project. Separate labour ratios and hourly rates have been developed for building construction projects, civil and infrastructure projects, and for mixed building and infrastructure construction projects based on industry data as detailed in the table below.

**Table 4: Project Types and the Deemed Hours Formula**

| Project Type | Project Description | Deemed Labour Ratio | Deemed Hourly Rate |
| --- | --- | --- | --- |
| Building construction projects | Building construction projects include commercial building projects, schools, education, hospitals, police, fire and ambulance stations, civic buildings, courts and similar structures. | 35 per cent | $75.00 |
| Civil and infrastructure construction projects | Civil and infrastructure projects include engineering-based projects that include, but not limited to, roads, bridges, tunnels, train and tramway works, water and sewerage treatment plants, water and sewerage reticulation pipelines and similar works. | 15 per cent | $70.00 |
| Building and infrastructure construction (mixed) projects | Building and infrastructure construction (mixed) projects are where the specified works are civil/infrastructure in nature but include significant building construction elements such rail upgrades or projects that include stations, or water treatment plants that include facility buildings or sheds. | 25 per cent | $75.00 |

**Deemed hours formula**

1. Use the above project definitions to pick the deemed labour ratios and hourly rates for your specific construction project.
2. **Agencies are required to select the appropriate deemed labour ratios and hourly rates for your specific construction project. This must be nominated at project registration on the VMC to enable this to be reflected in the LIDP**. Agencies must also reflect these two figures in the LJF approach to market model clauses. This ensures all bidders are preparing the deemed hours formula fairly and consistently.
3. **An agency can also specify what specialist equipment is appropriate for inclusion with the bidder to determine the value.** Specialist equipment refers to significant items or systems of equipment of significant cost for the specific LJF project. Items may include but not limited to electro-medical equipment, rail signaling, ICT systems and so on.

**Table 5: Deemed hours formula example**

|  | **Rate** | **Value ($)** |
| --- | --- | --- |
| **Total project value (excluding GST)** |  | **$250,000,000** |
| Less profit margin |  | $20,000,000 |
| Less specialist equipment |  | $55,500,000 |
| Total contract deductions |  | $75,500,000 |
| **Adjusted MPSG value** |  | **$174,500,000** |
| Deemed labour ratio | 15 per cent | $26,175,000 |
| Deemed labour hourly rate | $70 p/h | 373,929 hours |
| **Minimum 10 per cent requirement** | **10 per cent** | **37,392 hours** |

**Deemed hours formula for ‘other’ projects**

1. The deemed hours formula for other project works contracts will be determined on a case by case basis and reflect the nature of work specified within these projects. If agencies would like to use alternate ratios and rates, they must contact DJPR.

**Step 3 – submitting an LIDP to the ICN**

1. The same step 3 as outlined for Standard and Strategic Projects applies. The ICN ensures the completeness and compliance of the MPSG commitments as part of the LIDP acknowledgement process.

**Key considerations when assessing MPSG commitments in the LIDP**

**Who and what counts towards the 10 per cent hours requirement?**

1. The MPSG does not prescribe the breakdown of labour hour contributions from apprentices, trainees or cadets. They can be used in any combination of hours and across different contracts of a particular project. However, the Victorian apprentices, trainees or cadets that are used must reflect the existing occupational profile of the sector workforce, and bidders are to avoid reliance on any one group to achieve compliance where this is outside the industry or sector norm.
2. The contribution can include work hour contributions from either existing or new Victorian apprentices, Victorian trainees or cadets or combinations of these.
3. Only the hours spent working on the applying project can be counted towards the project’s 10 per cent requirement. For example, a full-time business administration trainee may work across a few projects, only spending an equivalent of two days working on the MPSG applicable project. Only these days can be counted towards the requirement.
4. Hours spent offsite for training and education can be counted towards the 10 per cent requirement. This allows the time apprentices, trainees and cadets spend away from the project at TAFE or university to still be counted. For example, a cadet working two days on the project with five contact hours at university, a total of 21 hours can be counted towards the hours requirement. However, if a cadet is on summer break from university and therefore not attending classes, no contact hours at university can be counted. Only training contact hours while concurrently working on the project can contribute toward the 10 per cent requirement.

**Engaging new Apprentices, Trainees and Cadets**

1. Contributions from MPSG may be from apprentices, trainees and cadets directly employed by the principal contractor or subcontractors or indirectly employed through group training organisations (GTOs).
2. Bidders are encouraged to use Victorian apprentices, trainees or cadets drawn from groups who are generally under-represented in industry vocational training such as women, and/or who face barriers to vocational training or the workforce more generally, such as indigenous or older apprentices, trainees or cadets or those with a disability. A key resource to achieve this will be state and federal employment programs for helping long-term job seekers, such as Jobs Victoria. The Jobs Victoria website can be found at <https://jobs.vic.gov.au/>.
3. Trainees and apprentices must be registered with the Victorian Registration and Qualification Authority.
4. Cadets combine formal tertiary training with practical work experience. Cadets are individuals enrolled in a recognised tertiary level organisation and who receive structured learning opportunities as part of their engagement to an LJF project (e.g. cadets in architecture, quantity surveying, and engineering). Cadetships vary in length depending on the vocation but are generally 18 months to two years in length. A cadetship does not fall under a National Training Contract.

**Step 5 - preferred bidder selected and contract awarded**

**Guidance on assessment of job outcomes –MPSG Applicable Projects**

1. For projects where MPSG applies, a maximum of 5 points are allocated to MPSG specific outcomes and 5 points are allocated to broader job outcomes (e.g. creation/retention of Victorian/local jobs and creation of job development/training opportunities). The total score for job outcomes for MPSG applicable projects is 10.
2. MPSG outcomes in bids are required to be compared against each other and relative scores assigned. A bidder with a more comprehensive compliance strategy will be scored more highly than a bidder who has included minimal information in a MPSG compliance strategy.
3. A highly scored MPSG commitment could include for example partnering with a TAFE system of training and support in place for apprentices, trainees and cadets, mentoring or a dedicated MPSG compliance reporting officer in place.
4. A bidder that does not use Victorian apprentices, trainees or cadets for at least 10 per cent of the total estimated labour hours, the bidder is designated a score of 0 due to non-compliance.

**MPSG Applicable Project- Additional Job Outcomes – 5 Points**

1. Additional (non-MPSG) job outcomes in bids are required to be compared against each other and relative scores assigned. High, medium and low job numbers that are either created or retained are defined based on a relative basis depending on the numbers committed to among the bids being compared.
2. The maximum number of points a bidder can receive for additional job outcomes is 5 points.

**Table 6 - Relative scores for additional job outcomes (MPSG applicable projects) (maximum 5 points)**

**Relative scores for Standard Projects**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Score** | **0** | **1-2** | **2-3** | **4-5** |
| **Mandatory** | No Victorian jobs created or retained  No Australian/New Zealand jobs created or retained.  No use of apprentices, cadets and trainees  No job development/ training opportunities have been identified | Very low number of Victorian jobs created or retained  Very low number of Australian/New Zealand jobs created or retained.  Low use of apprentices, cadets and trainees  No job development/ training opportunities have been identified | Medium number of Victorian jobs created or retained.  Medium number of Australian/New Zealand jobs created or retained.  Some use of apprentices, cadets and trainees  Job development/ training opportunities have been identified. | Very high number of Victorian jobs created or retained.  Very high number of Australian/New Zealand jobs created or retained.    Very high number of apprentices, cadets and traineeship positions created  High number of job development/ training opportunities have been identified in detail. |

**Guidance on assessment of job outcomes –MPSG Applicable Projects**

1. The total score for job outcomes for MPSG applicable projects can be calculated by adding the score for MPSG outcomes with the score for additional job outcomes.
2. For example, a bidder that received 3/5 points for MPSG outcomes and 4/5 points for additional job outcomes will receive a total final score of 7/10.

# Step by step process in applying Local Jobs First to Strategic Projects

1. A Strategic Project is a project that has a total project value of $50 million or over or is otherwise declared to be a Strategic Project by the Minister for Jobs, Innovation and Trade.

**Step 1 – Local Jobs First Strategic Project Registration**

1. Before the release of the tender documents, agencies need to register the project including project specifications with the VMC (at [www.icnforce.com](https://icnvic.force.com/s/login/?ec=302&startURL=%2Fs%2F)). Project registration should occur no less than 30 days before the release of documents to bidders. If you do not have an account, you will be required to create one. If you require assistance, please contact the ICN Policy Implementation Team on 03 9864 6700.
2. To register the project, agencies are required to provide the specifications, scope of works, project phasing information to the ICN. Please specify:

* if the project is part of a larger one, e.g. a quantity surveyor project which is part of a strategic design and construction project, and provide details of the overall project
* if the project is a panel contract by selecting the panel box
* the project type and category
* ensure all fields are completed before submitting the tender.

1. This process also applies in full to Public private Partnerships (PPP) projects and other forms of contracting such as alliance contracts, auctions, or the use of a panel of suppliers that are LJF Strategic Projects.

**Step 2 – Setting Local Jobs First requirements – Strategic Projects only**

1. Under the Act*,* the Minister for Jobs, Innovation and Trade is responsible for setting local content requirements for a Strategic Project. DJPR advises the Minister for Jobs, Innovation and Trade of the local content requirements, which may be informed by a local content project framework developed from a contestability assessment undertaken by the ICN.

Section 7B (2) of the Act provides that the Minister for Jobs, Innovation and Trade must set local content requirements at no less than:

* 90 per cent for a Strategic Project that is a construction project
* 80 per cent for a Strategic Project that is a services or maintenance contract
* 80 per cent for the maintenance or operations phase of a Strategic Project.

Section 7C provides that the MPSG applies to Standard Projects that are construction projects with a budget of $20 million or more and Strategic Projects that are construction projects.

The Act also provides that the Minister for Jobs, Innovation and Trade may determine other matters relating to Strategic Projects, including but not limited to:

* requirements to maximise or specify the use of steel products produced by local industry
* requirements to maximise the use of uniform and personal protective equipment (PPE) produced by local industry
* any other requirements or conditions.

1. Before proceeding with a project, the agency must contact DJPR to confirm the process for setting local content requirements for the specific project.
2. DJPR will confirm a Strategic Project Framework must be conducted by the ICN.
3. If DJPR confirms that a Strategic Project Framework is not required, and that the minimum specified in the Act or otherwise agreed with the agency is to be set, DJPR will make a recommendation to the Minister for Jobs, Innovation and Trade.
4. Otherwise, DJPR confirms that a Strategic Project Framework is required. The agency then provides the ICN with available project specifications, with the ICN to determine contestable items and capable local suppliers.
5. The ICN will provide a detailed Strategic Project Framework, which includes a contestability assessment and recommended minimum local content requirements to DJPR.
6. DJPR will consider the ICN assessment and consult with the agency on the recommended minimum local content requirements.
7. The minimum local content requirements must be agreed by the Minister for Jobs, Innovation and Trade, before inclusion in project documents released to market. DJPR is responsible for briefing the Minister. The process of preparing the brief and having it agreed to by the Minister takes a minimum of two weeks. This timeframe should be included in procurement planning.
8. Setting local content after the release of documents will deem the agency non-compliant with the LJF policy, including the intent to provide full and fair opportunity to participate in government procurement activities.

**Step 3 – Specify Local Jobs First requirements in tender documents and approach to market**

1. The agency must notify prospective bidders in tender documents of the LJF requirements, including Expressions of Interest, Requests for Proposals/Tenders and other processes. Model clauses can be found at [www.localjobsfirst.vic.gov.au/key-documents](http://www.localjobsfirst.vic.gov.au/key-documents) and are required to be used.
2. On a case by case basis LIDPs are not required to be submitted where the agency must first assess bidders’ ability to meet technical capabilities and safety requirements in the first instance. This will be subject to the LJF Commissioner’s oversight to ensure that local players are not being locked out of the procurement process.
3. Market approach documents will also be required to inform bidders that they will be subject to LJF and will be required to submit an LIDP at a later stage of the procurement process. Agencies will be required to seek agreement with DJPR and inform the Commissioner via email when this process is being undertaken.
4. The model clauses to include must match the type of LIDP stated in the contestability assessment. For instance, a Standard Project with MPSG must include the Standard Project with MPSG model clauses.
5. Agencies are not to delete any part of the template model clauses (including any definitions).
6. The model clauses direct bidders to the VMC in which they will prepare a custom LIDP through an online form. Microsoft Word based LIDP are no longer in use.
7. A compliant LIDP must be provided by bidders for any project subject to LJF.
8. AN LIDP must reflect the size and complexity of the project. Preparation of an LIDP can take up to three weeks and is prepared by the bidders and submitted as part of the tender documents. Close consultation with the ICN is encouraged.
9. Information to be provided in the LIDP will be contingent on the size and type of the project. Broadly, they will include information on:

* the industry development commitments (VIPP commitments) (local content, technology transfer, supply chain engagement)
* the jobs outcomes commitments (new and retained jobs, training), including the MPSG commitments where applicable
* how the LIDP will be implemented and management of risks, including industry engagement strategies and selection and benchmarking of local content
* monitoring and reporting requirements, including those to be delivered as part of normal project management procedures
* the amount of small to medium enterprises that will be engaged as part of the contract.

1. Model clauses have been developed to be incorporated into project documents to be applied by the agency. Any variation to these clauses must be agreed by the agency’s LJF Administrator. (Refer website – [www.localjobsfirst.vic.gov.au](http://www.localjobsfirst.vic.gov.au/)).

**Step 4 –Bidders preparation and the ICN acknowledgement of LIDP**

1. An ICN Industry Advisor will be available to assist bidders in preparing LIDPs.
2. Bidders must submit an LIDP through the ICN’s VMC at [www.icnforce.com](https://icnvic.force.com/s/login/?ec=302&startURL=%2Fs%2F).
3. The LIDP is an online form.
4. Agencies and DJPR can download the submitted LIDPs, Acknowledgement Letters, contestability assessment and the ICN’s risk assessment evaluation report from the VMC.
5. The ICN will acknowledge receipt of an LIDP and issue an Acknowledgement Letter to a bidder. ICN will only issue the Acknowledgement Letter if:

* all sections of the LIDP are fully complete;
* the LIDP has been submitted within the specified tender timeframe; and
* the Statutory Declaration and all other conditions are agreed, including monitoring, reporting, auditing and compliance.

1. For Strategic Projects, the ICN will also check for compliance with the minimum local content requirements on the project.
2. The ICN will also provide an LJF risk evaluation report to the agency, after a specified time form the tender close date, to help the agency with the tender evaluation process
3. The ICN will rate a bidder’s likelihood of achieving the commitments on a scale of High Risk, Medium Risk and Low Risk. The risk rating reflects the ICN’s evaluation of the risk a bidder has in not meeting their stated commitments. ICN will draw on their industry experience and internal benchmarking when making these determinations.
4. The ICN will inform a bidder and the agency in writing if the bidder’s LIDP has been deemed non-compliant due to incompleteness or inaccessible information being provided. When this happens, a non-compliance letter will be issued instead.
5. A tender proposal is not complete without an ICN Acknowledgement Letter, which is provided via email. This would mean the end of the procurement process for the bidder.

Agencies must register projects on the Victorian Local Jobs First Management Centre (VMC) prior to the release of tender documents.

The Industry Capability Network (ICN) will notify agencies of a project’s contestability.

Agencies must notify prospective bidders of Local Jobs First requirements within tender documents.

A **Local Industry Development Plan (LIDP)** must be provided by bidders to be eligible for any project subject to Local Jobs First.

The ICN can assist suppliers in completing an LIDP. The LIDP review function and identification of local goods and services and other assistance functions are administered by the ICN separately from one another. This is for reasons of probity and privacy. Agencies are required to report on Local Jobs First outcomes, including local content and jobs to be delivered on the project and actual achievements, irrespective of the contestability assessment.

The ICN will issue an Acknowledgement Letter to a bidder if the LIDP has been completed properly and submitted on time.

The ICN will provide an LJF risk evaluation report to the agency to help the agency with the tender evaluation process.

**A tender proposal is not complete without an ICN Acknowledgement Letter.**

**Step 5 – Final tender evaluation and consideration of LIDP**

1. Bidders must submit their LIDP and ICN Acknowledgement Letter to the agency. Only bidders with an ICN acknowledged LIDP may be considered by the agency during selection of the preferred bidder.
2. The agency must use the LJF risk evaluation report completed by the ICN in the tender evaluation process for bidder short-listing and selection.
3. When assessing LIDPs, an agency must apply a mandatory minimum 10 per cent weighting for industry development and 10 per cent for job outcomes. This is designed to ensure that industry development and job opportunities are maximised by bidders in delivery of the project.
4. During the tender evaluation process, the agency should assure themselves of the LIDP commitments and address with the bidders any issues of concern with the LIDPs, including risks identified in the LJF risk evaluation report. **Agencies may request bidders re-submit an LIDP**. It must be revised and resubmitted to ICN for acknowledgement through the VMC, and subsequent reassessment by the ICN and agency.
5. The agency’s project manager must notify the ICN through the VMC that a bidder is going to re-submit their LIDP. Once a plan is re-submitted, it will go through the same process for an Acknowledgement Letter and evaluation.
6. Instances requiring re-submission may cover instances where mistakes have been identified or further clarification is required to provide assurance to the agency a specific supplier will able to meet their stated commitments.
7. Any re-submissions must be compliant with an agency’s own probity rules and regulations.

**Step 6 – Scoring the 20 per cent weighting**

1. The Act sets a mandatory weighting of 10 per cent for industry development and 10 per cent for job outcomes to be applied by all government agencies in the evaluation of the local jobs first commitments. **It is therefore not permissible to include other evaluation criteria such as social procurement requirements, as part of the legislated 20 per cent weighting for LJF.**
2. Where there are multiple stages within a procurement process, the agency must apply the weightings as early as possible and all subsequent stages.
3. In addition, evidence that the weightings have been applied must be retained for project auditing purposes, including reviews undertaken by DJPR and the Local Jobs First Commissioner.
4. For LIDPs that reflect a nil- or limited contestability contract, the 10 per cent weighting for industry development (local content) should be automatically assessed as a 10 out of 10 due to this tender being of nil- or limited contestability.
5. Below are recommendations on how to apply the Local Jobs First weightings. However, your agency may wish to apply a different methodology in order to meet the intent of a specific project. Contact DJPR in order to establish the feasibility of the methodology.

**Guidance on assessment of industry development outcomes – Local Jobs First Strategic Projects Only**

**The steps below should be followed to calculate the industry development evaluation score for a bidder on an LJF Strategic Project:**

1. **Identify whether the bidder Passes or Fails the minimum threshold test:** A bid should be designated either a PASS or a FAIL rating based on whether the bid meets the minimum local content threshold set by the Minister for Jobs, Innovation and Trade. A bid is designated a PASS if it meets the minimum local content threshold or a FAIL if the bid does not meet the minimum local content threshold.
2. **Designate the bid non-compliant if the bid fails the minimum threshold test:** If the bid is designated a FAIL rating, the bid is non-compliant against this mandatory evaluation criterion and no further steps need to be followed.
3. **Allocate 10 per cent of the total points for the bid evaluation to assessment of LIDPs:** For example, for a bid evaluation where a maximum of 100 points can be earned, 10 points are allocated to the evaluation of industry development outcomes.
4. **Calculate the ‘VALUE-ADD’ score if the bid passes the minimum threshold test:** If the bid is designated a PASS rating, a VALUE-ADD score is calculated (if applicable).
5. **For bids that meet the minimum local content in the LIDP but do not commit to more than the minimum percentage, the bid is designated a PASS rating and the VALUE-ADD score is calculated to be zero.**
6. **Use the VALUE-ADD Formula:** The VALUE-ADD score can be calculated using the VALUE-ADD formula: A maximum of ten points is allocated to local content value-add. For example, for bids that commit to 100 per cent local content, the bid will receive 10 out of 10 points. The formula takes into consideration the local content value-add committed to in tenders by allocating 10 points to the difference between the maximum amount of local content achievable on a project (100 per cent) and the minimum local content set by the Minister for Jobs, Innovation and Trade.

**The VALUE-ADD Formula is:**

|  |  |  |  |
| --- | --- | --- | --- |
| (**LOCAL CONTENT COMMITTED IN LIDP – MINIMUM LOCAL CONTENT PERCENTAGE SET BY MINISTER**)  DIVIDED BY | **x** | **10** | **= POINTS OUT OF TEN** |
| (**100- MINIMUM LOCAL CONTENT PERCENTAGE SET BY MINISTER**) |  |  |  |

For example, a bid which has committed 90 per cent local content for a project that the Minister for Jobs, Innovation and Trade has set an 80 per cent local content minimum, the score will be calculated as follows:

((90-80)/(100-80))= (10/20) x 10 = **5 Points**

**Apply the Risk Discount to calculate the overall industry development score:** The local content commitment should be discounted depending on the level of risk assessed by ICN. The ICN assessment reports will classify the risk of achieving local content commitments as ‘high, medium or low’ and provide a summary for the assessment.

A ‘High Risk’ rating will mean the local content commitment will mean the LIDP does not meet expectations with a score of zero, a ‘Medium Risk’ rating has a discount of two points and a ‘Low Risk’ rating receives nil discounts from the local content commitment. This becomes the score for industry development and gets added to the relevant bidder’s total score.

This scoring system preferences bids that commit to more local content and are low risk.

**Table 7 - Summary of Industry Development Criteria Evaluation Process**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **BID EVALUATION – INDUSTRY DEVELOPMENT OUTCOME RATING** | | | | |
| **Strategic Project Type and Local Content %** | **Local Content Minimum** | **Value Add Calculation**  **(score calculated out of maximum ten points)** | **Risk Discount Applied (as required)** | | |
|  |  |  | **Low Risk** | **Medium Risk** | **High Risk** | |
| **Construction Project:**  90% local content or as set by the responsible Minister.  **Services or Maintenance Contract:**  80% local content or as set by the responsible Minister.  **Maintenance or Operations Phase of a Strategic Project**  80% local content or as set by the responsible Minister.  **Other projects with minimums**  As set by Minister | **PASS** (bid meets minimum local content threshold, value add score is calculated (if applicable))  **FAIL** (bid does not meet the minimum local content threshold; no value add score is calculated) | VALUE ADD FORMULA USED | No Discount Required | Discount 2 points | Nil points | |

Your agency may wish to apply a different methodology in order to meet the intent of a specific project. Contact DJPR in order to establish the feasibility of the methodology. The use of different methodologies is subject to agreement with DJPR and review by the Local Jobs First Commissioner.

**Guidance on assessment of job outcomes –MPSG Applicable Projects**

For projects where MPSG applies, a maximum of 5 points are allocated to MPSG specific outcomes and 5 points are allocated to broader job outcomes (e.g. creation/retention of Victorian/local jobs and creation of job development/training opportunities). The total score for job outcomes for MPSG applicable projects is 10.

MPSG outcomes in bids are required to be compared against each other and relative scores assigned. A bidder with a more comprehensive compliance strategy will be scored more highly than a bidder who has included minimal information in a MPSG compliance strategy.

A highly scored MPSG commitment could include for example; partnering with a TAFE; system of training and support in place for apprentices, trainees and cadets, mentoring or dedicated MPSG compliance reporting officer in place.

A bidder that does not use Victorian apprentices, trainees or cadets for at least 10 per cent of the total estimated labour hours, the bidder is designated a score of 0 due to non-compliance.

**MPSG Applicable Project- Additional Job Outcomes – 5 Points**

Additional (non-MPSG) job outcomes in bids are required to be compared against each other and relative scores assigned. High, medium and low job numbers that are either created or retained are defined based on a relative basis depending on the numbers committed to among the bids being compared.

The maximum number of points a bidder can receive for additional job outcomes is 5 points. **Table 6- Relative scores for additional job outcomes (MPSG applicable projects) (maximum 5 points)**

**Table 8 - Relative scores for Standard Projects**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Score** | **0** | **1-2** | **2-3** | **4-5** |
| **Mandatory** | No Victorian jobs created or retained  No Australian/New Zealand jobs created or retained  No use of apprentices, cadets and trainees  No job development/ training opportunities have been identified | Very low number of Victorian jobs created or retained  Very low number of Australian/New Zealand jobs created or retained  Low use of apprentices, cadets and trainees  No job development/ training opportunities have been identified | Medium number of Victorian jobs created or retained  Medium number of Australian/New Zealand jobs created or retained.  Some use of apprentices, cadets and trainees  Job development/ training opportunities have been identified. | Very high number of Victorian jobs created or retained  Very high number of Australian/New Zealand jobs created or retained  Very high number of apprentices, cadets and traineeship positions created  High number of job development/ training opportunities have been identified in detail |

**Guidance on assessment of job outcomes –MPSG Applicable Projects**

The total score for job outcomes for MPSG applicable projects can be calculated by adding the score for MPSG outcomes with the score for additional job outcomes.

For example, a bidder that received 3/5 points for MPSG outcomes and 4/5 points for additional job outcomes will receive a total final score of 7/10.

Applying Local Jobs First to Strategic Projects is identical to that of Standard Projects except that the Minister for Jobs, Innovation and Trade is responsible for setting local content requirements for a Strategic Project.

An agency must contact the Department of Jobs, Precincts and Regions prior to proceeding with a project to confirm the setting of local content requirements for a specific project.

The Minister must agree to the minimum local content requirements which are required to be included in project documents released to the market. DJPR coordinates briefing the Minister of the local content requirements for Strategic Projects and will advise an agency following the Minister’s agreement.

Agencies must refer to the guidance on assessment of industry development outcomes when evaluating responses from market.

Release of documents without the agreement of the Minister for Jobs, Innovation and Trade to local content requirements will deem the agency non-complaint with LJF

**Step 7 – Awarding a contract**

1. The agency project manager must notify the ICN of the appointed supplier for a given tender. This must be done through the VMC and must occur within five business days of awarding a contract.
2. The LIDP and LJF commitments must be incorporated into the contract as project deliverables. This can be achieved by attaching the final agreed LIDP to the contract and including the relevant model clauses in the agreement. Refer to the LJF Model Clauses, which have been prepared by the Victorian Government Solicitor's Office (VGSO) and is available on the Local Jobs First website.
3. If a bidder wishes to receive feedback on a successful or unsuccessful tender, then an agency must provide it to the bidder. Agencies can provide the feedback provided by the ICN in the ICN risk evaluation report to suppliers.

**Step 8 – Monitoring Local Jobs First during delivery of the project**

1. There are reporting requirements for all projects. Suppliers are required to report on their LJF commitments as contained in the LIDP during the life of the project to practical completion.
2. For all projects valued over $20 million, agencies monitor and report local content and job outcomes on a six-monthly basis.
3. Further information regarding Local Jobs First monitoring and reporting is available at section 10.

Bidders must submit their LIDP and ICN Acknowledgement Letter to the agency’s tender evaluation panel.

Agencies must use the LJF risk evaluation report during the evaluation process.

Agencies are required to apply a mandatory minimum 10 per cent weighting for local industry development and 10 per cent for job outcomes and notify the ICN of the appointed supplier.

For all projects valued over $20 million, agencies must use agencies must report to DJPR six-monthly on local Jobs First project outcomes.

**LIDP commitments must be incorporated into the contract as project deliverables.**

**Step 9 – Changes during the delivery of the Project (Contract Variations, if applicable)**

1. If a significant variation to the contract occurs during the course of the project, which effects a change in the nature of the contestable items, then a revised LIDP will likely be required. This means, there are new contestable items to consider, there are contestable items that are no longer required, or the mix of items changed significantly in the project.
2. The contracting agency must notify the ICN and DJPR if a significant variation is expected, to facilitate a review of the LIDP and project framework to determine if the local content requirement is still appropriate. It may be necessary for the government or Minister to set a revised target for the project if it has changed significantly.
3. If ICN recommends a revised LIDP and/or a revised local content requirement is required, then the ICN will advise the contracting agency and DJPR. The contracting agency will then notify the supplier and the supplier must prepare the revised LIDP in collaboration with the ICN, and the contracting agency and have it certified (acknowledged) by the ICN.
4. If a revised local content requirement is required, then DJPR will prepare a briefing for the Minister responsible for Local Jobs First to set the amended minimum local content requirement(s). The revised LIDP will need to meet (or exceed) the amended minimum local content requirement.
5. Contact DJPR for more advice on a project by project basis.

**Step 10 – Project completion**

1. The LJF model clauses include a requirement that the contractor must submit a final LJF monitoring report, including jobs data. You will need to ensure that this is obtained from the contractor at project completion. For construction projects, this is practical completion. For goods projects, it is at the time of full supply (ahead of the defects period). For services projects, it is often at the end of the life of the contract.
2. The final LJF monitoring report must be submitted to the agency, who will provide to the ICN, which will review the final local content and job outcomes and include this in their LJF reporting.
3. Detailed steps for completing a project are at section 11.

# Applying Local Jobs First to Market Led Proposals

1. Market led proposals, sometimes known as unsolicited proposals, are usually proposals made by the private sector to government to build infrastructure, provide goods (such as rolling stock) and/or deliver services. These projects originate within the private sector and involve organisations developing a project or service specification and then approaching government for approval and support. This support is typically financial but may also include regulatory or other forms of help.
2. LJF applies to market led proposals, with the project proponents to make clear their commitments to industry development (including local content) and job outcomes. Agencies that receive market led proposal that have the potential to meet the Local Jobs First thresholds must contact DJPR to determine the application of the Policy.
3. The steps however differ, with the project proponent responsible for developing an LIDP and committing to terms and conditions that apply under these guidelines.
4. To be considered compliant with the LJF, a proponent must:

* complete all sections of the LIDP
* sign the Statutory Declaration and agree all other conditions, including monitoring, reporting, auditing and compliance requirements.

1. The proponent is encouraged to engage with the ICN in developing the LIDP on local content matters and local supply chain engagement.

Local Jobs First applies to market led proposals.

Project proponents must develop an LIDP as part of the proposal and make clear industry development and job commitments, including local content, and agree to monitoring and reporting requirements. There are different LIDPs to be completed depending on the scale of the project.

Agencies that receive market led proposal that have the potential to meet the Local Jobs First thresholds must contact DJPR to determine the application of the Policy.

# Applying Local Jobs First to Grant and Loan Recipients

1. Grant and loan recipients are subject to LJF, where the value of the grant meets the LJF financial thresholds as outlined under the LJF policy and the recipient is not a State or Commonwealth government agency.
2. Grants and loans involving a co-contribution from another jurisdiction, such as the Commonwealth or other third-parties including the recipient, are subject to LJF based solely on the value of the Victorian Government grant or loan meeting the LJF monetary thresholds.
3. If an agency believes a specific grant or loan is not targeted towards the Local Jobs First objectives then the agency should contact DJPR to determine the applicability of the Local Jobs First process.
4. The application of LJF to grant or loan recipients ensures local SMEs and workers benefit from the opportunities once the grant project begins.
5. The steps for an agency to comply with LJF for grant or loan contracts are outlined below.
6. In the steps below, “grants” refers to both grants and loans provided by the State government.

**Step 1 – Specify Local Jobs First requirements in grant and loan documents**

1. The agency must include LJF requirements in grant and loan documents, including grant guidelines and proposed contracts.
2. Agencies are required to advise grant recipients that they must obtain an Interaction Reference Number (IRN) from the Victorian LJF Management Centre and inform the recipient of the expectation that the local industry engaged on the project be consistent with the LJF policy.
3. Model clauses have been developed to be incorporated into grant documents to be applied by the agency. Any variation to these clauses must be agreed by the agency’s LJF Administrator. (Refer website [www.localjobsfirst.vic.gov.au](http://www.localjobsfirst.vic.gov.au)).

**Step 2 – LJF Grant Registration and IRN**

1. The grant recipient must register the proposed grant with the Victorian LJF Management Centre icnvic.org.au/ljf. The registration should occur as soon as the grant recipient and agency reasonably expect the grant arrangement to proceed.
2. The grant recipient must get an IRN from the ICN. The IRN form requires the details and scope of the proposed procurement activity to be given. The agency should provide relevant information to help the grant recipient to complete the IRN form.
3. The grant recipient must consult with the ICN on the nature of the procurement activity and identify any opportunities for local SMEs or contestable items.
4. The grant recipient is responsible for ensuring that the project adheres to the LJF policy and involving the ICN in the project to ensure local industry has opportunities to connect into the supply chain and that local workers are given opportunities, including apprentices, trainees and cadets.
5. The ICN will issue the grant recipient with an IRN and reference letter.

**Step 3 - IRN issued by ICN to grant recipient**

1. The grant recipient must provide the IRN to the agency within 20 business days of the grant agreement being executed.
2. The agency must include the IRN and any agreements reached regarding LJF within the contract or grant agreement.

**Step 4 - Annual reporting**

1. The agency must retain a record of the IRN and any associated local content and job outcomes for inclusion in annual reporting on compliance with LJF.
2. Any local content outcomes achieved through consultation with the ICN must be noted and reported to the agency and DJPR by the ICN.

Grant recipients are subject to Local Jobs First where the value of the grant meets the Local Jobs First financial thresholds and the recipient is not a state or commonwealth government agency.

Agencies must include Local Jobs First requirements in grant documentation including in guidelines and contracts.

Grant recipients must get an Interaction Reference Number (IRN) from the Victorian Local Jobs First Management Centre.

The grant recipient must provide the IRN to the agency within 20 business days of the grant agreement being executed.

# Applying Local Jobs First to panels

1. Panel contracts entail an agency appointing a panel of suppliers, from which individual suppliers are then selected to provide particular goods or services over the life of a project.
2. LJF applies at the point of purchase from a panel established under the Policy. Whether you’re procuring goods, services or construction activities through a panel of suppliers, it is subject to LJF when:

* the total value of a project meets the LJF thresholds
* the contract if it is part of a broader LJF project

1. The delivery agency must develop a purchase order template and contract terms and conditions that reflect this requirement.
2. Model clauses are available and can be found at www.localjobsfirst.vic.gov.au.
3. Examples where Local Jobs First would apply include:

* a one-off purchase by a department or agency procuring audit services from a supplier on the Professional Advisory Service (PAS) State Purchase Contract (SPC) that meets a threshold is required to complete a Local Industry Development Plan (LIDP); or
* the procurement is part of a larger project where the total project value exceeds a threshold. Then each time a purchase by the delivery agency is made off a panel in relation to that project an LIDP must be completed. E.g. every instance of legal advice sought on the specific project from the Legal Services SPC, irrespective of the value of the individual purchase order, an LIDP must be completed.

1. A Statement of Intent is no longer a requirement as part of applying Local Jobs First to panels.

# Applying Local Jobs First to other procurement approaches

1. If your procurement is by direct negotiation, sole supplier or via a supplier register or any other procurement approach and its value exceeds Local Jobs First thresholds it is likely that Local Jobs First applies.
2. You should contact DJPR to discuss your project as soon as practical.

# Local Jobs First Monitoring Requirements

1. Reporting is required at the beginning and completion of a project. Agencies may require the successful bidder to provide regular updates on its implementation of LJF as part of their Standard Project management practices and milestone achievements within the contract.
2. The agency must annually report on the LJF outcomes for the agency as a whole and submit this to the responsible Minister through DJPR. Agency Local Jobs First Administrators can view all monitoring tables on the VMC, to help in the annual reporting on compliance with Local Jobs First.
3. Agencies are responsible for ongoing monitoring of the implementation of the LJF policy, LIDP commitments and associated compliance by contractors, suppliers or grant recipients, including reporting on new, in progress and completed projects.
4. Agencies must include reporting requirements in their request for quote.
5. DJPR can help with agency reporting and is responsible for whole-of-government monitoring and reporting, drawing on agency, contractor and ICN data.
6. The Victorian Local Jobs First Commissioner may review agencies monitoring processes. Under Section 23 of the Act, the Commissioner may also request an agency to conduct a compliance audit by a person or agency with the LJF policy, or compliance by a person with an LIDP. The Commissioner may impose terms of reference or other requirements about an audit conducted by an agency.

# 12.1 Regular information reporting

1. The Act requires agencies to provide information to the Minister for Jobs, Innovation and Trade:

* demonstrating their compliance with LJF
* detailing the procurements, projects and grants that either began or were completed during the financial year
* detailing the projects that satisfy the LJF thresholds, that did not require LIDP
* providing the rationale for not requiring an LIDP, where one was recommended by the ICN
* outlining the LJF outcomes achieved over the financial year.

1. This information is included in a consolidated Local Jobs First Annual Report that is tabled in Parliament by the Minister for Jobs, Innovation and Trade by 30 November each year.
2. Agencies must ensure contractors keep and maintain strong supporting evidence to demonstrate compliance with LIDP commitments. This includes proof and detail as to how local content percentages and job outcomes were calculated and providing relevant supply chain information to the agency and DJPR as requested.
3. DJPR and the Local Jobs First Commissioner can request this information during and on completion of the project.
4. The Local Jobs First Commissioner has a role to play in reviewing reporting to improve the application of LJF by agencies and industry and undertake compliance activities as required.

# 12.2 Half yearly reporting

1. LJF has mandatory reporting requirements for all projects worth $20 million or more:
2. For the duration of the project, contractors are required to report every six months to the agency using the template provided by DJPR.
3. Once submitted, the reports are required to be forwarded on to DJPR for monitoring and compliance purposes.
4. The six-monthly report is due to DJPR within 5 working days from the end of half year period, namely 30 September and 30 March. This is separate to the data for the annual report required close to the end of each financial year.
5. LJF has minimum data requirements which every project must collect and report on, this section outlines all data requirements.
6. Once the project is awarded to a contractor, DJPR requires a copy of the LIDP.
7. Once a project has begun, the number of labour hours performed by apprentices, trainees and cadets are tracked against the contracted 10 per cent labour hours. The labour hour data must be collected for each individual apprentice, trainee and cadet throughout the duration of the project and reported six-monthly, at a minimum, to the delivery agency.

# 12.3 Annual reporting

1. The agency’s Local Jobs First Administrator must report annually on the LJF outcomes for the agency as a whole and submit this to the Minister for Jobs, Innovation and Trade to DJPR.
2. The report from each agency must include information on projects commenced and projects completed during the relevant financial year. Commencement reporting is done by reviewing the supplier’s contract which attaches the final agreed LIDP. Completion reporting is done by reviewing the final LIDP monitoring table required at the completion of the project to assess whether the supplier met its LJF commitments.
3. The Completion Report is due before or on practical completion of the project or final provision of goods and services. Once the report is submitted to the delivery agency the report must be forwarded on to DJPR for policy compliance purposes.

An agency must determine what consequences will apply if contractors do not deliver the local content and job outcomes committed to in their Local Industry Development Plan.

Agencies may choose to build into their contracts financial disincentives that apply if Local Jobs First obligations are not met.

Agencies and contractors can be reported in the Local Jobs First Annual Report for serious contraventions in complying with Local Jobs First.

The agency’s Local Jobs First Administrator must report annually on the Local Jobs First outcomes for the agency as a whole and submit this to the Minister for Jobs, Innovation and Trade through DJPR.

# Completing a project

1. End of contract verification must occur before or at practical completion of the project and/or delivery of the goods or services.
2. The purpose of verification at project completion is to confirm LJF outcomes that have been achieved through the project. The outcomes achieved are compared to those expected under the contract, in the LIDP or other related documents.
3. Preparing LJF project completion verification documents may occur before finalising further administrative or regulatory processes that may need to be followed.
4. Failure to complete the verification documents will deem the project to be non-compliant with the LJF.
5. The agency contract manager must request the supplier to submit the following information, before practical completion of a construction project, or final delivery of a goods and services project:

* A completed LJF monitoring table – identifying LIDP commitments and actual achievements (Appendix 2).
* A statutory declaration (available on the Local Jobs First website, [www.localjobsfirst.vic.gov.au/key-documents](http://www.localjobsfirst.vic.gov.au/key-documents)) – the statutory declaration must be signed by the supplier’s company director, chief executive or chief financial officer, and must state that the information given in the LJF monitoring table is true and correct.
* The contract manager will then submit the completed LJF monitoring table and signed statutory declaration to the ICN for verification. This is achieved through the VMC, by uploading the relevant documents and completing the monitoring form.
* The ICN verification process involves an examination of the data submitted and a subjective determination of the achievements reported as ‘reasonable’ or requiring further clarification. The verification results will be sent to the agency contract manager.
* If the ICN determines there is insufficient evidence that the LJF outcomes reported are reasonable, then the agency contract manager will be notified by the ICN and the agency will be required to seek clarification of the outcomes from the supplier.
* The agency contract manager must ensure that suppliers explain any discrepancies between the expected and achieved LJF outcomes.

1. The agency contract manager must provide the final accepted monitoring table to the ICN and DJPR, and if required explain any differences between expected and achieved LJF outcomes and certify that they are approved, and identify actions taken to address any unreasonable failure to meet LJF commitments. If the information given remains inadequate, the agency must report to DJPR on why this is the case and action to be taken under the contract.
2. The information given in the monitoring table and related advice will inform the annual reporting on LJF outcomes by the agency and the Minister for Jobs, Innovation and Trade.

**Agencies are responsible for ongoing monitoring of the implementation** of the Local Jobs First Policy, Local Industry Development Plancommitments and associated compliance by contractors, suppliers or grant or loan recipients, including reporting on new, in progress and completed projects.

End of contract verification must occur before or at practical completion of the project and/or delivery of the goods or services. This verification seeks to confirm the Local Jobs First outcomes achieved through the project, consider any differences and any related action arising.

# Compliance

1. An agency must determine the consequences that will apply if contractors do not deliver the local content outcomes committed to in their LIDP. Agencies may choose to build into their contracts financial and or other disincentives that apply if LJF obligations are not met.
2. Where LJF outcomes reported by a contractor do not meet the levels committed to in the LIDP and contract, the agency should identify whether there has been a valid reason for this (e.g. an unavoidable change of supplier or product that resulted in a drop of local content or employment).
3. Where no acceptable valid reason can be identified, the agency may determine that this represents a breach of contract that may trigger that agency’s respective resolution process. The Local Jobs First Commissioner may also play a role in this process.
4. An audit program of supplier and agency compliance with LJF requirements and commitments will be undertaken annually to investigate and report on LJF application, which can be led by the agency, DJPR or the Local Jobs First Commissioner.
5. Agencies can be reported in the Local Jobs First Annual Report for serious contraventions in complying with LJF. As such, it is recommended that agencies take reasonable steps to monitor the implementation of suppliers’ LIDPs and seek early advice from DJPR to help delivery if there are concerns.
6. The Act provides a transparent compliance framework, involving a series of steps that can be followed to confirm that contracted local content and job commitments are on track and being achieved and actions to take if they are not. This is in addition to the regular compliance activities undertaken by DJPR.

# Appendices

## Appendix 1: Glossary

**Acknowledgement Letter–** the letter received by bidders after the ICN has assessed the LIDP. This is achieved when the bidder’s LIDP is submitted before the procuring Agency’s due date, and all sections have been adequately completed.

**Adjusted Contract Price -** A calculation that informs the MPSG Deemed Hours Formula. Adjusted Contract Price is calculated by taking the sum of the specific contract, minus 10 per cent GST, the profit margin the company expects to make, and the specialist equipment involved.

**Apprentice -** Apprenticeships are undertaken under a National Training Contract between an employer and an apprentice that combines structured training with paid employment. Apprenticeships are generally at Certificate III level and above and extend across a range of trades. Apprenticeships typically have a duration of three to four years and are competency based. Only work done by an apprentice registered with the Victorian Registration and Qualification Authority (VRQA) may be counted as contributing towards outcomes committed in a Local Industry Development Plan.

**Australia and New Zealand Government Procurement Agreement (ANZGPA) –**The Local Jobs First Policy recognises the Australia New Zealand Government Procurement Agreement (ANZGPA) entered into by Australian State and Federal Governments and New Zealand in 1991. The objective of ANZGPA is to maximise opportunities for competitive ANZ suppliers to supply into government procurement. It aims to reduce the costs of doing business for both government and industry. It applies to all Australian and New Zealand local industry participation policies.

**Benchmark -** The methodology by which a bidder evaluates a proposal from a subcontractor. Benchmarks can be based on “whole-of-life” parameters and appropriate quality and performance indicators and should include an evaluation of local content commitments.

**Cadet –** Cadetships combine formal tertiary training with practical work experience. There are many types of cadetships offered across different industries. Cadets are people enrolled in Australian tertiary education and who receive learning opportunities as part of their engagement on a Local Jobs First project (e.g. cadets in architecture, quantity surveying, and engineering). Cadetships can vary in length but are generally 18 months to 2 years. A cadetship does not fall under a National Training Contract.

**Contestable goods and services –** Goods and services in a procurement process are contestable when there are competitive international and local suppliers that can supply the good or service. Competitive means the suppliers can offer comparable goods or services that meet the specifications given by the agency. Contestable items can be goods or services at any stage of a project.

**Contract Manager –** The contract manager refers to the person within the relevant Agency responsible for managing the Local Jobs First process for a contract.

**Deemed hours formula –** Refers to the method prescribed by the MPSG for determining a project’s total estimated labour hours, based on contract value. It is the basis from which the minimum MPSG requirement is determined for each applicable project.

**Deemed labour ratio -** The percentage of the total contract sum that will spent on labour. Separate labour ratios and hourly rates have been developed for building construction projects, civil and infrastructure projects, and for mixed building and infrastructure construction projects based on industry data.

**Department of Jobs, Precincts and Regions –** The Victorian Government agency responsible for administering the *Local Jobs First Act 2003* and Local Jobs First Policy.

**Employment –** Refers to the number of actual new or retained (i.e. existing) annualised employee equivalent opportunities (jobs) to be created in Australia and New Zealand as a result of the contract.

Note: AEE replaces Full Time Equivalence (FTE), and is calculated by dividing the total number of ordinary working hours that an employee worked and was paid over the reporting period (including paid leave) by the total number of full-time working hours paid per annum (this is generally 38 hours per week for 52 weeks = 1976).

**Expression of Interest -** used to identify suppliers interested in, and capable of, delivering the required goods or services. Potential suppliers are asked to provide information on their capability and capacity to do the work. It is usually the first stage of a multi-stage procurement process.

**Invitation to Supply** - a process of inviting offers to supply goods and/or services. This process covers both the request for quotation and request for tender process.

**Jobs Created -** a job (one Annual Employee Equivalent (AEE)) that has been specifically employed by a supplier or subcontractors, because of the work generated by a specific project.

**Jobs Retained –** a job (one Annual Employee Equivalent (AEE)) that has been working for a supplier or subcontractor before signing a project contract, working in tasks/works related to the project.

**Limited Contestability –** A project or aspect of a Local Jobs First project that has been deemed to be of nil or limited contestability. This means that the Industry Capability Network Victoria (ICN) has judged that goods produced, services supplied and construction activities to be used in this contract of nil or limited contestability meaning the local content is equal to or greater than 97 percent.

**Local –** The term local means all suppliers producing Victorian, Australian or New Zealand goods or services or when they have added value to imported items, such providing a local employment outcome to an imported product.

**Local Content –** The term local content covers all suppliers producing Australian or New Zealand (ANZ) goods or services or when they have added value to imported items. Local content means goods that are produced by local industry, or services that are supplied by local industry or construction activities carried out by local industry. Local assembly of imported materials, transport of goods, and local labour are all examples of local content or local added value.

**Local Industry –** Local industry means industry and other businesses based in Australia or New Zealand.

**Local Industry Development Plan (LIDP) –** A Local Industry Development Plan is a document prepared by the supplier as part of the Expression of Interest, Request for Tender and/or tender submission for a Local Jobs First project. The LIDP details the supplier’s commitment to address the LJF requirements and details the expected local content and job outcomes. An LIDP must have an ICN Acknowledgement Letter from the ICN to be compliant.

**Local Jobs First Commissioner –** An independent statutory officer with advocacy, engagement and compliance powers in relation to Local Jobs First. Further details can be found at <https://www.localjobsfirst.vic.gov.au/local-jobs-first-commissioner>

**Local Jobs First Policy –** The Local Jobs First Policy is comprised of the Victorian Industry Participation Policy and the Major Projects Skills Guarantee.

**Local Value Added Content -** Refers to products or services that are added locally onto an imported product.

**Major Projects Skills Guarantee –** The Major Projects Skills Guarantee is a policy that provides job opportunities for apprentices, trainees and cadets on high value construction and infrastructure projects.

**Non-contestable items -** Items that are considered as only being available through the international marketplace or local suppliers only. That is, it is considered that there is no current competition between international and local suppliers to provide the good or service.

**Practical Completion -** The end of the project aside from minor administrative tasks.

**SME –** Small-to-Medium Enterprises

**Specialist Equipment -** Refers to significant items or systems of equipment of significant cost that will be purchased by the supplier to meet the scope of works on a specific Local Jobs First project.

**Standard employee –** All employees not classified as apprentices, cadets or trainees.

**Total Contract Sum –** The sum of the contract to a specific supplier. May form just one part of the total project value.

**Trainee -** Traineeships are undertaken under a National Training Contract between an employer and a trainee that combines training with paid employment. Traineeships are undertaken at Certificate II level and above including Diploma and Advance Diploma. Traineeships can be in areas including business services, information technology or community services. Traineeships typically have a duration of one to two years and are competency based. Only work contributed by a trainee registered with the Victorian Registration and Qualification Authority (VRQA) may be counted against the minimum 10 per cent MPSG requirement.

**Request for Tender -** an invitation to supply or a request for offer against a set of clearly defined and specified requirements. Invitees are advised of all requirements involved including the conditions of participation and proposed contract conditions.

**Rural and Regional Victoria –** Rural and Regional Victoria is defined as the 48 local government areas, including six alpine resort areas, set out in Schedule 2 of the [*Regional Development Victoria Act 2002*](https://www.rdv.vic.gov.au/rdv-act-2002). The 10 regional city local government areas are [Ballarat](https://www.rdv.vic.gov.au/victorias-regions/ballarat), [Greater Bendigo](https://www.rdv.vic.gov.au/victorias-regions/bendigo), [Greater Geelong](https://www.rdv.vic.gov.au/victorias-regions/geelong), [Greater Shepperton](https://www.rdv.vic.gov.au/victorias-regions/shepparton), [Horsham](https://www.rdv.vic.gov.au/victorias-regions/horsham), [Latrobe](https://www.rdv.vic.gov.au/victorias-regions/latrobe), [Mildura](https://www.rdv.vic.gov.au/victorias-regions/mildura), [Wangaratta](https://www.rdv.vic.gov.au/victorias-regions/wangaratta), [Warrnambool](https://www.rdv.vic.gov.au/victorias-regions/warrnambool) and [Wodonga](https://www.rdv.vic.gov.au/victorias-regions/wodonga). The remaining 38 local government areas, including six alpine resort areas, are referred to as the rural local government areas.

**Value for money –** Value for money is a balanced judgement of a range of financial and non-financial factors. It considers the mix of quality, cost and resources; fitness for purpose; total cost of ownership and risk.

**Work Package –** Work package is used to define and group different parts of a project in a way that helps organise and define the overall project.

## Appendix 2: Monitoring and Reporting table

Note: Example only. This table will reflect a project-by-project basis.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | LIDP Commitments | | | | | | Secured Local Jobs First Outcomes | | | | | | | | |
| Work package | Item Description | Manufacturer | Supplier | ANZ value-add activity (%) | | Contract content (%) (B) | ANZ value-added activity (%) (C = A\*B) | Total number of Suppliers in project supply chain ( | | Manufacturer | Supplier | ANZ value-add activity (%) | | Contract Content (%) (B) | ANZ value-added activity (%) (C = A\*B) | Total number of Suppliers in project supply chain (E) |
| Import | Local(A) | Import | Local (A) |
|  |  |  |  |  |  |  | 0% | 0% | |  |  |  |  |  | 0% |  |
|  |  |  |  |  |  |  | 0% | 0% | |  |  |  |  |  | 0% |  |
|  |  |  |  |  |  |  | 0% | 0% | |  |  |  |  |  | 0% |  |
|  |  |  |  |  |  |  | 0% | 0% | |  |  |  |  |  | 0% |  |
|  |  |  |  |  |  | **0%** | **0%** | **0%** | |  |  |  |  | **0%** | **0%** | **0** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employment type** | **LIDP commitment** | | **Achieved / secured** | | **Progress / Comments** |
| **Created** | **Retained** | **Created** | **Retained** |
| Apprentices |  |  |  |  |  |
| Trainees |  |  |  |  |  |
| Cadets |  |  |  |  |  |
| Standard Employees |  |  |  |  |  |
| ***Grand Total*** | ***0*** | ***0*** | ***0*** | ***0*** |  |

For further information or helpance on the Local Jobs First policy and processes please contact:

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May 2020

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