

Big Housing Build Policy Requirements: Local Jobs First and Working for Victoria

Local Jobs First Policy

The Local Jobs First Policy is a Victorian government policy aimed at providing opportunities for local business including small and medium enterprises. There are two main elements to the policy: 1) Major Project Skills Guarantee (MPSG); and 2) Victorian Industry Participation Policy (VIPP).

Major Project Skills Guarantee (MPSG) is designed to create opportunities for Victorian apprentices, trainees, and cadets to work on large infrastructure projects. The MPSG requires all construction projects valued at or over \$20M to use Victorian apprentices, trainees, or cadets for at least 10% of the total estimated labour projects. This contribution may be through direct employment, subcontractor employment or via group training organisations.

Victorian Industry Participation Policy (VIPP) aims to promote employment and business growth opportunities to local small and medium sized enterprises (SMEs).

An online system has been developed to manage the application of the Local Jobs First Policy and this is known as the Victorian Local Jobs First Management Centre (VMC). This system is administered by the Industry Capability Network (ICN).

ICN is a not-for-profit organisation funded by the Victorian Government whose primary aim is to maximise opportunities for Victorian Industry.

ICN plays a key role in liaising with government and bidders regarding projects for which the LJF policy applies. Its responsibilities include: managing the VIPP Management Centre portal where tenders are registered; identifying local products and services that meet the contract requirements; and acknowledging and evaluating bidders' local content commitments. ICN also undertakes post-contract verifications on whether or not contractors have achieved the local content commitments as specified in Local Industry Development Plans.

LIDPs are plans that identify a local content commitment (including the engagement of local SMEs, apprentices, trainees and cadets) and the methodology to be applied to achieve the commitment.

As outlined above, the application of this policy to a project funded under the Big Housing Build will depend on the value of the project. If the policy is applicable, organisations must prepare and submit an Interaction Reference Number Form (IRN Form) with ICN.

ICN will then review the IRN Form and contact the organisation to discuss opportunities that may be created for local industry through the delivery of the project. Consultation with ICN may take between 30 minutes and a few hours depending on the nature of the project. Once consultation is complete, ICN will issue the organisation with an Interaction Reference Number (IRN) and a reference letter. The reference letter will set out any agreements reached between ICN and the organisation in relation to the project. The organisation must then provide Homes Vic with the IRN and details of the agreement reached with ICN (this requirement can be met by forwarding the reference letter supplied by ICN).

For the Rapid Grants Round, CHOs should see the RFP (see Appendix H) for more details on the requirements and process.

Working for Victoria

The requirement to utilise the Working for Victoria initiative is an obligation for any organisations receiving funding under the Big Housing Build. This means that if your organisation needs to employ new staff to manage the completion of funded works, those staff must be recruited from a pool of applicants sourced from the Working for Victoria platform in the first instance.

Organisations can use their existing contractors to complete the funded works but if those contractors (or sub-contractors) need to engage new staff for funded works, they must also recruit from a pool of applicants sourced from the Working for Victoria platform in the first instance.

This requirement is set out as an obligation in the Funding Deed. Organisations will need to keep records to demonstrate use of the initiative as required. Further information including details on the process to sign up and use the platform are available on the Working for Victoria website (www.vic.gov.au/workingforvictoria).

Public Tenant Employment Program

The Public Tenant Employment Program (PTEP) helps public housing residents across Victoria gain the hands-on experience and training they need to get into the workforce.

Annex 1. Big Housing Build Policy Requirements

Policy requirements for CHOs under the Big Housing Build include the Social Procurement Framework, Local Jobs First Policy and Working for Victoria Policy. These apply in the circumstances outlined in the following table and an explanation of each of these policies is provided below.

Policy	When Does the Policy Apply?
Social Procurement Framework	<p>All projects funded under the Big Housing Build must include social procurement commitments in line with the State Government's Social Procurement Framework and Homes Victoria's Social Procurement Approach.</p> <p>Social procurement targets and requirements for individual procurement will be outlined in RFP documentation.</p>
Local Jobs First Policy	<p>Applies to all projects funded under the Big Housing Build where:</p> <ul style="list-style-type: none"> • the value of the Funding is \$3M or more in metropolitan Melbourne; • the value of the Funding is \$1M or more in regional Victoria; or • the Minister otherwise declares the Project to be a "standard project" for the purposes of the Local Jobs First Policy <p>Major Projects Skills Guarantee applies to all construction projects valued at or over \$20M</p>
Working for Victoria	<p>Applies to all projects funded under the Big Housing Build. Organisations must use the Working for Victoria platform and ensure it is adopted by contractors they engage to undertake work under the project(s).</p>

Support from CHIA Vic

Throughout 2021, CHIA Vic will be supporting members to understand and adopt the requirements outlined above. This work will include:

- Developing template social procurement principles and policies
- Hosting sector briefings and training
- Creating guides and resources
- Identifying and collating lists of suppliers who are compliant with the Social Procurement Framework

If there is any other support needed or you have feedback on specific resources that are a priority, please contact CHIA Vic on Emma.Barker-Perez@chiavic.com.au.