

# WON Final Program Report March 2024

## Coordinated & Funded by:









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## EXECUTIVE SUMMARY

The Western Opportunities Network (WON) program was conducted between June 2022 and December 2023 and aimed to seize the opportunity identified in the Social Procurement in the West (SPW) research ArcBlue delivered for the Western Metropolitan Partnership in 2021. The study revealed that significant economic impact could be achieved by harnessing even small amounts of infrastructure spend into the local community in Melbourne's West. A key recommendation from the report was to increase small-to-medium enterprise (SME) capability and visibility in Melbourne's West. The Western Opportunities Network (WON) was established to connect businesses who supply the construction industry providing them with opportunities and knowledge to win more work through resources, training, and networking.

The WON program's inception involved key stakeholders forming a Project Working Group to guide and oversee its progress. Adjustments to the project plan were made after initial meetings, utilising Victoria University's market survey to inform program design. A rebranding to Western Opportunities Network was launched to strengthen community engagement. ArcBlue conducted extensive research and engagement with the Industry Capability Network (ICN) to map out the landscape of opportunities for SMEs in Melbourne's West. This groundwork included identifying major upcoming construction projects and evaluating the services of Social Enterprises and Aboriginal Businesses in the area. Collaboration with Local Councils and REMPLAN ensured access to pertinent regional data, which informed the program's design.

A robust engagement campaign was executed in the first half of 2023 to raise awareness and foster community involvement. This included communication material, engaging with all six Local Government Areas, and targeted email campaigns to construction sector SMEs and social benefit suppliers. Key intermediaries like Social Traders, Kinaway, and Opportunity Wyndham were involved in meetings and an online forum in April to further explain the program. The official launch of WON on 29th June 2023 at Brimbank Council offices was a testament to the program's reach, with 97 registrations and 84 attendees. The event featured speakers from various organisations, showcasing the program's inclusive and collaborative approach.

A bespoke WON online portal was created consolidating links to external resources, toolkits including templates for tenders and reporting, as well as a collaborative forum. Tailored training content was developed to address gaps identified in existing online resources specific to SMEs capability needs and seven online training sessions were held, recorded and subsequently made available on the WON portal.

The WON program received significant interest from industry and was able to attract even more participation through the involvement of a Tier 1 contractor. A network of 47 businesses was established and registered on the WON portal together with a recognisable brand of the network in the West. Participants greatly appreciated the opportunities for networking and learning and the comprehensive resources provided on the online portal.

Following the training session 100% of respondents confirmed they

- understand what Social Procurement is,
- · why Social Procurement is important,
- how they can do Social Procurement in their business and how to increase Social Procurement in their business.
- how to show lead contractors what they are doing in Social Procurement,
- how to write a tender response,
- what a tender evaluation is,



- what is already there to help their business in Social Procurement,
- what social benefit suppliers are available to their business,
- how to promote their business as an inclusive workplace,
- how purchasing activities can impact Social Procurement in their business and
- how to investigate and implement strategies within their supply chain to increase Social Procurement activities and impact.

Feedback on the training was extremely positive with

- 88% of respondents stating increased understanding what support exists for SMEs already
- 60% confirming an increase in understanding of social procurement and
- 67% confirming an increase in understanding of how to write a tender.

The investment in the region through "Big Build" and other local projects is significant. However, without the right ecosystem, communities might not seize these opportunities fully. Place-based models, known for their effectiveness in fostering community engagement and development, offer a robust solution. Learnings from the WON program and other place-based programs highlight the importance of long-term commitment, with a recommended horizon of at least five years for programs of this nature in order to begin, maintain and yield significant results,

## BACKGROUND

## THE SOCIAL PROCUREMENT IN THE WEST REPORT

In 2021, the Western Metropolitan Partnership (WMP), funded through the Office of Suburban Development (OSD) commissioned ArcBlue to develop a model to capture the Social Procurement opportunity in Western Melbourne.

Using economic modelling, the <u>Social Procurement in the West (SPW) report</u> found that significant economic impact could be achieved by harnessing even small amounts of infrastructure spend into the local community:

- ➤ The SPW report found that every \$100m spent on construction projects with local businesses creates \$237m economic impact and 580 local jobs.
- ➤ The report also uncovered that organisations in Melbourne's West collectively spent \$53 billion in 2019, with more than 45% of this expenditure having gone out of the region. Economic modelling shows that if 10% of this non-local spend was redirected to local suppliers over 9000 jobs could be created and nearly \$4bn of economic impact could be created for the region.



## A COLLABORATIVE PLACE-BASED MODEL

The SPW report proposed a collaborative regional model that recognises the work, policies, investment and on the ground services that are already in place and seeks to build a place-based ecosystem around them to maximise outcomes for the residents of Melbourne's West.

## The Model focuses on

- driving leadership and collaboration,
- · connecting and building on current services and work,
- creating clear and shared understanding of the value and impact of social procurement,
- skilling the community for relevant work opportunities,
- · supporting organisations to be more inclusive employers, and
- building the capacity of local and social suppliers in Melbourne's West.

A cost benefit analysis, prepared by Think Impact, indicates that the Social Procurement in the West Model has the potential to contribute 450 jobs for people from target cohorts (over 3 years) with a 12 to 1 return on investment.

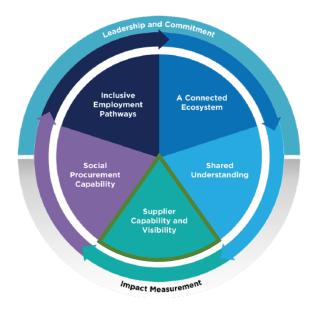


Figure 1.0 Social Procurement in the West collaborative regional model

A key recommendation from the report was to increase small-to-medium enterprise (SME) capability and visibility in Melbourne's West.

In 2022, WMP funded a section of the SPW model to build the Capacity of SMEs in Melbourne's West which has become the Western Opportunities Network.

The Western Opportunities Network connects businesses who supply the construction industry in Melbourne's West and provides the opportunities and knowledge required to win more work.



#### BENEFITS OF PLACE-BASED APPROACHES



It is widely acknowledged that many of the places that need it most do not get the true economic benefit from the infrastructure investment in their regions.



Place-based approaches can:

- target the specific circumstances of a place and engage local people as active participants in development and implementation, requiring government to share decision-making
- complement the bigger picture of services and infrastructure.



Place-based approaches funded by the Victorian Government have proven to be critical in anchoring investment in areas of entrenched disadvantage through social and local procurement and inclusive employment.

## PROGRAM OVERVIEW

The WON program ran from 15<sup>th</sup> June 2022 to 15<sup>th</sup> December 2023 and delivered capability and visibility uplift for SMEs in Western Melbourne through:

- A one-stop-shop portal: a dedicated hub providing access to relevant industry tools and resources for registered suppliers
- Training: Seven online training sessions
- **Templates**: Suppliers have access to tender and reporting templates
- Project Forums: A forum was facilitated in person to update suppliers on program opportunities and how to engage with the Tier 1 contractor
- **Networking:** Online networking sessions for registered suppliers provided opportunities to collaborate and explore partnership opportunities.

The project objectives were to deliver:

- A place-based program to train and build capacity for SMEs in Melbourne's West.
- An increase to the capacity of SMEs in Melbourne's West to
  - Win work generated from infrastructure and construction projects by improving their procurement readiness
  - o Increase their capacity to employ inclusively; and
  - Enable SMEs to meet broader social and environmental outcomes.

The project outcome(s) are:

- Develop clear, locally owned models with shared objectives, outcomes, and a visible commitment from stakeholders
- Collaboration with a broad range of cross-sector stakeholders built around 'anchor' organisations
- Understanding the learning process and culture in SMEs and align the program with the finding
- Providing effective brokerage to link demand, supply & employment
- Enabling and building capability across all parties through education, tools, and guidance
- Leveraging existing regional governance and collaboration structures
- Use of technology to enable information coordination, visibility, and access to opportunity.



## PROGRAM SUMMARY

In the initial stage of the program a Project Working Group was established bringing together key stakeholders (local councils, VU and state government representations) to provide valuable inputs to the program and have overall oversight. After the initial Project Working Group meeting in July 2022 the Project Plan was updated to reflect minor timeline adjustments and a minor change in scope regarding the survey of SMEs in the West. Victoria University (VU) had conducted a survey of the market for State Government, and the Project Working Group agreed that we should not survey them again, VU shared the survey findings and we incorporated them into the design of the program. Project Working Groups meetings were held throughout the program ensuring strategies were conducive to maximum program success.

Early engagement with Victoria University led to an agreement for Victoria University to evaluate the program. A Program Logic was designed to frame the program activities and outcomes. Key definitions were established to enhance understanding among all community stakeholders. The program logic provided support to Victoria University in their evaluation process including the defined key indicators for assessing the model's appropriateness for fostering an increase in social procurement capacity and capability of SMEs in construction in the West.

A brand identity was established to ensure wide engagement of stakeholders in the community. The name of the program was changed to Western Opportunities Network after stakeholder feedback emphasising the potential for improved marketing impact. Graphics, branding and marketing material were aligned and distributed via local council EDMs in early 2023.

To ensure a comprehensive understanding of the landscape of opportunities and existing services and suppliers in the region, ArcBlue conducted desktop research, engaged with Industry Capability Network (ICN), and completed mapping exercises to identify upcoming major construction projects, assess the scope of services offered by Social Enterprises and Aboriginal Businesses in Melbourne's West, and evaluate current tools and resources available for SMEs in the West to improve their capability to win work on construction projects. The project team negotiated with the Local Councils and REMPLAN to ensure we had access to the right data associated with the region. This data was also considered in the design of the program.

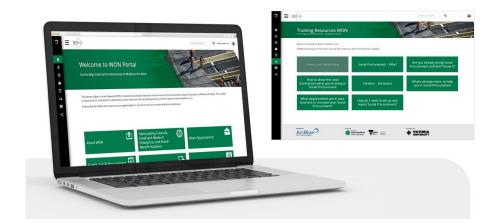
A significant engagement campaign was led throughout the first half of 2023 to ensure widespread awareness of the program and fostering community engagement. This involved the development and distribution of flyers and communication material, active engagement with all six Local Government Areas (LGAs) between February and March to socialise the program, complemented by a targeted email outreach campaign in March to all referred small-to-medium enterprises and social benefit suppliers in Melbourne's West who operate in the construction sector. Expanding our outreach, we held meetings with key intermediaries including Social Traders, Kinaway and Opportunity Wyndham and conducted an online forum providing additional information and to explain the program in April.

WON officially launched at an event on 29<sup>th</sup> June at the Brimbank council offices, with substantial participation, including 97 registrations and an impressive turnout of 84 attendees. Distinguished speakers from WMP, John Holland, ICN, Social Traders, Small Business Victoria, Different Journeys, and ArcBlue contributed diverse perspectives, highlighting the robust and inclusive nature of our approach.

In parallel, the project team created a bespoke online WON portal "One-Stop-Shop" which consolidates relevant links to externally available resources and information (including links to the LGAs, tender links to Local, State and Federal tenders, all live grants), Social Procurement and



Inclusive Employment Toolkits including templates and resources as well as a collaborative forum enabling direct engagement.



In designing the content for the training aspect of the program, all efforts were made to link to existing resources to the online portal and create bespoke training content where a gap was identified. To align training content with stakeholders' needs, consultations with SMEs and Social Benefit Suppliers guided the development of seven comprehensive training topics.

The training topics include:

- Social Procurement Why?
- Are you already doping Social Procurement and don't know it?
- How to show the Lead contractors what you're doing in Social Procurement
- Tender Basics
- What's already there, to help you in Social Procurement
- What opportunities are in your business to increase your Social Procurement?
- How do I need to set up and report Social Procurement?

The second half of 2023 focused on the deployment of the training schedule whilst continuing to enhance engagement with councils and intermediaries.

Online training sessions were hosted enabling exchange and interaction. The training schedule was devised based on consulting the WON membership via surveys as to the optimal date and time for training delivery. Training sessions were requested to be at lunch time as this time enabled participants to attend with ease, they were scheduled in alignment with expressed preferences by the majority. The trainings were recorded and made available on the WON portal, complete with PowerPoints, videos, and FAQs for future use.

The project team ccontinued to engage with Councils and intermediaries to increase awareness of the program. Victoria University is in the process of consolidating the results of the evaluation process.

Potential funding proposal opportunities were explored post-November 2023 to sustain and advance the program. ArcBlue connected with OSD to help advocate for the program.



# PARTICIPATING BUSINESSES AND ORGANISATIONS

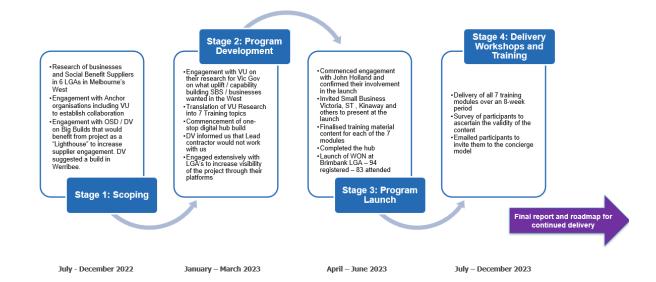
Registered Business Name	Trading Name	Category	
Antmic Services Pty Ltd	The Drug Detection Agency	SME	
Wired4Cloud Pty Ltd	Wired4Cloud	SME	
Victorian YMCA Youth and Community Services Inc	YMCA ReBuild	Social Enterprise	
Romlin Investments Pty Ltd	All Green Nursery & Garden Supplies	SME	
Westgate Community Initiatives Group Ltd	Cleanable Property Maintenance Service	Social Enterprise	
Westgate Community Initiatives Group Ltd	LoveLuvo	Social Enterprise	
Melbourne Wide Demolition	Melbourne Wide Demolition	n SME	
rethink dyslexia	rethink dyslexia	Social Enterprise	
United Progressive Alliance Pty Ltd	Quest Caroline Springs	SME	
Different Journeys Incorporated	Different Journeys	SME	
Young Change Agents	Western Bulldogs Community Foundation	Social Enterprise	
Huskii Group	Huskii Group Consulting	SME	
Hobsons Bay City Council	Hobsons Bay City Council	SME	
PROQUIP RENTAL & SALES OPERATIONS PTY LTD	ProQuip Rental & Sales	SME	
Power Structure Solutions Pty Ltd	Power Structure Solutions Pty Ltd	SME	
Australian Facade Manufacturers Pty Ltd	FacadeX	SME	
Gippsland Group Training	Apprenticeships Group Australia	Social Enterprise	
Gippsland Group Training	AGA	Social Enterprise	
STILCON HOLDINGS PTY LTD	STILCON HOLDINGS	SME	
Sisia Makokha	Sisia Makokha	SME	
John Holland Pty Ltd	John Holland	Contributor	
Brimbank City Council	Brimbank City Council	Contributor	
John Holland - North Western Program Alliance	NWPA	Contributor	
Sheforce Labour Hire Pty Ltd	Sheforce Labour Hire	Social Enterprise	
Harrowcraft Pty Ltd AFT The Heaney Family Trust	DH Steel / DH Cranes	SME	



Wamarra Pty LTD	Wamarra Aboriginal Business		
ASRC Cleaning	ASRC Cleaning	Social Enterprise	
e-VM Global Consulting	e-VM Global Consulting SME		
The Trustee for Precise Laser Cutting Trust	Precise Laser Cutting Pty Ltd	SME	
The Department of Employment & Workplace Relations	DEWR	Contributor	
Australian Facade Manufacturers Pty Ltd	Facadex SME		
United Progressive Alliance Pty Ltd	Quest Caroline Springs SME		
Young Change Agents Limited	Young Change Agents	Social Enterprise	
The Trustee for David McCarthy Trust	McCarthy Plumbing Group SME		
Beyond Value Pty Ltd	Beyond Value	SME	
Victoria University	Dr Catherine Lou Contributor		
Different Journeys Inc.	Different Journeys Social Enterprise		
Wyndham City Council	Wyndham City Council Contributor		
Kerb Pro Construction	Kerb Pro Construction	SME	
Canopy Accelerator Co- operative Limited	WynTree Nursery	e Nursery Social Enterprise	
Fusionsoft	Fusionsoft	SME	
Shrilekha art foundation.	Shrilekha art foundation	Social Enterprise	
Readywork Careers	Readywork	work Social Enterprise	
BroadWeb Solutions Pty Ltd	BroadWeb Digital SME		
AC SmartData	AC SmartData SME		
Digitxl	Digitxl	SME	



## WON HIGH-LEVEL PROJECT PLAN



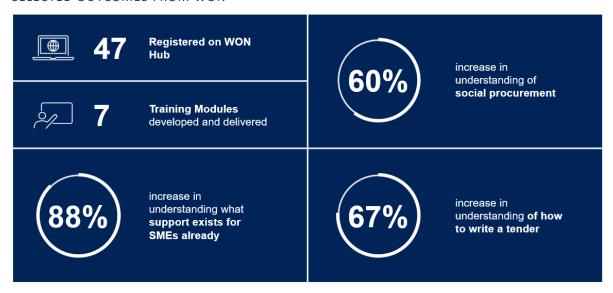
## SUMMARY OF PROGRAM ACTIVITIES

Project Phase	Status	Deliverables and comment
Stage 1: Scoping	<b>()</b>	<ul> <li>Define workplan &amp; scope for SMEs</li> <li>Stakeholder map and engagement plan</li> <li>Alignment to existing programs and partnerships (incl. VU)</li> </ul>
Stage 2: Market Engagement	<b>(</b>	<ul> <li>Stakeholder engagement</li> <li>Supplier engagement</li> <li>Program evaluation framework</li> <li>Key messages and themes (verbal feedback loop)</li> </ul>
Stage 3: Develop Program	<b>(</b>	<ul> <li>Scope and develop one-stop-shop</li> <li>Program framework and content</li> <li>Documents, toolkit and training material</li> <li>Develop One-stop-shop digital hub</li> </ul>
Stage 4: Training delivery	0	Delivery of training
Stage 5: Reporting	9	Final report and roadmap for continued delivery



## FEEDBACK AND OUTCOMES

## SELECTED OUTCOMES FROM WON



## SUVERY RESULTS

Before and after the training sessions participants were asked to fill in a survey to be able to track their learning and increase in understanding. The aggregated results are on the following page.





what Social Procurement is	why Social Procurement is important	how I can do Social Procurement in my business.	how to show Lead Contractors what I'm doing in Social Procurement.
how to write a tender response	what a tender evaluation is	what's already there to help my business in Social Procurement	what Social Benefit Suppliers are available to my business
how to promote my business as an inclusive workplace	what opportunities are in my business to increase Social Procurement	how purchasing activities can impact Social Procurement in my business	how to investigate and implement strategies within my supply chain to increase Social Procurement activities and impact

## **EVALUATION BY VICTORIA UNIVERSITY**

The WON program is currently in the process of being evaluated by Victoria University with results expected to be finalised by end of March 2024. This evaluation will provide valuable insights into the program's efficacy, identify areas for improvement, and guide future strategies.



## FEEDBACK ON BENEFITS OF THE PROGRAM

#### **Testimonials**

"The Western Opportunities Network has helped me and my business to learn how to improve our social procurement practices and grow our visibility with Tier 1 contractors.

Participating at their weekly meetings has helped us cultivate connections with other businesses. My company was in search of a social enterprise we could add to our supply chain and through WON, I've met lovely Flor and Nicole from ASRC Cleaning, a social enterprise that employs people seeking asylum. Communicating with both was easy.

Currently, due to contractual requirements with our client we need to prioritise our activities with another Social Enterprise, however when the opportunity arises we are happy to collaborate in the future.

Love how WON has this ability to simply put you in touch with the service you're after. Many of us subcontractors have a lot to learn about social procurement and WON is definitely a great platform to facilitate that. "

Ana B - Stilcon



## CASE STUDIES

ArcBlue created Case Studies on the connections and impacts for selected businesses.



## **Mainstream Supplier - Stilcon Group**

- · Attribute recent tender win to WON training
- Starting apprenticeships as a result of connection made with Apprenticeship Group Australia through WON
- · Added social procurement clauses
- Connections with WON member and social enterprise ASRC Cleaning group with plans to collaborate



#### SME - Different Journeys

- Connection made with Tier 1 contractor and Workforce Australia
- Funding for some of their carers secured as a result of the connection made with Workforce Australia
- Connection made with Tier 1 contractor and currently mapping of workplace education/training schedule
- WON training encouraged Different Journeys to investigate possibility of becoming a social enterprise



#### Social Enterprise - Re:think dyslexia

- Connected to Tier one with plans to collaborate on workforce training
- Built collaboration with Council and Workforce Australia to build inclusive employment capacity with employers in the West
- Improved tender skills and applied to submitted tender
- Claim they made more connections with businesses in the 7 months with WON than in previous 7 years



## KEY LEARNINGS AND CHALLENGES, WITH RECOMMENDATIONS

The project encountered some minor timing setbacks during the program due to the team not wanting to miss the opportunity to join a lighthouse program with Development Victoria and create the benefits associated. Despite Development Victoria's best intentions, their Head Contractor decided not to proceed with the program prompting us to review our options. Recognising the significant impact of having a Head Contractor on board, it took some time to successfully engage John Holland in the program. Notably, there has been a commendable increase in Social Benefit Suppliers (SBS) actively engaging with the program compared to other small commercial businesses.

It is essential to recognise that many businesses are deeply entrenched in their day-to-day operations, possibly overlooking opportunities for strategic development. Small businesses and other participants may not have fully grasped the potential benefits, not seeing the direct connection between engaging with government or ArcBlue to winning work with larger construction companies.

It is worth noting that the businesses which were involved in the network did not solely represent the types of businesses typically associated with the construction industry. A conscious effort was made in expanding the definition and understanding of what businesses should be engaged with. This was beneficial in fostering collaboration and innovation, as it brought together a wider array of skills and knowledge.

The involvement of John Holland in the project launch acted as a significant catalyst, drawing increased engagement. Had this positive momentum been sustained, with suppliers realising the advantages of connecting with Tier1 businesses, we could have witnessed a more substantial increase in overall participation.

Despite the voluntary nature of the training and the lack of immediate benefits, those who participated responded positively, indicating potential for broader engagement with the right incentives.

Building brand identity over time is crucial for fostering engagement, particularly with Tier 1 contractors, SMEs and SBS suppliers and stakeholders. Consistent communication, transparency, and delivery on promises are essential for cultivating trust and fostering long-term partnerships. As there was no ongoing funding position, questions on "what happens after December 2023" could have had an impact on participation amongst the sectors. Longevity of programs like this builds momentum year on year and through word of mouth as people gain trust and understand a return on their investment (time). Unfortunately, with the short time span of this program while some were enthusiastically engaged, we expect others did not have visibility of the program to participate in the time allocated. Where possible longer-term funding for programs (5 + years) of this nature should be considered, enabling the program to maintain momentum and trust building over time, so it can achieve its full potential.

Collaboration among government departments and agencies is imperative to activate policies and drive shared outcomes in the Big Build project. Without effective coordination and communication channels in place, there is a risk of disjointed effort and missed opportunities. We observed this with the LGAs. While some LGAs embraced the opportunity to connect with local businesses, others were not as motivated. We acknowledge OSD's involvement in supporting the program and reaching out to various government agencies, and we thank them for their continued efforts throughout. We recommend a coordinated approach for future programs of this nature.

The investment in the "Big Build" along with other local capital works projects, is progressing well and meaningfully. However, it is essential to recognise that without establishing the necessary ecosystem in place, communities may not fully harness the opportunities presented by these investments. To prevent communities from missing out on these opportunities, we believe that Place Based models offer a robust solution and should be considered going forward, ultimately benefiting the communities it aims to serve.