1. Motivation for the UA Indigenous Procurement and Employment Guidelines

Universities are committed to reconciliation and Indigenous advancement in line with Universities Australia’s Indigenous Strategy which makes a strong commitment to fairness and social justice for Aboriginal and Torres Strait Islander peoples. Australian universities remain committed to ensuring a true partnership between universities and Aboriginal and Torres Strait Islander communities both within and outside the university as essential to delivering the best outcomes.

The Universities Australia Indigenous Strategy 2022–25 seeks “in partnership with Indigenous university leaders — to move beyond aspiration to implementation, ensuring that commitment to principles translates consistently into concrete actions and outcomes. This requires a sharper focus on universities’ commitment and responsibility, both at an institutional level and across the sector, to ensure those responsible are delivering on the commitments, and that indicators and evidence show how they deliver and whether they have reached their goals”.

2. Guiding Principles

These Guiding Principles serve as a foundation for both the UA Indigenous Procurement and Employment Guidelines and aim to support Indigenous self-determination and the evolving needs and aspirations of Indigenous communities.

- Respect for Indigenous cultures and traditional knowledge.
- Prioritisation of Indigenous voices and decision-making processes.
- Commitment to creating a culturally safe workplace.
- Commitment to cultural governance by Indigenous leaders.
- Commitment to creating long-term, not just transactional, relationships.
- Recognition and incorporation of local contexts.
- Commitment to continuous learning through listening, reflection, gathering data, measuring outcomes, and improving.
- Intention to mature Indigenous employment and procurement practices so they are embedded in everyday practices, policies, and procedures, moving away from ‘initiatives’.

3. Introduction to the Indigenous Procurement Guidelines

As part of the UA Indigenous Strategy 2022–25, the DVCs (Corporate) Committee has committed to developing Indigenous Procurement Guidelines to support the advancement of Indigenous peoples through business partnership across university supply chains. Indigenous procurement refers to the procurement or purchasing of goods and/or services from indigenous-owned businesses. We acknowledge that universities can use buying power to generate social and sustainable value for Indigenous people.

The purpose of this document is to build on the success of Indigenous procurement initiatives already implemented within the Australian university sector and to propose practical procurement guidelines to further enhance outcomes.

4. Indigenous Procurement Guidelines

Procurement Strategy

- Develop and secure senior stakeholder buy-in to an Indigenous procurement strategy which may be a separate strategy or integrated within a broader sustainability or social procurement strategy.
- The strategy should outline the purpose and objectives of an Indigenous procurement approach, guiding principles, definitions, implementation approach, targets and reporting.
- The strategy should consider engagement with Indigenous businesses directly (first tier) as well as through sub-contracting arrangements (second tier) — and determine how to measure spend with the latter.
- The strategy should consider how a university through its’ engagements and interactions with Indigenous businesses can support their growth, including capacity and maturity uplift.
- Review the strategy at least annually to monitor progress.
• At an institutional level, consider developing Indigenous procurement targets that are achievable but ambitious. Initially this could start with an addressable spend target as well as targets around number of Indigenous supplier relationships and other supplier engagement outcomes.

> Consider progressively increasing the targets year on year to align with best practice in your jurisdiction.

> Consider including engagement with Indigenous businesses through sub-contracting arrangements in targets (second tier).

> Universities should aim for at least 1% to 5%+ of addressable procurement spend of the university to be with Indigenous suppliers within 5 years.

> Ensure targets for Indigenous procurement are set at senior executive level, and that they are regularly (ideally quarterly, no less than 6 monthly) measured and reported.

> Ensure annual category plans include consideration of opportunities to increase Indigenous supplier engagements from the year’s prioritised procurement initiatives.

Procurement Framework (policy, procedures, process)

• Ensure the university’s procurement framework, policies and procedures require consideration of sustainability and broader social outcomes, including Indigenous advancement.

> It is important that an overarching commitment to Indigenous procurement sits within the university’s Procurement Policy to ensure importance.

> Policy and procedure should include how to access Indigenous businesses, including through groups such as Supply Nation and local Chambers of Commerce. And encourage both direct (first tier) and sub-contracting (second tier) engagements.

> Tender processes should be demystified (including the use of plain English) for Indigenous businesses that are new to large scale projects. Frameworks should encourage reasonable flexibility and more simplicity in procurement processes to support Indigenous businesses participation.

> Consider mandating a minimum criterion weighting in all procurement processes of at least 5% for social or sustainability outcomes, of which Indigenous business engagement should be a key consideration.

> Consider the application of a favourable weighting for Indigenous businesses, especially smaller local enterprises.

• Integrate consideration of Indigenous procurement (possibly within a broader social or sustainable procurement context) within all procurement tools and templates across all stages of the procurement process.

• It is recommended that Indigenous suppliers are recognised as being fully or at least majority owned by a member of the Indigenous community. Registration or certification with Supply Nation, Indigenous Business Australia, or similar may be considered a pre-requisite.

• Universities should consider reviewing payment terms for smaller Indigenous businesses which may need to be paid quickly for products or services rendered.

• Universities should be aware of the risks and implement provisions to protect Indigenous Cultural and Intellectual Property (ICIP) rights in engagements.

> Indigenous Cultural and Intellectual Property (ICIP) rights are the rights that Aboriginal peoples have to their cultural heritage.

> Implement processes to protect ICIP and provide training to promote awareness and capability across procurement and legal teams.

> Consider inclusion of contractual provisions that address the risks and issues with ICIP as appropriate.

• Universities should review their definition of conflicts of interest to ensure kinship within Indigenous communities is understood, recognised, and managed within procurement processes to not limit Indigenous procurement outcomes.

> Within reason, invest time to provide feedback to Indigenous businesses on their performance in a tender process — to support their ability to be successful in the future.

• Universities should aim to appoint Indigenous businesses as preferred (pre-approved) suppliers for certain purchase categories, where there are opportunities to do so in line with a university’s procurement process.

• Indigenous Supplier Panels:

> Ensure that Indigenous suppliers are present on existing supplier panels, and that these lists are regularly reviewed and updated.

> Consider Indigenous business-only panels for certain spend categories.

> Periodically (at least annually) review supplier panel terms to ensure Indigenous businesses are supported to be successful winning work.

> Ensure panel review processes consider opportunities to add Indigenous suppliers to panels.

> Where no preferred (pre-approved) supplier or supplier panel exists for the goods or services, ensure procurement processes consider inviting Indigenous suppliers to participate in the procurement process.
• Consider the inclusion of the following sample questions in tenders (noting these can be asked of Indigenous suppliers and non-Indigenous businesses to encourage those businesses to increase their commercial activities with Indigenous businesses):
  > Please outline your Indigenous employment (number of FTEs [Full Time Equivalent] currently employed, types of employment contracts and the seniority of roles employed [i.e., how many of these are in management or leadership roles]).
  > Please outline your Indigenous procurement record (amount spent with Indigenous organisations in the last two years as a percentage of total procurement expenditure).
  > Please outline your investments into and support of Indigenous community development efforts.

**Supplier Engagement**

• Universities should aim to build long-term, meaningful relationships with Indigenous businesses. Relationships could include collaborations across research, education, and employment, as well as procurement (not transactional only).
• Universities may consider undertaking economic impact analysis to identify areas for further engagement in Indigenous procurement and, more broadly, to understand the impact on the Indigenous community and the economy.
• Universities should consider membership with groups such as Supply Nation, local Chambers of Commerce, Indigenous Business Australia, and other local community-controlled organisations to improve access to Indigenous businesses.
• Attend or consider hosting Indigenous trade fairs or networking sessions to encourage introductions between staff involved in the procurement of goods and services with Indigenous businesses.
• Consider collaboration with other universities or businesses to support the development of your local Indigenous business market, including skill and capacity growth.
• Universities could consider employing mentors who specialise in helping Indigenous businesses navigate the on-boarding process, when they are procured to provide services.
• Wherever reasonable, take advice and leverage the networks of university Indigenous colleagues, who may be able to support with identifying potential Indigenous suppliers. This may include seeking guidance on culturally sensitive matters that may arise during a procurement process.

**Capability Uplift**

• Ensure all staff substantially involved in the procurement of goods and services on behalf of the university regularly (at least annually) undertake Indigenous culture safety, competence, or similar training.
• Ensure all staff responsible for leading strategic procurement processes undertake Indigenous procurement training, for example the training offered through Supply Nation.

• Include an outline of the steps needed to successfully engage Indigenous businesses in procurement processes in university procurement training and guidance materials.

**5. Case Examples**

It is recognised that best practice is when activities are standardised and embedded in general practice. The cases below are just some of the Indigenous procurement activities which have been successful within the university sector:

• Developed an Indigenous procurement strategy in consultation with university stakeholders who identify as Indigenous and launched with an event and communications to promote awareness and uptake. Strategy sets out targets which are ambitious, and actions to increase awareness, governance, capability, and engagement outcomes.
• Updated the procurement policy to recognise and prioritise business engagement outcomes with indigenous-owned businesses. Key policy levers implemented include setting a minimum criterion weighting of 10% for sustainability/social impact outcomes, of which indigenous business engagement is identified as a key pillar.
• Strategic and tactical procurement templates updated to ensure social impact outcomes, including indigenous procurement, are embedded across the planning, tendering, and recommending stages of procurement processes to enhance Indigenous engagement outcomes.
• Indigenous and social enterprise supplier panels established and communicated across the university, covering spend categories such as catering, printing services and corporate gifts.
• An Indigenous builder panel was established consisting of four Indigenous-owned builders. For projects that are directly related to the university’s Indigenous engagement strategy (for example, design and construction of Indigenous learning circles), only builders from the Indigenous panel are invited to tender. For all other refurbishment and construction projects, two indigenous builders (a more favourable rotation) from the panel are invited to every tender.
• Developing and launching an Indigenous spend dashboard which lifts transparency for the university’s decision-makers and budget holders, which together with improved awareness, is part of the strategy to lift spend.
• Trialling a test and tag service from an indigenous business within the student residences operations of the university. If successful, this test case will be used to promote the use of this Indigenous business across other parts of the university.
• The university invests in the establishment of a social enterprise café on campus whose social impact purpose is supporting Indigenous outcomes of employment, training, and supplier engagement. The café is used to host events and provides catering to university functions.