

Tuesday 5 July 2016

TMD, representing the Tasmanian Government

Networking Tasmania (NT) III – Local Area Network as a Service (LANaaS) including managed WiFi

RFT TMD 2016-105

Attachment 8 Tasmanian Industry Participation Plan



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Networking Tasmania III – LAN as a Service (LANaaS) including managed Wi-Fi access point services

The Tasmanian Government is committed to maximising opportunities for local SME¹ businesses to compete for and win Government procurements. Suppliers/proponents are requested to prepare a Tasmanian Industry Participation Plan:

- For all procurements with a value exceeding \$5 million;
- For nominated procurements (at the discretion of the procuring Government entity) greater than \$2 million and up to \$5 million; and
- For private sector projects valued at over \$5 million that receive support, including in-kind support, valued at or greater than \$500 000 from the Government.

This Plan is your opportunity to demonstrate how your submission will positively impact on the local industry/economy. You do not need to answer all of the questions below and your submission may not necessarily be limited to these issues (which are provided as prompts). You will need to ensure you can verify the information you submit and where possible should provide actual numbers of staff (full-time equivalent)/values of goods and/or services.

For procurements, the Tasmanian Industry Participation Plan is an essential part of your submission and will be used by the procuring entity to evaluate your submission. In these circumstances, the Plan will contribute a minimum of 10% of the procurement evaluation. Suppliers that fail to submit a Plan will receive a zero score in relation to this criterion.

This template was specifically developed for procurement. Where a Tasmanian Industry Participation Plan is required for a private sector project, the template should be adapted to suit the specific circumstances of the project.

Procurement details

Procurement Reference No.	RFT TMD 2016-105
Procurement title	LAN as a Service (LANaaS) including managed WiFi access point services
Name of Responsible Agency/Entity	TMD, Department of Premier and Cabinet

¹ Local SME are Australian and New Zealand businesses employing less than 200 people.

Supplier Details

Name of Supplier	NEC Australia Pty Ltd
Contact Details for Supplier	<p>Jacinta Brown</p> <p>Email Jacinta.brown@nec.com.au</p> <p>Mobile 0409 604 430</p> <p>Level 9, 720 Bourke Street, Docklands, VIC 3008</p>

Local SME industry impact

What is the direct local impact of your business?

Examples: Are you a local SME (how many people do you employ, where is your business located, what is the ownership)? How many people do you employ in Tasmania? Would any new SME jobs be created by the proposed contract - how many?

The Tasmanian Government is seeking a long term partner committed to promoting the ICT industry in Tasmania. NEC has already demonstrated this commitment and willingness to build on our footprint in the State and increase the:

- **Number of jobs we are able to offer to Tasmanians** – increased opportunities for NEC in Tasmania means we will be able to employ more Tasmanians to offer the services
- **Involvement of SMEs in delivery of the NEC services to the State** – we are starting the process with our partnership with local SME BSH Electrical a proudly Tasmanian owned and run company.

NEC is seeking to further establish itself in Tasmania and views the opportunities available through a successful response to the Networking Tasmania III Lan as a Service tender process as a means of facilitating this objective.

NEC Australia is a division of NEC Corporation, a global IT company, and is headquartered in Melbourne. NEC Australia has offices in all mainland states, with over 1600 employees Australia-wide. Currently, NEC employs two staff based in Tasmania.

As an example of our commitment to servicing all regions of Australia, Figure 1 below shows our engagement with the Northern Territory, where we have provided a local presence for over a decade. Our relationship with the Northern Territory Government has been an enduring one and is proof of our commitment to a small and remote region of Australia.



Figure 1. NEC has provided a local presence in the Northern Territory for over a decade

A plan to increase the number of people we employ and train in Tasmania

In Tasmania, NEC has recently been awarded the Infrastructure as a Service contract and also has a small number of contracts for services already established with TasNetworks and TasmaNet. These services are for the delivery of wireless networks. Both these agreements facilitate these organisations delivering valuable services to their end user customers and support other ICT activities in Tasmania with access to alternative network solutions that extend reach and range of data networks in the State.

NEC has engaged a Business Development Manager in Tasmania to assist in the management of these agreements and to develop further opportunities in Tasmania.

NEC also has one on-island employee responsible for the architecture and delivery of managed call centre services nationally. This person provides support for specialist NEC agreements Australia-wide.

If NEC was to be successful in this tender, we would deliver the following during the transition phase with the anchor customer:

1. A dedicated NEC office located in Hobart
2. Increase in the number of FTE staff in Tasmania to support service delivery and program management roles on-island

3. Establishment of agreements with 3rd party local IT suppliers to support local hardware and other associated facilities to support activities in all Government offices in Tasmania
4. Training of local support staff as either NEC staff on-island or source additional support from NEC accredited suppliers in Tasmania. Note - NEC would initially deliver services to meet the requirements of this tender with the use of experienced NEC staff from interstate; however, a key requirement of their role would be to train local staff.

Fostering local partners – BSH Electrical

To further demonstrate our commitment to fostering local enterprise and keeping jobs in Tasmania - NEC is partnering with local SME BSH Electrical to deliver the LAN Services.

BSH is proud to be a Tasmanian owned and operated family business, employing Tasmanians and actively contributing to the Tasmanian Economy for 29 years. They currently support Tasmanian families by employing approximately:

- **75 technicians** - BSH Electrical encourages the development of our technicians at all levels to continuously develop improved or new skills sets further enhancing the local capability
- **15 support/administration staff** – offering a wider scope of skills and employment for Tasmanians outside the electrical trade
- **18 apprentices** specifically in the electrical trade – offering opportunities for young Tasmanians to learn a trade enabling them to remain and make a life in Tasmania.

At the successful conclusion of the transition phase, NEC would work collaboratively with the Tasmanian Government in the manner proposed in the contract governance structure. The aim is to further extend the number of on-island FTEs and create opportunities for local ICT companies to support NEC activities in Tasmania using local industry partners.

NEC sees the most effective way it can support local industry development and increase presence in Tasmania is through our development of local partners who support the delivery of our ICT services in Tasmania. By extending the model used in other states we deliberately seek partners that are locally owned and operated so that we can develop long term relationships and better support their development, ultimately ensuring the high level of services provided by NEC can be delivered locally.

Goods and services to be utilised in the contract

Identify the goods and/or services you expect to purchase in order to complete the contract and provide the requested information in relation to same, where known.

Table 1. NEC will provide the following goods and services in the contract.

Identified goods or services	Total estimated value	Name of supplier anticipated to be used (if already determined through existing supply chain arrangements)	Location of supplier (where already determined through existing supply chain arrangements)	If supplier not yet determined, is there a local SME market for same? (Yes/No)
Data Cabling installation and Maintenance services	TBC	BSH Electrical	3 offices State-wide Hobart, Burnie and Launceston	

Opportunity for local SME involvement

Will you source components of your offer from other local SME companies/sub-contractors or is there new work to be undertaken locally as a result of you fulfilling the contract or workers travelling to the local area to undertake the work? How much?

As indicated above, to further demonstrate our commitment to fostering local enterprise and keeping jobs in Tasmania; NEC is partnering with local SME BSH Electrical to deliver the LAN Services. BSH offers a state-wide presence with offices in 3 locations and also support Bass Strait Islands.

They will be providing cabling activities such as

- New cable installations
- Maintenance of existing cabling
- Cable testing and compliance testing of existing cabling
- First in network support for Switch replacement.

BSH is proud to be a Tasmanian owned and operated family business, employing Tasmanians and actively contributing to the Tasmanian Economy for 29 years. They currently support Tasmanian families by employing approximately 75 technicians, 18 apprentices and 15 support staff.

Detail how you intend to identify and engage with sub-contractors and/or other SMEs in relation to the delivery of the contract including your supply chain i.e. use of existing supply chains, advertising of sub-contracting or supply opportunities, liaison with industry groups and ICN etc.

During the transition phase, NEC will seek details of further potential sub-contractors using the local TASICT database and ICN support locally as well as using other NEC established partnerships with representation in Tasmania. This approach would potentially provide NEC with both NEC dedicated staff in Tasmania as well as additional support as required to support the ongoing transition of new customers and growth of other existing customers over the term of the agreement.

NEC today manages in excess of 800 local subcontractors, suppliers and product vendors within Australia. NEC has a policy to use Australian based labour to provide services to its customers. Throughout the contract, NEC will maintain detailed information of subcontractor, suppliers and product vendors used to deliver services. This information will be reviewed and shared through established governance with the customer.

In the event NEC determines a requirement to make a change in arrangements with local subcontractors, suppliers or product vendors, NEC will consult directly with local industry groups such as TASICT and ICN prior to undertaking the change.

Detail the process that you are to undertake to ensure that local SMEs are not to be disadvantaged where competing with other suppliers in the provision of goods or services to be used as part of this contract (i.e. unpacking of procurements into smaller components so that local SMEs can compete more effectively etc).

NEC has an extensive supply management team that is responsible for selection and management of local subcontractors, suppliers and product vendors. The team runs an open and ethical practice when selecting local subcontractors, suppliers and product vendors.

Determining which companies are used is based upon available public information, intermediaries such as Gartner, TPI and Frost and Sullivan, and previous experience with third parties.

NEC also appreciates that local suppliers, while meeting many of the NEC prerequisites as a local partner, may not have the necessary specific skills required. In these cases, NEC would provide specific training to those selected local suppliers.

In other Jurisdictions where NEC has become well established in delivering services, we have supported training in local colleges and universities to ensure the availability of suitable qualified people for NEC locally and to support the local industry.

Broader economic opportunities

Are there any other impacts that your business and/or this specific supply will provide to the local/regional economy?

Examples: Your supply may lead to: new skills being developed locally; trainees/apprentices being appointed; cross transfer skills to a local SME partner/sub-contractor; your company (if you are not a local SME) setting up an office/employing local staff; scale for you to take your products/services interstate/overseas; local community sponsorship etc.

Note: Where determined appropriate by the procuring entity, the supplier's obligations under this Plan are to be captured in the contract and monitored as part of the contract performance.

NEC's business model is to take vendor solutions and add NEC specialised skills and expertise to productise these solutions to meet specific customer requirements. NEC is already working with representatives in the Tasmanian ICT industry to support Tasmanian solutions into other areas of Australia by including Tasmanian solutions into NEC service catalogue and providing specialised skills to deliver Tasmanian-developed solutions to areas outside Tasmania.

NEC will seek to:

- Provide opportunities for organisations such as Local Government and other GBEs to take advantage and use these services
- Provide for other non-government organisations to have access to on-island IaaS services and to support the local ICT industry in delivering highly available cloud services to support on island customers with similar requirements to Tasmanian Government agencies.

Completed and endorsed (Supplier)

Calum MacGregor, State Manager VIC/TAS

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(Name and position – print)



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(Signature)

05/07/2016

(Date)