

# Tasmanian Industry Participation Plan

## Consultancy Services Panel for Health Infrastructure Projects -

### (IS-69) – Request for Tender Outcome & Final Contract

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

- 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 (and including) \$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.

### Procurement details

<b>Procurement ID</b>	(IS-69) – Request for Tender Outcome & Final Contract
<b>Procurement title</b>	Consultancy Services Panel for Health Infrastructure Projects
<b>Name of Responsible Agency/Entity</b>	Tasmanian Government – Department of Health

### Supplier details

<b>Name of supplier</b>	Arup Australia Pty Limited
<b>Contact details for supplier</b>	Marina Burneska  Wurundjeri Woiwurrung Country Sky Park, One Melbourne Quarter, 699 Collins Street, Docklands, VIC, 3008, Australia  Email: marina.burneska@arup.com Tel: +61 3 9668 5607

## **Are you a Tasmanian SME\*? Do you employ Tasmanians?**

Arup is a global firm with experts working across 140 countries. In Australia we have eight offices across 6 states and territories. At this time, Arup does not have an office in Tasmania however we will look to resource projects predominantly from our Victorian office.

Although we don't have a Tasmanian office, we will look to partner with Tasmanian SME's in order to undertake local works such as site inspections and site phase works. By utilizing local Tasmanian specialists, we aim to maximise local knowledge and relationships with contractors as well as maximise knowledge sharing with our Tasmanian counterparts and reduce project costs associated with travel etc from Victoria. As a result of this we estimate approximately 10% of labour hours may be worked by Tasmanian based staff. We note this will be dependent on the projects being procured and the disciplines involved. At this stage, these details are unknown as the proposal is for a panel role for future works.

Depending on the amount of work and consistency of projects which may be undertaken by Arup we may look to hire Tasmanian based staff to attend local meeting and conduct site based work if required, however this will be assessed based on the flow of work and type of projects being undertaken.

## **Where are the goods or services to be used in the contract sourced from?**

The services being provided will predominantly be carried out by the Victorian Arup office, located in Melbourne. Our Melbourne office is made up of approximately 700 employees across a broad range of disciplines and markets. All services being offered as a part of this submission will typically be carried out by Arup however local subcontractors such as geotechnical site engineers or subcontractors engaged to undertake site inspections etc may also be engaged. Where possible we will look to engage Tasmanian SME's to undertake this work.

As an example of the above, when delivering the UTAS ACIPA Conservatorium works at the Theatre Royal, Arup engaged a local structural engineer to undertake site inspections on our behalf. This partnership with Gandy & Roberts Consulting Engineers was a successful partnership and we'd look to undertake a similar arrangement where appropriate on these panel projects if successful. Under similar arrangement, Arup are currently delivering the UTAS Forestry Building Revitalization Project in partnership with JMG Engineers and Planners.

We note that Arup looks to undertake the majority of our work in house utilising local staff. Where required subcontractors may be engaged as outlined above, and in these instances, we look to local Tasmanian SME's to undertake the work. Arup seldom engages international or offshore services from third parties, nor do we seek to undertake work through low cost offshore cost centres. We will however where appropriate look to regional and global experts within Arup to provide comment or input into our work to

ensure best practice and innovation are incorporated into the work we are providing. Ultimately this will provide global level innovation and thinking into the projects we are involved in.

### **Opportunity for Tasmanian SME\* involvement**

As outlined in previous sections, Arup will look to engage local SME's as subcontractors to undertake site based works such as:

- Geotechnical Site Works
- Site inspections and reporting for construction works
- Site related measurements or inspection and reporting of existing conditions
- Engagement with local authorities (as required)

Opportunity for involvement of SME's is not limited to these tasks, and Arup will review opportunity to engage Tasmanian SME's based on the project requirements on a case by case basis.

With regards to procurement, Arup will reach out to appropriate SME's and request proposals for required works be submitted. In alignment with typical procurement procedures, we will assess tenders for appropriateness and quality prior to on-boarding any subcontractors. We will also review against contract requirements with the Department of Health to ensure no conflicts etc.

Transfer of skills to Tasmanian SME's is also likely as the subcontractors engaged will liaise with and consult with Arup specialists and in turn will be exposed to our local and global expertise in responding to design approaches etc. Where required we will aim to upskill our subcontractors to align the work they are undertaking to suit the Arup requirements.

### **Broader social and economic opportunities**

Arup will look to work with the Department of Health to ensure that all projects we are involved in have a positive impact on the Tasmanian healthcare system and in turn create positive social and economic outcomes for the state and its people. As an employee-owned company, Arup has a community engagement program where Arup, alongside a wide range of partner organisations, use our technical and strategic capabilities to meet community needs and support the most disadvantaged, vulnerable and marginalised people across the world. Our community engagement program aims to produce a more sustainable world, focusing on food security, clean and renewable energy, water and sanitation, improved shelter and social mobility. In 2021, 31% of projects under our community engagement program contributed towards improving education and social mobility and 38% towards infrastructure (including social infrastructure, green energy, water and sanitation).

As part of preparing social and economic benefit studies, Arup undertake analysis on the drivers of social and economic growth and provide recommendations on the opportunities for job creation by industry type, investment in skills and training, social development and economic development of the local economy, measuring the benefits during construction and once operational. We recognise that each local economy and community is different and recognise the importance of a project team with a strong understanding of the local challenges and opportunities for sustainable economic and population growth. We will work closely with the Department of Health to understand the scope and dependent on what is required, there are opportunities for Arup to partner with a local SME specialising in stakeholder engagement, indigenous inclusion and cultural heritage, drawing on local SME's with deep ties to place and community. We have demonstrated this ability on a number of projects where we worked with a number of subcontractors to meet the project objects (please refer to our capability statement attached).

As has been discussed in previous sections the works will also involve local SME's which Arup will look to engage as subcontractors to undertake on site roles on projects as required. Again, this will result in fees and works for Tasmanian SME's and in turn may also lead to hiring of additional staff by these companies. Further, there may be opportunities for Arup to engage with stakeholders in the supply chain for work that is procured by the Department, creating wider economic benefits locally.

In addition to these considerations, it is likely that Arup staff will need to travel to Tasmania at times for on site or in person meetings, events and site related inspections etc. As such there will be economic benefits from associated travel expenses including hotels, airfares, food and entertainment costs etc.

## Local innovative solutions

Although Arup will provide services predominantly from our Victorian office, we will look to engage local SME's where possible, in turn this will result in economic benefit to the Tasmanian business involved. Where SME's are engaged we will look to draw from their local experience to develop our services in a manner which best suit local conditionals and practices.

In addition, Arup is globally focussed on building a sustainable future and incorporating tools and processes to minimise the environmental footprint on all our projects. As such we will utilise our in-house tools, processes and innovations to ensure that we minimise the environmental costs of projects. As an example, Arup utilises tools to track the embodied carbon of new buildings. We will look to utilise this tool where possible to cross reference designs and look to minimise the carbon footprint of new construction works. In turn this will have positive environmental benefit on the community and in some cases such may result in materials saving which will also result in economic benefit to the state.

Other initiatives including global best practice thinking and global Arup initiatives and funding can also be applied with the intention of maximising benefits to the Tasmanian community and economy. Some of these include:

- Arup university which can be used to fund innovation research and foresight
- Arup membership with shared value project
- New ways to collaborate across sectors.
- Quantify social value through credits such as community resilience, indigenous inclusion, cultural heritage.
- Developing local industry.

Arup will also look to propose design solutions which local contractors can then apply to future projects, incorporating designs which result in better outcomes for end users of the projects we are involved in; for example incorporating ESD and services initiatives to maximise user comfort and minimise environmental impacts, and by providing robust and flexible designs which maximise design life and enable spaces to be flexible to accommodate future changes whilst being efficient and economical to deliver.

<p><b>Completed and endorsed</b></p>	<p>Marina Burneska Associate Principal</p> <p>Arup Australia Pty Limited</p>  <p>20/10/2022</p>
--------------------------------------	---

\*A Tasmanian SME is a Tasmanian business employing less than 200 people