

Tasmanian Industry Participation Plan

IS-69 - Consultancy Services Panel for Health Infrastructure Projects

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

Procurement ID	IS-69
Procurement title	Consultancy Services Panel for Health Infrastructure Projects
Name of Responsible Agency/Entity	The Department of Health

Supplier details

Name of supplier	FACTION Consulting Pty Ltd
Contact details for supplier	Level 6, 111 Macquarie Street Hobart TAS 7000 Email: tenders@factionconsulting.com.au Telephone: 0423 551 113 Attention: Gary Finnegan, Managing Director

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

Over the last three years, through our commitment to putting down roots in Tasmania, we have firmly made our mark as a Tasmanian SME, delivering projects in Hobart and Launceston.

FACTION is one company, running on a national platform, servicing projects across Australia and beyond. Our business is registered in Brisbane; however, we have offices located in QLD, NSW, VIC, and TAS. Our local Tasmania office is at Level 6 of the Reserve Bank Building on Macquarie Street, Hobart.

While we are currently a team of three full time employees based in Hobart, FACTION is continuing to grow across Tasmania. While we continue to seek to recruit locally, we also partner with other local Tasmanian businesses in support of the delivery of our projects. Partnering and collaborating with other like-minded SME's is key to the professional development and training of local resources and ensuring the future of key construction and professional services resources in Tasmania

FACTION has been actively working on projects in Tasmania for the last three years, and most recently building our relationship and engagement with the Department of State Growth. We are also working closely with the Department of Health on several engagements and through this work, we have gained a breadth of local knowledge and understanding of both the construction and commercial property market in both Hobart and Launceston.

We anticipate that there will be at least three Tasmanian jobs supported directly because of this engagement with FACTION, with significantly more jobs potentially supported through the procurement of other sub-consultants, specialists and contractors who will work on the project.

We currently have three full time members employed in Tasmania. As part of our strategic national business plan, we have a growth trajectory set out for Tasmania and have already set in motion our plans to increase our footprint, project undertaking and personnel on the ground in Tasmania (Hobart in particular). Over the next 12 months, we envisage being a team of four people, with a projection of having up to six - eight people working in our business in Tasmania in 2024.

Based on our current workload and the projects being delivered nationally, we would estimate that the overall split of labour hours worked by Tasmanian based employees versus other employees (across QLD, VIC and NSW) is approximately 14%. This is largely due to the nature and scale of the projects we are currently delivering in other states, primarily in Queensland with several large government and private projects underway.

We are proud to have an already established Tasmanian office on Macquarie Street in Hobart, and we are continuing to grow our team as we solidify our local business and expand project opportunities.

Guidance information (can be deleted): Below are some examples you may consider including in response to this question:

- *Are you a Tasmanian SME?*
- *How many Tasmanian jobs will be supported by this procurement activity?*
- *How many people do you employ in Tasmania?*
- *Provide an estimate of the number of labour hours worked by Tasmanian-based employees versus other employees.*
- *Would any new Tasmanian jobs be created by the proposed contract - how many?*
- *If you are not a Tasmanian SME, will you be setting up a local Tasmanian office and employing local staff?*

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

FACTION provides all the professional services as set out in our proposal, with the primary services for this engagement being Project Management Design Management and Superintendent services. To deliver value and service excellence to our clients, we have a fully integrated service offering, which allows our clients to benefit from seamless end-to-end delivery with a single point of accountability and enables us the greatest opportunity to create and add value to Client's projects and business.

Our core services (Project Management, Advisory, Change Management, Superintendent & Independent Certification) are provided and serviced by existing FACTION team members based in Tasmania. It is our business ethos and approach to foster a collaborative team and involvement from our leadership team who will ensure client satisfaction. Our Managing Director, Gary Finnegan (based in Brisbane) regularly visits the FACTION team and our clients in Tasmania.

Whilst our model encourages tapping into our wide pool of resources, our business focuses on engaging with Australian and local businesses and people first and foremost. We do not outsource or take our services offshore.

As part of our role in providing Project Management services, we will be responsible for the procurement of other sub consultants and building contractors on behalf of the Department. We will always prioritise local suppliers where possible.

100% of the services are anticipated to be resourced by local team members currently employed by FACTION and residing in Tasmania.

With regards to incorporating local products, services, and capabilities, we will draw upon recent experience in undertaking procurement processes to ensure best practice principles and local benefits. FACTION is managing and implementing the procurement process for the Department of Health – Tasmania, and Tascorp, and have first-hand experience and knowledge of the Best Practice Principles for Local Benefits and Ethical Supplier Threshold, including the new requirements that address Modern Slavery. We will bring to the project, all our learnings in this area to ensure that we are at all times,

considering the impact and benefits to the local Tasmanian economy and opportunities when it comes to sourcing products, services and capabilities to enhance, supplement and complement where required.

FACTION is very conscious of the opportunity to involve Local SMEs across Tasmania as a means of supporting the local economy whenever we can. Through our high-level engagement with State Government economic development planning initiatives, we are acutely aware of the economic challenges faced by many communities across Tasmania and the benefits in spending locally where possible. Our physical presence in our Hobart office underpins our understanding of the specific challenges faced by each of Tasmania's major regions.

In addition to our spend on services and equipment directly related to our project work, FACTION also source office equipment and services from Local SME.

Guidance information (can be deleted): Below are some examples you may consider including in response to this question:

- *Does your business provide all the goods and services identified in your submission?*
- *If not, will the goods or services identified in your submission be provided by or sourced from Tasmanian SMEs? If possible, provide a list.*
- *Provide an estimate of the value of locally sourced goods and services versus imported.*
- *Outline how your submission will incorporate local products, services and capabilities.*

Opportunity for Tasmanian SME* involvement

Through our project experiences to date for Aurora Energy, Tascorp, Department of Health, Hydro Tasmania, Silverleaf and Tas Gas, we have identified other local Tasmanian SME's that offer both complimentary and cross over services. Our offer and proposal include a team comprised of FACTION employees from Tasmania, however where appropriate project opportunities arise, we will look to partner with these businesses as applicable. FACTION strongly believes in connecting and collaborating with like-minded organisations which complement and strengthen our service offering and supports our value creation approach for our clients.

As well as continuing to build relationships directly with consultant, contractors and various government departments and entities in Tasmania, FACTION is also proud to be an advisor to the Queensland Government for the Queensland Charter of Local Content for procurement and supply chain management initiatives. FACTION have advised and partnered with Industry Capability Network (ICN) to implement initiatives in the delivery of various capital works projects including Health (e.g., such as PA Hospital) to provide genuine opportunities for local businesses through the achievement of 80% direct local employment of project contractors. Based on our experience with ICN and local markets, we believe that there will be opportunities on the project where we could collaborate directly with local businesses and suppliers. This would enable us to communicate effectively about any available tender opportunities (working in conjunction

with your existing and preferred methods of tendering and exploring new ways if appropriate) and to establish stakeholder engagement and industry briefings where we could provide information about the project(s) and to answer any questions or concerns that may arise. As experts in strategic stakeholder communication, group briefings and workshop facilitation, we can work closely with the Tasmanian Government and its departments to explore the most effective ways to communicate opportunities with consultants, contractors, industry groups and other Tasmanian SME's as required

As demonstrated within our proposal, FACTION has the expertise and have completed multiple sporting projects, both nationally and internationally. By engaging FACTION, this project would be an opportunity for the local professional and construction industries to benefit from this transfer of knowledge into Tasmania. Any mainland consultants engaged through this partnership will transfer their expertise to local consultants for refinement and deployment into the Tasmanian construction landscape. This knowledge transfer will build Tasmanian consulting capability on a national scale.

FACTION can offer a series of facilitated workshops and sessions, delivered by our senior leadership team, that focus on lessons learned from recent, relevant project delivery experience where we will share our expertise. Topics would include:

- Managing Contractor project lessons learned
- Value Engineering
- Innovative Construction methodologies

FACTION is a keen advocate of staff and project team development and actively champions the sharing of knowledge and expertise, both internally and with our clients and peers.

Alongside an established mentorship and staff development program, in January 2020, FACTION launched a comprehensive intern scheme. Through the scheme, which we run annually and scales alongside our growing business, we have made a commitment to develop emerging talent by offering students or recent graduates their first opportunity post-tertiary education.

The internship opening provides a unique opportunity for successful applicants to be exposed to a variety of disciplines and sectors across the industry. The includes working alongside two members of our leadership team, who diligently guide, advise, and support the intern through the initial 12-week program.

The internship is structured into two modules. The first covers three main specialties; project, design, and construction management. During this module, the intern works alongside project directors and industry experts to contribute to the delivery of a real-world project.

Upon successful completion and presentation of the first module, the intern can continue into a secondary module; focusing on the commercial management of projects and industry research. As the intern scheme draws to a close, our goal is to offer the intern their first role in industry, and through continued mentorship, set them up for a bright career future.

FACTION is committed to a People First strategy; we believe that people drive the success of not only our business, but the outcomes of our clients' businesses too. We also recognise that the students of today are the leaders of tomorrow. We have put great focus and investment into setting up this scheme to ensure our interns get the best possible start in the industry.

We are currently reviewing how the intern program will roll out in Tasmania and would welcome an open discussion to see if there were opportunities for any local graduates / interns to be part of the project if this was of interest to the Department.

Guidance information (can be deleted): Below are some examples you may consider including in response to this question:

- *Will you source components of your offer from other Tasmanian SMEs or sub-contractors? If possible, provide details.*
- *How will you identify and engage with sub-contractors or other Tasmanian SMEs to deliver the contract? Will you use existing supply chains or advertise sub-contracting or supply opportunities? Will you liaise with local industry groups?*
- *How will you ensure that Tasmanian SMEs are not disadvantaged when competing with other suppliers to provide goods or services to be used as part of this contract?*
- *Are there opportunities to transfer skills to a Tasmanian SME or sub-contractor?*

Broader social and economic opportunities

With the expert team and talent pool that Faction can access, we are bringing both national and international experience in project management, tenant advisory, superintendent, project delivery and contract administration. We will share our experience and knowledge with the project team through workshops and facilitated meetings with the stakeholders and contractor. We will collaboratively develop well rounded skills across all aspects of the project delivery which will benefit future projects in Tasmania.

We are currently reviewing how our intern program (described in the previous section) will roll out in Tasmania and would welcome an open discussion to see if there were opportunities for any local graduates / interns to be part of the project if this was of interest to the Department.

FACTION recognises the need for meaningful employment and engagement opportunities for all, including disadvantaged locals and indigenous groups, and we strive to provide these opportunities across our business.

We continually seek to engage with suppliers and sub-contractors who provide professional training, mentoring, and career pathways for disadvantaged communities and Indigenous staff, and we have a history of partnering with sub-contractors (specifically

corporate workplace removalists), who advocate for Indigenous employment and training opportunities.

We will actively look to engage with local consultants, contractors and providers to promote the creation of suitable employment opportunities for local and Indigenous people and report on the whole of project Indigenous participation on a regular basis.

We will also ensure that where possible, Indigenous community activities and initiatives will be incorporated. FACTION have demonstrated experience with indigenous engagement and participation on previous government projects.

As an example, as part of our role on both the West Moreton and Capricornia projects, we worked closely with the Elders and facilitated workshops and consultation of the development schemes to ensure that the indigenous communities were able to contribute to the development and provide a lasting legacy. For Capricornia, this resulted in the incorporation of Yarning circles where community prayer and meetings could be held.

In addition, through West Moreton we had the opportunity to meet and engage with a young Goreng Goreng artist whose artwork was incorporated into the WMYDC facility as part of their therapeutic design strategy. In June 2021, we engaged with this artist as her sponsor, supporting her art practice for 12 months, and commissioned a large original artwork by her, which was delivered in September 2021. We have an agreement with her for future artwork commission in 2022, and as part of our sponsorship are working with her to support her professional network and professional processes like invoicing, engaging with clients and documentation.

FACTION is committed to making a positive impact in the local communities in which we operate. At a company level, we seek to engage our local community through various initiatives including direct fundraising activities, sponsoring charity events (such as the Property Industry Foundation Sailing Day which supports youth homelessness, and the Red Cross Shield Appeal) and providing our professional project management and advisory services pro-bono to causes close to our heart.

We currently maintain sponsorship for the Tasmanian Devil project at Cradle Mountain, an organisation which works for the management and protection of the Devil and Quoll species in Tasmania. As our presence in Tasmania continues to grow, we are exploring more opportunities for local engagement and support initiatives

On International Day of Forests, we proudly arranged for a tree to be planted for each of our FACTION employees as we understand the importance of our environment and ensuring we preserve it for future generations. We have given ourselves a goal of being carbon neutral by 2025 and we have taken a step to achieving that by contributing to Carbon Neutral's Plant-a-Tree Program. We are pleased to be a part of their effort to increasing the reforestation of the Yarra Yarra Biodiversity Corridor.

Guidance information (can be deleted): Below are some examples you may consider including in response to this question:

- *Are there any other benefits that your organisation or this specific contract will provide to the Tasmanian economy?*
- *Will this contract lead to new skills or expertise being developed within Tasmania?*
- *Will trainees or apprentices be appointed? If yes, how many and in which profession?*
- *Does your organisation provide opportunities for pathways to employment for disadvantaged Tasmanians?*
- *Do you support the Tasmanian community, for example through formal support, sponsorship, volunteering or in-kind support?*

Local innovative solutions

FACTION was founded with an understanding of the value of change management, as well as stakeholder and community engagement. Where traditional project management firms have kept these roles at arm's length, we have embraced these niche areas of expertise carrying a Principal of Change Management & Communications for the major period of company operation.

We recognise the importance that stakeholder and community engagement carries broadly, but specifically at a project level, we understand the criticality of consistency in messaging with stakeholder engagement, particularly for a government project where a business case and funding is required. To ensure communications are managed effectively, we have developed comprehensive Stakeholder Engagement Plans, tailored for each project, that identify roles and responsibilities for all communications in line with Client and project requirements, particularly for high profile projects that can often have increased local community and/or media interest. As part of our PMP and project management approach, we would identify the requirements of any change management, and stakeholder communication requirements for the projects.

We are committed to the Tasmanian Government to grow our local business, service offering and capability. FACTION has been developing and actively implementing strategies for several years.

FACTION was founded on a core value of Challenger Thinking – the root of innovation. We have identified several areas where we feel we can offer innovative thinking that may support and enhance outcomes for projects. Some opportunities include:

Construction Management delivery – In partnership with the Queensland Government, FACTION has applied this innovative delivery solution to a critical infrastructure project (West Moreton) where the advice to Government from local Project Managers, Specialist Programmers and Quantity Surveyors, was that the project could not be delivered on time and for the budget. We were the only business that put forward an alternative and innovative delivery model, and which realised project completion 9 months ahead of program and \$15m under budget.

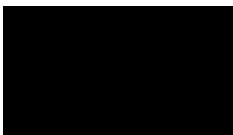
Partnering with organisations or Government for project delivery. This could significantly assist with critical project delivery and assist in managing key risks such as supply chain or deferred funding release and support local content targets. This delivery and partnership model also supported a training and development program for internal

government staff and allowed the transfer of systems and processes knowledge into the Government for future projects. We would be happy to discuss this further.

Housing Affordability Delivery Models – we have extensive expertise and capability in delivering Government social housing programs and build to rent projects. We have proven delivery models (global best practice and from mainland program) that will benefit the State, support attaining investment capital and deliver capability and capacity growth with other local SME businesses, and government delivery commitments over the next 10 years. We have already commenced engagement and dialogue on this innovative initiative and is at early incubation stages with select Government stakeholders.

Guidance information (can be deleted): Below are some examples you may consider including in response to this question:

- *Does your submission involve adding value to imported goods or services through local development or innovation?*
- *Is your organisation developing strategies to provide goods or services to the Tasmanian economy that have historically been imported from interstate or overseas?*
- *Does your organisation offer any innovative solutions that might benefit the broader Tasmanian community and economy? Provide details.*

Completed and endorsed	Paul Bickham - Director (Name and position – print)
	FACTION Consulting (Supplier name)
	 (Signature)
	09/02/2023 (Date)

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