

# **Diversity in supply arrangements guide**

**Queensland Government Procurement**

**Social Procurement – Social Benefit Suppliers in supply arrangements**

Version	Date	Comments
V2.0	November 2023	Published
V3.0	January 2026	Key updates include: <ul style="list-style-type: none"> <li>rewritten to enhance simplicity and clarity.</li> <li>Refreshed DHPW corporate branding.</li> <li>Alignment with the Queensland Procurement Policy 2026.</li> </ul>

**The State of Queensland (Department of Housing and Public Works) 2026.**

<http://creativecommons.org/licenses/by/4.0/deed.en>

This work is licensed under a Creative Commons Attribution 4.0 Australia Licence. You are free to copy, communicate and adapt this work, as long as you attribute by citing 'Integrating sustainability into the procurement process guide, State of Queensland (Department of Housing and Public Works) 2026'.

**Contact us**

We are committed to continuous improvement. If you have any suggestions about how we can improve this document, or if you have any questions, contact us at [socialprocurement@hpw.qld.gov.au](mailto:socialprocurement@hpw.qld.gov.au).

**Disclaimer**

This document is intended as a guide only for the internal use and benefit of government agencies. It may not be relied on by any other party. It should be read in conjunction with the Queensland Procurement Policy, your agency's procurement policies and procedures, and any other relevant documents.

The Department of Housing and Public Works disclaims all liability that may arise from the use of this document. This document should not be used as a substitute for obtaining appropriate probity and legal advice as may be required. In preparing this document, reasonable efforts have been made to use accurate and current information. It should be noted that information may have changed since the publication of this document. Where errors or inaccuracies are brought to attention a reasonable effort will be made to correct them.

**Administration**

Version 3.0 of this document replaces all previous versions of this document and takes effect immediately.

## Contents

Introduction.....	4
Why embed Social Benefit Suppliers on supply arrangements .....	4
Policy in practice.....	5
Consider Social Benefit Suppliers in each stage of the procurement process.....	5
Establishing or refreshing a Supplier Arrangement.....	5
Utilising a supply arrangement .....	7
Example clauses.....	8
Support and assistance .....	8

## Introduction

Social procurement in government is when buyers use their purchasing power to generate social value in addition to the goods and/or services they require such as procuring from Social Benefit Suppliers including social enterprises and Aboriginal and Torres Strait Islander businesses.

For the purposes of this guide, 'supply arrangements' include common-use supply arrangements, standing offer arrangements (SOA), registers of pre-qualified suppliers, panel arrangements, or preferred supplier arrangements.

The guide is primarily concerned with process with establishing, reviewing and using supply arrangements to increase procurement from Social Benefit Suppliers.

More information about social procurement is included the [Social Procurement Guide](#).

## Why embed social benefit suppliers on supply arrangements

By embedding Social Benefit Suppliers such as social enterprises and Aboriginal and Torres Strait Islander businesses into supply arrangements, the Queensland government can ensure that social value is consistently considered in procurement decisions. This approach not only benefits communities but also enhances the overall impact of government spending.

Including Social Benefit Suppliers on supply arrangements is important for several reasons:

1. Social procurement allows buyers to use their purchasing power to achieve social value. By engaging with Social Benefit Suppliers, buyers can contribute to positive impacts on people, places or communities such as the creation of training and employment opportunities, particularly for disadvantaged or marginalised jobseekers such as people with disability.
2. Social Benefit Suppliers often focus on providing opportunities for disadvantaged or marginalised groups, including disengaged youth and Aboriginal and Torres Strait Islander communities. By procuring from these organisations, buyers can help create jobs, build skills, and improved economic and life outcomes.
3. Social Benefit Suppliers are often deeply rooted in their communities. Supporting them through procurement helps stimulate local economies, retain wealth within communities, and build resilience in regional and rural areas.
4. Social Benefit Suppliers frequently address social and environmental challenges with innovative solutions. By including them in procurement processes, governments can encourage creative approaches to service delivery and problem-solving.
5. Many government policies and strategies, emphasise the importance of achieving social value through procurement. Engaging Social Benefit Suppliers aligns with these objectives and demonstrates a commitment to social procurement.
6. Including Social Benefit Suppliers in supply arrangements fosters diversity in government supply chains, which can lead to more competitive and innovative markets.
7. The absence of Social Benefit Suppliers within established supplier arrangements may lead buyers to refrain from seeking exemptions to procure outside the panel, based on the assumption that there are no social benefit suppliers capable of providing the required goods or services.

## Policy in practice

Having Social Benefit Suppliers on supply arrangements, supports government buyers to deliver on Pillar 5 of the [Queensland Procurement Policy 2026](#) (QPP). This pillar focuses on achieving practical economic, environmental and social impact by promoting sustainable procurement practices and building a diverse supplier base, including support for social enterprises and Aboriginal and Torres Strait Islander businesses.

How progress will be measured?

- Achieve the Queensland Aboriginal and Torres Strait Islander procurement target to source at least 3% of procurement by value from Aboriginal and Torres Strait Islander businesses.
- Increase the total number and value of Aboriginal and Torres Strait Islander businesses engaged as subcontractors each year for projects subject to the Queensland Charter for Local Content or declared by the Minister responsible for government procurement, Minister responsible for local industry policy or the Premier of Queensland.
- Increase the number and value of contracts with social enterprises each year.

The Queensland Government has established an agency-led, centrally enabled procurement operating model. The Queensland Procurement Framework, through which procurement is undertaken, is based on a category management approach within a whole-of-government framework of legislation, policies impacting procurement, guidelines, guidance and templates.

Each category strategy will provide details of:

- the schedule for refreshing or establishing new common-use supply arrangements to ensure they include Social Benefit Suppliers and include regional and remote suppliers.
- how spend within the category will support the achievement of the government's objectives, targets and/or commitments set out in Part 1 of the QPP.

## Consider Social Benefit Suppliers in each stage of the procurement process

The Queensland Government is dedicated to increasing spend with Social Benefit Suppliers. Government buyers are encouraged to consult the supply arrangement to identify suppliers that are social enterprises and/or Aboriginal and Torres Strait Islander businesses.

The Queensland Procurement Solution (VendorPanel) has social enterprises on the recognised social enterprise directories, readily identifiable through badging.

Outlined below are key considerations and practical steps that buyers can take at different stages of the procurement process to integrate Social Benefit Suppliers into supply arrangements.

### Establishing or refreshing a Supplier Arrangement

When establishing or refreshing a supplier arrangement, buyers should consider the following actions to increase the number of Social Benefit Suppliers on the supplier arrangement:

#### Planning

- Clearly define your social value objectives when creating new arrangements to provide transparency to the market and enable flexibility in managing and refreshing arrangements over time.
- Conduct market analysis on Social Benefit Supplier (e.g., social enterprises, Aboriginal and Torres Strait Islander businesses) to better understand the potential supply market.
- Future-proof arrangements by including clauses in the invitation to offer (ITO) documentation, and arrangement terms and conditions, that allow for the inclusion of Social Benefit Suppliers.

- Engage with the supply market early to ensure targeted Social Benefit Suppliers are aware of upcoming opportunities and are prepared to respond. Share forward procurement notices with relevant organisations, such as the:
  - [Social Procurement Advisor](#) within Queensland Government Procurement (QGP)
  - the [Department of Women, Aboriginal and Torres Strait Islander Partnerships and Multiculturalism](#) (DWATSIPM)
  - Social Enterprise and Aboriginal and Torres Strait Islander peak bodies and intermediaries such as [Queensland Social Enterprise Council](#).
- For supplier arrangements that allow suppliers to register at any time, such as prequalified builders, collaborate with QGP and/or DWATSIPM, to develop strategies aimed at increasing the registration of Social Benefit Suppliers.
- If Social Benefit Suppliers are identified, consider:
  - Setting aside places for Social Benefit Suppliers, e.g. proactively include a clause in tender documents stating that a minimum of 3 places on the supplier panel is reserved for Social Enterprises and/or Aboriginal and Torres Strait Islander Businesses who meet the minimum capability requirements.
  - Structuring the tender and evaluation process to prioritise Social Benefit Suppliers based on demonstrated capability and value for money, e.g. 10% weighting for being a social benefit supplier.
- Ensure procurement teams and panel members possess cultural awareness and demonstrate sensitivity to the needs of Aboriginal and Torres Strait Islander businesses.

### **Tender Specifications and Evaluation Criteria**

- Design innovative processes that allow Social Benefit Suppliers to present their best offerings, for example Aboriginal and Torres Strait Islander businesses may sometimes prefer verbal tenders or alternative methods of engagement, as these approaches can provide a more culturally appropriate and inclusive way to participate in procurement processes. Verbal tenders or presentations allow Social Benefit Suppliers to showcase their capabilities and experience in a more personal and interactive manner, which may align better with cultural communication styles and preferences.
- Assess capability not just experience. Recognise that some Social Benefit Suppliers may lack extensive experience in government procurement but have the capability to deliver.
- Include social value as a non-price criterion.

### **Establishing and Managing Arrangements**

- Provide constructive feedback to unsuccessful Social Benefit Suppliers to help them improve for future opportunities.
- Assess the current supplier arrangements to determine the number of Social Benefit Suppliers. If there is an insufficient number, review the terms and conditions of the arrangement to assess the feasibility of conducting a tender refresh exclusively for Social Benefit Suppliers.
- Develop good news stories and case studies that demonstrate that agencies are utilising Social Benefit Suppliers on your supply arrangements. The [Social Procurement Guide](#) provides information on developing social procurement case studies.

## Using a supply arrangement

When using an existing supplier arrangement, buyers should take the following actions to support Social Benefit Suppliers:

### Planning

- When accessing any common-use agreements on the Queensland Procurement Solution (VendorPanel) use the badging function to find recognise social enterprises.
- Consider whether to utilise the [QPP 2026](#) exemption from seeking multiple quotes (e.g. limited offer method) where the procurement can be met by a social enterprise or Aboriginal and Torres Strait Islander business, and the procurement value is less than exemption threshold of:
  - \$500,000 including GST for goods and services.
  - \$8.5 million including GST for construction services.
- If a good or service is intended for a specific disadvantaged or marginalised group, it is strongly recommended to engage a relevant Social Benefit Supplier. For example, consider inviting only Aboriginal and Torres Strait Islander businesses to tender for the creation of Indigenous health videos. However, it is important to note that Social Benefit Suppliers are not limited to providing goods or services solely for disadvantaged or marginalised groups, as they are equally capable of delivering mainstream work.
- Create opportunities for Social Benefit Suppliers to develop their capabilities. This may include:
  - Allowing suppliers to provide goods or services on a trial basis. This approach, when supported by constructive feedback on their service offerings, helps to develop their client base and capabilities and better positions Social Benefit Suppliers to be added to government arrangements.
  - Encouraging or requiring mainstream suppliers to collaborate with social enterprises or Aboriginal and Torres Strait Islander businesses as part of service delivery. This approach is particularly effective for head contracts where certain services can be sub-contracted.
- Consider whether to include people with expertise in social procurement, or lived experience in disadvantaged communities, on panels, to ensure social value is properly understood and assessed during the evaluation process.

### Go to Market

- Justify diversification strategies by referencing government commitments and policies, including exemptions under the [QPP 2026](#), which allow for direct engagement with social enterprises and Aboriginal and Torres Strait Islander businesses depending upon the value of good or service.
- Invite at least one Social Benefit Supplier on the supplier panel to provide a quote.
- Design innovative processes that allow suppliers to present their best offerings, for example Aboriginal and Torres Strait Islander businesses may sometimes prefer verbal tenders or alternative methods of engagement, as these approaches can provide a more culturally appropriate and inclusive way to participate in procurement processes. Verbal tenders or presentations allow businesses to showcase their capabilities and experience in a more personal and interactive manner, which may align better with cultural communication styles and preferences.
- Streamline the tendering and evaluation process to make it more accessible for smaller social enterprises and Aboriginal and Torres Strait Islander businesses, which may have limited resources.
- Assess capability not just experience. Recognise that some Social Benefit Suppliers may lack extensive experience in government procurement but have the capability to deliver.
- Include social value as a non-price criterion.

## Evaluation

- Highlight the inclusion of Social Benefit Suppliers in evaluation reports.
- Provide constructive feedback to unsuccessful Social Benefit Suppliers to help them improve for future opportunities.
- Develop good news stories and case studies that demonstrate that agencies are utilising the social benefit supplier on your supply arrangements.

## Example clauses

### Invitation to offer (ITO) clause

Where the invitation to offer relates to a potential SOA, the principal reserves the right to:

- enter into a SOA for the supply of the Goods, Services and Deliverables with other suppliers which participate in the invitation process; and
- enter into SOAs with other suppliers for the supply of the Goods, Services and Deliverables at any time during the term of any SOA established as a result of this invitation process, notwithstanding that the other suppliers did not participate in the invitation process, if:
  - the principal considers it is necessary or desirable to comply with government procurement policy, including policy regarding diversity in supply chains and the achievement of social objectives; or
  - special circumstances exist that warrant entering into SOAs with additional suppliers, including but not limited to changes in technology.

### Standing offer arrangement (SOA) conditions—non - exclusivity

The supplier acknowledges that:

- unless stated otherwise in the SOA details, the Principal and eligible Customers may engage other suppliers (or themselves) to provide goods, services, and other deliverables the same as or similar to the Deliverables; and
- the Principal may, during the term of the SOA, appoint other suppliers to provide the Goods, Services and Deliverables under the SOA if:
  - the Principal considers the inclusion of one or more additional suppliers is necessary or desirable to comply with government procurement policy, including policy regarding
  - diversity in supply chains and the achievement of social objectives; or
  - special circumstances exist that warrant the inclusion of additional suppliers.

## Support and assistance

For more guidance or information, check out the [Social Procurement Buyer Toolkit](#) or contact the Queensland Government Procurement Social Procurement Advisor at [socialprocurement@hpw.qld.gov.au](mailto:socialprocurement@hpw.qld.gov.au).