

**Establishing Common-use Supply Arrangements**

July 2023

Guide

Establishing Common-use Supply Arrangements

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***Establishing Common-Use Supply Arrangements***

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**Contact us**

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# Associated policy

The easiest way to buy for government is to use an existing whole-of-government, common-use supply arrangement, such as a standing offer arrangement (SOA) or preferred supplier panel (PSP).

These arrangements provide cost-effective and efficient ways to buy products and services.

Clause nine of the [Queensland Procurement Policy - 2023](https://www.forgov.qld.gov.au/finance-and-procurement/procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/queensland-procurement-policy-2023) states that common-use supply arrangements must be used unless one of the following situations applies:

* + the delivery area is regional or remote, and there are no capable and competitive ‘local suppliers’ on the arrangement
  + the ‘procurement’ activity directly supports a relevant government economic, ethical, social and environmental objective or target set out in Principle 1, and cannot be met using the arrangement.

This guide describes some practical steps and advice about establishing, managing, and avoiding the duplication of supply arrangements.

# Guideline

## Principles

Following some simple principles when establishing and managing supply arrangements will reduce red tape for buyers and suppliers, and help deliver value-for-money:

* + Research - Detailed research about policy priorities, demand, markets, forward procurement plans and existing arrangements (including those published on the Queensland Government Arrangements Directory (QGAD)), informs sound decisions about how, when, why and what might be needed.
  + Collaborate Consulting meaningfully and working closely with buyers, industry and others, ensures that any new arrangement will deliver for your key stakeholders.
  + Share Make sure supply arrangements can be used by as many buyers as possible. If buyers can access your arrangement, they are unlikely to duplicate your efforts. Ideally, all eligible buyers can easily find and use new supply arrangements.
  + Promote - If buyers don’t know about your arrangement, they can’t use it, and may even duplicate it. Early planning should include communications and implementation strategies, tools, and guidance for buyers*.*
  + Be flexible - Consider how an arrangement might be established or used differently. For example, the ability to easily add new suppliers or enable rapid quoting. You might also enable buyers to establish ‘sub-arrangements’ of preferred suppliers who can meet specific requirements over time.

## Research and collaborate

Thorough research is critical to establishing supply arrangements that deliver on government needs while avoiding red-tape associated with duplicating existing arrangements.

The QGAD records common-use supply arrangements. Each listing should provide customers (buyers) with information about using the arrangement. It may include documents such as: Arrangement Details, Definitions, Contract Conditions, Order Request Forms and Buyers Guides. This type of material can also be used to inform decisions about whether to establish new arrangements.

Arrangements used by specific agencies may not be published on the QGAD, making them harder to find and examine. Use your procurement contacts, buyer networks and procurement governance bodies to ask about any existing arrangements similar to your proposed project, contact the arrangement owner to better understand the potential for collaboration.

## Category Council Approval

Any proposal to establish a new supply arrangement must be considered and approved by the relevant Category Council before it progresses to detailed planning. This will protect against duplication of arrangements, confirm business needs and garner support from key customers.

Category Councils will pay particular attention to any proposal that limits who can access the arrangements, such as agency specific arrangements.

## Planning

A detailed plan will help deliver a better outcome. Planning for establishing supply arrangements must address, at a minimum:

* + an analysis of demand and the supply markets
  + strategies to achieve value for money, including the advancement of economic, environmental and social outcomes
  + performance measures and contract management arrangements
  + an identification and assessment of risks related to the procurement and risk management strategies. Risk assessments address the value, complexity and sensitivity of procurements.

Plans must be approved by the appropriate delegate and used to track and report progress of the project to the delegate and other stakeholders.

## The Procurement Process

Sound planning is critical to successful procurement outcomes:



**Plan**

**Evaluate and**

**refine processes**

**Issue tender**

**Manage**

**contract and deliverables**

**evaluate**

**and select suppliers**

Detailed guidance about each of these procurement stages can be found at: [Forgov – Procurement guidance](https://www.forgov.qld.gov.au/finance-and-procurement/procurement/procurement-resources/procurement-guidance)

### References

The requirements set out in this document are based on, and are consistent with, relevant Government legislation, regulations, directives, information standards and/or policies at the time of publication including complimentary policy and guidance listed at: [Procurement | For government |](https://www.forgov.qld.gov.au/finance-and-procurement/procurement) [Queensland Government.](https://www.forgov.qld.gov.au/finance-and-procurement/procurement)



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Act as advised by Category Council

## Process map

Review relevant guidance

Review existing arrangements, including those listed on Queensland Government Arrangements Directory. Look for alignment with your business need.

Contact arrangement managers with any questions.

Is there an existing arrangement that might deliver on your business need?

**YES**

Procure using the arrangement. Refer to appropriate user guides and your local procurement procedures. Consult the arrangement manager to explore options for *how* the arrangement might be used.

**NO**

Seek Category Council approval for a new arrangement

**Not**

**Approved**

**Approved**

Establish a new arrangement in line with Queensland Procurement Policy principles and agency procurement procedures.

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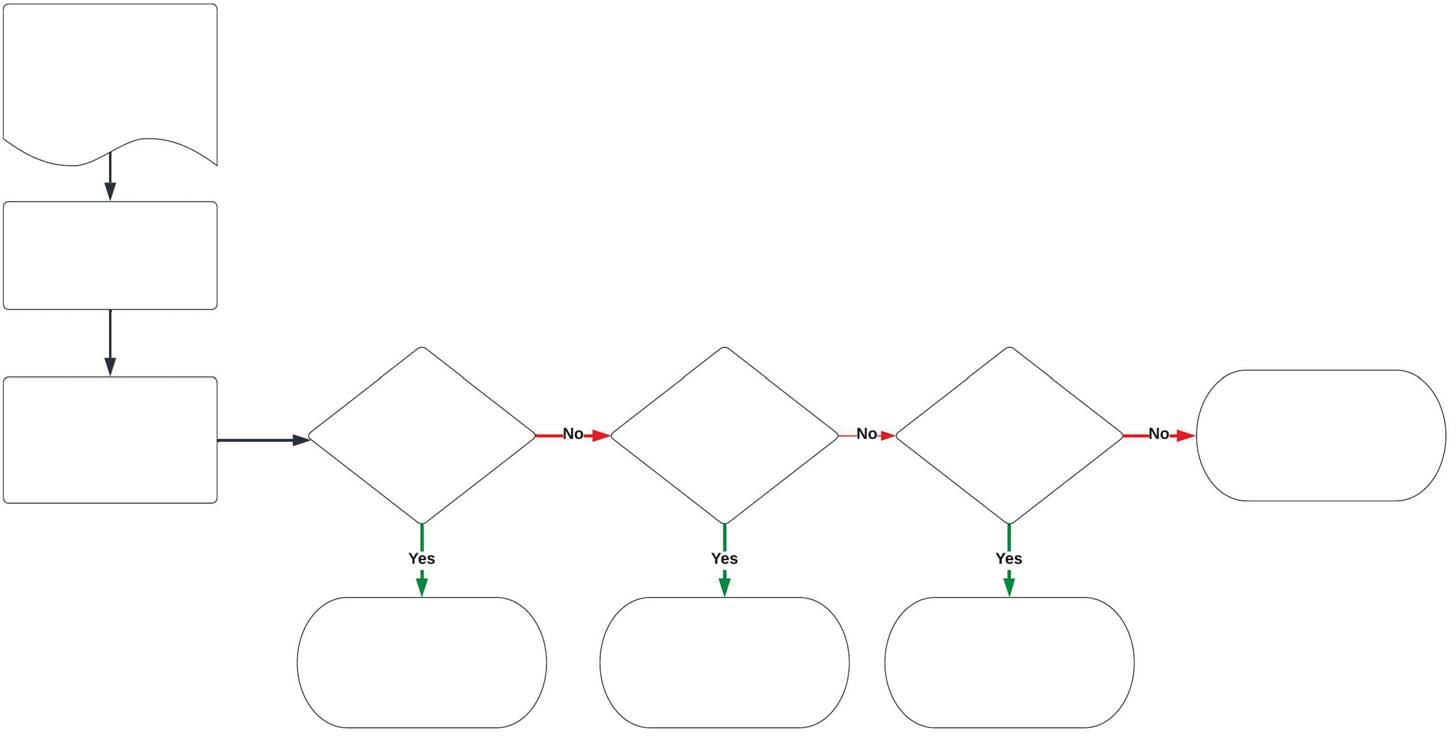
Document the process, share outcomes and lessons learnt. Promote the new arrangement with other potential users, thereby raising awareness of the arrangement to avoid future duplication.



Addressing existing duplication of supply arrangements

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## Process map



Review relevant guidance*.*

Undertake research to identify potential duplications.

If duplication is identified, explore options with the relevant arrangement manager(s).

Can the arrangements be

combined, or included within a current arrangement? (1)

Can one of the arrangements expire in a reasonable timeframe? (2)

When arrangements end, can agencies collaborate to avoid duplication in the future?

Review relevant guidance and explore options to manage and avoid future duplication.

Consider the contractual implications and discuss with your legal team if needed.

Allow expiry and meet business needs with retained arrangement(s).

Collaborate to establish whole-of-government arrangements that will meet all business needs.

1. An example of including a specific arrangement within a whole-of-government arrangement could be to establish a “sub-arrangement” under an existing whole-of-government arrangement. A sub-arrangement might include suppliers able to deliver on additional specifications.
2. Alternate options might include the potential to extend an arrangement(s) to align expiry dates before tendering a single arrangement.

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