

# **Social Procurement Strategy 2025-28**

## **Department of Health**



Department  
of Health

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# 1 Acknowledgement of Aboriginal and Torres Strait Islander peoples living in Victoria

The department acknowledges the strength of Aboriginal and Torres Strait Islander peoples across the Country and the power and resilience that is shared as members of the world's oldest living culture.

We acknowledge Aboriginal and Torres Strait Islander peoples as Australia's First People and recognise the richness and diversity of all Traditional Owners across Victoria.

We recognise that Aboriginal and Torres Strait Islander people in Victoria practice their lore, customs and languages, and nurture Country through their deep spiritual and cultural connections and practices to land and water.

We are committed to a future based on equality, truth and justice. We acknowledge that the entrenched systemic injustices experienced by Aboriginal and Torres Strait Islander people endure, including in our health system, and that Victoria's ongoing treaty and truth-telling processes provide an opportunity to right these wrongs and ensure Aboriginal and Torres Strait Islander people have the freedom and power to make the decisions that affect their communities.

We express our deepest gratitude and pay our deepest respect to ancestors, Elders, and leaders – past and present. They have paved the way, with strength and fortitude, for our future generations.

## 2 Context

Victoria's Social Procurement Framework (SPF) establishes requirements for government to use its buying power to generate social value above and beyond the value of the goods, services or construction being procured. This approach aims to maximise social, economic and environmental benefits for all Victorians and opportunities for Victorian Jobs. First launched in April 2018, the SPF puts social and sustainable outcomes at the centre of government procurement.

Information about the SPF and related documents can be found at [Victoria's Social Procurement Framework](https://www.buyingfor.vic.gov.au/victorias-social-procurement-framework) <<https://www.buyingfor.vic.gov.au/victorias-social-procurement-framework>>.

In accordance with the requirements of the SPF, each department and agency is required to prepare a Social Procurement Strategy. This document is the Department of Health's (the department) Social Procurement Strategy (SPS). The purpose of the SPS is to support the implementation of the SPF within the department, and its development is informed by the SPF itself, the Victoria Government's Social Enterprise Strategy 2021-2025, the department's strategic priorities, analysis of procurement spend and opportunities for increasing social value.

The department takes a proactive and strategic approach to implementing social procurement as a core business objective. This commitment is demonstrated through procurement practices that advance social and sustainable outcomes and is supported by oversight from the department's Procurement Committee (the Committee). The Committee includes executive officer representatives from across the department, including the Chief Procurement Officer (CPO), and is chaired by the Executive Director, Investment and Funding. It receives reports about social procurement implementation and will consider implementation issues where necessary.

The SPS applies to all procurement activities of the department, including those undertaken by portfolio entities directly supported by the department, such as Safer Care Victoria.

This department's 2025-28 SPS reflects a significant shift in structure from previous editions. Previously, the SPS was divided into separate sections for goods and services (non-construction) and construction procurement, in line with how these functions were organised and resourced within the department. Following the transfer of health sector building and construction functions to the Victorian Health Building Authority and in support of a consolidated strategy for managing strong social procurement outcomes, the 2025-28 strategy applies consistently to all procurements undertaken within the department.

The SPS will be published on the department's internal social procurement intranet page and the external-facing website. It will be reviewed annually and refreshed in 2028 to cover the following three-year period.

## 3 Departmental business strategy

The Department of Health's vision and strategic directions, as set out in its Strategic Plan 2023-28 (2025 Update), have been considered in the development of the SPS.

The department has a vision that Victorians are the healthiest people in the world. To make our vision a reality, it has seven strategic directions:

1. Keeping people healthy and safe in the community
2. Providing care closer to home
3. Keep innovating and improving care
4. Improving Aboriginal health and wellbeing

5. Moving from competition to collaboration
6. A stronger and more sustainable health workforce
7. A safe and sustainable health, wellbeing and care system

Due to its significant potential in contributing to broader social, economic and environmental policy outcomes, procurement can play a key role in supporting the achievement of the department's vision and directions.

Accordingly, through the SPS, the department is committed to enhancing social relationships, structures and benefits and social value creation. Social procurement will have the positive impact of building strong and resilient communities and facilitating the transformative role of employment in addressing disadvantage. The SPS, therefore, fully aligns with and supports the department's Strategic Plan.

## 4 Procurement profile analysis

Procurement activity across the department is centrally supported by the Procurement and Business Frameworks unit, which is led by the CPO. This unit leads and supports the department's procurement framework, governance, and reporting, and provides leadership and support for departmental staff in procurement and contract management actions to support compliance, best practice, and value for money. The governing legislation for the department's goods and services procurement framework is the *Financial Management Act 1994*. The central Procurement and Business Frameworks unit also provides guidance and support for construction category procurements, which are governed by the *Project Development and Construction Management Act 1994*.

In 2024-25, the department undertook a total of 536 procurements of varying complexity. The department's main spend categories are:

- ICT (IT services) – including sub-categories such as hardware, software, and software maintenance and support
- Specialised services – covering advisory services, research planning and development services, and technical specialised services
- Drugs & Pharmaceutical Products
- HR Services – inclusive of contract staff and staff support

Together, these categories make up approximately \$237 million, or 90%, of the total spend for all categories.

The department seeks to leverage its buying power to deliver outcomes that extend beyond the goods and services and construction services procured, supporting broader social, economic and environmental outcomes benefiting the Victorian community, the economy and the environment. The centre-led, planning-based approach to procurement enables the department to systematically implement social procurement. Conversations and communications with staff regarding procurement jobs emphasise the need for compliance with the SPS, its impact on each procurement job, and the potential to deliver social and sustainable outcomes.

## 5 Social procurement opportunity analysis

### 5.1 Social procurement framework requirements

The SPF requires that government buyers incorporate social procurement into all procurement planning. This includes both direct and indirect approaches to social procurement, that is, direct procurement from Victorian social enterprises, Victorian Aboriginal businesses, other social benefit suppliers or achieving social outcomes indirectly through contracts with the private sector suppliers.

The SPF establishes requirements for government buyers and recommends approaches for including social and sustainable objectives into procurement planning processes based on four expenditure bands:

**Table 1: Individual procurement activity requirements for government buyers**

Thresholds  (Values exclusive of GST)	Below threshold	Lower band	Middle band	Upper band
	Regional under \$1 million; Metro or State-wide under \$3 million	Regional \$1 million to \$20 million; Metro or State-wide \$3 million to \$20 million	\$20 million to \$50 million	Over \$50 million
<b>Planning requirements for government buyers</b>	Incorporate social objectives and outcomes into regular procurement planning	Incorporate social objectives and outcomes into regular procurement planning	Complete a Social Procurement Plan during procurement planning	Complete a Social Procurement Plan during procurement planning
<b>Described approach</b>	<b>Encouraged</b> Seek opportunities where available to directly or indirectly procure from social enterprises, Australian Disability Enterprises (ADEs) or Aboriginal businesses	<b>Proportionate</b> Use evaluation criteria (5 to 10% weighting) to favour businesses whose practices support social and sustainable procurement objectives	<b>Targeted</b> Include performance standards and contract requirements that pursue social and sustainable procurement objectives	<b>Strategic</b> Include targets and contract requirements that pursue social and sustainable procurement objectives

Social procurement requirements scale with contract value, ranging from encouraged practices at lower value thresholds to targeted and strategic obligations for contracts over \$20 million. In the department, a social procurement plan is completed for all procurements valued at \$20 million or more and for those associated with budget-funded initiatives. For other procurements, social procurement considerations are included in standard procurement planning, with relevant requirements incorporated into planning documents and out to market templates.

## 5.2 Social procurement opportunities in the department

During 2024-25, the department entered into 285 new contracts. The values of these contracts were mostly under \$1 million. The table below provides an indicative breakdown of the department's procurement activity by contract value range, showing the volume of procurements leveraging State Purchase Contracts (SPCs) and individual sourcing, alongside the corresponding social procurement requirements based on value thresholds and geographic scope.

**Table 2: Contracts Signed by the Department in 2024-25**

Value Range	State Purchase Contracts (SPCs)	Individual Sourcing	SPF Band
Less than \$250,000	61	163	Encouraged
\$250,000 to less than \$1 million	24	23	Encouraged
\$1 million to less than \$3 million	4	3	Encouraged for metro/statewide Proportionate for regional
\$3 million to less than \$20 million	3	4	Proportionate
Over \$20 million	0	0	Targeted for \$20 million to \$50 million Strategic for over \$50 million
<b>Total</b>	<b>92</b>	<b>193</b>	

In 2024-25, SPC expenditure represented 41% of the department's total procurement spend. The department will continue to support central agencies in embedding SPF objectives in SPCs.

The table also shows that the majority of the departmental contracts fall within the SPF '*Below Threshold*' (regional procurements under \$1 million and metro or state-wide procurements under \$3 million band). The SPF approach for this band is 'Encouraged', promoting to directly or indirectly procure from social enterprises, Australian Disability Enterprises (ADEs) or Aboriginal businesses. No contracts exceeded \$20 million in value, meaning no Social Procurement Plans were required during the year. Across all other value ranges, social objectives were integrated into standard procurement planning processes.

The table below outlines the department's direct spend with social benefit suppliers in 2024-25, showing both the number of businesses engaged and the total expenditure.

**Table 3: Department's Direct Spend with Social Benefit Suppliers in 2024-25**

Objectives	No. of businesses engaged	Expenditure (excl. GST)
<b>Opportunities for Victorian Aboriginal people</b>	13	\$492,860
<b>Opportunities for Victorians with disability</b>	5	\$39,103
<b>Opportunities for Victorian priority jobseekers</b>	1	\$35,249
<b>Sustainable Victorian social enterprises</b>	18	\$273,847

After adjusting for duplicates among suppliers certified across multiple SPF categories, the department engaged with 31 unique social benefit suppliers during the year, with total direct expenditure of \$715,210.

## 6 Priority objectives and outcomes

The SPF establishes the Victorian Government's social and sustainable procurement objectives. The SPF social procurement objectives are to provide for and support the following:

- opportunities for Victorian Aboriginal people
- opportunities for Victorians with disability
- women's equality and safety
- opportunities for Victorian priority jobseekers
- safe and fair workplaces
- sustainable Victorian social enterprises and Aboriginal business sectors
- sustainable Victorian regions

The SPF sustainable procurement objectives are to provide for and support:

- environmentally sustainable outputs
- environmentally sustainable business practices
- implementation of climate change policy objectives.

Out of these seven social procurement objectives and three sustainable procurement objectives, SPF advises departments to identify and prioritise three or more objectives and corresponding outcomes, having regard to their business strategy, procurement profile analysis and social procurement opportunities analysis. As such, the department has prioritised the following SPF objectives for its procurements, consistent with the department's strategic direction and based on potential opportunities.

**Tablet 4: Prioritised SPF objectives and outcomes**

Social procurement objectives	Outcomes sought
Opportunities for Victorian Aboriginal people	<ul style="list-style-type: none"> <li>• Purchasing from Victorian Aboriginal businesses</li> <li>• Employment of Victorian Aboriginal people by suppliers to the Victorian Government</li> </ul>
Women's equality and safety	<ul style="list-style-type: none"> <li>• Gender equality within Victorian Government suppliers</li> </ul>
Sustainable Victorian regions	<ul style="list-style-type: none"> <li>• Job readiness and employment for people in regions with entrenched disadvantage</li> </ul>

Although these priority objectives and outcomes guide the department's procurement activities, it retains the discretion to pursue and prioritise additional objectives where relevant to the specific procurement. In other words, the department may choose to address outcomes beyond the selected priorities.

## 7 Targets

To achieve progress towards the priority objectives, the department is strengthening its focus on inclusive and impactful procurement practices. The following targets are intended to guide procurement planning and supplier engagement over the 2025-28 period, recognising that progress may vary across categories and over time.

- Work towards allocating at least 1% of total expenditure with Aboriginal-owned businesses.
- Maintain or increase expenditure with Victorian social enterprise suppliers.



- Grow the number of enterprises engaged that employ priority job seekers, as well as those with gender equality policies and practices. Where possible, purchase from social benefit suppliers via SPCs.
- Monitor and seek opportunities to increase the number of procurement contracts with private suppliers that include at least one social procurement objective and outcome.

The SPF recommends practical approaches departments can take to achieve outcomes aligned with their priorities. These recommended actions are embedded in the department's procurement processes.

**Table 5: Actions to meet the prioritised SPF objectives**

Social procurement output  (Values exclusive of GST)	Below threshold  Regional under \$1 million; Metro or State-wide under \$3 million	Lower band  Regional \$1 million to \$20 million; Metro or State-wide \$3 million to \$20 million	Middle band  \$20 million to \$50 million	Upper band  Over \$50 million
<b>Aboriginal businesses</b>	Seek opportunities to directly or indirectly procure from social enterprises, Australian Disability Enterprises or Aboriginal businesses	Consider whether part of the procurement can be unbundled for delivery from social enterprises, Australian Disability Enterprises or Aboriginal businesses	Set targets for supplier expenditure with social enterprises, Australian Disability Enterprises or Aboriginal businesses, and ask suppliers to demonstrate how they will meet targets	Set targets for supplier expenditure with social enterprises, Australian Disability Enterprises or Aboriginal businesses, and ask suppliers to demonstrate how they will meet targets
<b>Women's equality and safety</b>	No recommended action	Ask suppliers to demonstrate gender equitable employment practices in the weighted framework criteria	Include performance standards on labour hours performed by women	Include industry-appropriate targets for labour hours to be performed by women
<b>Jobseekers in regions experiencing entrenched disadvantage</b>	No recommended action	No recommended action	Set supplier targets for employment and training for Victorian priority jobseekers and jobseekers in regions with entrenched disadvantage	Set supplier targets for employment and training for Victorian priority jobseekers and jobseekers in regions with entrenched disadvantage

## 7.1 Departmental measures to enable social procurement

The department has implemented a range of measures to embed and enable social procurement across its procurement activities. Key actions include:

- **Integration of SPF objectives into procurement processes:** Procurement processes will continue to be enhanced to reflect the three SPF priority objectives, which focus on engagement with:
  - Victorian Aboriginal businesses
  - suppliers that have a gender equality policy
  - suppliers that employ people living in regions of entrenched disadvantage.

These objectives will be embedded through relevant criteria applied consistently across the procurement lifecycle.

- **Streamlined direct sourcing from social enterprises:** To facilitate direct social procurement, a streamlined single quote procurement process has been established for engaging an approved social enterprise supplier for a contract up to \$150,000, subject to validation of value for money. This strategy will enable greater use of a direct, targeted sourcing approach from approved social enterprise suppliers, where a suitable supplier can be identified.
- **Mandatory inclusion of social procurement criteria:** A social procurement requirement will be included in all goods and services procurements.
- **Planning tools and templates:** Ongoing development and maintenance of resources to embed and enable meaningful application of social procurement requirements, including:
  - a Social Procurement Plan template, based on the SPF – Buyer Guidance, *Guide to planning requirements*
  - Evaluation, contract management and procurement risk templates and resources, additionally facilitating monitoring and accountability of the implementation of social procurement objectives.
- **Contract manager training:** Each contract has a specific contract manager appointed. It is mandatory for all contract managers to complete the department's online contract management course, which incorporates the management of social procurement commitments.

In addition, the department's established procurement processes also provide a strong foundation for implementing social procurement:

- **Market engagement and forward planning:** To promote awareness in the market of available government procurement opportunities, the Procurement and Business Frameworks unit publishes forward notices of upcoming procurement via the Procurement Activity Plan. This approach promotes competition and allows potential tender participants to plan for and allocate resources to participate in the procurement process.
- **Centre-led procurement process:** In the department, all procurements that require a contract are supported by the Procurement and Business Frameworks unit. This centre-led, planning-based approach enables the department to systematically implement social procurement and provides individual buyers with tailored guidance on the application of social procurement.
- **Embedded social procurement considerations in planning approval documents:** Procurement planning guidance and approval requirements incorporate planning for social procurement, embedding considerations and decision making regarding social procurement, including:

- whether an encouraged, proportionate, targeted or strategic approach is required
- the application of social procurement sourcing tactics recommended in the SPF
- the feasibility of approaching social enterprises, disability enterprises, Aboriginal or women-owned businesses to submit a bid
- methods of alerting the above types of businesses to an advertised procurement
- inclusion of weighted key selection criteria on social and/or sustainable objectives in the approach to market documents, if appropriate
- identifying if there are any opportunities for suppliers to provide entry-level jobs, apprenticeships or traineeships.

This holistic approach will enable the department to champion social procurement and lead by example by working closely with all suppliers to deliver social and sustainable outcomes wherever practicable. Social procurement requirements continue to be embedded in advice on the procurement process cycle throughout the department.

## 8 Roles and responsibilities

### 8.1 Government buyer

'Government buyer' means the individual(s) responsible for planning, sourcing and/or approving the goods, services being procured by, or on behalf of, a department or agency. Examples of government buyers in the department include staff in program areas undertaking the procurement of goods and services and financial delegates approving contracts. These individuals are also referred to interchangeably as business owners throughout this document.

Government buyers partner with procurement officers to implement social procurement during the procurement process by establishing social procurement objectives and outcomes for the procurement, considering how to engage Victorian social enterprises, Victorian Aboriginal businesses, or other social benefit suppliers in the approach to market and when required, completing and implementing a social procurement plan.

#### **Contract Managers**

Once a procurement contract is signed, the appointed contract manager is responsible for managing the implementation of the contract and ensuring that goods and services are received in line with the terms of the contract. This includes monitoring social procurement implementation during the term of the contract and addressing any risks and issues that arise in relation to social procurement.

### 8.2 Department-wide roles and responsibilities

Department-wide roles and responsibilities are listed below.

#### **Secretary and Executive Board**

The Secretary, Department of Health, is the Accountable Officer for the development and implementation of this SPS, and for reporting on social procurement activity in the departmental Annual Report.

### **Procurement Committee**

The Procurement Committee (the Committee) provides high-level strategic advice on procurement and contract management governance and oversight that assists the department in meeting the responsibilities under the VGPB's Supply Policies and FMA.

The Committee is an internal decision-making body with the authority from the Accountable Officer to validate procurement activities performed by all department staff to ensure the precise application of the Procurement Framework and any other requirements of the FMA as may be imposed by the Accountable Officer.

The Procurement Committee comprises membership at the executive level, is chaired by the Executive Director, Investment and Funding, and is supported by the CPO and Procurement Secretariat. The Committee is responsible for endorsing this SPS for publication, approving annual reviews of this SPS, and overseeing its implementation.

## **8.3 Procurement and business frameworks unit**

### **CPO/Director**

The Director, Procurement and Business Frameworks, is also the department's CPO and is primarily responsible for:

- ensuring that the department meets legislative and policy obligations when procuring and managing goods and services;
- procurement strategy, policies, systems and processes;
- supporting procurement, tendering and contract management.

The CPO also coordinates the implementation of this SPS across the department by leading awareness-raising activities to ensure staff understand the strategy and procure in accordance with the SPF as outlined in this document. As part of the procurement planning process, the CPO also endorses each Social Procurement Plan where applicable.

### **Procurement Strategy and Policy team**

This team is responsible for managing procurement strategy, and the procurement governance and policy framework, including department and inter-government reporting. The team is also responsible for:

- developing and annually reviewing this SPS
- developing and implementing communication methods to ensure that the requirements of this SPS are understood
- amending internal procurement templates and corporate processes to embed social procurement considerations into all procurement processes
- supporting procurement officers to work with Government buyers to implement social procurement
- collecting data from procurement documentation and liaising with the Finance branch to enable reporting on the department's social procurement achievements in the department's Annual Report and reporting to the Department of Government Services (DGS)
- developing education and training activities to raise the level of social procurement capability across the department.

### **Procurement Officers**

Procurement officers are responsible for providing advice and support to individual government buyers (business owners), to ensure that proposed procurements being presented for approval address the requirements of this SPS.

## 9 Capability development plan

In the context of managing procurement activities, VGPB defines 'capability' as the combination of an organisation's expertise, resourcing, systems, policies and processes to execute and manage specific procurement tasks and activities.

Social procurement capability involves embedding social procurement practices throughout the procurement process, so that the organisation's procurement expertise, resourcing, systems, policies and processes enable the delivery of social and sustainable outcomes through procurement in accordance with this SPS.

A Social Procurement Capability Self-Assessment (see [Appendix](#)) has been completed and will be updated along with the next refresh of this SPS. The progress of the department's social procurement capability development will be monitored by the Committee and facilitated by the CPO.

The department has subject matter expertise and practice experience regarding social and economic disadvantage, Aboriginal issues, family violence, gender equity, disability, environmental management, health services, community services, and property and asset management. This wide range of expertise is utilised as needed to inform social procurement implementation in the department.

Social procurement capability development for procurement consists of the following activities.

### All staff

- A comprehensive, dedicated social procurement page on the department's intranet includes information about social procurement and links to Victoria's Social Procurement Framework, the department's Social Procurement Strategy, and websites such as the Buying for Victoria, Kinaway, the Department of Jobs, Skills, Industry and Regions (DJSIR)'s page that list their employment initiatives, and Social Traders where government buyers (business owners) can source social enterprise suppliers.
- The Procurement eLearning course available to all staff includes information on social procurement and the Local Jobs First policy.

### Procurement Officers

- Social procurement is a periodic agenda item at procurement officers' meetings.
- Access to comprehensive information about social procurement, including the SPS, is available via the department's intranet.
- Procurement officers contribute to the creation and revision of procurement templates to ensure that they are practicable and support social procurement objectives. These templates are reviewed on an ongoing basis to strengthen focus on priority objectives.
- Information on social procurement is included in the procurement resources used by the procurement officers.
- Information is provided to the procurement officers about additional requirements for procurements valued at \$20 million and above, which they are responsible for communicating to relevant government buyers (business owners).
- Procurement officers have the opportunity to attend the WOVG procurement officers' meetings, which are focused on government policy and priorities, capability development, and information sharing.
- Procurement officers have the opportunity to attend the WOVG Social Procurement Community of Practice meetings.

### Government Buyers (Business Owners)

- Government buyers complete the online procurement training course and mandatory contract management course, both of which include social procurement information.
- Government buyers seek advice and guidance from the procurement officers to include social procurement requirements in their procurement plans.
- Government buyers use the latest procurement process workflows, templates and resources that incorporate social procurement requirements, including approach-to-market templates and social procurement plan, where appropriate. Approach to market templates include a reference to the SPF Supplier Guidance offered to suppliers by the Department of Government Services (DGS).

### Contract Managers

- The department's social procurement intranet page provides access to comprehensive information about social procurement and links to social procurement resources and information.
- The department's mandatory online contract management training course includes social procurement information.
- Information about social procurement is included in the Contract Management Guide on the department's intranet.
- All relevant templates and resources used by contract managers contain social procurement information.
- A contract manager can obtain advice about social procurement from a Procurement Officer on request.

## 10 Supplier engagement

The department seeks to develop collaborative and mutually beneficial relationships with existing and potential suppliers. It has developed a Supplier Engagement Plan as part of its broader Procurement Strategy, which documents the roles and responsibilities, processes, systems and communications approach that ensures trust and accountability in all supplier dealings.

In relation to social procurement, supplier engagement consists of the following activities that focus on sourcing and engaging social enterprises, Aboriginal businesses, Australian Disability Enterprises and any other relevant social benefit suppliers. The intention is to increase direct social procurement via contracting and indirect social procurement via sub-contracting.

- **Government buyer and procurement officer awareness and access to information:** The social procurement page in the department's intranet provides access to social enterprises and other social benefit suppliers. These resources enable government buyers (business owners) to directly access information about a wide range of social enterprise and other suppliers relevant to social procurement. The resources include direct links to the:
  - Victorian Government supplier database Digital Marketplace, which includes access to the Supplier Hub that can be searched by category for registered social enterprises and Aboriginal businesses certified by Social Traders or Kinaway, respectively
  - Social Traders buyer portal to identify verified social enterprises and seek expert advice on social procurement
  - Kinaway, the Victorian Aboriginal Chamber of Commerce.

- DJSIR's website on employment and small business that lists employment initiatives that provide targeted support to people who face challenges finding employment
- BuyAbility website that contains a directory of Australian disability enterprises.
- **Procurement planning:** Supplier engagement is considered in the procurement planning process, including the development of a Procurement Plan and Social Procurement Plan where applicable.
- **Market awareness and access to information:** To promote awareness in the market of available government procurement opportunities and to build market understanding of social procurement objectives, the Procurement and Business Frameworks unit:
  - publishes forward notices of upcoming procurement via the Procurement Activity Plan, promoting competition and allowing potential tender participants to plan for and allocate resources to participate in the procurement process;
  - maintains advice to potential suppliers on social procurement in out to market templates (e.g. Request for Tender documents);
  - provides briefings to suppliers in relation to the specific requirements during tender processes, including social procurement requirements;
  - leads or supports feedback briefings to bidders at the conclusion of procurement processes, addressing evaluation criteria and responses, including social procurement;
  - provides a dedicated information pack to suppliers addressing social procurement, including considerations to support them successfully addressing social procurement requirements in tenders, and information to support tenderers to access information and support.

## 11 Reporting and management framework

Government departments and agencies subject to the Standing Directions 2018 under the FMA are required to report on their social procurement activities in their annual reports under SPF. As such, the department reports the following information on social procurement within its annual report:

- the SPF objectives and outcomes prioritised in the SPS
- summary of activities and initiatives to support the SPS during the reporting period
- summary of key achievements in delivering SPF outcomes during the reporting period, including the social procurement direct spend

The department collaborates closely with the DGS to fulfil its social procurement disclosure obligations. To support this, the department provides procurement data to DGS, who then compares the DH suppliers against the ABN lists they receive from social procurement intermediaries (Social Traders, Kinaway, Supply Nation, and BuyAbility). This helps DGS classify suppliers against four SPF objectives:

- Opportunities for Victorian Aboriginal people
- Opportunities for Victorians with disability
- Opportunities for Victorian priority jobseekers
- Sustainable Victorian social enterprises and Aboriginal businesses.

This process generates a tailored Social Procurement Report for the department that outlines the following:

- Number of social benefit suppliers engaged during the reporting period

- Total amount spent with social benefit suppliers during the reporting period
- Number of social benefit suppliers and the total spend, presented quarterly and annually, broken down by prioritised SPF objectives.

The department also uses the latest social procurement model contract clauses and templates on the Buying for Victoria website for invitations to supply, contracts and response schedules. This is to set expectations for the successful supplier in the delivery of the contract and make the social procurement commitments contractually binding.

The department is committed to a “lessons learned” process as the implementation of social procurement progresses. This new information will inform strategy development, social procurement advice, communication, training and procurement processes across the department.

## 12 Signature



Jenny Atta PSM

Secretary, Department of Health

Date: 31/10/2025



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In this document, 'Aboriginal' refers to both Aboriginal and Torres Strait Islander people. 'Indigenous' or 'Koori/Koorie' is retained when part of the title of a report, program or quotation.

Available at: [Department of Health – Procurement policies](https://www.health.vic.gov.au/about/procurement-policies) <https://www.health.vic.gov.au/about/procurement-policies>

## 13 Appendix – Social Procurement Self-Assessment

**Assessment date:** 17-Sep-2025

**Assessor(s):** Elisha Curcio, Chief Procurement Officer

### PART A: Social Procurement Self-Assessment

Item	Description	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Unknown
1	Our Social Procurement Strategy covers all core components (see the relevant Social Procurement Strategy template)					ü	
2	Our governance framework / accountability mechanisms promote compliance with the Social Procurement Framework					ü	
3	Procurement spend is actively monitored to ensure that value-for-money outcomes are achieved, taking into account financial and non-financial factors including: <ul style="list-style-type: none"> <li>the total benefits and costs over the life of the goods, services or construction being procured</li> <li>environmental, social and economic factors</li> <li>any risk related to the procurement</li> </ul> This includes social procurement commitments.				ü		
4	Senior management views social procurement as a strategic priority and sets the tone from the top.					ü	
5	Senior management clearly communicates and supervises social procurement-related roles and responsibilities.				ü		

Item	Description	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Unknown
6	Individuals with social procurement-related roles and responsibilities have sufficient knowledge, skills and experience to identify and pursue opportunities to deliver social and sustainable outcomes through procurement.				ü		
7	Recruitment, training and professional development activities in relation to procurement integrate social procurement knowledge, skills and experience.				ü		
8	Social procurement is embedded throughout the procurement function (e.g. in procurement-related systems, policies and processes for planning, sourcing and contract management).					ü	
9	Supplier and stakeholder relations are managed on an ongoing basis to promote compliance with contractual obligations. This includes social procurement commitments.				ü		
10	Performance of the procurement function is monitored and assessed on an ongoing basis to drive continuous improvement and support the achievement of any whole-of-government and other social procurement targets, through reporting.					ü	

**PART B: Progress Statement**

Since the 2022-23 assessment, the department has continued to strengthen its integration of social procurement across its procurement function. There has been a shift toward embedding social procurement principles in procurement-related policies, processes, and reporting. These improvements reflect gradual maturity in the department's approach. The department remains committed to building on this progress and continuing efforts to align with the objectives of the Social Procurement Framework, delivering meaningful social, economic and environmental outcomes through its procurement activities.