

COUNCIL POLICY

Buy Locally – Regional Price Preference

- Policy No** 2.7
- Policy Subject:** Buy Locally – Regional Price Preference Policy
- Policy Statement:** The Shire of Katanning encourages local industry to do business with Council through the adoption of this Buy Locally – Regional Price Preference Policy.
- The Defined Area for the purpose of this Policy is the area falling within the boundaries of the Local Government Authorities of Katanning, Kent, Gnowangerup, Broomehill Tambellup, Kojonup, Woodanilling, Wagin and Dumbleyung.
- Objectives:** To support local business within the Defined Area by giving preferential consideration to regional suppliers in the procurement of goods and services.
- Guidelines:**
- Regional Price Preference**
- A price preference will apply to eligible suppliers who are based in, operate from or source goods or services from within the Defined Area unless the tender/quotation document specifically states that this policy does not apply.
 - The regional price preference enables tenders and quotations to be evaluated as if the proposed price were reduced in accordance with this policy.
 - This policy will operate in conjunction with the Shire’s ‘Purchasing Policy’.
 - The price preference applied to Defined Area suppliers is 5% of the value of quoted goods and services but will only apply to goods and services over the value of \$1,000 and the maximum value of the price preference cannot exceed \$20,000.
- Qualifying Criteria**
- A supplier of goods or services who submits a tender/quotation is regarded as being an eligible supplier if:
- a) that supplier has been operating a business continuously out of premises in the Defined Area for at least six months. This is further defined as follows and the supplier will be required to meet all these criteria:
 - i. the supplier to have a physical business premises (in the form of an office, depot, shop, outlet, headquarters or other premises where goods or services are being supplied from), located in the Defined Area. This does not exclude suppliers whose registered business is located outside the Defined Area but undertake the business from premises located in the Defined Area;
 - ii. the physical location of the business premises in the Defined Area has been operating on an ongoing basis for more than six months prior to the closing date for the tender;
 - iii. a business having permanent staff that are based at the business premises located in the Defined Area;
 - iv. A majority of the tendered outcomes will be carried out or supplied from the business premises located in the Defined Area;

v. the business being registered or licensed in Western Australia.

- b) If a majority of the goods or services are to be supplied from Defined Area sources this policy applies but only those goods or services identified in the tender/quotation as being from Defined Area sources qualify for the regional price preference discount.

For the policy to apply, the supplier must provide written evidence within the tender/quotation submission which demonstrates compliance with the above criteria.

Suppliers who claim the use of goods or services supplied from regional sources will be required, as part of the contract conditions, to demonstrate that they have used them.

Related Documents

Internal

- Records Management Policy 1.3
- Purchasing Policy 2.5

Resolution No: Ordinary Council

Resolution Date: 23 September 2021 OC118/21
25 September 2024 OC108/24

Amended:

Source: Finance Manager

Date of Review: October biennial

Review

Responsibility: Executive Manager Corporate Services