

Council Policy CP016 Regional Price Preference Policy			
Officer	Manager Corporate Services	Owner	Director of Corporate & Commercial
Review Frequency	Biennially	Next Review	December 2017
Agenda Item number	CCS166	Date	22 March 2016
Chief Executive Officer		Mayor	

OBJECTIVE

To encourage local economic activity by discounting a regional tenderers submitted price.

SCOPE

This policy applies to contracting and procurement activities and is binding upon councillors, officers and temporary employees, contractor's, suppliers and consultants while engaged by the City of Greater Geraldton.

DELEGATIONS

The Chief Executive Officer (CEO) has delegated authority to undertake purchases of goods and services up to a value as determined by council. The CEO may delegate authority to any officer in order to maintain effective and efficient operations. Such delegation must be used in association with budget allocations.

DEFINITIONS

Goods: includes tangible, quantifiable material requirements usually capable of being moved or transported that are purchased, rented, leased or hired by the City.

Services or Provision of Services: means any task, consultancy, work or advice to be performed or provided that is procured by the City. Included are services such as management consultancies, outsourcing, maintenance contract/ agreement, cleaning, waste removal, equipment repairs, external auditors, utilities and services acquired by a private sector provider for the City.

Construction (including works):

For the purpose of this policy a work (construction) is defined as the carrying out of any improvement on or over any area of land, lake, river or ocean, and any services related to that activity in the prescribed area.

This includes the construction of buildings, housing and other public infrastructure as well as related services such as architectural, surveying, facilities management and general maintenance.

Prescribed Area: means within 150 kilometres of the City of Greater Geraldton main office.

Regional tenderer means a supplier of goods or services in accordance with the following;

1. The tenderer has been operating a business continuously out of premises in the appropriate region for at least 6 months before the time after which further tenders cannot be submitted; or
2. some or all of the goods or services are to be supplied from regional sources.

POLICY

A preference is applicable to locally based contractors and suppliers with a permanent office and employee(s) located within the prescribed area.

Goods and Services

A 5% price preference, to a maximum of \$25,000, applies to goods and services sourced and used in the prescribed area.

A further 5% price preference, to a maximum of \$25,000, applies to regional contractor/supplier that has a Permanent Operational Office in the prescribed area.

Construction, including Housing and Public Buildings

A 2.5% price preference, to a maximum of \$25,000, applies to all construction conducted in the prescribed area.

A further 2.5% price preference, to a maximum of \$25,000, applies to regional contractor/supplier that has a Permanent Operational Office in the prescribed area.

Competitive Tendering and (Long Term) Contracting

A 5% price preference, to a maximum of \$250,000 (based on \$25,000 per annum to a maximum of ten years), applies to goods and services sourced and used and all construction conducted in the prescribed area. This preference applies on a once off basis and when the contract is renewed the standard preference applies.

A further 5% price preference, to a maximum of \$250,000 (based on \$25,000 per annum to a maximum of ten years), applies to regional contractor/supplier that has a Permanent Operational Office in the prescribed area. This preference applies on a once off basis and when the contract is renewed the standard preference applies.

Conditions

Although the prices for goods and services submitted by a regional contractor/supplier as defined in this policy may be

1. wholly supplied from regional sources; or
2. partly supplied from regional sources and partly from non-regional sources,

Only those goods or services identified in the tender as being from regional sources may be included in the discounted calculations that form part of the assessment of a tender or quote when this policy is in operation.

Regional Content Preference

A non-Regional Tenderer may identify in their submission goods and services sourced from Regional contractors/suppliers within the prescribed area and this price preference will be applied to those goods and services so identified.

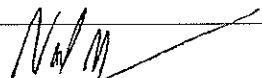
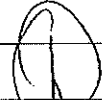
ROLES AND RESPONSIBILITIES

The employees of the City of Greater Geraldton will use a competitive market for their local requirements and encourage the development of suppliers and local industry. Local suppliers with the capacity to compete should be provided with the opportunity to bid for work in the City of Greater Geraldton.

WORKPLACE INFORMATION

The application of this policy is defined through the Local Government Act 1995 and Part 4A of the Local Government (Functions and General) Amendment Regulations 2000.

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Council Policy CP016 Regional Price Preference Policy			
Officer	Director of Organisational Performance	Owner	Chief Executive Officer
Review Frequency	Biennially	Next Review	2014
Council Resolution number and date		OP0002 – 24 July 2012	
Mayor		Chief Executive Officer	

OBJECTIVE

To maximise the use of competitive regional businesses in the procurement of goods and services.

To promote economic activity.

To increase employment opportunities.

To facilitate small business participation in the City of Greater Geraldton procurement process.

SCOPE

This policy applies to all contracting and procurement activities and is binding upon councillors, officers and temporary employees, contractors and consultants while engaged by the City of Greater Geraldton.

DELEGATIONS

The Chief Executive Officer (CEO) has delegated authority to undertake purchases of goods and services up to a value as determined by council. The CEO may delegate authority to any officer in order to maintain effective and efficient operations. Such delegation must be used in association with budget allocations.

DEFINITIONS

Goods: includes tangible, quantifiable material requirements usually capable of being moved or transported that are purchased, rented, leased or hired by the City.

Services or Provision of Services: means any task, consultancy, work or advice to be performed or provided that is procured by the City. Included are services such as management consultancies, outsourcing, maintenance contract/ agreement, cleaning, waste removal, equipment repairs, external auditors, utilities and services acquired by a private sector provider for the City.

Construction (including works):

For the purpose of this policy a work (construction) is defined as:

- The carrying out of any improvement on or over any area of land, lake, river or ocean, and any services related to that activity in the prescribed area.

This includes the construction of buildings, housing and other public infrastructure as well as related services such as architectural, surveying, facilities management and general maintenance.

Regional Contractor/Supplier:

To qualify as a regional contractor/supplier, a supplier must meet all the following conditions:

- have had a permanent office and permanent staff in the prescribed area for a period of six (6) months prior to bids being sought, and
- be either registered or licensed in Western Australia and
- demonstrate a majority or all of the goods or services are to be supplied from regional sources.

Prescribed Area: means within the boundaries of the former City of Geraldton-Greenough and the Shire of Mullewa.

POLICY PRINCIPLES

A preference is applicable to locally based contractors and suppliers with a permanent office and staff located within the prescribed area.

Goods and Services

A 5% price preference, to a maximum of \$50,000, applies to goods and services sourced and used in the prescribed area.

Construction, including Housing and Public Buildings

A 5% price preference, to a maximum of \$50,000, applies to all construction conducted in the prescribed area.

Competitive Tendering and (Long Term) Contracting

A 5% price preference, to a maximum of \$500,000 (based on \$50,000 per annum to a maximum of ten years), applies to goods and services sourced and used and all construction conducted in the prescribed area. This preference applies on a once off basis and when the contract is renewed the standard preference applies.

Conditions

Although the prices for goods and services submitted by a regional contractor/supplier as defined in this policy may be

- a. wholly supplied from regional sources; or
- b. partly supplied from regional sources and partly from non-regional sources,

Only those goods or services identified in the tender as being from regional sources may be included in the discounted calculations that form part of the assessment of a tender or quote when this policy is in operation.

Local Content Preference

The above preference may apply to contractors based outside the prescribed area, who use goods, materials or services of a significant amount in local contracts (except housing projects) sourced from within the prescribed area. The preference also applies to the value of the goods, materials or services sourced and used.

WORKPLACE INFORMATION

The application of this policy is defined through the Local Government Act 1995 and Part 4A of the Local Government (Functions and General) Amendment Regulations 2000.

ROLES AND RESPONSIBILITIES

The employees of the City of Greater Geraldton will use a competitive market for their local requirements and encourage the development of suppliers and local industry. Local suppliers with the capacity to compete should be provided with the opportunity to bid for work in the City of Greater Geraldton.

