Policy F1 – Regional Price Preference

1. Policy Intention

To promote the growth development and retention of local and regional businesses employing local people to assist in generating economic benefits by maximising the use of competitive local and regional content in the supply of goods and services or for construction (building services) sourced by way of Tender on behalf of the Shire of Murray (Shire).

2. Policy

2.1 That a price preference will apply to tenders invited for procurement over $75,000 by the Shire as detailed in clause 2.2, unless Council resolves that this policy not apply to a particular tender invited.

2.2 The following levels of preference for the purposes of assessment will be applied under this policy:

Shire of Murray Businesses

(a) 10% where the contract is for goods and services up to a maximum price assessment reduction of $50,000; and

(b) 5% where the contract is for construction (building services) up to a maximum price assessment reduction of $50,000.

Peel Region Businesses

(a) 5% where the contract is for goods and services up to a maximum price assessment reduction of $50,000; and

(b) 2.5% where the contract is for construction (building services) up to a maximum price assessment reduction of $50,000.

The levels of preference outlined in clause 2.2, will only apply to businesses that are located within the Shire or the Peel Region for at least six (6) months prior to the closing date of tender invited.

The level of preference outlined is to be applied as either a Shire Business or Peel Region Business, not both.

The Peel Region Businesses preference can only be applied if it does not affect the overall evaluation outcomes for a business from the Shire, on the condition that the Shire Business has submitted an equally competitive bid in terms of evaluated quality i.e.: overall qualitative scores are in the same range/s.

Only the cost of those goods and services clearly identified in the tender submission as being supplied locally or from the Peel Region regionally (regardless of their origin) will be included in the calculation that forms a part of the assessment of a tender. Travel or accommodate costs are excluded.

It should be noted that price is only one factor to be considered when the Shire assesses tender submissions. Value for money principles will be used to achieve the best possible outcome for every dollar spent. This is achieved by assessing all costs and benefits rather than simply selecting the lowest purchase price.

3. Definitions

'The Peel Region' includes the Shire's of Waroona, Boddington, Serpentine Jarrahdale and the City of Mandurah.

Policy Detail		
Responsible Directorate	Corporate Services	
Responsible Department	Governance and Strategy	
Responsible Officer	Manager Governance and Strategy	
Next Policy Review / Schedule	2026 (3-yearly)	
Council Adoption	**Date / Resolution**	29 September 2011 (OCM11/151)
Amendment Record	**Date / Resolution**	26 July 2012 (OCM12/149)
		22 February 2018 (OCM18/008)
		20 December 2018 (OCM18/260)
		28 February 2019 (OCM19/016)
		23 June 2022 (OCM22/070)