

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.

2. Policy

2.1 That a price preference will apply to tenders invited for procurement over \$75,000 by the Shire of Murray; 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 of Murray 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 local (Shire of Murray 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 of Murray, on the condition that the Shire of Murray 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.

Previous Policy Reference	CA23	
Related Legislation	<i>Part 4 A – Local Government (Functions and General) Regulations 1996.</i>	
Related Policies	Policy G11 – Purchasing	
Related Documents	Internal Purchasing Limit Register D17/13756	
Last Reviewed	December 2019	
Next Review Date	2021	
Initial Adoption Date	29 September 2011	
Initial Adoption Resolution	OCM11/151	
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	OCM18/008	22 February 2018
	OCM18/260	20 December 2018
	OCM19/016	28 February 2019