

Regional Price Preference

Shire of Donnybrook Balingup Council Policy FIN/CP-5



Strategic Outcome Supported: 10.1 – Provide strategically focused, open and accountable governance.

OBJECTIVE

1. To support local and regional business and industry by providing price preference to regional suppliers tendering for contracts with Council.
2. To ensure that when purchasing goods and services, Council achieves the best possible outcome for the amount of money spent, whilst where possible give preference to local suppliers.

SCOPE

3. This policy applies to all tenders invited by the Shire of Donnybrook Balingup.

DEFINITIONS

4. **Local Tender** shall be deemed to be a tenderer whose business is located within the boundary of the Shire of Donnybrook-Balingup.
5. **Shire** means Shire of Donnybrook Balingup.

POLICY STATEMENTS

Local Preference

6. Where possible and within reasonable limits set out herein, the Shire will support local businesses through the application of this Regional Price Preference Policy.
7. A preference may be given to a local/regional tender by assessing the tender from the supplier as if the price bids were reduced as outlined. The application of a price preference MUST be clearly outlined as to whether it will be applied or not prior to the tender process commencing.
8. Where the total 'net cost' of the lowest submitted tender is between \$5,000 and \$25,000 10% shall be applied to the 'net cost', up to a maximum of \$1,000. If tender relates to Building Services (Construction) 5% will apply.
9. Where the total 'net cost' of the lowest submitted tender is between \$25,001 and \$50,000 5% shall be applied to the 'net cost'.
10. Where the total 'net cost' of the lowest submitted tender is greater than \$50,001 5% shall be applied to the 'net cost', up to a maximum of \$100,000.

Local/Regional Content

11. Although goods or services that form part of a tender submitted by a local/regional tenderer may be:
 - a. Wholly supplied from regional sources; or
 - b. Partly supplied from regional sources, and partly supplied from non-regional sources.

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12. Only those goods or services identified in the tender as being from local/regional sources may be included in the discounted calculations that form part of the assessments of a tender when a regional price preference policy is in operation.
13. A supplier of goods or services who submits a tender is regarded as being a regional tenderer for the purposes of this part if that supplier 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.
14. Despite the allowed percentage preferences, price is only one of the factors to be assessed when the local government is to decide which of the tenders it determines would be most advantageous to the local government to accept.

DELEGATION AND AUTHORISATION

15. 1.2.19 - Application of the Regional Price Preference Policy.

LEGISLATION

- *Local Government (functions and General) Regulations 1996*

APPENDIX

16. Nil.

GOVERNANCE

Related Policy(s):

- Council Policy – Purchasing (FIN/CP-4)

Related Procedures(s):

- Nil.

Revision Requirements and Version Control:

Responsible Department(s):	Finance and Community			
Review to be conducted by:	Director Finance and Community			
Revision Frequency:	☐ Annual (1yr)	☒ Triennial (3yr)	☐ Quinquennially (5yr)	
Current Version Date:	23/09/2026		Next Due:	2029
Policy Version Details and Information:				
#:	Synopsis:	Date:	Ref.:	Record:
1	Initial adoption of Policy.	09/08/2006	N/A	N/A
2	– Removed policy number 2.21 and added new policy ID; and – Added new scope; and – Updated legislation	21/12/2021	213/21	NPP8066
3	Removed the inclusion of Boyup Brook and other minor governance edits.	23/09/2026	168/09-26	MONARCH-1594159990-199