

1. INTRODUCTION

- 1.1. The intention of this policy supports Council's commitment to achieve the best value for money outcome to Council and the Community, while maximising opportunities for local business to compete for Council business. It is to be read in conjunction with the relevant associated documents that ensure a transparent probity driven process that can withstand any scrutiny.
- 1.2. This policy links to Moree Plains Shire Councils Community Strategic Plan theme *A Leading Organisation* as it allows Council to be accountable and transparent in our affairs, operate with integrity, improve our responsiveness and pursue innovative solutions for organisational improvement.

2. PURPOSE

- 2.1. The objective of this policy and associated procedures detail standard procurement practices across Council with regards to Local Suppliers in the Moree area and to highlight the obligations of Council officers with the delegated authority to arrange goods and services of any value or type on behalf of Council.
- 2.2. This policy, the Procurement Policy and underlying procedures set the ethical ground rules and requirements outlined in the *Local Government Act 1993* (the Act) and *Local Government (General) Regulations 2005* for all business dealings between Council and our business partners. Furthermore, the Local Supplier Preference Policy is based on the underlying principles of Councils' Code of Conduct.

3. SCOPE

- 3.1. This policy applies to any Council officer wishing to enter into a procurement arrangement with consideration of the local economy.

4. DEFINITIONS

- 4.1 **Council** means Moree Plains Shire Council
- 4.2 **Council Officer** or **staff member** means a staff member who is employed by Council on a permanent, part-time or casual basis
- 4.2 **The Act** means the *Local Government Act 1993*
- 4.3 **Local supplier** is deemed to be a supplier who operates a business within the boundaries of the Moree Plains Shire. Eligibility criteria such as Council Rates Notices and or utility accounts showing addresses may need to be provided as proof of locality.

5. POLICY STATEMENT

5.1. Responsibilities

- 4.1.1 The Finance Department is responsible for implementing this policy.
- 4.1.2 The Executive Department is responsible for recording and providing approved and drafted policies in an easily accessible register through the use of HPE Records.
- 4.1.3 The Executive Department is responsible for making this policy readily available to community members and staff on request and for ensuring that this policy is adhered to in a consistent manner.

5.2. Local Supplier Preference

- 5.2.1. Council is committed to supporting the local economy and enhancing the capabilities of local business and industry. The objective is to create a framework that ensures Council gives due consideration to the actual and potential benefits to the local economy of sourcing goods and services locally where possible, whilst maintaining a value for money approach at all times.
- 5.2.2. Council acknowledges that it has an important role to play in the local economy and is committed to assisting local industry engage in business with Council. To assist local industry and local economic development, Council will ensure that buying practices, procedures and specifications do not disadvantage local suppliers and ensure transparency in quotation, tendering and contract management practices.
- 5.2.3. A local price preference will apply to all quotes and/or tenders invited by Council for the supply of goods and services, unless Council resolves that this policy not apply to a particular quote or tender. Where applicable, the amount and or type of local content is assessed using the selection criteria framework, together with a weighted score system of assessment. It should be noted that the lowest price will not necessarily be guaranteed of acceptance.
- 5.2.4. For the purposes of selecting the successful supplier tendered by local and non-local suppliers, the following levels of price preference discounts will be applied under this policy;

For Non-Tender purchases up to \$150,000 with local content – supplier given 3% discount

For Tender purchases over \$150,000 with local content – supplier given 2% discount

The above discounts may also apply to suppliers based outside the Moree Plains Shire area where such suppliers:

- Use goods, materials or services of a significant amount via sub-contracts that are sourced within the Moree Plains Shire area. The discount applies to the value of the goods, materials or services sourced and used from the local government area; or
- Can demonstrate the use of locally sourced products and services as opposed to using products and services from outside the Moree Plains Shire area.

6. VARIATION

- 6.1. Council reserves the right to vary the terms and conditions of this policy, subject to a report to Council. This Policy is automatically amended as a result of any changes to the Act, the *Local Government (General) Regulation 2005*, or other amending legislation, it being noted that the Act and Regulations take precedent over the Council's Policy.

7. DELEGATION

- 7.1. The General Manager is authorised, pursuant to Section 377 of the Act, to allow a matter that does not conform with a policy to proceed if the General Manager is of the opinion that the variation from the Policy is of a minor nature.

8. REFERENCES

- 8.1. Port Macquarie-Hastings City Council – Procurement Policy

9. DISPUTE PROCEDURE

- 9.1. In the event of a dispute over any aspect of this policy, immediate action will be taken to resolve the situation through effective and constructive consultation between the parties concerned. If a resolution cannot be reached, the services of a mediator will be requested to finalise the matter to the satisfaction of all parties concerned.

10. REVIEW

- 10.1. This policy is to be reviewed a minimum of 12 months from the date of its original adoption and every 24 months thereafter.

POLICY	LOCAL SUPPLIER PREFERENCE POLICY	
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HISTORY

Original Policy	Nil	
Policy drafted by	Corporate Services	
Policy reviewed by Managers' Meeting	15 July 2015	
Policy reviewed by Manex	21 July 2015	
Council Resolution Number, if applicable	15/11/08	
Date of Adoption	15 September 2017	
Review Date	September 2021	
Classification of Policy	External	
This Policy works in conjunction with these polices	Code of Conduct	Procurement Policy
This policy works in conjunction with these procedures:	Nil	

ELECTRONICALLY SIGNED BY THE GENERAL MANAGER OF MOREE PLAINS SHIRE COUNCIL,
WHOSE SIGNATURE APPEARS BELOW.

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LESTER RODGERS