

Regional Procurement Preference Policy

Reference number:	POL 064
Approval date:	21 July 2025
Policy owner:	Chief Financial Officer
Next review:	September 2029

Purpose

The purpose of this policy is to encourage and support regional businesses and support economic activity within the region, where it is efficient to do so, while achieving Council's overall 'value-for-money' objectives. Council recognises that through supporting regional businesses it can assist in economic sustainability that will flow to social benefits across regional communities.

Council believes that overall policy must be underpinned by sound principles, which are well understood; communicated to the community and staff and is compliant with current legislation.

Council's objectives in establishing this Policy, in conjunction with those contained within Council's Procurement and Disposal Policy POL110 are to:

- Support the regional economy and enhance the capabilities of regional business and industry, while ensuring an equitable approach is undertaken.
- Ensure compliance with Competition and Consumer Act 2010.
- Ensure leading practice policies and procedures are followed in relation to the Procurement Activities for Wagga Wagga City Council.
- Undertake Procurement processes that ensure value for money for the Council.
- Ensure openness, transparency, fairness and equity through the Procurement process to all potential suppliers and buyers therefore strengthening integrity and confidence in the Procurement practices.
- Ensure efficient and consistent purchasing processes are implemented and maintained across Council.
- Ensure compliance with the Government Information (Public Access) Act 2009 ("GIPAA") and the Privacy and Personal Information Protection Act 1998 ("PPIPA"), and associated records management practices and procedures of Council.

Scope

This Policy covers all Procurement Activities above \$250,000 (GST Inclusive) by Wagga Wagga City Council and its employees.

Wagga Wagga City Council is obliged to call Tenders for the procurement of goods or services with an estimated value exceeding the *Local Government Act 1993* Tender Threshold of \$250,000, or another amount as may be prescribed by the Regulations.

This Policy does not apply to the procurement of goods and services in the following instances:

- a) An emergency situation as defined by the Act;
- b) The purchase is under auction that has been authorised by Council;
- c) The goods or services are being supplied through a renewal or extension of the term of a contract (the original contract) where;
 - i. The original contract was administered through a public Tender process;
 - ii. The invitation for Tenders contained provisions for the renewal or extension of a contract;
 - iii. The original contract contains an option to renew or extend its term; and
 - iv. The supplier's Tender included a requirement for a renewal or extension of the term of the original contract.
- d) A contract that is an environmental upgrade agreement (within the meaning of Part 2A of the *Local Government Act 1993* Section 55)
- e) A contract made with a person or body approved as a disability employment organisation under the *Public Works and Procurement Act 1912* for the purchase of goods or services in relation to which the person or body is so approved
- f) A contract arrangement between Council and the Electoral Commissioner for the Electoral Commissioner to administer the Council's elections, Council polls and constitutional referendums
- g) Where the goods or services are sourced from internal Wagga Wagga City Council sources.

Procurement Thresholds and Policy Requirements

The requirements that must be complied with by Council Officials, including Procurement thresholds and processes, are prescribed within the legislation, this Policy, Council's Procurement and Disposal Policy POL110 and Council's Procurement and Disposal Manual.

Determining the Procurement value is to be based on the following considerations:

- Inclusive of Goods and Services Tax (GST);
- The actual or expected value of a contract over the full contract period (including all options to extend); or
- The extent to which it could be reasonably expected that Council will continue to purchase a particular category of goods, services or works and what total value is or could be reasonably expected to be purchased.

Any Procurement Activity must be undertaken in accordance with the Council Official's delegated purchasing authority limit as approved by the General Manager.

No Procurement Activity is to be undertaken until it is approved by an Authorising Officer.

Regional Preference Evaluation Criteria

Regional Preference is not a price benefit to a Regional Supplier, but rather a quantitative measurement that can be utilised in recognition of the physical presence of the supplier in the Riverina area, as well as the demonstrated and/or actual accompanying social and economic benefits that this provides to Council and the regional community.

For the purposes of comparing the submissions in relation to the Regional Preference Evaluation Criteria, the criteria will be applied and provided to:

- a. regional suppliers submitting responses to Procurement requests which are assessed with

- consideration of this Policy; and
- b. non-regional suppliers submitting responses to Procurement requests, which include use of regional content and which are assessed with consideration of this Policy.

The below ratings will be applied when evaluating Procurement Activity where this Policy is applicable:

Criteria	Equivalent Weighting Rating	Supporting Business
Business head office set up and run within the Region	5	With the commitment to regional businesses and economy
Business branch operating within the Region, with head office outside of the Region	4	With commitment to regional economy
Business based outside of the Region employing staff, and/or using resources from within the Region	3	With a minor impact on local economy
Business established and run outside of the Region but within New South Wales.	2	Within the State
Business operating outside of New South Wales.	1	Within Australia
Business operating outside of Australia	0	

Regional Preference Evaluation Weighting

Where the Procurement Activity value will be \$250,000 (GST Inclusive) or above, all offers will be subject to this Policy and incorporate Regional Preference Evaluation Criteria with a weighting of 5%.

Obtaining a Regional Preference Score

To be eligible for a score in relation to the Regional Preference Evaluation Criteria, suppliers must specifically detail and explain in their submission to Council's Procurement request the particular facts upon which they rely to establish their eligibility for a score and must provide any evidence of such eligibility as reasonably required by Council.

Records Management

Records of all Tenders, Requests for Quotations and other Procurement Activities must be retained in compliance with the *State Records Act 1998*.

Legislative Context

- *Local Government Act 1993*, Section 55
- *Local Government (General) Regulation 2021*
- *Competition and Consumer Act 2010*
- *Government Information (Public Access) Act 2009*

- *Privacy and Personal Information Protection Act 1998*
- *State Records Act 1998*

Related Documents

- Statement of Business Ethics
- Wagga Wagga City Council – Procurement and Disposal Manual
- Code of Conduct
- Tendering Guidelines issued by the Department Local Government
- Procurement and Disposal Policy (POL 110)
- Conflict of Interests Policy (POL 112)
- Delegations Policy (POL 060)
- Corporate Purchase Card Policy (POL 053)
- Legislative Compliance Policy (POL 101)
- Risk Management Policy (POL 079)
- Fraud and Corruption Policy (POL 100)
- Public Art Policy (POL 109)
- Commonwealth Indigenous Procurement Policy
- Registrar of Indigenous Corporations at: <http://www.oric.gov.au/>
- ISO 20400: Sustainable Procurement
- Guidelines for Managing Conflicts of Interest in the Public Sector produced by the Independent Commission Against Corruption

Responsibilities

The Chief Financial Officer is the responsible Officer for matters relating to this Regional Procurement Preference Policy.

The Chief Financial Officer or their delegate from within the Procurement Services team will also be responsible for:

- Oversight of each procurement activity where this Policy is applicable;
- Provision of this Policy in the documentation provided to suppliers for all procurement activities \$250,000 (GST Inclusive) and above;
- Establishing and ensuring the details of each procurement activity for which this Policy applies are recorded with sufficient information to ascertain the success of this Policy;
- Providing a report to Council on an annual basis that outlines the impact of this Policy and recommending whether to retain the Policy or otherwise.

Reporting Requirements

All Procurement Requests resulting in a Regional Preference being applied must be capable of identification and verification through the Council's audit or internal control mechanism.

On an annual basis, the Chief Financial Officer will be required to report to Council the impact of the Policy.

Review Procedures

Subject to the recommendation and subsequent decision of Council, this Policy will be reviewed every four years or in the first twelve months of the new term of Council, whichever is earliest.

Definitions

Term	Definition
Authorising Officer	A Wagga Wagga City Council employee who is registered in the delegation register as authorised by the General Manager to incur expenditure and claims for payment, within a specific monetary limit.
Contract	A Contract is a legally binding agreement between the Council and another Party for the supply of goods and/or services. A Purchase Order is a Contract.
Council Official	Includes employees of Wagga Wagga City Council and Councillors.
Procurement Activity	For the purposes of this Policy, Procurement Activity is restricted to the process involving all activities following the decision that a good or service is required whereby it is anticipated to be \$250,000 (GST Inclusive) or above. It involves the acquisition of goods and services.
Purchase	The acquisition of a good or service whether placing or transmitting an order orally, in hard copy, electronically via e-commerce, or buying across the counter to achieve council business and is inclusive of purchasing, hire, lease, rental, exchange or any other commercial transaction involving the outlay of funds in return for the provision of goods, services equipment and related services, construction and service contracts. A purchase is not a Reimbursement, a transfer to another organisation of a Deduction, a Refund, a Grant or Sponsorship.
Regional Content	Means goods or services procured from a supplier or employees living permanently within the boundaries of the Riverina area.
Regional Supplier	Means a business, contractor or industry: either permanently based in, or employing staff operating from permanent premises situated within the Riverina area for not less than six (6) months prior to the date of the Procurement Request; and Registered or licensed in New South Wales.
Riverina area	The Riverina area means the Local Government Areas of Bland, Coolamon, Cootamundra- Gundagai, Greater Hume, Junee, Lockhart, and Temora.
Tender	Includes prices, bids, quotations and consultant proposals and means the lodgement of a Tender response containing all requested information and accompanying documentation.

Term	Definition
Tender Threshold	The amount in dollars as determined and published in the <i>Local Government Act 1993</i> or associated Regulations.

Revision History

Revision number	Council resolution	Council meeting date
1	Res No: 20/229	29 June 2020
2	Res No: 22/354	17 October 2022
3	Revision approval under General Manager delegated authority	24 June 2025
4	Res No: 25/215	21 July 2025