

# Ipswich City Council

## Buy Ipswich Approach

(For inclusion in the Procurement Code of Practice)

### Australian made

Council prefers to procure goods made in Australia.

### Competitive local business and industry preferential factors

When applying the sound contracting principle 'development of competitive local business and industry' Council will:

- include a statement in its request for quote or tender documentation that Council, through this policy, encourages the development of competitive local business and industry, and
- where quotes are sought for all contracts with an expected value less than \$50,000 only seek quotes from local businesses (Category A, B and C as defined at table 1) in the first instance (where such are assessed to be reasonably capable of supplying Council's needs of value for money), and
- where quotes are sought for all contracts with an expected value less than \$200,000 provide a 20 per cent local content preferential weighting to the scoring evaluation advertised by Council (see table 2 below), or
- where quotes are sought for all contracts with an expected value greater than \$200,000 provide a 15 per cent local economy Support preferential weighting to the scoring evaluation advertised by Council (see table 3 below)

If the application of the competitive local business and industry preferential factors will result in an outcome that is believed to be unreasonable or will not deliver value for money; the matter must be referred to the Manager, Procurement for further consideration in consultation with the relevant General Manager. A report on any awarded exceptions to use of the competitive local business and industry preferential factors will be provided to the Executive Leadership Team on a monthly basis.

### Business categorisation for competitive local business and industry preferential factors

For the purposes of competitive local business and industry preferential factors, businesses supplying Council have been categorised as shown in Table 1 following.

**Table 1: Business categorisation for competitive local business and industry preferential factors**

| Category | Description   |
|----------|---|
| A        | Developing or established Ipswich based business  |
| B        | Branch office in Ipswich directly employing a minimum of ten (10) people (not contractors)  |
| C        | Branch office in Ipswich, established for a minimum of six months, directly employing less than ten (10) people (not contractors) |
| D        | Adjacent local government based business (Lockyer Valley, Scenic Rim, Logan, Brisbane or Somerset)                                |
| E        | Queensland business   |

|          |                     |
|----------|---------------------|
| <b>F</b> | Interstate business |
| <b>G</b> | Overseas business   |

A Category A business is one that:

- has its head office in Ipswich and conducts business within Ipswich city boundaries (includes sole traders) prior to a contract being awarded for which their offer has been submitted
- may also conduct business outside of the Ipswich.

Any branch office (Category B or C business) must:

- be a branch office of the business submitting the offer, not of a subsidiary or parent company
- constitute a physical address, not a post office box or other mailing address.

Remaining proximities (Category D: adjacent local government, Category E: Queensland, Category F: interstate and Category G: overseas locations) are determined by the location of the business's head office.

### **Applying the local business and industry preferential weightings**

#### **Local Content**

Where quotes are sought for all contracts with an expected value less than \$200,000 (GST Exclusive) provide a 20 per cent local content preferential weighting to the scoring evaluation advertised by Council.

**Table 2: Local content scoring**

| <b>Score</b> | <b>Category</b> | <b>Description</b>  |
|--------------|-----------------|---|
| <b>20%</b>   | A               | Developing or established Ipswich based business  |
| <b>15%</b>   | B               | Branch office in Ipswich directly employing a minimum of ten (10) people (not contractors)  |
| <b>12%</b>   | C               | Branch office in Ipswich, established for a minimum of six months, directly employing less than ten (10) people (not contractors) |
| <b>8%</b>    | D               | Adjacent local government based business (Lockyer Valley, Scenic Rim, Logan, Brisbane or Somerset)                                |
| <b>6%</b>    | E               | Queensland business   |
| <b>3%</b>    | F               | Interstate business   |
| <b>0%</b>    | G               | Overseas business   |

#### **Local Economy Support**

Where quotes are sought for all contracts with an expected value more than \$200,000 (GST Exclusive) a 15 per cent Local Economy Support preferential weighting will be applied to the scoring evaluation advertised by Council.

The tenderer must, as part of their tender submission, provide details of and/or nominate local suppliers and sub-contractors for the goods and services proposed for use in the project to a minimum value of 30% of the contract sum.

**Table 3: Local Economy Support scoring**

| <b>Score</b> | <b>Description</b>   |
|--------------|--|
| <b>15%</b>   | Tenderer provides details and nominates local suppliers and/or sub-contractors for goods and services for use in the project to a minimum value of 30% of the contract sum |
| <b>8%</b>    | Tenderer provides details and nominates local suppliers and/or sub-contractors for goods and services for use in the project to a value less than 30% of the contract sum  |
| <b>0%</b>    | Tenderer does not commit to using local suppliers and/or sub-contractors   |

**Competitive local business and industry preferential factors**

This approach will be reviewed by June 2021 for applicability, effectiveness, and consistency with relevant legislation, Council resolutions, and other Council documents.