

FI 1 – REGIONAL PRICE PREFERENCE**Objective**

- To ensure that established Christmas Island business/companies become and remain viable
- To support Christmas Island suppliers of goods and services where possible

Policy

1. This policy applies to the region of Christmas Island.
2. The Shire will give considered regional price preference to regional tenderers for the supply of goods and services to the Shire in the terms of this policy and in accordance with the Regulations.
3. A **regional tenderer** means a supplier of goods or services who tenders for contracts offered by the Shire of Christmas Island and satisfies the following criteria:
 - (a) The supplier has been operating a business continuously out of premises in the Shire of Christmas Island for at least 6 months before the time after which further tenders cannot be submitted; or
 - (b) Some or all of the goods or services are to be supplied from Christmas Island sources.
4. **Regional price preference** means assessing the tender as if the proposed tender price were discounted in accordance with regulation 24D of the Local Government (Functions and General) Regulations 1996.
5. For the purposes of applying a regional price preference, the tender price will be discounted as follows:
 - (a) Up to 10% - where a contract is for goods or services, up to a maximum price reduction of \$50,000.
 - (b) Up to 5% - where the contract is for construction (building) services, up to a maximum price reduction of \$50,000.

Provided that only those goods or services identified in the tender from a regional tenderer as being from regional sources may be included in the discounted calculations that form part of the assessment of a tender when a regional price preference policy is in operation.
6. For the purposes of applying a regional price preference to tender contracts, no distinctions will be made regarding:
 - a. Different parts of a contract
 - b. Different goods or services within a contract

- c. Different price preferences for different types of goods or services
7. Nothing in this policy implies that price is the only factor to be considered in assessing when the local government is to decide which of the tenders it thinks would be most advantageous to that local government to accept.

Key Performance Indicators	The extent to which regional price preference is applied to assessments of tenders The extent to which regional suppliers are successful tenderers for goods and services
Key Words	Regional, price preference, Christmas Island, tenders, goods and services
Related Policies	FI2 - Tender Policy
Related Procedures/ Documents	Tender Procedures
Delegation Level	CEO
First Adopted by Council Resolution No.	10 December 2002 201/02
Adoption Conditions Consultation	Legislative requirement to notify, apply from 1 January State-wide notice in accordance with the Regulations on a draft Policy State-wide notice in accordance with the policy on adoption
Reviewed by Council Resolution No.	26 September 2017 88/17
Changes to Policy as a Result of Review	No amendments
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