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**Section 2.4 – Financial Planning**

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**POLICY 2.4.6 – REGIONAL PURCHASING****OBJECTIVE**

The City is committed to maximising opportunities for the economic development of business and industry in the region by means that are consistent with achieving value for money objectives.

**STATEMENT**

The City recognises the benefits of purchasing from within the region and is committed to increasing and promoting a sustainable economic community. To achieve this, where practical the City will endeavour to support business and industry within the region.

Increasing the level of expenditure by the City within the region will:

- increase and promote regional economic activity;
- attract additional businesses to establish within the region;
- increase employment opportunities within the region;
- expand local markets and attract new markets;
- facilitate small business participation in the purchasing process.

**ISSUES**

The region includes the districts of the City of Joondalup and the City of Wanneroo.

At all times, value for money shall be the main consideration in the determining of contracts and purchasing of goods and services. Purchasing decisions will be based on the total cost of the product over its serviced life, considering factors such as quality, service standards, timely delivery, local back up, benefits, risk, and the social impact of industry development potential.

Suppliers within the region can actively seek business with the City by:

- actively promoting goods and services to the City;
- offering competitive prices the first time;
- supplying quality goods and services;
- forming joint ventures/consortia's to be competitive in larger tenders;
- seeking information about proposed purchases to be made by the City.

**POLICY**

Where practical, the City shall seek to support regional business and industry. The City will ensure that businesses and industry within the region have every opportunity to bid for a business and, where competitive, supply the required needs. As part of considering the value for money decision, the benefits of purchasing goods and services from local suppliers shall be considered.

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In considering value for money decision, the following considerations will be included when analysing purchasing from regional business and industry:

- Local Government Act 1995 tender regulations;
- National Competition Policy principles;
- Trade Practices Act 1974;
- the social and economic impact of contract decisions on local businesses;
- possible flow on effect to regional businesses;
- social ramifications for the regional community;
- better knowledge of regional conditions and quality requirements;
- the potential for local product demonstrations and references, with consequently reduced risk in the decision making process;
- more convenient communication and liaison;
- shorter supply lines with local representation, local backup, spare parts, warranty and quality of servicing;
- benefits in attracting more business and new markets to invest and establish in the region thereby increasing economic activity;
- assists in increasing employment in the region;
- conformity with tender bid requirements;
- ability to meet the City's needs.

The City of Joondalup will support and assist regional business and industry by:

- recognising the benefits of purchasing from local business and industry and considering this as part of the whole of life costing and value for money decisions;
- considering regional industry and business capabilities in the development of tenders, quotations and expression of interest specifications;
- structuring tender requirements in appropriately sized contracts where considered appropriate thereby encouraging regional competition, ensuring that buying practices and procedures do not disadvantage local suppliers;
- where possible, encouraging prospective suppliers and contractors to use local distributors and agents within the delivery chain;
- providing regional industry and business with advance notice of major opportunities, thereby enabling suppliers to form consortia bids and or/explore subcontracting arrangements;
- advertising all tenders and expressions of interest in the Wanneroo Times;
- listing all tenders and expressions of interest, where possible on the City's website;
- listing all tenders and expressions of interest, where possible on appropriate external websites and on other appropriate external publications;
- providing training to regional business and industry on the City's tender documentation process;
- where requested, provide feedback to unsuccessful tenderers highlighting how bids can be improved to be more competitive.

The canvassing of Elected Members will disqualify businesses seeking to do business with the City.

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