

BUYER FACT SHEET

# Local Buy Arrangements: Contract Framework Flexibility

Version 1.1 Long Form: May 2026



## Document Control v1.1 Long Form

<b>Prepared by</b>	Joshua Brown, General Counsel	<b>Approved by</b>	Glen Duff, General Manager
<b>Date</b>	05/05/2026		

## Procurement Pathway & Contract Options

Local Buy is authorised to establish and manage Local Government Association (LGA) arrangements on behalf of Queensland & Northern Territory (pursuant to Local Buy's partnership with the Local Government Association of the Northern Territory) councils and other approved buying entities.

Local Buy manages more than 55 pre-qualified supplier arrangements available for council use. These arrangements are established to streamline compliant procurement and include default Purchaser Conditions of Contract (LB PCCs) for optional application by councils.

### For clarity:

- LB PCCs included with applicable Local Buy Arrangements are pre-agreed by suppliers and applied by default. *Construction arrangements do not include default purchaser conditions; however, Major, Medium and Minor Works contracts have been developed by Local Buy and are available to councils at no cost.*
- Many councils choose to use the default LB PCCs as they provide a robust and flexible framework suitable for most procurement needs, streamline contracting, and help reduce contracting costs for both councils and suppliers.
- Councils retain full discretion over the contract conditions applied under Local Buy Arrangements and may introduce additional or alternative conditions where required.

## Flexible Contract Options

Local Buy Arrangements provide councils with flexibility to select the contracting approach that best meets their needs. When procuring through a Local Buy Arrangement, councils may choose one of the following options:

**Option 1: Local Buy PCCs, as issued** – Applied by default under most arrangements.

**Option 2: Local Buy PCCs, supplemented** – With council special conditions as needed.

**Option 3: Council's own Conditions of Contract** – Used instead of the LB PCCs.

**Option 4: Alternate Conditions of Contract** (e.g., AS, QITC) – Used instead of the LB PCCs.

Regardless of the option selected, the procurement operates under the Local Buy Arrangement Framework, ensuring benefits for both councils and suppliers.

For audit and governance purposes (including internal and external Audit Office audits), councils are advised to reference the relevant Local Buy Arrangement number and applicable contract conditions at each stage of the procurement process, including RFQs, contract, purchase orders and invoicing. This ensures transparency, supports auditable compliance with the Local Government Regulation, and access to the full benefits of Local Buy's Contract Framework.

## Why use default Local Buy PCCs?

The LB PCCs provides strong, standardised contract terms that reduce negotiation time and costs while preserving council flexibility and control.

### Key advantages include:

- **Pre-agreed terms:** Suppliers appointed to Local Buy Arrangements have reviewed and accepted the LB PCCs, either in full or with agreed departures negotiated through Local Buy's legal team. These conditions are pre-agreed once for contracting with all councils.
- **Reduced negotiation effort:** Minimises legal and commercial negotiation, lowering administrative effort for councils and suppliers and supporting stronger commercial outcomes through competitive pricing.
- **Faster contracting:** Streamlines the path from procurement to contract execution, enabling quicker supplier mobilisation and delivery.
- **No cost to councils:** Local Buy does not charge a royalty for use of the LB PCCs or the construction contract suite (Major, Medium and Minor Works).
- **Improved supplier participation:** Some suppliers prioritise opportunities that utilise the LB PCCs (as issued or supplemented), particularly in high-volume supplier environments.

Councils are encouraged to use the LB PCCs where suitable, as they are pre-agreed and designed to address legal, commercial and risk considerations in line with sound contracting standards.

## Supplier Feedback

Suppliers consistently indicate a preference for procurement through Local Buy Arrangements, especially where default LB PCCs are used (as issued or supplemented).

Where councils apply alternative contract frameworks where the LB PCCs would otherwise have been suitable, suppliers will be required to undertake additional administrative effort and legal/commercial review and sign-off. This can result in reduced supplier participation, increased delays and higher costs.

Local Buy recommends prioritising **Option 1** (LB PCCs as issued) or **Option 2** (LB PCCs supplemented with council-specific special conditions) wherever feasible and using **Options 3 and 4** only when necessary. This approach helps reduce supplier costs, improves supplier capacity to respond to additional procurement activity, and supports stronger commercial outcomes by minimising unnecessary duplication and re-work.

### Supplier Perspective:

*“Local Buy Arrangements provide our business with a streamlined pathway to support councils. By significantly reducing procurement complexity, effort and contracting costs, the arrangement enables a strong focus on governance, transparency and service delivery. These efficiencies allow our business to offer more competitive commercial pricing to councils via Local Buy, while continuing to invest in delivery excellence and innovation to drive additional value.”*

## Using Council or Alternate Conditions of Contract

Councils may determine that applying their own Conditions of Contract or alternate contract frameworks is appropriate in certain circumstances, including:

- To meet governance, legal or procurement requirements, including council policies, directives or guidelines.
- To satisfy funding or regulatory obligations that impose specific contractual conditions.
- For project-specific or higher-risk procurements requiring bespoke risk allocation.
- For complex or specialised scopes of work not fully addressed by default contract conditions.

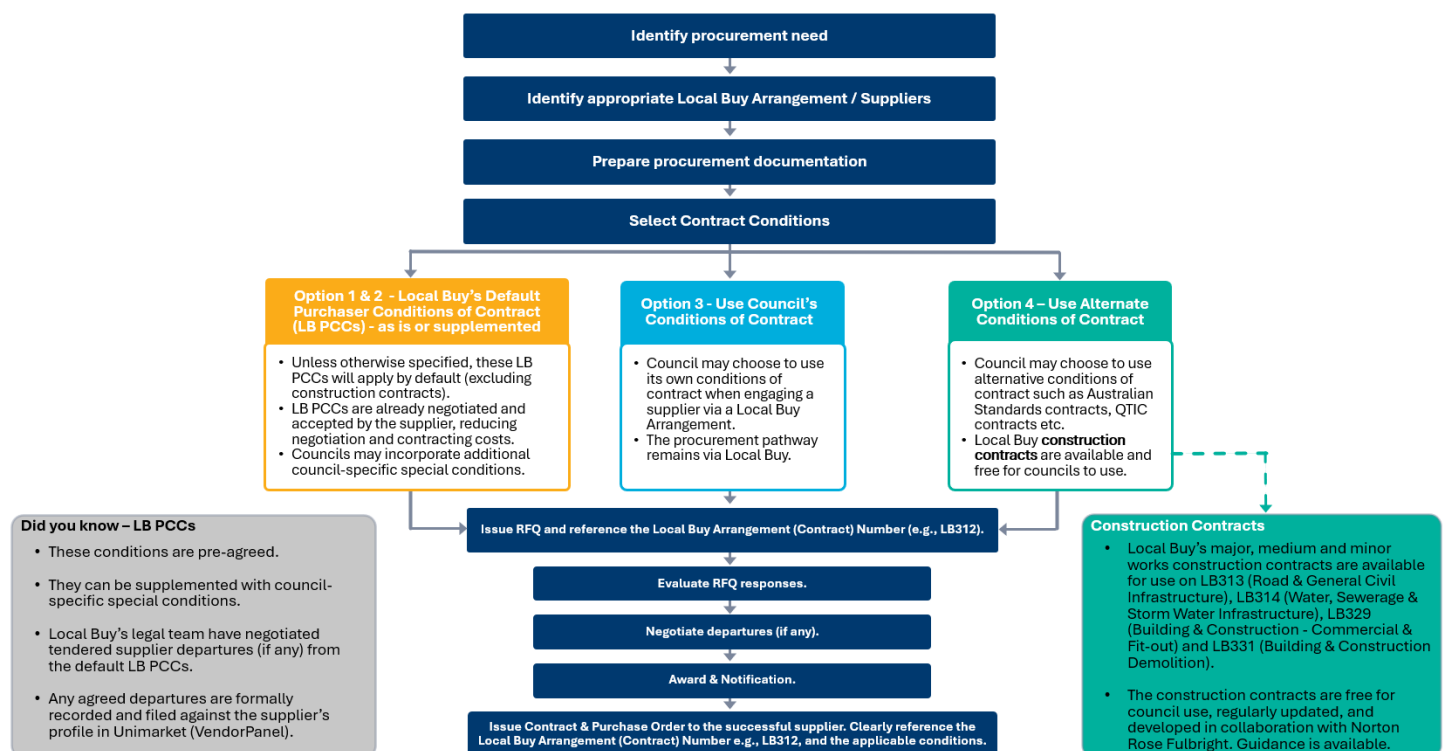
Regardless of the contract conditions applied, the procurement is undertaken within the Local Buy Arrangement framework.

**Important note:** For audit and governance purposes (including internal and external Audit Office audits), councils are advised to reference the relevant Local Buy Arrangement number and applicable contract conditions at each stage of the procurement process, including RFQs, contract, purchase orders and invoicing. This ensures transparency, supports auditable compliance with the Local Government Regulation, and access to the full benefits of Local Buy’s Contract Framework.

For guidance and support on contract conditions, contact [legal@localbuy.net.au](mailto:legal@localbuy.net.au).

For general enquiries, email [enquiry@localbuy.net.au](mailto:enquiry@localbuy.net.au).

### Flexible Conditions - Local Buy Arrangements



**Note:** Construction Contracts LB329 and LB331 are currently Queensland-only arrangements.