

QPP 2026: Rule 20 & the 250km Local Workforce Definition

What changed, and when

On **1 January 2026** the Queensland Procurement Policy 2026 took effect and retired the Local Benefits Test — the “125km / up to 30%” framework. Its replacement is the **purposeful public procurement evaluation criterion, QPP 2026 Rule 20**.

The geometry inverted. The old test measured a workforce against the **project site** (125km). The new glossary measures it against the **supplier's own premises** (250km).

Old vs new

	SUPERSEDED · TO 31 DEC 2025	IN FORCE · FROM 1 JAN 2026
Instrument	Local Benefits Test	Purposeful public procurement criterion (Rule 20)
Radius	125km	250km
Measured from	The project site	The supplier's own permanent place of business or established presence
Weighting	Up to 30% (no longer applies)	10–20% total criterion; each selected outcome 5–10%
Local benefits is	The test itself	One selectable outcome among the 2–4 an agency chooses

Glossary (QPP 2026)

Local workforce — a workforce residing within a 250km radius of the supplier's own permanent place of business or established presence.

Local supplier — a Queensland supplier maintaining a local workforce.

Rule 20 mechanics

- ≥ **\$500K** Applies to **significant procurement**. Agencies set thresholds, but no lower than \$500,000 inc GST.
- 2–4** Outcomes the agency selects from the policy's menu. “Local benefits, including local workforces and use of local suppliers in the supply chain” is **one selectable outcome**.
- 10–20%** Maximum total weighting of the purposeful public procurement criterion in evaluation.
- 5–10%** Weighting of each selected outcome.

Three different 30%**s** — only one is gone

SUPERSEDED · 1 JAN 2026

Up to 30% evaluation weighting

The former Local Benefits Test weighting. No longer applies under QPP 2026.

LIVE · SPEND TARGET

30% of procurement value to Queensland SMEs

A spend target, not an evaluation weighting.

LIVE · RULE 25

Up-front contract payments up to 30% for SMEs

Cash-flow support, not a score.

Still true from the old framework

SME status verification — Queensland-registered, holds an ABN, fewer than 200 staff.

Ethical supplier mandate — strengthened under the Supplier Code of Conduct and the Procurement Assurance Model (PAM). The PAM incentive scheme commences 1 January 2027.

Practical checklist

- 01 Know your own 250km number.** Work out what share of your workforce resides within 250km of your permanent place of business or established presence — the Rule 20 calculator at qld2032.com/qpp-2026-guide/ does this.
- 02 Read each tender's selected outcomes.** Agencies choose 2–4 from the policy menu — local benefits may or may not be among them.
- 03 Check the significant-procurement threshold.** Rule 20 applies at thresholds no lower than \$500,000 inc GST.
- 04 SMEs: know the spend target and Rule 25.** The 30% SME spend target and up-front contract payments of up to 30% are live — neither is an evaluation weighting.
- 05 Watch PAM from January 2027.** The Procurement Assurance Model incentive scheme commences 1 January 2027.

SOURCES

Queensland Procurement Policy 2026 — Rule 20 (purposeful public procurement), Rule 25 (up-front payments), and glossary definitions of “local workforce” and “local supplier”. Published at forgov.qld.gov.au. Figures as at July 2026.

Full primary-sourced guide and Rule 20 local workforce calculator: qld2032.com/qpp-2026-guide/ ·
Annotated legacy explainer: qld2032.com/125km-guide/