

11.2 RFT 2019-32 Provision Of Cleaning Services - Variation to Contract

REPORT BY THE BUILDING SERVICES COORDINATOR
TO 15 SEPTEMBER 2021 ORDINARY MEETING
GOV400088, COR400247

RECOMMENDATION

That Council:

1. **receive the report by the Building Services Coordinator on the RFT 2019-32 Provision Of Cleaning Services - Variation to Contract;**
2. **authorise a variation to contract RFT 2019-32 Provision of Cleaning Services to include a regular service of Mudgee Arts Precinct;**
3. **authorise a variation to contract RFT 2019-32 Provision of Cleaning Services to include a regular service of new office space located on Depot Road; and**
4. **delegate the General Manager authority to approve additional variations to contract for cleaning services under this contract which exceed 10% of the original contract term when it has been identified best value for money can be reached.**

Executive summary

The Tender evaluation for RFT 2019-32 Provision of Cleaning Services was endorsed by Council at the Ordinary Council Meeting held on 20th November 2019. At this meeting the endorsed recommendations included the authorisation for the General Manager to approve variations to the contract of up to a total of 10% of each original contract sum.

The recent commissioning of the Mudgee Arts Precinct and the commencement of the use of a new office space located on Depot Road has resulted in additional regular cleaning services required to be provided to this site. The estimated amount of both of these services exceeds the 10% of the original contract term which results in Council approval required for the variation of contract to undertake provision of cleaning services at the Mudgee Arts Precinct.

It has also been identified that a significant increase of cleaning services will be required within the remaining term of the contract for RFT 2019-32. This is due to a number of new buildings and facilities which are currently under construction will be completed or will have a change of purpose which will require additional regular cleaning.

Due to the expected increase of service requirements it is recommended that the current delegation for the General Manager be amended to approve variations that exceed the current 10% value of the original contract. This change will assist in streamlining the process, ensuring efficient delivery of cleaning services which ensures high quality and well maintained facilities can be provided for the use of Council staff and the community.

Disclosure of Interest

Nil.

-
Detailed report

On completion of construction of Mudgee Arts Precinct a cleaning specification for the regular cleaning service of the facility was developed to meet the buildings operational needs. This specification was provided to Councils existing contracted cleaners under the current contract RFT 2019-32 Provision of Cleaning Services. The original contract has provision for additional sites to be added to the contracted service schedule as buildings are acquired or change use over the term of contract, on request from Councils nominated project manager after the submitted price has been reviewed.

The schedule for Mudgee Arts Precinct requires a cleaning frequency of seven (7) days per week which is an increased service requirement in comparison to any other Council facility. Council has also recently entered a lease agreement for a facility on Depot Road for additional office space on Depot Road, this facility required a regular cleaning service of three (3) cleans per week.

Council's current cleaning provider Absolute Cleaning submitted a quote for the annual cost of cleaning in accordance with the provided cleaning schedule and cleaning specification provided to the contractor for both of these sites.

It is recommended that both of these sites be added to the existing contract which has a contract end date 1 February 2023. The pricing submitted by Absolute Cleaning for this service provision has been assessed by Council's nominate Project Manager and is deemed to meet Council's service requirements and maintains best value for money. The provision of the additional cleaning services will be funded from the allocated operational budgets for these sites. Any required amendments will be nominated in the August Monthly Budget report.

In addition to the commissioning of Mudgee Arts Precinct, Council Officers are conscious of the number of construction projects and the change of use of existing facilities which will lead to an increase of existing cleaning services. New sites expected to require regular cleaning services to some level include Glen Willow sites currently under construction, Court Street Community Centre, public conveniences due for construction at Clandulla and Putta Bucca Wetlands and various other existing council buildings which are currently being considered as additional office space.

To increase efficiency of the implementation of new sites it is recommended Council delegates the General Manager authorisation to approve contract variations exceeding the current authorised value of 10% of the current contract value. On submission of pricing for a new cleaning service the contractor would be required to submit pricing in conjunction with a cleaning specification and schedule provided by Council to ensure Councils needs are met. The submission of price would be reviewed thoroughly by Council staff and would be evaluated to ensure all Council requirements are met. Only if the submission for additional sites is deemed to be best value for money for Council would a variation to contract be forwarded to the General Manager for approval.

At this stage there is no set timeframe for additional services however it is understood that this will occur within the existing contract term.

Community Plan implications

Theme	Looking After Our Community
Goal	Effective and efficient delivery of infrastructure
Strategy	Provide infrastructure and services to cater for the current and future needs of our community

Strategic implications

Council Strategies

Not Applicable

Council Policies

Procurement Policy

Legislation

Local Government Act 1993

Financial implications

The additional rates obtained under this variation to contract will form part of the existing Goods and Services Contract. There is operational budget allocated to Mudgee Art Precinct and Depot Road office space cleaning services. However when additional facilities are commissioned an additional budget will be required to be allocated in accordance with Council budget allocation processes.

Budget Year	Operating Performance Ratio	Own Source Revenue	Building & Infrastructure Renewal
2021/22	✘	-	-
Future Years	✘	-	-

Associated Risks

If this contract is not formed, Council will have no means for the provision of Cleaning Services across Mudgee Arts Precinct and the new Depot Road office space or additional newly commissioned sites.

All other tender specific risks have previously been addressed through the pre-tender risk assessment and mitigated throughout the tender evaluation process where possible.

KARLI ANSHAW
BUILDING SERVICES COORDINATOR

SIMON JONES
DIRECTOR COMMUNITY

31 August 2021

Attachments: Nil

APPROVED FOR SUBMISSION:

BRAD CAM
GENERAL MANAGER