

6.4.2 Cleaning & Internal Waste Contract - Extension of Term

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Recommendation(s)

1. That Council approves the proposed contract option term extension from the period of 16 July 2022 to 16 July 2023, for the Cleaning and Internal Waste Contract 18-03 with Pickwick Group.
2. That Council approves retrospectively the ontract option term extension from the period of 16 July 2021 to 16 July 2022, for the Cleaning and Internal Waste Contract 18-03 with Pickwick Group.

Attachments

Nil

Executive Summary

The Cleaning and Internal Waste Contract 18-03 is proposed to be extended using the last option contract term from 16 July 2022 to 16 July 2023.

Background

In July 2018, Council entered into a 3 year with 2 x 1 year options extension terms with Pickwick Group for the Cleaning and Internal Waste Services Contract across Council's facilities and related assets such as barbecues and public toilets. The original approval by Council only considered the initial three year contract with annual 1% CPI increases.

Due to COVID impact and requirements to change cleaning activities in keeping our community and staff safe, emphasis was on ensuring a vigorous touch-point cleaning strategy was being implemented. Consequently, the formalising in approving the contract extension process was missed.

A full review of all charges and costs has now been undertaken, together with applicable requirements satisfying procurement guidelines, for now appropriate consideration and formalisation.

Policy Implications

Not applicable.

Relevance to Council Plan

1.1 We empower our communities to be healthy, connected and resilient

1.1.4 Facilitate a partnership approach to create safer communities.

1.1.5 Work closely with the community to deliver programs that build community resilience, relating to a pandemic or other disasters.

2.1 We support the creation of liveable spaces and places

2.1.1 Advocate, plan for and deliver accessible community infrastructure and services that address community need.

2.1.2 Plan and maintain safe, inclusive and connected open spaces, places and active travel routes.

3.1 We value our natural assets and support our biodiversity to thrive

3.1.2 Actively move towards zero waste through increasing waste recovery and reuse.

3.1.4 Plan and advocate for better water cycle planning and management to reduce environmental impacts.

4.1 We support our productive land and employment land to grow local industries

4.1.5 Strengthen and promote our shire's unique identity and visitor attractions.

5.1 We practise responsible leadership

5.1.2 Manage our finances responsibly and leave a positive legacy for future generations.

Climate Emergency Consideration

The Cleaning and Internal Waste Contract has been developed to consider Council's climate change strategies, through the purchasing of environmentally sustainable products and in ensuring that impacts to community and Council are mitigated.

Consultation/Communication

Our clients continually provide feedback on the performance and quality delivery of services, and Client Surveys are conducted to further understand how well or otherwise client expectations are being met, including key performance measures, as part of the management requirements of the Contract.

Feedback to date indicates that although some improvements on service delivery have taken place, with our contractor Pickwick Group, customers are not altogether satisfied with the cleaner's performance, having clear understanding of customer needs, and in receiving value in return.

With this in mind, the last option term only has been recommended for approval, whilst reading to go to market in 2023.

Financial and Resource Implications

The Council's annual Operating budgets allocated for the relevant commitments are sufficient and maintain services to requirements.

Note that the impact of COVID19 meant that additional cleaning and a different approach was required, in mitigating risks to community and staff, on top of additional facilities coming online post construction.

Contract expenditure experienced to date is:

- **2018/19FY** - \$747,149.04 (Note this figure includes a number of variations to a total of \$29,115.30 allowing for changes with cleaning activities).
- **2019/20FY** - \$811,368.12 (Note this figure includes a number of variations to a total of \$56,747.59 allowing new additional facilities (Deep Creek Public Toilets and BBQ's, Cardinia Cultural Centre extension).
- **2020/21FY** - \$826,037.28 (Note this figure includes a number of variations to a total of \$6,555.48 allowing new additional facilities (Bunyip, Nar Nar Goon and Koo Wee Rup Maternal Child Health centres previously cleaned by bestchance).
- **2021/22FY** - \$923,763.00 (Note this figure includes a number of variations to a total of \$89,465.35 allowing new additional facilities (Konewark Children's Centre and Emerald Hills Hub).
- **2022/23FY** - \$980,807.52 (Note this figure includes a number of variations to a total of \$180,000 (approximately) allowing new additional facilities (Bridgewood Children'

Centre) plus future addition of facilities throughout financial year (Timbertop Children's Centre and Cardinia Youth Facilities).

Conclusion

We are preparing contractual documentation to go back to market in 2023 in achieving a better quality of service and value for money Cleaning & Internal Waste service for Council and our community.

This report has been tabled for approval consideration of the retrospective option for the 2021/22FY period and current option for the 2022/23FY period.