

6.4.3 Cleaning and Internal Waste Contract Extension

Responsible GM: Owen Hardidge
Author: Walter Carmignani

Recommendation(s)

That Council approves the proposed Contract option term extension from the period of 17 July 2023 to 22 December 2023, 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 from 17 July 2023 to 22 December 2023, to allow for review of the existing contractual documentation, and to re-tendering the Service in the market.

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.

The COVID impact partially changed cleaning activities, emphasising the implementation of a vigorous touch-point cleaning strategy. There are also additional existing assets requiring cleaning under the Contract, due to changes in management responsibility, and as such a full review of all charges, costs and scopes will need to be undertaken, prior to re-tendering of this Service.

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. This includes feedback regarding 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, customers are not altogether satisfied with the cleaner's performance.

Financial and Resource Implications

The Council's annual Operating budgets allocated for the relevant commitments appear to be sufficient in maintaining services to requirements.

Note that the impact of COVID19 during the relevant period, meant that additional cleaning and a different approach was required, in mitigating risks to community and staff. Further, there has been new additional facilities coming online, together with some existing facilities, due to changes in management responsibility.

Contract expenditure experienced to date and projected is:

- **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).
- **1 July 2023 to 22 December 2023** – (A number of building construction projects should still be in delivery phase during this period, with consideration provided to carry over of negative market conditions, e.g., increased wages costs, cash rate and inflation rate). Note this figure is an estimate and is projected to be \$557,500.

Conclusion

We are preparing contractual documentation to go back to market in late 2023 for the Cleaning & Internal Waste service for Council and our community.

The projected timeframe will also require a transition period, with the new Contract beginning post 22 December 2023.