

CM13.2. Provision of Cleaning Services, Public Amenities and AlburyCity Depots Contract No. 21/02008

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CONFIDENTIAL	No		
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Purpose of Report

To recommend a preferred contractor to supply Cleaning Services to Public Amenities and AlburyCity Depots, through a qualitative and quantitative assessment.

Background

Council owns and manages 593 sites across the city, and to ensure these facilities meet the demands of our community, cleaning services are separated into five individual contracts as follows:

- City Area – LibraryMuseum, Retro Lane Youth Café, MAMA, and the Collections Storage Space at Thurgoona;
- Community Properties – Thurgoona Community Centre, Banjora Child Care Centre, Glenecho Neighbourhood House, Springdale Heights Community Centre, Mirambeena Community Centre, Lavington Library, Lavington Hall, Lavington Sports Ground, Albury Family Day Care, Westside Community Centre, Waterview Laboratory, Emergency Management Centre, Glenmorus Memorial Gardens and Crematorium, and the Visitor Information Centre;
- Administration Building, Albury Airport plus ancillary office building;
- Public Amenities and Depots – all public amenities including sports grounds, as well as depot offices at Lavington, Albury, Botanic Gardens, Jelbart Pump Station, Wagirra Depot, Kremur Street Treatment Plant, Animal Management Centre and Albury Waste Management Centre; and
- Bus Shelters and Utility Boxes.

Consideration has previously been given to combining some of these contracts, but a number require specialised and diverse services. Given the relatively large size of Council's property portfolio within the region, these smaller contracts facilitate greater market response and offer more opportunities to be managed through local contractors.

Tenders were invited to submit a schedule of rates for the provision of cleaning services to Public Amenities and AlburyCity Depots under a two-year term commencing 1 August 2022. Submissions are on a fixed price basis for the initial 12 months, with an annual rate adjustment in line with the Fair Work Australia Cleaning Services Award Number MA000022, or in the absence of such, the annual change in Consumer Price Index.

The scope of works applicable to this tender has been fully reviewed for this contract cycle. The scope of works has been significantly developed with extensive performance details and additional requirements, to ensure amenity and cleanliness of all sites is maintained. Consultation was undertaken with experienced staff that manage the existing cleaning contract, and with occupiers of the relevant sites. Consideration was also given to data obtained during internal auditing of site usage and service provision monitoring, and with historical public feedback to AlburyCity.

The details of this specification have been reviewed and amended from the previous contract, and now includes an obligation for the contractor to monitor and report on a number of Key Performance Indicators (KPIs). These KPIs have been successfully trialled across other cleaning contracts in consultation with cleaning service providers and will continue to be refined over the duration of the new contract. This is a requirement of the tender and will enable the successful contractor to demonstrate the provision of high quality service provision and, together with a structured internal auditing regime, will ensure that this is being maintained throughout the contract period.

Since the previous contract tender in 2018, AlburyCity has expanded the types and number of public facilities it provides and the scope of works for this contract has been developed to accommodate these changes. A brief summary of the scope for the tender is provided below:

- cleaning of all public amenities and BBQs, water stations, outdoor fitness equipment, and sports pavilions;
- cleaning of workshop office areas and staff amenities at the Albury Waste Management Centre, Animal Management Centre, Jelbart Road Pumping Station, Lavington Depot, Botanic Gardens Depot, Kremur Street Depot, Wagirra Depot and Wodonga Place Depot;
- cleaning of the multi-level car parks at Kiewa Street, Volt Lane and Wilson Street; and
- litter and dog waste collection at public parks.

This contract has been designed to provide Council with some flexibility to accommodate variations to the number of properties or assets being cleaned, and changes in the frequency of cleaning that is in accordance with AlburyCity's Public Toilet Strategy.

Tenders were invited for Contract No. 21/02008 – Cleaning Services to Public Amenities and AlburyCity Depots, and advertised in The Border Mail and The Sydney Morning Herald on 29 January 2022, and on Tenderlink from 17 January 2022. Tenders closed at 12 noon on Tuesday 1 March 2022.

This tender is considered an essential service for the maintenance and operation of the sites concerned and offering a two-year contract term provides surety of service and economy of scale and minimises AlburyCity's exposure to unpredictable price rises.

During the COVID-19 pandemic, Council required additional cleaning from the current service providers for this contract, and the additional 'Health Event' cleaning specification was included as a costed option for AlburyCity to call upon.

Based upon the scope of this contract and historical cleaning expenditure, there is an existing budget allocation (excluding additional COVID-19 cleaning) of \$450K per annum (including GST) totalling \$900K for the two-year period of this contract.

A summary of the additional information included in the tender documentation is provided below:

- detailed specification of the cleaning requirements, frequency of cleans, and hours of work at each site;
- links to satellite imagery mapping of precise location of each site to be cleaned;
- floor areas for the buildings to be cleaned; and
- specification for the extra cleaning of high touch areas required during a 'Health Event'.

Tender Assessment

At the close of tenders, submissions were received from the following eight companies:

- AM Retail Services Pty Ltd (North Sydney, NSW);
- Cleveland Services Pty Ltd (Ettalong Beach, NSW);
- GJ Collins Services Pty Ltd (Thurgoona, NSW);
- HACCP International Property Services Pty Ltd (Thebarton, SA);
- KC Facility Services Pty Ltd (Noble Park, VIC);
- SKG Cleaning Services Pty Ltd (Miranda, NSW);
- Smart Cleaning Solutions Vic Pty Ltd (Mount Waverly, VIC); and
- Vector Group Australia (Pacific Pines, ACT).

A submission from Pickwick Group Pty Ltd was received after the tender deadline and not considered further.

All tenders were evaluated in accordance with Council's Procurement Policy and Guidelines. The assessment panel for the tender comprised of the Sourcing Coordinator, the Team Leader Parks and Recreation and the Assistant Building Services Coordinator.

Conformity Check

A conformity assessment was undertaken to ensure all submissions received were in accordance with the contract documentation and specification.

Company	Pricing Details	Supporting Information	WHS Documentation	Conforming
AM Retail Services Pty Ltd	Yes	Yes	Yes	Yes
Cleveland Services Pty Ltd	Yes	Yes	Yes	Yes
GJ Collins Services Pty Ltd	Yes	Yes	Yes	Yes
HACCP International Property Services Pty Ltd	Yes	Yes	Yes	Yes
KC Facility Services Pty Ltd	Yes	Yes	Yes	Yes
SKG Cleaning Services Pty Ltd	Yes	Yes	Yes	Yes
Smart Cleaning Solutions Vic Pty Ltd	Yes	Yes	Yes	Yes

Vector Group Australia	No	No	No	No
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As indicated above, seven submissions were assessed as conforming tenders. The submission from Vector Group Australia did not comply with the tender requirements as they did not provide sufficient documentation and was therefore excluded from further assessment.

Quantitative Assessment (100%)

The lump sum tender prices and ratings of the seven compliant tenders relative to the lowest price are tabulated below.

Company	Estimated Contract Value (including GST) for 2 Year Term	Rating (100)
KC Facility Services Pty Ltd	\$828,070	100
GJ Collins Services Pty Ltd	\$831,066	100
HACCP International Property Services Pty Ltd	\$989,600	84
Smart Cleaning Solutions Vic Pty Ltd	\$1,405,828	59
Cleveland Services Pty Ltd	\$2,582,528	32
AM Retail Services Pty Ltd	\$2,759,064	30
SKG Cleaning Services Pty Ltd	\$3,661,006	23

The current budget allocation for the two years of the contract is \$900K (including GST), with two submissions being within the allocated budget.

As detailed above, the submissions from KC Facility Services Pty Ltd and GJ Collins Services Pty Ltd were the most favourable from a cost perspective with both being within our budget allocations, and both were \$158K more favourable than HACCP International Property Services Pty Ltd.

The assessment panel agreed that those tender submissions in excess of \$1.5M for the term of the contract were significantly above budget and would not be considered further. The following four companies (shown in alphabetical order) were shortlisted and are subject to further consideration in this report:

- GJ Collins Services Pty Ltd;
- HACCP International Property Services Pty Ltd;
- KC Facility Services Pty Ltd; and
- Smart Cleaning Solutions Vic Pty Ltd.

Qualitative Assessment

A qualitative assessment considered a range of issues including:

- past performance – including referee checks, relevant experience, and expertise in performing same or similar projects;

- methodology and program – project methodology and proposed program;
- capacity – current and future commitments and workload;
- capability – including availability of resources, equipment, and contract management capabilities; and
- benefit to local region – social and community benefit to the Albury/Wodonga region.

Company	Past Performance (30%)	Methodology & Program (30%)	Capacity (15%)	Capability (15%)	Local Benefit (10%)	Total (100%)
GJ Collins Services Pty Ltd	24	18	11	12	8	73
HACCP International Property Services Pty Ltd	26	22	8	9	7	72
Smart Cleaning Solutions Vic Pty Ltd	18	22	8	9	4	61
KC Facility Services Pty Ltd	16	18	6	7	5	52

GJ Collins Services Pty Ltd which trades under the name Southern Asset Services, is based in Thurgoona, NSW, with an annual turnover of \$2.6M and is the current provider of this contract. Cooperation for current contract operation is excellent, as is their responsiveness to complaints and emergency works. From monitoring and auditing of the existing contract they typically provide a quality service within the requirements of the contract and are proactive in reporting site issues and faults.

The contractor has over 20 years of experience in the cleaning industry and specialises in office cleaning, industrial and factory cleaning, pressure washing and carpet cleaning. They have provided good methodology, including safe operating procedures and assurance of quality procedures detailing structured inspection and reporting systems, along with implementation of site feedback books. All staff are trained in Asset Maintenance Cleaning Operations, Certificate II and III, and have passed relevant checks. They have an established fleet to service this contract equipped by GPS monitoring systems, which monitor the complete movement of the vehicles. This provides real time information on cleaning times and areas, as well as providing security for staff working in isolated areas.

The contractor is a medium-sized business with an established capacity to undertake the contract. They maintain a well-equipped and modern fleet of service vehicles and are well staffed with high levels of staff retention. They have the resources to undertake 'on-call' activities as required and respond very quickly to requests for extra services for events, vandalism maintenance or unscheduled site/facility cleaning.

As incumbent providers of this contract, this contractor has demonstrated capability to deliver the required services. This is supported with long term large contracts for PRD, Woolworths Distribution, Taghleef Industry and Wodonga Middle Years College.

The submission from GJ Collins Services Pty Ltd provided the best response for local support and community benefit, being locally owned and operated, offering support programs for new employees, training opportunities, transition of existing employees, and has nominated community sponsorship with numerous local clubs and associations.

HACCP International Property Services Ptd Ltd is based in Thebarton, South Australia and operates in SA, WA, QLD, NSW and VIC. It has an annual turnover of \$3M, operates from a local office and is the current provider of both the Administration Building and Airport cleaning contract, and the Community Properties cleaning contract. Monitoring of these contracts, together with feedback from property occupiers, is that HACCP International Property Services Pty Ltd has provided a very good service over past contracts with AlburyCity. This company also maintains other similar sized cleaning contracts throughout the state and with other local organisations including cleaning for Greater Hume Council. The company has over 40 years in the service industry and has been externally certified in Management Systems Accreditation (PAS 99) ISO 9001:2015, ISO 14001:2018 and AS-NZS 4801:2001.

Their submission demonstrated a strong methodology, including detailed maps showing cleaning 'runs' broken down into efficient work patterns. They maintain a detailed Environmental Management Policy and have a 'Green' purchasing plan. They offer a strong response to changes in work requirements, along with fast delivery of staff training and implementation of COVID-19 response procedures. New staff appear to be well inducted and trained in all procedures on each site. Management work closely with frontline staff and show a proactive approach to inspections and auditing.

The contractor is a medium-sized business and currently maintains a broad range of cleaning contracts both locally and in other local government areas. Their submission documentation, along with experience from existing contracts, indicates staff receive site-specific, as well as contract-wide training, to ensure any changes in staffing do not impact on service provision.

This contractor has indicated they are pursuing further expansion in the Albury-Wodonga region and has indicated current resources would not be sufficient for the satisfactory operation of this contract, however, have not provided details of their proposed resources levels. Whilst this contractor has indicated they engage numerous methods for recruitment, the assessment panel identified some risks relating to the practical implementation of onboarding staff given the current climate surrounding staff shortages.

HACCP International Property Services Pty Ltd operates a local office and has indicated that it hires staff and procures all cleaning products locally. The company currently supports local community groups via provision of services gratis and has committed to financial assistance being made available to local community organisations. The contractor is also a supporter of 'Men's Sheds' and of sporting groups in the Albury-Wodonga region.

Smart Cleaning Solutions Pty Ltd is based in Mount Waverly, Victoria, and has established offices and cleaning operations across all states. It has an annual turnover of \$28M and a history with large government contracts. They have been in operation for over 13 years, report to have developed best practice cleaning methodologies, and are triple ISO accredited for Quality, Safety and Environment.

This contractor has not held contracts with AlburyCity in the past however does maintain expansive long-term contracts elsewhere.

Their submission demonstrated a strong methodology, providing a well thought out transition plan, details of intended staffing levels and area allocations, with a high number of personnel proposed to complete these works. They provided well detailed policies and procedures, including ethical supply chain and child safety, and are ISO accredited. They have provided evidence of internal review and monitoring systems and a centralised communications platform to maintain auditing and KPIs in real time along with a 90 day service review policy.

Their submission provided details of an experienced and qualified management structure. Documentation provided as part of their submission indicates this contractor holds the capability for more specialised services that is beyond the scope of this contract.

This contractor has reported they intend to recruit an additional 38 personnel to implement this contract. The assessment panel identified risks in resourcing this relatively high level of staff given the current climate surrounding staff shortages.

Smart Cleaning Solutions Pty Ltd have committed to only 80% of labour from our local area and reports that most of their suppliers have a presence in the Albury Wodonga area, however, have made no firm commitment to local procurement. Whilst this contractor is a national organisation and reports to support various organisations nationwide, they provided limited details towards specific local support resulting from this contract.

KC Facility Services Pty Ltd is based in Noble Park Victoria and has been in operation since 2013. It has an annual turnover of \$2.6M, and they have a variety of contracts for local governments throughout Victoria. They are past providers to AlburyCity's Airport cleaning contract for the period of 2017-2019. Their overall performance during this contract was of an average standard and required additional supervision from council staff.

The contractor has provided good methodology, environmental management procedures, and their quality management systems are ISO accredited. Their submission detailed their intent to implement all new equipment and resources to deliver this contract. They make use of a mobile phone-based app for job management, however failed to provide further information on its implementation. They have proposed a generic transition plan for the contract, but no specific timeframes. Their tender did not indicate a proposed cleaning schedule applicable to this contract.

This contractor operates a large and experienced management structure with supervisory staff and management staff holding various levels of experience in the cleaning industry.

Despite not reporting any current local commitments, they report maintaining a local "depot" in a residential unit in Kotthoff Street, Lavington. The assessment panel identified risks with the lack of staff and resources proposed for this contract. In addition, given that this contract reports no current commitments in this area, the assessment panel determined this contractor would be significantly reliant on successful recruitment to initiate this contract.

KC Facility Services Pty Ltd has advised they intend to fulfill 100% of staffing for this contract from the local area, however, have only committed to 60% of other resources. Employed cleaners will also be put through training to secure the Certificate II in Asset Management and will be given opportunities to further enhance their skills. They have indicated they intend to further support the local community by way of support to local community groups and sporting groups if successful.

Risk

- **Business Risk** – The facilities encompassed within this contract form a key component of a wide range of facilities we offer our residents and community groups. The scope of works for this cleaning contract reflects the wide and varied usage of these facilities, and a need for high quality cleaning of the facilities and smooth initiation of the contract to ensure that Council's ongoing delivery of services is not at risk. This contract has provisions to include annual cost increases fixed to the Fair Work Australia Cleaning Services Award.
- **Corporate Risk** – Albury 2050 clearly sets out community expectations in relation to Council's infrastructure and assets being professionally managed and maintained. Maintenance and cleaning of Council facilities contributes to the visitor economy and cultural experiences available in the city. To this extent these expectations can be met by quality ongoing maintenance and cleaning, ensuring that the facilities are presented at their best.
- **WHS and Public Risk** – WHS risks due to the cleaning works will be controlled in accordance with AlburyCity procedures. The contractor will also have adequate policies and comprehensive systems in place to safely manage their staff, and to provide the services provided in the contract.
- **Environmental Risk** – Most contractors are committed to locally sourcing cleaning products and are encouraged to use products that pose minimal harm to the environment. In all cases contractors are required to use products in line with manufacturer's specifications to ensure usage poses minimal harm to the environment.
- **Delivery Program Risk** – The risk to the delivery program is assessed as low.

Community Engagement

Well presented and clean community facilities have been identified consistently as a high priority in Community Satisfaction Surveys undertaken by AlburyCity and are a core objective of Council's adopted Public Toilet Strategy.

This tender is relevant and intrinsically linked to the Albury 2050 Strategic Plan that is currently subject to extensive community consultation and engagement. Public Amenities play a key role in making Albury a liveable city. They also enable the community to utilise public spaces for longer periods of time and increase accessibility for a wider range of facility users. A key objective in achieving these is ensuring the cleaning and maintenance of public toilets is undertaken to an acceptable service level.

The scope of works included stakeholder consultation with occupiers of the Council facilities subject to the contract. Historical feedback from the community was also reviewed and considered in review of the scope of work and contract requirements.

Summary

The scoring for the qualitative and quantitative assessment is summarised in the following table:

Company	Quantitative	Qualitative
GJ Collins Services Pty Ltd	100	73
HACCP International Property Services Pty Ltd	84	72
Smart Cleaning Solutions Vic Pty Ltd	59	61
KC Facility Services Pty Ltd	100	52

From the qualitative assessment, the assessment panel determined GJ Collins Services Pty Ltd and HACCP International Property Services Pty Ltd have the required management systems, experience, resources, and availability to successfully undertake this project. Smart Cleaning Solutions Vic Pty Ltd and KC Facility Services Pty Ltd were rated as satisfactory in most quality aspects of their respective tender submissions.

From a quantitative perspective, the submissions from GJ Collins Services Pty Ltd and KC Facility Services Pty Ltd were the most favourable from a cost perspective, both being within budget and at least \$158K more favourable than HACCP International Property Services Pty Ltd and Smart Cleaning Solutions Vic Pty Ltd.

Whilst the GJ Collins Services Pty Ltd tendered cost was \$3K more than KC Facility Services Pty Ltd, its service was assessed as providing superior quality and less risks.

Based on the qualitative and quantitative assessments undertaken, it is considered that the submission from GJ Collins Services Pty Ltd provides the best value for Council to deliver this cleaning contract.

Conclusion

Council invited tenders for Cleaning Services to Public Amenities and AlburyCity Depots and received eight submissions, of which seven were compliant, and four were shortlisted.

A quantitative assessment was undertaken of those shortlisted, with the tendered prices from GJ Collins Services Pty Ltd and KC Facility Services Pty Ltd being the lowest and both within the current budget.

A qualitative assessment was undertaken of those shortlisted, and GJ Collins Services Pty Ltd was the most favourable submission, followed closely by HACCP International Property Services Pty Ltd, with KC Facility Services Pty Ltd providing the lowest quality score.

Based on these quantitative and qualitative assessments, it was identified that GJ Collins Services Pty Ltd provides the best value for Council to deliver this contract.

Recommendation

That Council accepts the tender from GJ Collins Services Pty Ltd for the Schedule of Rates Contract No. 21/02008 for Cleaning Services to Public Amenities and AlburyCity Depots for a two-year period commencing 1 August 2022, for an estimated contract value of \$831,066, including GST.