



# **CLEANING CONTRACTS CONTRACT ADMINISTRATION GUIDELINES**

**NSW Department of Finance and Services (DFS)  
NSW Public Works – Facilities Management Unit  
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## **EXECUTIVE SUMMARY**

On 29 January 2006, the then Department of Commerce (Commerce) established twenty-two (22) contract packages (20 cleaning and 2 FM) for the cleaning of Whole of Government sites throughout New South Wales (NSW).

These Whole of Government cleaning and Asset Maintenance contracts for DET/TAFE expired on 30 June 2011.

On 21 April 2010, the Budget Committee of Cabinet (BCC) approved:

- *Procurement, under the auspices of the State Contracts Control Board (Board), of Facilities Management Contract consisting of cleaning and maintenance services for Whole of Government clients – including major client Department of Education and Training schools and TAFE. This is to be a five year contract with two, one year extension options and a three year break point.*

New South Wales Public Works – FM unit on behalf of the Board commenced a two staged procurement process with a first stage, open public EOI to select a panel of shortlisted respondents, and a second stage of an RFT to shortlisted respondents for specific contract packages.

On 10 February 2011, the Board awarded sixteen (16) Contracts which consisted of five (5) FM Contracts (combined cleaning and maintenance), six (6) cleaning and five (5) maintenance contracts.

The Cleaning component of the new Contracts cover general cleaning to all facilities within a defined Cleaning Performance Standards, together with the specific cleaning requirements of individual agencies. These are performance based contracts and the specification describes how your facility should be presented after cleaning, generally at the commencement of each working day. NSW Public Works FMU considers that this approach will assist you to monitor outcomes by ensuring that the Contractor meets the standards of cleanliness set out in the Cleaning Performance Standards (Appendix 1).

## **Benefits of SCCB Contracts**

- The SCCB is the governance body and serviced by the capabilities within Department of Finance and Services (DFS) – NSW Public Works FM Unit (FMU);
- Compliance with Premier's Memorandum 2006-11 which states that 'all agencies required to utilise the State Contracts Control Board (SCCB) whole of government contracts;
- Options available for Customers to bundle maintenance and cleaning services.
- Contract term five years with two (2) x one (1) year options to extend. The contract incorporates a clear break point in the contract term at year three depending on Performance Management, innovations and improvements in 'value for money' service delivery;
- DFS Cleaning inspectors from time to time undertake random and/or complaint inspections to determine whether or not the Contractor is meeting the required Cleaning Performance Standards and to determine whether or not that safe work practices (OH&S standards) are implemented on site;
- DFS conduct regular compliance audits of the Contractors to ensure currency of insurance policies, payment in accordance with the relevant Award for employees, government procurement and industrial relation policies, Commonwealth 'fair work

principles' environmental policies, Aboriginal participation and achieving efficiency through consolidation;

- Provides the interface between Agencies and Industry, Unions, and other government bodies such as WorkCover, and Industrial Relations.
- Child protection and police checks conducted on all cleaning staff;
- The cleaning is based on the Cleaning Performance Standards as per Contract Cleaning specifications;
- It enables Contractors to offer a strong, client focused and cohesive local management structure;
- It reduces contract development, procurement and administration costs and time incurred by government agencies to procure these services.
- Clients can access WebClean which is a web based system that enables client to monitor, record, analyse and report on all aspects of the cleaning activities including pricing, site variations, DFS inspections and Contractor QA inspections.
- Availability of 1 invoice for multiple sites per Contractor each month.

## Contracts List

<b>Contract No</b>	<b>Contract Region</b>	<b>Contractor</b>	<b>Service Category</b>
1001622	Hunter/Central Coast	Transfield Services (Australia Pty Limited)	FM (Cleaning and Maintenance)
1001623	Illawarra/South East	Menzies International (Aust) Pty Ltd	Cleaning
1001628	New England	ISS Facility Services Australia Limited and O'Donnell & Hanlon Pty Limited	FM
1001631	North Coast	ISS Facility Services Australia Limited and O'Donnell & Hanlon Pty Limited	FM
1001632	Northern Sydney	Transfield Services (Australia Pty Limited)	Cleaning
1001637	Riverina	Colin Joss & Co Pty Limited	FM
1001638	South Western Sydney	ISS Facility Services Australia Limited and O'Donnell & Hanlon Pty Limited	Cleaning
1001641	Sydney	Menzies International (Aust) Pty Ltd	Cleaning
1001644	Sydney CBD	Broadlex Services Pty Ltd	Cleaning
1001647	Western Sydney	Transfield Services (Australia Pty Limited)	Cleaning
1001652	Western NSW	Colin Joss & Co Pty Limited	FM

## About These Guidelines

The Guidelines are designed to assist the Government Agency's Facility Manager in administering the Cleaning Contract at the Facility level and also explain the Facility Manager's roles and responsibilities in Cleaning Contracts. These guidelines provide answers for most of the questions that may arise from time to time in relation to the cleaning contract. If you are unable to resolve a specific issue then the contact number for obtaining additional assistance are set out Appendix 1

The guidelines are structured as follows:

**Section 1** - Term used in the Guidelines

**Section 2** - Overview of the cleaning contracts

**Sections 3** - Outlines the contract administration procedures at the Facility level.

**Section 9, Pg 24**

Department of Finance and Services, Contract Management Role.

The Guidelines do not cover all of the clauses and provisions in the contracts. However, information relevant to the day-to-day administration of the contract has been included in the Guidelines. The Guidelines do not replace the Contract that has been entered into between the Contractor and the State Contracts Control Board (the Principal).

## Roles And Relationships

### State Contracts Control Board

The State Contracts Control Board is established by S.135 of the *Public Sector Employment and Management Act 2002* NSW. The Board represents and is an agency of the Crown. It has the functions conferred by the Act and regulations under that or any other Act.

The *Public Sector Management (Goods and Services) Regulation 2000*, clause 16, authorises the Board to arrange contracts for the supply of services necessary for the operation of the Public Service of NSW. Under clause 16(4) the Board authorises the Department of Finance and Services to arrange and enter into a contract with each of the Cleaning/Maintenance Contractor as a principal party to the contract. Under clause 18 the Board allows the nominated public sector agencies to have access to these cleaning/maintenance contracts. The Departments and public sector agencies allowed to have access to these contracts are called the 'Customers'

### You and Your Contractor (Cleaning Services)

The Contractor must provide the Services to a Customer in accordance with the Contract. In respect of Services provided to a Customer, the Contractor must invoice the Customer. Each Customer will be responsible for payment for the Services provided to that Customer.

Your co-operation with the Contractor is essential to the success of the cleaning services. You and your Contractor need to establish and maintain a good working relationship. The Contract clearly sets out the roles: you are the customer and the Contractor is the service provider; the Contractor must provide a customer-focused service.

It is important that both you and your Contractor use your best endeavours to resolve any issues at the facility level. If you are unable to resolve a specific issue then you must follow the issue resolution procedures in Figure 2 of Section 8.

## Cleaning Services Contacts And Enquires

### Your Cleaning Contractor Contact:

The Contractor provides 24-hour seven-day-a week support for any cleaning matter, Contractor's representative is:

Name:

Phone:

Contact address and e-mail:

### Your Department Contact:

If the Contractor can't help you with a cleaning enquiry then contact your Department's Authorised Person.

Name:  
Phone:  
Contact address and e-mail:

## **Department of Finance and Services**

The Department of Finance and Services can provide your Department with contract clarifications and resolve contractual issues. You must contact your Department's Authorised Person before speaking directly with NSW Public Works FMU.

# **SECTION 1 TERMS USED IN THESE GUIDELINES**

## **1.0 Abbreviations**

**Board** – The State Contracts Control Board

**Contract** – The agreement between the Contractor and the Principal (the States Contracts Control Board).

**A Callout** – a request to the Contractor to carry out Miscellaneous Cleaning

**Cleaning Performance Standards** define the minimum performance standards for cleaning

**Cleaning Services** consist of two broad categories as follows:

- **General Cleaning** is a comprehensive cleaning service including all necessary tasks to ensure a sanitary, clean and tidy environment consistent with the function of the facility
- **Miscellaneous Cleaning** – covers Emergency and Optional Cleaning.

**Contractor** – refers to the company awarded the Cleaning Contract for the contract package your Facility. The term, refers to the company as a whole and to its nominated representative at your Facility

**Contractor Employee** – means any person engaged in the provision of the Services. Neither the Principal nor the Customer has any responsibility for or in connection with the employees of the Contractor.

**Customer** – a Department and / or public sector agencies that the Board has allowed to have access to the Cleaning Contract.

**Customer's Authorised Person** – A person nominated to act on behalf of the Customer in relation to the Contract.

**Facility** - is the premises where the Services are to be performed. Each facility has a designated name and code number. A facility may comprise one or more sites. A facility includes all land and structures within the boundaries of the facility and also all things attached to the land, fences, retaining walls, bridges, rights of way, easements, and encroachments, even if any of these extend beyond the boundaries.

**Facility Manager** – Each facility will have a Facility Manager. Typically this is the local manager of the nominated facility. The title and contact details of the Facility Manager for each Facility will be provided by the Customer (whose Facility it is) to the Contractor from time to time.

**FM** – Facilities Management

**WebClean** is a web based Facility Management System that enables the Principal and Customer to plan, monitor, control, record, analyse, and report on all aspects of the cleaning activities.

**Normal Cleaning Hours** in relation to any facility are the times (including times, if any, on a weekday, weekend or public holiday) that the Contractor's cleaners are normally engaged in cleaning the facility.

**Periodical Carpet Cleaning** is a periodic cleaning task listed under General Cleaning.

**Principal** – the State Contracts Control Board.

**Principal's Authorised Persons** – the person nominated to act on behalf of the Principal in relation to the Contract.

**Principal's Senior Executive** – the person nominated to act on behalf of the Principal in relation to contractual issues.

**Site Supervisor** – means a person nominated by the Contractor as an officer-in-charge for on-site supervision.

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## **SECTION 2.0 OVERVIEW OF CLEANING CONTRACT**

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### **2.1 Type of Cleaning Services**

The contract includes the following types of work and services:

#### **a) General Cleaning:**

General Cleaning includes:

- I. Establishment of Management System by the Contractor to deliver a responsive cleaning service without unacceptable delays and to maintain facilities to the minimum requirements of the Cleaning and Performance Standards.
- II. Provision of Regular Cleaning for your facility. Regular Cleaning includes all services necessary to ensure that the facilities are cleaned to the Cleaning and Performance Standards at 8.00am, or such other time agreed in writing by the Principal or by you on each day of operation of the facility on each day of operation of the facility.
- III. Provision of Programmed Cleaning for your facility. Programmed Cleaning are major and periodical cleaning to ensure that the facilities are cleaned to the Cleaning and Performance Standards.
- IV. Provision of cleaning kits for use in emergency situation.
- V. Provision of cleaning service manuals and register.

#### **b) Miscellaneous Cleaning:**

Miscellaneous Cleaning includes:

- I. Provision of 24 hours a day, 7 days a week callout and Emergency Cleaning Service to your facility.

Emergency cleaning may be required in situations where damage to a facility may threaten the health, safety or security of the facility and/or its occupants. Emergency Cleaning are cleaning for which an Order is given to the Contractor by yourself or the Principal.

- II. Provision of Optional Cleaning for your facility. These are Optional Cleaning for which an Order is given to the Contractor by yourself or the Principal.

### **2.2 Authority of Facility Manager**

- You are authorised to direct the Contractor to carry out Emergency Cleaning or Optional Cleaning, give a direction for Emergency or Optional Cleaning which will involve your Department in additional expense (subject to your financial delegation and funding arrangement of your Department) and may agree with the Contractor on minor aspects of the Services, for example, a change in Normal Hours, but may not direct a reduction of cleaning hours.
- You may from time to time, by writing to the Contractor, authorise someone to perform some or all of the functions of the Facility Manager and may withdraw that authority.
- If you have funds available to you, over and above funds to be provided by your Department for the purposes of this Contract, you may separately agree with the Contractor

on the provision of services outside the scope of the services under the Contract. The Department will have no liability to the Contractor with respect to those services and the Contractor will look to you for payment. Nevertheless, in the course of performance of those services, the Contractor must abide by all the provisions of this Contract as if the services were performed under the Contract, for example, maintenance of Workers Compensation insurance and public liability insurance, occupational health and safety, protection of children and vulnerable people, code of behaviour, care of people, property and the environment and indemnifying the Principal (and your Department).

## 2.3 Contract Program

The Contract Program is:

- a) An establishment period of approximately four (4) months being a period which commences on the date of the Date of Contract and expires on 30 June 2011;
- b) Five Contract Years, being the five periods shown as Contract years 1 to 5 in the Table below; and
- c) If the Contract is extended, the two periods of one year each being Contract Years 6 and 7 in the Table.

<b>Contract Year</b>	<b>Date of Commencement of Contract Year</b>	<b>Date of expiry of Contract Year</b>
Establishment Period	1 March 2011	30 June 2011
Year 1	1 July 2011	30 June 2012
Year 2	1 July 2012	30 June 2013
Year 3	1 July 2013	30 June 2014
<b>Contract Break at end of year 3</b>		
Year 4	1 July 2014	30 June 2015
Year 5	1 July 2015	30 June 2016
<b>If the Contract is extended (options)</b>		
Year 6	1 July 2016	30 June 2017
Year 7	1 July 2017	30 June 2018

## **SECTION 3.0 CONTRACTOR'S ON-SITE RESPONSIBILITIES**

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### **3.1 Normal Cleaning Hours**

The Contractor will carry out services during Normal Cleaning Hours, on the days nominated, unless otherwise approved in writing by the Principal. Normal Cleaning Hours are:

Normal Cleaning Hours: Commence no earlier than 6.00 p.m. and finish no later than 7.00 a.m.

Frequency of Cleaning: 5 days per week Monday to Friday (but excluding gazetted public holidays), except where otherwise specified. The Contract Cleaners Picnic Day is not regarded as a Public Holiday.

The Contractor must ensure that there is no reduction in the number of hours used in the performance of Services during periods of absence of Contractor Employees for whatever reason including (without limitation) sick leave, annual leave and long service leave.

### **3.2 Coordination With The Facility Manager**

The Contractor must coordinate all cleaning works with you to ensure that the impact of the cleaning works on the operation or use of your facility is minimised.

Where the cleaning prevents the use of a facility, the carrying out of the works outside of the hours of the use may be necessary. Any costs related to work out outside of normal cleaning hours will be borne by the Contractor.

The decision on whether the work activities will prevent the use or operation of the facility will rest solely with you, at your absolute discretion. The Contractor must liaise with you to ensure that the disruption is minimised.

### **3.3 Detailed Site Work Plan**

The Contractor is required to consult with you and agree a detailed site work plan for all cleaning at your site including regular cleaning, periodic cleaning, floor stripping and re-sealing, carpet shampooing, inaccessible and accessible glass cleaning, high dusting and any other requirement. From time to time you and the Contractor should review the agreed plan and make any changes which may be required. If you and the Contractor cannot reach agreement on the plan of operations you should refer the matter to your Department's Authorised Person.

### **3.4 General Work Area Requirements**

In all areas, any item found on the floor, which does not form part of the cleaning operations will be placed on the nearest table/desk within the room or area concerned. The Contractor will immediately hand to you any lost property or valuables found in the course of performance of the Services or in the vicinity of any Facility. The lost property are the property of the Customer.

The contractor must move the furniture to facilitate it's cleaning and also place the furniture back in its original position at the end of the cleaning operation. All rooms must be left in a tidy condition. This also includes furniture moved for purposes of shampooing carpet.

During the cleaning operation, the Contractor must not disturb experimental models or displays except by agreement with you.

The Contractor will instruct the Contractor Employees of the potential dangers associated with the mixture of chemicals used for the various cleaning processes.

The Contractor will not use faulty, dangerous or unauthorised equipment/chemicals in the provision of the Services.

Wherever water, liquid polish or other liquid chemicals are used in cleaning operations the Contractor will ensure that all surfaces so treated are free from such water, liquid polish or liquid chemicals by the end of the specified cleaning periods and that all surfaces are left dry. Where it is not practicable to leave the surfaces dry, the Contractor must secure your agreement to a particular area being left in other than a dry condition. The Contractor must also ensure that notices are prominently displayed warning of the danger and the area cordoned off where necessary.

The Contractor will turn off all heating and cooling devices prior to leaving the Facility unless otherwise directed by you.

The Contractor must not interfere in any way the electrical fittings and connections.

Where external surfaces are hosed down the Contractor must remove all excess water by broom or squeegee, and must dispose of, capture, or otherwise treat the excess water in accordance with all relevant Statutory Requirements. Where water restrictions are in force, Contractors must utilise other suitable means of completing the task to ensure removal of staining, spillages and similar.

The early removal of chewing gum or similar substances can minimise the time and cost involved in delayed removal. Consequently, the Contractor will use its best endeavours to remove chewing gum or similar substances noticed during the course of routine cleaning provided it does not impact on their regular cleaning schedule.

### **3.5 Site Access and Limitations**

The Contractor is responsible for providing and maintaining access to the work area and must liaise with your Facility regarding suitable access routes, vehicle access and parking, times to minimise disruption to the operation of the Facility and any other limitations which may be applicable and must so far as practicable use existing roads and tracks. In accessing a Facility the Contractor must comply with your Department's policies and procedures as to use of your Facility.

### **3.6 Security**

You are responsible for ensuring that all windows, doors and external gates are shut and secure at the closure of each day as a matter of good security practice.

Unless you specifically direct otherwise, the Contractor will ensure that:

- a) on leaving a room, all windows are shut and fastened and doors are closed and, locked where appropriate;
- b) on leaving a building, all doors used for access/egress for the performance of cleaning are closed and lock where appropriate;
- c) on leaving the premises, all external doors and gates used for access/egress for the performance of cleaning are securely locked.

You are responsible for providing instruction and training to Contractor's Employees in the proper use of alarm systems within the premises.

The Contractor must take all reasonable steps to ensure that no thefts or unauthorised use of telephones, photo-copiers, facsimile machines, modems, video recording equipment or any other equipment are carried out by its personnel at your Facility.

Where keys are supplied to the Contractor for the purpose of entering and securely locking premises, the Contractor must make all efforts to ensure security in case of theft or loss. For

example, keys must not to be labelled with identifying tags or indications that show which facility or rooms they operate.

The Contractor will be responsible for safeguarding the keys in a manner satisfactory to you and must not cut additional keys without your prior consent in writing.

The Contractor must report to you any loss of keys immediately. Any costs incurred resulting from the loss of or damage to keys, including the replacement of locks or barrels, will be borne by the Contractor.

### **3.7 Contractors Employees**

#### **General Responsibility**

The Contractor will take responsibility for the suitability of all Contractor's Employees and Subcontractors at your facility, set reasonable standards of conduct, investigate complaints about their behaviour and take appropriate action including removal from the facility if so warranted.

#### **Photo Identification Cards**

The Contractor will provide all Contractor's and Subcontractor's Employees attending your facility with photo identification cards and authorisation to carry out work on the Contractor's behalf. This must take the form of an Identification Card including the person's photograph worn or carried by the Employee. Employees must present this card on request.

The Contractor will ensure all Identification Cards issued are registered and monitored and that cards for persons no longer authorised are returned immediately.

#### **Work Attire**

The Contractor will ensure that all employees are neatly dressed in clean approved work attire, with the name/logo of the Contractor clearly visible.

### **3.8 Cleaning Service Manual**

The Contractor will provide a Cleaning Service Manual at your facility within 8 weeks of the Date of Contract. The Cleaning Services Manual at your facility should be located in a position designated by you.

This manual must be in sturdy and clearly recognisable ring binders. The service manual must be divided into a minimum of three volumes with sections to allow for:

- Volume 1
  - A detailed site work plan of the Regular, Programmed Cleaning and other cleaning activities at your facility
  - Site assessment and work method statements, and plans of the facility colouring the cleaning areas each Contractor Employee is responsible.
  - A detailed daily and periodical cleaning schedule for each Contractor Employee.
  - A Contractor Employee Roster and Attendance Book where the Contractor's Employee/s register daily.
  - A detailed schedule of cleaning equipment and plant and their respective ages.
  - A register of cleaning materials.
  
- Volume 2
  - Legible copies of all Quality Monitoring inspections carried out by the Contractor.
  - Site-specific OHS Management Plan and site safety rules.
  - Material Safety Data Sheets and details.
  - Carpet Cleaning verification details.

- Volume 3 – Cleaning Communication Book
  - The Communication Book section is to register cleaning issues. It must include space to allow the recording of your or Contractor cleaning issues, which requires attention by either party. It must also include a space to allow the recording of actions taken by the Contractor and the outcomes.
  - The Contractor's representative and Contractor Employee must refer to the communications book each day, and respond to or action items therein. You will be required to liaise with Site Supervisor if any entries in the book need to be clarified. You will need to record the Contractor's actions and the outcomes in the book.
  - The Contractor will record details of issues requiring your attention relating to damage to the facility, maintenance or repairs, security, safety at the facility.
  - The Contractor and/or its representative(s) must record all visits to the facility in the Cleaning Communication book.

Typical items that may be recorded in the book are:

**Facility Managers:**

- notification of an after-hours function
- Advance notification of a student free day
- notification of the need for extra cleaning of specific areas
- A request for the head cleaner to discuss a particular cleaning issue with the Facility Manager.

**Principal's/Customer's Authorised Person:**

- Comments on cleaning standards
- notification of cleaning matters requiring attention

**Contractor's Representatives and Contractor Employees:**

- Confirmation of work that has been carried out as requested
- Details of Site visits by management
- Providing the facility with the current names and contact numbers of the Contractor's personnel.

In addition to the above the Contractor must also include a copy of the maintenance or repairs issues in the Maintenance Service Manual and the Contractor must notify you immediately any maintenance requirement or damage to the facility that requires urgent attention.

### **3.9 Quality Monitoring And Reporting**

The Contractor will implement and maintain a Quality Monitoring and Reporting System in all facilities. The aim of this system is to ensure that the required Cleaning Performance Standards and safe work practices are maintained by ensuring the Facility Managers and the Contractor are working in a spirit of cooperation to remedy any shortcomings, and that you and your Contractor better understand each other's responsibilities and obligations in the provision of Services.

The minimum requirements for Quality Monitoring and Reporting System are as follows:

**a) As a minimum, the Contractor will conduct Quality Monitoring and OHS Inspections at the following frequencies:**

- I. Facilities where the Year 1 tendered General Cleaning Price is \$40,000 or more: at least once every four (4) weeks;
- II. All Other Facilities: at least once every twelve (12) weeks.

- III. In addition to the above, the Contractor will arrange at least one formal meeting with the Facility Manager every three months to discuss cleaning issues, schedules, working hours, and any other general matters.

The Contractors must give at least two (2) business days notice of an intended inspection and formal meeting. The facility manager may participate in the inspections.

The Contractor must complete the Quality Monitoring and OHS Inspection reports and submit them to the Facility Manager for signature and comment as appropriate. A copy of this document must be retained in the facility folder and another copy retained by the Contractor.

Contractor will enter all Quality Monitoring and OHS inspection reports in WebClean.

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## **SECTION 4.0 GENERAL ADMINISTRATION**

### **4.1 Insurance**

#### **Insurance of Contractor's Equipment**

The Contractor is responsible for insurance covering all loss, damage or destruction to plant, equipment and property owned or hired by the Contractor and used for performing the Services.

#### **Public Liability Insurance**

The Contractor is responsible for a policy covering Public Liability insurance issued through Jardine Lloyd Thompson Pty Ltd (JLT), an insurance broker, nominated by the Principal

#### **Workers Compensation Insurance**

In respect of any one employer (whether the Contractor or a subcontractor), there must be only one Workers Compensation insurance policy covering all cleaning employees employed by the employer during the Contract Period. The Contractor must ensure that all subcontractors comply with this requirement of the contract.

### **4.2 Quality Assurance**

The Contractors have and must maintain a quality management system certified to JAS/NZS ISO 9001:2008.

### **4.3 Occupational Health and Safety Management Systems**

#### **Specification and Statutory Requirements**

The Contractor's health and safety management will comply with the NSW Occupational Health and Safety (OHS) Regulations 2001 and any subsequent amendments during the course of the Contract.

#### **Site-specific Safety Management Plan**

As part of the contract OHS Management Plan implementation, the Contractor will implement and maintain an appropriate Site-specific Safety Management Plan.

The Contractor's Site-specific Safety Management Plan for the facility must fully identify and assesses the OHS hazards/risks associated with the work of a subcontractor, and provides complete and commonly applicable provisions for statements of responsibilities, OHS induction and training, incident management, risk/hazard identification/assessment and control, consultation, Safe Work Method Statements and Site Safety Rules (as applicable). A subcontractor may adopt the Contractor's Plan.

#### **Safe Work Method Statements**

The Contractor will prepare a Safe Work Method Statements must cover all health and safety risks, be regularly reviewed and amended when conditions change. They must as a minimum where applicable be submitted for, cover and be certified as covering the control of risks with, all work involving the use of electrical equipment; scaffolding and temporary supports; manual handling materials and equipment; work at heights, particularly over 3 metres; confined spaces; hazardous substances; and work near public places.

#### **Site Safety Rules**

Site safety rules will, as a minimum, effectively identify and implement the provisions shown below. Site safety rules must make it a condition of entry to the applicable facility that all Contractor Employees and visitors comply with the provisions:

- **OHS Induction.** All persons working must complete OHS Induction prior to commencing service at the facility.

- **Site Induction.** All persons working at the facility must attend a Site Induction prior to commencing work. Visitors may enter a facility if accompanied by a person who has attended a Site Induction.
- **Safe Work Method Statements.** Before service starts Safe Work Method Statements must be prepared and used for all work activities assessed as having health and safety risks. They must be revised when conditions change.
- **Manual Handling.** Manual handling risk assessments must be carried out for all work activities assessed. They must be revised when equipment changes.
- **Alcohol and Drugs.** The consumption of alcohol and illegal drugs at the facility is prohibited.
- **Accidents and Incidents.** Accidents and injuries must be reported immediately to the Contractor's Site Supervisor.
- **First Aid.** All persons requiring first aid treatment must contact the first aid officer who will administer the treatment and record the injury in the WorkCover Register of Injuries, including; the person's name and the nature of the injury.
- **Fire Prevention.** Fire prevention must be employed by all persons on the work site. If there is fire at the facility the Contractor is to immediately ring the "000" emergency number and notify the Fire Brigade and immediately notify you.
- **Electrical Equipment.** In-service safety inspection and testing of electrical equipment must comply with AS/NZ 3610 –2001.
- **Housekeeping.** Work areas must be kept clean and tidy, with rubbish and other safety hazards, cleaned up promptly.
- **Leads and Power Tools.** The contractor will ensure all leads and power tools are inspected and tagged by a licensed electrician prior to their use and thereafter at yearly intervals. All details of their inspection must be recorded in a site log book. Details on the tags and in the log book must include the licence number of the electrician, date of the inspection and the owners plant number of the item inspected.
- **Mobile Plant.** Every owner of plant must ensure that the plant is registered with WorkCover when required and operators are appropriately qualified. Mobile plant must be fitted with working hazard lights/reversing lights and beepers.
- **Hazardous Substances.** Chemicals and other hazardous substances must be used and stored in compliance with Material Safety Data Sheets (MSDS) and details must be recorded on the Register of Hazardous Substances.
- **Working at Height.** Working at heights above 2 metres must be in accordance with WorkCover requirements, including OHS Regulation 2001, clause 233, regarding formwork certification.
- **Toolbox Talks.** There must be regular discussions between and consultation with those working at the facility on site health and safety matters.

#### **4.4 Employment Screening for Cleaning Personnel**

##### **Employees**

The Contractor will not employ or permit to be employed on work under the Contract at the any Contract Facility a person where the Principal advises the Contractor that, in the opinion of the Principal, that person poses unacceptable security risks and/or risks to children or other vulnerable people at that facility.

The Contractor will not employ or permit to be employed on work under the Contract at any Contract Facility a person who has been convicted of a serious sex offence and is a prohibited person under the Child Protection (Prohibited Employment) Act 1998.

The Contractors will forward schedules of employees/subcontractors proposed for employment at facilities under this Contract to the Principal who will carry out a Working with Children Check and Criminal History Record Checks and inform the Contractor the results for its records and /or

action, and advise the suitability of the engagement of the nominated employees/contractor after the screening. The Principal will issue a specific clearance number relating to the employee/s scheduled.

The Principal may without being required to give any reason direct the Contractor not to engage a particular person as staff at a Contract Facility and the Contractor must comply with such direction.

If any person engaged as employee/subcontractor by the Contractor is in the opinion of the Principal guilty of misconduct in or in the vicinity of the Site or otherwise is in the opinion of the Principal unsuitable to be engaged as employee/subcontractor the Principal may direct the Contractor to no longer engage that person as employee/subcontractor and the Contractor must comply with such direction.

### **Code of Behavior**

The Contractor will ensure that all persons working on your under the Contract, including but not limited to the Contractor Employees and managers, consultants, subcontractors and suppliers understand and comply with the requirements shown below:

- The Contractor Employee or where a subcontractor is working without the supervision of the Contractor, the subcontractor's representative must report their presence to the person in charge of the facility on arrival each day and record, in the Site Visit Log, the details of all Contractor's or subcontractor's employees working at the site or sites that day.
- Contractor Employees should avoid talking with, touching or interacting with any children or residents or other users of the facility except where the work requires it or in an emergency or safety situation.
- Contractor Employees must only use approved toilets and other facilities, unless the facility manager gives written authority to use alternative arrangements.
- The work area must not be able to be used or accessed by children, or residents or other users of the school or facility while work is in progress. Clear signs and barricades (where appropriate) must be used to prevent any inadvertent or unauthorised access.
- Appropriate privacy must be maintained when working on toilets and similar facilities. Contractor Employees must ensure that toilets and similar facilities are not occupied or in use by children, residents or other users before entering to perform work, and that work does not continue when use of the facilities is required. Where practicable male employees should perform work on male facilities and female employees on female facilities.
- Contractor Employees should report any concerns about children's behaviour or child abuse to the person in charge of the school or facility.

#### **4.5 Temporary Services Provided by the Principal**

You will provide no temporary services to the Contractor. The Contractor may use, free of charge, water and electricity from existing outlets within the facility, subject to the use of those services not disrupting the operation of your facility in any way, not causing any associated problems such as overloading and not being abused or misused. Generally, only single-phase power is available.

The Contractor must liaise with you to ensure that no disruption occurs and to ensure that access to services does not adversely impact on other aspects of the facility such as security, irrigation systems and mechanical plant.

The Contractor must satisfy itself that the existing water and electrical services meet its needs and, where required, supplement them from other sources at no cost to the Principal.

#### **4.6 Industrial Disputes**

During periods of industrial disputes of any duration, the Contractor must and will continue to be responsible for and will ensure continuity of cleaning services to all facilities.

#### **4.7 Opting Out By A Customer**

If a Customer wishes to opt out of the Contract, either in whole or for some of the Customer's facilities, the Customer must give the Principal and the Contractor three (3) months written notice of the Customer's intention to opt out. If a Customer opts out of the Contract, the Contractor is responsible for placing its employees in other employment.

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## SECTION 5.0 PAYMENTS

### 5.1 Payment Claims

The Contractor is entitled make one (and only one) payment claim on each Customer on 28<sup>th</sup> of each month, the first to be 28 July 2011.

The Contractor will submit an individual payment claim for each facility direct to the facility, or an individual payment claim covering a number of individual facilities to a Customer's nominated point of payment.

The Contractor's payment claim must:

- Identify the facility and service to which the payment claims relates;
- Indicate the how the claim is calculated by reference to the Schedule of Rates; and
- Comply with Goods and Services Tax requirements.

#### Example

Commencing with July 2011, on 28<sup>th</sup> each Month the Contractor will make a payment claim on each Customer. The amount which the Contractor is entitled to claim and, subject to other provisions of the Contract, to be paid is:

- (a) for General Cleaning (excluding periodical carpet cleaning) provided in that Month for that your facility, one twelfth of the amount for that item the amount for a year (for the relevant facility);
- (b) when, in that Month, the Contractor has carried out Periodical carpet cleaning at your facility, the amount in the Schedule of Rates, for the relevant facility (Note: Only one claim can be made in each Contract Year for each facility for Periodical carpet cleaning)
- (c) for Miscellaneous Cleaning provided to the Customer at the Customer's request in that Month, an appropriate additional amount calculated based on the Schedule of Rates; and
- (d) for Variations, the amount, if any, that the Contractor is entitled to claim.

The Customer must pay the payment due in respect of a payment claim by the end of the Month after the Month in which the payment claim is received by the Customer.

If the Customer pays the amount due (less the Prompt Payment Discount) within 10 business days after receipt of the payment claim, the Customer will be entitled to deduct from the amount otherwise payable

When given a *Payment Claim* by the Contractor, the Customer who is liable to pay the claim must within by the end of the Month after the Month in which the payment claim is received:

- if it agrees with the *Payment Claim*, adopt it as its assessment; or
- if it disagrees with the *Payment Claim*, prepare its own assessment, in consultation with the Contractor if appropriate, and give to the Contractor a *Payment Schedule*.

The Customer's assessment in the *Payment Schedule* must:

- identify the *Payment Claim* to which it relates;
- indicate the amount of the payment (if any) that the the Customer proposes to make as the *Scheduled Amount*; and
- if the *Scheduled Amount* is less than the *Claimed Amount* indicate why it is less and (if it is less because the Customer is withholding payment for any reason), the Customer's reasons for withholding payment.

Reasons why the *Scheduled Amount* may be less than the *Claimed Amount* or for withholding payment include but are not limited to:

- disagreement with the *Claimed Amount*;
- the costs and estimated costs associated with remedying *Defects*; and
- amounts the Customer is otherwise entitled to withhold, set-off or otherwise deduct.

If the *Scheduled Amount* which the Customer proposes to pay is less than the *Claimed Amount*, the Contractor may give notice of an *Issue* under the Contract.

All payments to the Contractor must be made by electronic funds transfer to the Contractor's account specified.

Payment by the Customer is not evidence that the Customer accepts the value, quantity or quality of work or that the Contractor has complied with the Contract or that the Contractor has any particular entitlement, and is payment on account only.

The Principal (and or any Customer) will have the right to set off against a progress payment the estimated cost of remedying any Defects and of any damages suffered by the Principal (or the Customer) as a consequence of any breach by the Contractor and any outstanding amount of the Management Fee.

### **5.3 Final Payment**

After the end of the period for which the Contractor is required to provide Services to a Customer, the Contractor is not entitled to any payment from a Customer except:

- a payment to which the Contractor is entitled for the *Month* in which services were last provided;
- an amount which the Customer has agreed to pay the Contractor in respect of a *Claim*; and
- an amount that an *Expert* determines must be paid by the Customer to the Contractor.

### **5.3 Interest on Late Payments**

If the Customer fails to make a payment by the time or by the last day of the period prescribed by the Contract must pay interest to the other party, at the rate prescribed under the Supreme Court Act 1970 NSW on unpaid judgements, for the period the payment is late.

### **5.4 Set-Off**

If the Board or a Customer claims a sum under or arising out of the Contract or any other contract between the Board or the Customer and the Contractor:

- the Customer may withhold, deduct or set-off the claimed sum against any sum to which the Contractor is otherwise entitled under or arising out of the Contract; and
  - the Board may make a demand against the *Financial Security* provided under the Contract for any amount of the claimed sum in excess of the sum to which the Contractor is then otherwise entitled.
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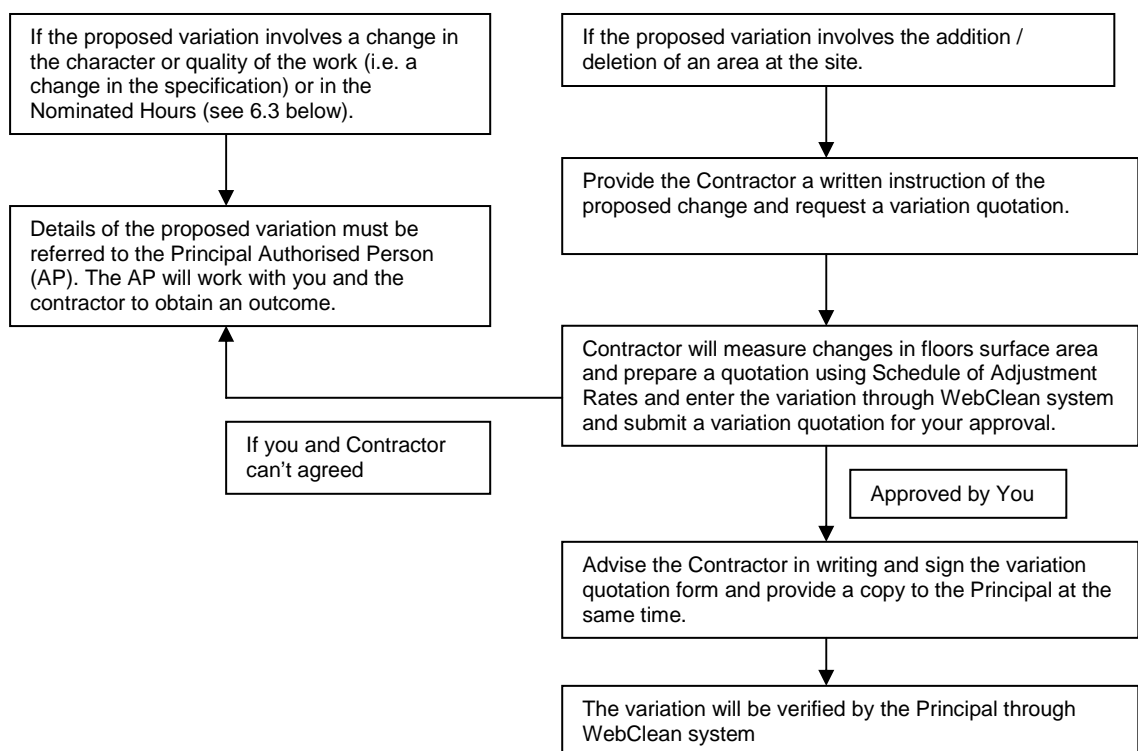
## SECTION 6.0 CLEANING VARIATIONS

### 6.1 General

Cleaning variations include, for example, changes in area to be cleaned, frequency of cleaning or specific cleaning needs. A cleaning variation can be initiated by you, the Contractor or the Principal.

All cleaning variations involving a change to the Contract Price are to be calculated in accordance with the Schedule of Rates. All cleaning variations that are agreed between you and the Contractor are to be in writing and signed by the Contractor and by you and verified by the Principal before the proposed variation is introduced.

**Figure 1: Procedure for Processing Cleaning Variations**



### 6.2 Cost Adjustment

Amounts payable for Services provided in the first Contract Year will not be subject to Cost Adjustment. Amounts payable for Services provided in subsequent Contract Years will be subject to Cost Adjustment in accordance with Price Adjustment Formula.

On the date of commencement of a Contract Year (after the first Contract Year) the Customer will be advised of the adjusted rates and how the adjustment is calculated for that year.

### 6.3 Changes to Operations at a Facility

The Contractor must utilise, at a minimum, the same number of aggregate cleaning hours each month, as was being provided under the previous cleaning contract. The Contractor cannot reduce these hours without the approval of the Board. Should the Contractor formally seek the Board's approval to reduce cleaning hours, the board will convene a Panel comprising

representatives of the Customer, the Principal, the Contractor and the LHMU to review the proposal.

If there is a reduction in the size or area at your facility the Contractor will use its best endeavours to achieve the reduction without reducing the cleaning hours of any employee without the employee's consent. If the size or area of your facility increases, the Contractor must appropriately increase the number of cleaning hours utilised at the facility. The contractor must not allocate an employee with additional work unless their hours are increased accordingly.

## **6.4 Cleaning Of Areas Used After Normal Hours**

The Contractor is responsible for the cleaning of any portion of the site, which may be used after normal hours, for the purpose of conducting classes or functions of any kind. General Cleaning does not cover additional cleaning in these circumstances. You may direct the Contractor to carry out the additional cleaning using Miscellaneous Work rates.

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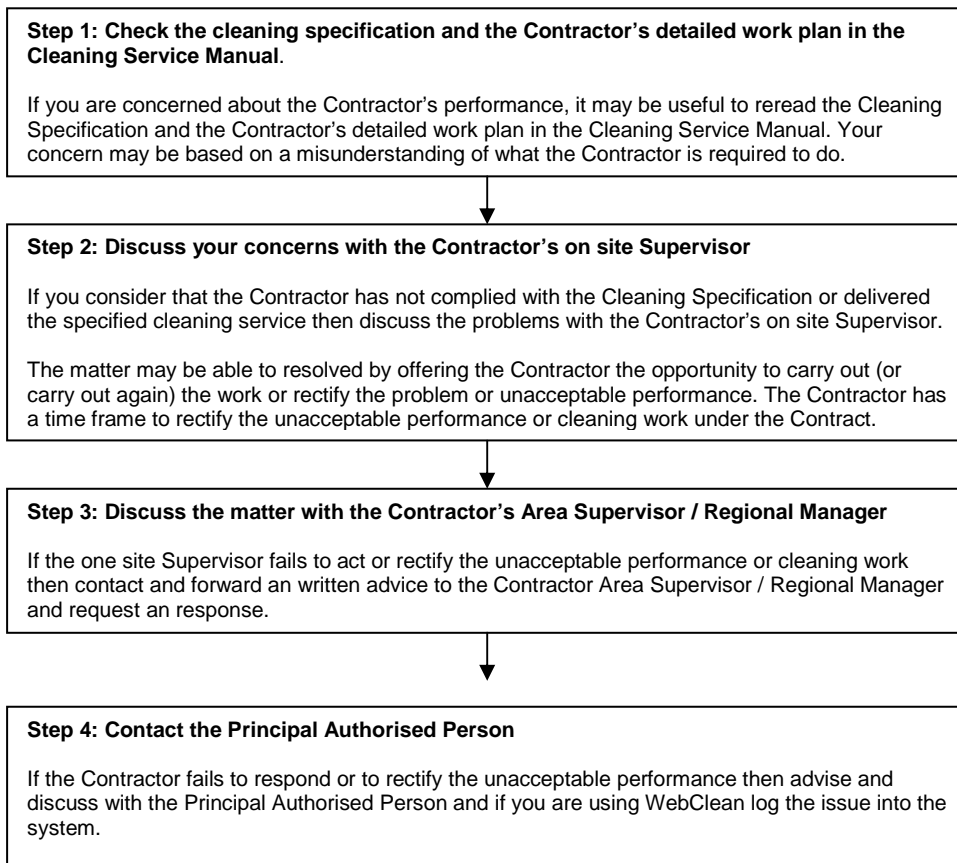
# **SECTION 7 CONTRACTOR'S PERFORMANCE**

## **7.1 General**

All services performed by the Contractor are to be carried out in accordance with the Cleaning Specification and Cleaning Performance Standards. If you consider that the Contractor has not delivered the specified standard of service or delivered the specified services then you must notify and resolve the matter with the Contractor at the site level.

The Contract has set the maximum timescale within which the Contractor must rectify the unacceptable condition or performance.

In the event that you have concerns about the Contractor's performance or did not rectify the unacceptable condition or performance, the general steps to be followed the process outline below:



## **7.2 Failure to Complete the General Cleaning**

The Contractor must complete all General Cleaning Services in accordance with the cleaning schedule and program for the Contract Year. If the Contractor fails to complete the General Cleaning Work or unable to complete the General Cleaning Work, you have two options:

- a) You may accept or reject the Contractor's proposed program for completion of the outstanding cleaning works.
- b) You may engage others to carry out and complete all or any amount of the outstanding cleaning work. This is only until the Contractor is able or willing to resume performing the work. If this happens you must inform the Principal Authorised Person.

If the Contractor fails to complete all of the required **Cleaning Services** at your facility then you do not have to make payment for non-performed work from any payment due to the Contractor. The Contractor will only be paid its entitlement when the work is complete. You must follow all of the steps outlined in 7.1 above and discuss the issue with your Department's Authorised Person and Principal Authorised Person before making such deductions for non-performed work.

You are required to provide a *Payment Schedule* if such deduction is made to the Contractor as outlined in 5.2 above.

## **SECTION 8.0 ISSUE RESOLUTION**

### **8.1 General**

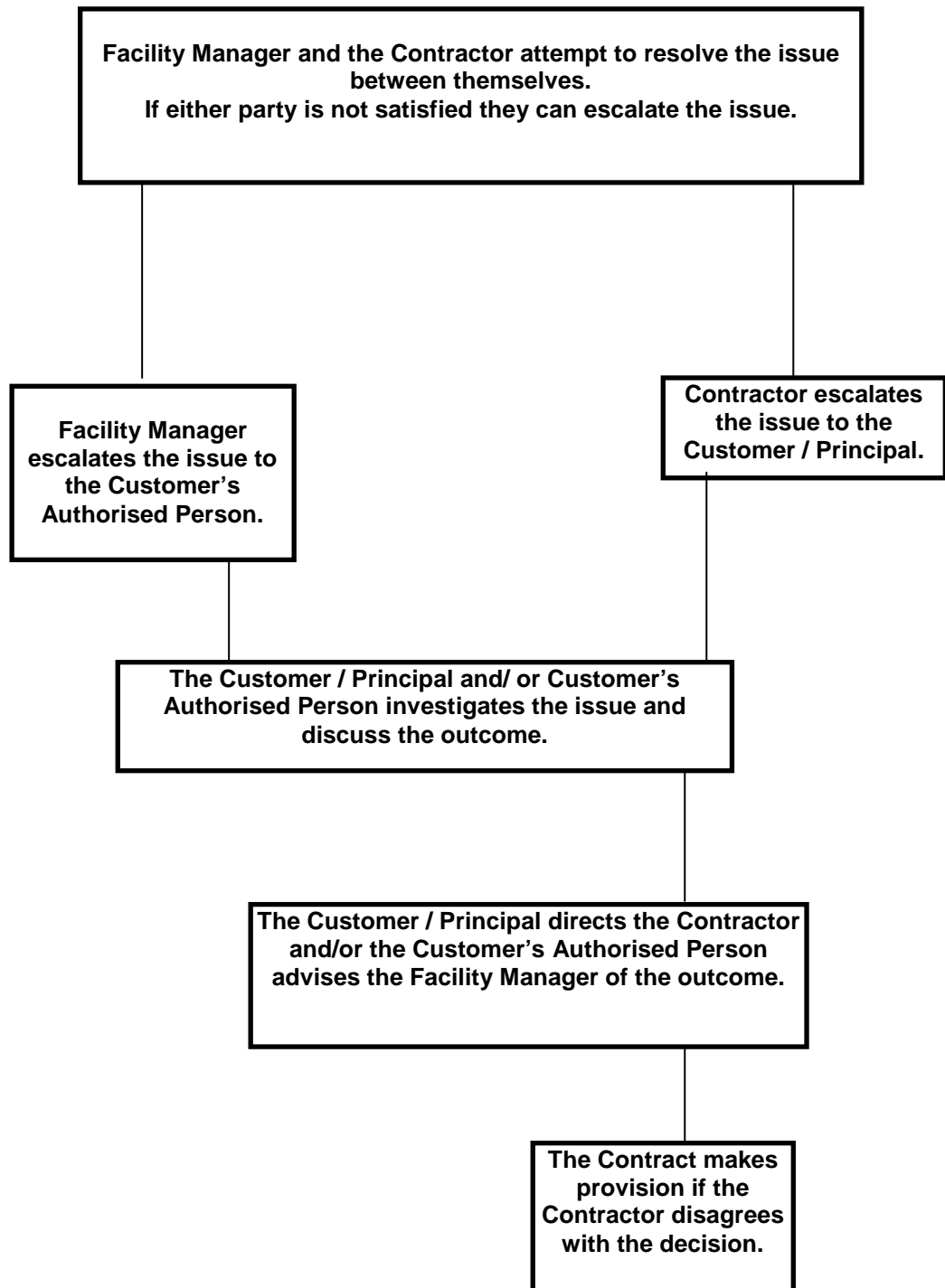
The Contract includes an issue resolution process for situations where you and the Contractor have a difference of opinion. You and the Contractor should agree to a process for resolving issues to try and avoid them escalating to include the Principal. Ideally this process will be agreed on before an issue arises, perhaps at the time when procedures for communications and site visits are discussed.

Issue resolution processes should be reviewed regularly, particularly when there is a change in Facility staff, or if the Contractor appoints a new representative.

The issue resolution procedure should include these basic steps:

- both parties acknowledge that an issue has arisen.
- Attempt to resolve the issue by direct negotiations with the Contractor's area/regional representative.
- If either party is not satisfied they can escalate the issue to the Department's Authorised Person / FMU.
- This more formal process will require you to keep a higher level of detailed documentation and records. It is important, before taking any action to commence the formal dispute resolution process, that you discuss the issue with the Department's Authorised Person / FMU. The dispute resolution flowchart is shown in [Figure 2](#).
- In the event of a dispute, any communication between you and the Contractor in relation to the dispute must be kept confidential and may be used only for the purposes of resolving the dispute.
- During any dispute resolution process, the pre-dispute status quo must continue. Accordingly, both you and the Contractor must comply with your respective obligations, and may exercise your respective rights, under the Contract.

Figure 2: Issue Resolution Flowchart



## **SECTION 9 DEPARTMENT OF FINANCE AND SERVICES – NSW PUBLIC WORKS - FMU CONTRACT MANAGEMENT**

### **9.1 Responsibilities of the Principal**

The Principal has authorised the Department of Finance and Services– NSW Public Works FMU to enter into the contract with the contractor as a principal party to the Contract.

### **9.2 Department of Finance and Services– NSW Public Works FMU (FMU)**

NSW Public Works FMU has the full authority to act on behalf of the Principal in relation to the Contract. NSW Public Works FMU will also monitor the performance of the undertakings and commitments given by the Contractor. NSW Public Works FMU will:

- from time to time undertake random and/or complaint inspections to determine whether or not the Contractor is meeting the required Cleaning Performance Standards and to determine whether or not that safe work practices are implemented on site;
- from time to time carry out systems audits on Contractor compliance with QA, OHS, and security clearance of employees;
- maintain general Contract records;
- respond to enquires from ex-GCS staff;
- assist in dispute resolution where the dispute has not been able to be resolved at the site/departmental level; and
- undertake Contract Performance Monitoring.

Results of individual audits will be provided to you at the completion of such audit. In addition, a summary report of audit results will be compiled by the on quarterly basis.

An analysis of the complaints, non-conformance of Cleaning Performance Standards and OHS breaches will be carried out on a quarterly based on information obtained from the complaints forms received from Facility Managers and other sources.

A state-wide Quality Monitoring and OHS statistics and report will be prepared quarterly on the information obtained.

### **9.3 Review Meetings**

To facilitate the continued monitoring of the performance of the contract Review Meetings will be held with representatives of the NSW Public Works FM, Contractors and Customers. There will not be separate Review Meetings with each Customer.

### **9.4 Three-Monthly Contract Meetings**

Three-Monthly contract meetings will occur at an agreed location as determined by NSW Public Works FM . These meetings may not be held in the same location each quarter.

The meetings will review and consider all aspects of the contract. Those attending will include the Contractor's employees involved in the management and administration of the contract, and nominated Customers representatives.

## **9.5 Annual Review Meetings**

Review Meetings will occur approximately every 12-month during the months of either August or September at an agreed location or as determined by the NSW Public Works FMU.

These meetings will review the performance of the contract in detail at a higher level with particular focus on communications, contractor performance, client service and feedback, co-ordination, relationships and resolution of issues and other matters that the parties agree upon.

The Contractor's representatives must include a Senior Executive such as the State or Divisional Manager or a Director, not necessarily involved in the day-to-day management of the contract, but who is able to represent the Contractor at a corporate level.

## **APPENDIX 1: IMPORTANT CONTACTS**

### **Need Further Assistance?**

If you have a question or a problem that you have not been able to resolve by first checking the Guide then the primary sources of assistance are as follows:

### **Your Department's Authorised Person**

Contact:

### **Department of Finance and Services, Facilities Management Unit**

Contract Matters: Sharon Busuttil  
Principal's Authorised Person (AP)  
NSW Public Works & Services  
Level 20, McKell Building  
2-24 Rawson Place  
Sydney NSW 2000  
Phone (02) 9372 7585  
Fax (02) 9372 7552  
E-mail: [sharon.busuttil@services.nsw.gov.au](mailto:sharon.busuttil@services.nsw.gov.au)

Claret Manoharan (AP)  
NSW Public Works & Services  
Level 20, McKell Building  
2-24 Rawson Place  
Sydney NSW 2000  
Phone (02) 9372 7589  
Fax (02) 9372 7552  
E-mail: [claret.manoharan@services.nsw.gov.au](mailto:claret.manoharan@services.nsw.gov.au)

Pricing Matters: Lynne Circosta  
NSW Public Works & Services  
Level 20, McKell Building  
2-24 Rawson Place  
Sydney NSW 2000  
Phone (02) 9372 7592  
Fax (02) 9372 7552  
E-mail: [lynne.circosta@services.nsw.gov.au](mailto:lynne.circosta@services.nsw.gov.au)