

## 7.1.5 SCHOOL CROSSING TENDER

<b>Responsible Manager:</b>	Greg Talbot, Manager Community Amenity
<b>Responsible Director:</b>	Peter Panagakos, Director City Development

### RECOMMENDATION

**That Council:**

- 1. Awards the tender from Chandler Macleod Group Limited for the provision of School Crossing Supervision Contract No. 2023148 for a schedule of rates-based contract with an estimated contract value of \$1,354,000 for the initial term and an estimated total contract value of \$7,103,000 inclusive of all available extension options and price increases associated;**
- 2. Authorises the Chief Executive Officer or her delegate to execute the contract agreement;**
- 3. Notes that the contract will commence on 1 January 2024, with an initial term of 1 year and the contract has 4 extension options of 1 year each and authorises the Chief Executive Officer to approve extension options subject to satisfactory performance; and**
- 4. Notes that the estimated schedule of rates contract values stated above are also subject to an annual CPI indexation as per the contract.**

**(\*Please note that all dollar figures are GST Inclusive unless stated otherwise).**

### INTRODUCTION

Council has tendered for provision of school crossing supervision.

As part of its planning process for this tender, Council Officers considered its procurement options, including whether to go to market itself, participate in regional or sector collaboration or to possibly access established contracts via other compliant Procurement agreements. Due to the nature of the services, it was not appropriate to collaborate for this service.

At present school crossing supervision is primarily delivered through a contractual arrangement whereby the contractor provides 96 School Crossing Supervisors. An additional 6 supervisors (making a total of 100 School Crossing Supervisors) are directly employed by Council but are managed by the contractor under the terms of the contract.

### BACKGROUND

Council is seeking to appoint Chandler Macleod Group Limited to deliver School Crossing Supervision services.

Council provides 100 School Crossing Supervisors at 86 sites and currently engages the services of Chandler Macleod Group Limited to deliver the service and has done so since 2002. The current contract commenced in July 2022 for an initial term of 6 Months, with an option to extend the contract twice, at 6 months each, which was exercised by Council. The current contract expires on 31 December 2023.

### **NOTIFICATION**

A public notice was placed in The Age newspaper on 13 May 2023 and the tender closed on 31 May 2023.

### **TENDERS RECEIVED**

Three tender submissions were received by the appointed closing time. The tenders received are listed below:

- *Abco Security Services*
- *Chandler MacLeod Group Limited*
- *Horner Recruitment Systems Pty Ltd*

### **Tender Conformance:**

All submissions were assessed for their compliance with the tender conditions including the contractual terms and conditions and the requirements of the response schedules. All tender submissions were deemed conforming.

### **TENDER EVALUATION**

All members of the evaluation panel signed Conflict of Interest and Confidentiality forms and no conflicts were raised.

The tenderers were assessed in accordance with the evaluation criteria published in the tender documentation:

<b>Pass/Fail Assessment Criteria</b>	<b>Score</b>
Quality Systems (if applicable)	<i>Pass/Fail</i>
OHS	<i>Pass/Fail</i>
Mandatory Insurances (if applicable)	<i>Pass/Fail</i>
Compliance with Specification	<i>Pass/Fail</i>

<b>Table 2</b>	<b>Key Selection Criteria</b>	<b>Criteria Weightings</b>
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Qualitative Criteria	Capacity and Capability	20%
	Project Timelines (if required)	10%
	Sustainability (Mandatory)	20%
Quantitative Criteria	Price (Mandatory)	50%

## DISCUSSION

The following information supports the evaluation panel's recommendations.

The School Crossing Supervision program was introduced in 1975 under a joint funding arrangement between the State Government, DTP (Department of Transport and Planning), formally VicRoads and Victorian Councils.

At present DTP supports a 50/50 funding model and have provided funding of \$701,765.00 for the 2022/2023 financial year.

It is understood that funding will continue to be allocated under the provisions of the School Crossings Subsidy Scheme.

The scheme is administered by DTP who uses a detailed formula to decide if a supervisor at a crossing is warranted. The formula is based on the number of children (primary and secondary are treated differently) using the crossing and the number of vehicles passing through the crossing, including a minimum requirement related to the number of pedestrians crossing and vehicles passing.

The tender attracted interest from labour force providers, not unlike the incumbent provider. Both the qualitative and quantitative nature of responses were considered and critiqued against the evaluation criteria with close consideration given to the tenderers ability to provide the staff numbers required to perform the service from 1 January 2024 and the associated cost.

Whilst all tenderers submitted a competitive submission the final evaluation ranking (including the price and non-price evaluation criteria) had Chandler Macleod Group Limited ranked highest and as such, the evaluation panel recommends Chandler Macleod Group Limited as representing the best value outcome for Council.

## FINANCIAL IMPLICATIONS

Chandler Macleod Group Limited's tender price is based on a comprehensive hourly rate that incorporates all expenses, including administration and all costs incurred directly and indirectly in providing the service to Council.

It is estimated that the first year of the contract will cost approximately \$1,354,000 (including GST). This figure may increase slightly to account for Council staff who resign or retire and are replaced by the Contractor, and for instances where the Contractor's relief supervisors cover absences for supervisors directly employed by Council.

Annual payment adjustments will be based on the increase in Industry Allowance as per the City of Monash EBA No.10 as specified in Clause 4.1A of the Conditions of Contract.

Council receives an annual Operational Subsidy from The Department of Transport and Planning (DTP) (Formally VicRoads) which varies from year to year. Over the past four years Council received:

<b>Financial Year</b>	<b>Amount Received</b>
2019-2020	\$574,182.00
2020-2021	\$561,813.00
2021-2022	\$579,980.00
2022-2023	\$701,765,00

The subsidy is provided under the provisions of the School Crossings Subsidy Scheme that is intended to share the costs of the program between Council's and the State on a 50:50 basis. Advice on the funding for the 23/24 financial year has not yet been received at the time of writing, however the State Budget indicated that the program has been provided funding for one year.

An additional 20% funding was provided in the 22/23 period, believed to be in response to the ongoing advocacy works Monash have been involved. It is unknown whether the increase will be continued in subsequent years.

Provision will need to be made in the operating budgets for 2024/2025 through to 2029/2030 financial years for the continuation of the service by the Contract.

## **SUSTAINABILITY OUTCOMES**

1. Environmental Sustainability: Chandler Macleod Group Limited have committed to using renewable electrics within the office and hope to achieve a carbon neutral business by 2030.
2. Local Sustainability: Chandler Macleod Group Limited are located within Monash and of the current workforce of 125, hires 86 local employees for the service of School Crossing Supervision.
3. Social Sustainability: Chandler MacLeod Group Limited being primarily a recruitment agency has a core role to find the best suited roles for their candidates. This includes employment equity services that actively work to locate employment for disadvantaged groups. Currently Chandler MacLeod Group Limited run a program to source, train and support women over 45 years of age into new lines of employment.

## **SOCIAL IMPLICATIONS**

There are no social implications to this report.

## **HUMAN RIGHTS CONSIDERATIONS**

There are no human rights implications to this report.



## **GENDER IMPACT ASSESSMENT**

A GIA was not completed as part of the tender process for this service. Gender related questions were asked within the tender's returnable schedule and were considered when evaluating against the qualitative responses.

## **CONCLUSION**

That Council approves the recommendations contained within this report.

## **ATTACHMENT LIST**

Nil