5.6 CONTRACT FOR SCHOOL CROSSING SUPERVISORS – CONTRACT 2012069
(CF 2012069 HG:)
Responsible Director: Paul Kearsley

RECOMMENDATION

That:
1. Council accepts the tender from Chandler MacLeod Group Pty Ltd at an estimated cost of $2,473,334.80 (includes GST), for the provision of 73 School Crossing Supervisors for three years with an option, at Council discretion, of a further two years.
2. The Chief Executive Officer be authorised to sign and seal the contract documents.

BACKGROUND

Chandler MacLeod Group Pty Ltd is the current contractor for the provision of School Crossing Supervisors within the City of Monash and its five year contract term will conclude on 30 June 2012. The initial current contract period was for three (3) years, which was then extended for a further two (2) years.

Council provides 96 school crossing supervisors to locations which have met VicRoads warrants in regard to numbers of children and traffic volumes. Over a period of 12 years, the number of supervisors provided by contract has gradually increased as Council employed persons retire or resign.

SCOPE OF SERVICE

The service includes the following key activities:

- Supervising various school crossings with fully trained and equipped supervisors
- School crossing supervision relief of both Council and contractor provided supervisors at all crossing locations
- Recruitment and replacement of all Council supervisors as they either retire or resign
- Annual refresher training for all contracted supervisors
- Annual medical checks for all supervisors
- Regular Working with Children checks for all supervisors at frequencies nominated in the legislation

SERVICE CHARACTERISTICS

The service is for the provision, training, support, supervision and equipping of School Crossing Supervisors to various locations in the City of Monash.
The current situation is that 73 supervisors are provided by contract and 23 remain as Council employees. As the Council employees retire or resign, the replacement is provided by the contractor.

The contractor is also responsible for providing both long and short term relief supervision at all crossing locations created through absent supervisors.

**PERFORMANCE ASSESSMENT METHODOLOGY**

The Contract is supervised and administered by the Coordinator of Traffic and Local Laws as the Client Manager for the City of Monash. Monthly reporting and statistical comparisons of attendances and response times have been the primary methods of measuring and evaluating performance. Weekly claims, minutes of contract meetings, performance reports and other relevant documentation relating to the provision of the service are kept on the contract file.

Chandler MacLeod and Council officers work in accordance with the selected performance criteria in the specification. The performance measurement follows indicators that provide details based on past performance and expectations. They refer to items including the number of supervisors, provision of relief supervisors and equipment and attendance to refresher training.

Regular inspections of on duty supervisors are conducted to access individual performance by the contractor, Council’s Traffic Officers and Council’s Client Manager.

**TENDER EVALUATION**

Following a review of the specification, tenders were called for the provision of 73 fully equipped and trained crossing supervisors together with hourly rates for the provision of additional or relieving supervisors. The specification also provides for costs, which must be met if the contractor fails to supply a supervisor at any crossing.

Tenders, closing on 3 February, were advertised and three tender offers were received from:

- Response One Pty Ltd
- Chandler MacLeod Group Pty Ltd
- GTE Traffic Management Pty Ltd

Tender prices ranged from $2,089,560 to $4,902,453 for the three year term of the contract.

Following an assessment of the tenders, meetings were arranged with each of the two lowest tenderers to discuss their submissions.

The assessment panel analysed the tenders in accordance with Council Policy and the criteria set out in the Invitation to Tender, allocating 60% for price and 40% for non-
price attributes. Chandler MacLeod scored higher because of their financial capacity and experience in the provision of this service, both here and at other municipalities over many years.

**FINANCIAL IMPLICATIONS**

The Chandler MacLeod Pty Ltd tender price per supervisor hour for the first year is the same as is being paid under the current contract. This cost will increase with each City of Monash EBA increase as all crossing staff, whether Council or contract, are paid from the same pay scale. Consequently, the cost of this contract will increase each year as the staff wages increase. It is estimated that the three years of the contract will cost approximately $2,341,054 plus the cost of relief staff and any additional staff which are gradually taken over.

**BUDGET IMPLICATIONS**

The cost of this contract is included in the proposed budget for School Crossing Supervision in 2012/13 and the initial cost is the same as is currently being charged.

**IMPLEMENTATION**

By accepting the Chandler MacLeod Pty Ltd tender there are no “change-over” issues as they currently have all supervisor positions filled.

**CONCLUSION**

Whilst the tender of Chandler MacLeod Pty Ltd is not the lowest it offers the expertise and experience of a provider currently delivering a similar service to this and other Councils. Chandler MacLeod Group’s financial capacity, considerable experience and expertise provide some assurance for the continued proper regulation and safety at those school crossings to which their staff are assigned.

Chandler MacLeod has several more years experience in recruiting crossing supervisors than other tenders, especially on the scale that this contract requires. Chandler MacLeod has been proactive in recruiting supervisors, including relief supervisors for and on behalf of Council.

Chandler MacLeod provided best value to Council for the provision of the school crossing contract.