

# Senate Finance and Public Administration Legislation Committee —Budget Estimates Hearing—May 2015

## Answers to Questions on Notice

### Parliamentary departments, Department of Parliamentary Services

Topic: Limro Cleaning contract – tabling of variation

Question: 32

Hansard Reference p 70; 25 May 2015

**Date set by the committee for the return of answer: 10 July 2015**

**Senator WONG:** We were talking about the cleaning contract. I think the evidence was there was a variation. I do not know whether you have been able to confirm that.

**Mr Skill:** We have. There was a variation in 2012 which varied the scope of the contract and allowed Limro to pay in accordance with the cleaning staff conditions, as stated at the time.

**Senator WONG:** Does that mean that additional moneys were paid under the contract or that they got the \$2 per hour pay increase?

**Mr Skill:** No, I understand the scope of the services to be provided under the contract was varied to allow Limro to make savings to be able to afford the extra funds.

**Senator WONG:** So the contract was varied in a way that enabled Limro to pay additional money.

**Mr Skill:** Correct and we are trying to get hold of a copy of that variation so that we can table it for you.

**Senator WONG:** If you could, that would be useful.

## Answer

In April 2010 Limro wrote to DPS advising that Limro Cleaning Services had signed the *Clean Start Union Collective Agreement 2009* effective from 1 January 2010. Under this agreement the Parliament House cleaners received an initial pay rise of between 5.75% and 10.68% depending on the shifts worked. In subsequent years the increases ranged from 4% to 6.5%, again dependent on the shifts worked.

Limro requested a variation to the contract to reflect these increased labour costs and calculated the total cost of the increases at \$664,000.00 over the life of the agreement from 1 January 2010 to 30 June 2013.

DPS wrote to Limro and advised that *‘in the current contract the only provision for cost increase relates to the annual CPI increases and any changes to the contract will have to be agreed to by both parties. While DPS has not received additional funds to cover cost increases associated with Clean Start, in accordance with Section of the Fair Work Principles DPS is prepared to consult with its suppliers to consider appropriate contract variations on a case-by-case basis.’*

Limro was asked to identify areas where the current contract could be varied without compromising the overall quality of the cleaning, e.g. the frequency of some jobs. These items would then be priced and used to find savings to assist Limro in offsetting the increased labour costs.

Subsequently, following of meetings with Limro during 2011, a list of cleaning items that could be reduced in frequency, or removed from the statement of requirement, and the resultant savings was identified. The identified changes equated to a saving of \$65,749.69 per annum to Limro Cleaning Services, which was to be used to fund staff pay increases.

A Deed of Variation reflecting these changes was signed by DPS and Limro in February 2012. The Deed of Variation with Limro is attached; This variation was for a reduction of services only. The value of the contract did not change and therefore gazettal on AusTender was not undertaken.



Parliament of Australia  
Department of Parliamentary Services

## Deed of Variation - 6

Department of Parliamentary Services (DPS)  
Contract Number: JH03024

between        Commonwealth of Australia  
                     represented by the Department of  
                     Parliamentary Services

and              Limro Pty Ltd  
                     ABN: 93 002 477 189

for               The Provision of Cleaning Services at  
                     Parliament House

THIS DEED OF VARIATION is made

**BETWEEN**

**COMMONWEALTH OF AUSTRALIA** as represented by the Department of Parliamentary Services (DPS) ABN 52 997 141 147, Parliament House, PO Box 6000, Canberra ACT 2600

AND

**LIMRO Pty Ltd** ABN: 93 002 477 189, an Australian company incorporated in accordance with the Corporations Law and having its registered office at Unit 3, 11 Fitzroy Street, FORREST ACT 2603 ("**the Contractor**")

**PURPOSE**

- A The Contractor and DPS entered into Contract JH03024 ("**the Contract**") dated 1 July 2003, for the Provision of Cleaning Services at Parliament House.
- B DPS now wishes to vary certain rights and obligations contained in the Contract in the form of this Deed of Variation.

**IT IS AGREED**

1. To vary the Contract as follows:

1.1 DPS in its sole discretion exercises its right to

replace:

*Clause 27 (b) weekly, dust timber venetian blinds in stairwell.*

with:

*Clause 27 (b) monthly, dust timber venetian blinds in stairwell.*

replace:

*Clause 30 (c) six-monthly, defrost and clean refrigerators.*

with:

*Clause 30 (c) annually, defrost and clean refrigerators.*

replace:

*Clause 31 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday);*

with:

*Clause 31 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday);*

replace:

*Clause 31 (e) six-monthly, defrost and clean refrigerators.*

with:

*Clause 31 (e) annually, defrost and clean refrigerators.*

replace:

*Clause 32 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday);*

with:

*Clause 32 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday);*

replace:

*Clause 32 (e) six-monthly, defrost and clean refrigerators.*

with:

*Clause 32 (e) annually, defrost and clean refrigerators.*

replace:

*Clause 33 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday);*

with:

*Clause 33 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday) in the Deputy Leader of the Opposition, Leader of the Nationals, and Parliamentary Secretaries suites; and in all other suites empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day during sitting periods, once per day during non-sitting periods, and as required (Monday to Friday);*

replace:

*Clause 33 (e) six-monthly, defrost and clean refrigerators; and*

with:

*Clause 33 (e) annually, defrost and clean refrigerators; and*

replace:

*Clause 33 (f) (ii) empty waste-garbage and paper bins twice per day; and*

with:

*Clause 33 (f) (ii) empty waste-garbage, co-mingling and paper bin, replace bin liner bags once per day, and as required (Monday to Friday); and*

replace:

*Clause 34 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday);*

with:

*Clause 34 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday);*

replace:

*Clause 34 (e) six-monthly, defrost and clean refrigerators.*

with:

*Clause 34 (e) annually, defrost and clean refrigerators.*

replace:

*Clause 35 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday);*

with:

*Clause 35 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday);*

replace:

*Clause 35 (e) six-monthly, defrost and clean refrigerators.*

with:

*Clause 35 (e) annually, defrost and clean refrigerators.*

replace:

*Clause 37 (b) six-monthly, defrost and clean refrigerators and dust bookcases.*

with:

*Clause 37 (b) annually, defrost and clean refrigerators; and*

add new clause:

*Clause 37 (c) six-monthly, dust bookcases.*

replace:

*Clause 39 (b) six-monthly defrost and clean refrigerators and dust bookcases.*

with:

*Clause 39 (b) annually, defrost and clean refrigerators; and*

add new clause:

*Clause 39 (c) six-monthly, dust bookcases.*

replace:

*Clause 42 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday);*

with:

*Clause 42 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday);*

replace:

*Clause 42 (e) six-monthly, defrost and clean refrigerators.*

with:

*Clause 42 (e) annually, defrost and clean refrigerators.*

replace:

*Clause 48 (c) six-monthly defrost and clean refrigerators.*

with:

*Clause 48 (c) annually, defrost and clean refrigerators; and*

add new clause:

*Clause 48 (d) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday).*

replace:

*Clause 49 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday);*

with:

*Clause 49 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least once per day, and as required (Monday to Friday);*

replace:

*Clause 50 (c) six-monthly defrost and clean refrigerators.*

with:

*Clause 50 (c) annually, defrost and clean refrigerators.*



replace:

*Clause 52 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday).*

with:

*Clause 52 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least once per day and as required (Monday to Friday).*

replace:

*Clause 53 (b) damp wipe rubber wall buffers along basement walls;*

with:

*Clause 53 (b) weekly - damp wipe rubber wall buffers along basement walls;*

replace:

*Clause 54 (f) machine scrub pavers on lunchroom patios.*

with:

*Clause 54 (f) three monthly - machine scrub pavers on lunchroom patios.*

delete:

*Clause 55 (a) defrost refrigerators in suites, offices, tea rooms, and attendants' rooms;*

*Clause 55 (b) clean inside of kitchen cupboards;*

*Clause 55 (d) remove dust and any litter from underneath false floor in computer room, Sound and Vision Centre, Telecom PABX and Ministerial Communications Room.*

*Clause 56 Full clean of timber venetian blinds.*

replace:

*Clause 57 Clean light fittings (not recessed) below 2 metres.*

with:

*Clause 57 Clean the following items as itemised:*

- (a) Clean light fittings (not recessed) below 2 metres;*
- (b) Full clean of timber venetian blinds;*
- (c) Remove dust and any litter from underneath false floor in computer room, Sound and Vision Centre, Telecom PABX and Ministerial Communications Room;*
- (d) Defrost refrigerators in suites, offices, tea rooms, and attendants' rooms;*
- (e) Clean inside of kitchen cupboards;*
- (f) Dust clocks; and*

(g) *Clean fire hydrant cupboards.*

delete:

*Clause 61 (b) shampoo lift covers (42);*

replace:

*Annexure B to Schedule 3 clause 1:*

*Empty at least twice during each cleaning shift waste paper bins and receptacles, and clean bins inside and outside as necessary.*

With:

*Annexure B to Schedule 3 clause 1*

*Empty at least once during each cleaning shift waste/garbage, co-mingling and paper bins, replace bin liner bags at least once per day and as required (Monday to Friday).*


2. In all other respects the terms and conditions of the Contract remain unaltered.



Executed as a deed dated: 26<sup>th</sup> day of February 2012

Signed for and on behalf of the  
Commonwealth of Australia  
represented by the  
Department of Parliamentary  
Services (DPS):  
**Alan Thompson**  
**Secretary**  
**Department of Parliamentary**  
**Services**

in the presence of:

  
Signature of DPS's Authorised Officer



Signature of Witness

IRENE HUNTER

Print Full Name of Witness

Signed for and on behalf of  
**Limro Pty Limited**

Print name  
by its duly authorised officer:  
in accordance with section 127  
of the Corporations Act 2001  
(Cth) in the presence of:

  
Signature of Authorised Officer

Lucy Aloe

Signature of witness

LUCY ALOE

Print Full Name of Witness