CAF

**CLEANING
ACCOUNTABILITY
FRAMEWORK**

COMMERCIAL SITES: GUIDANCE FOR COMPLETION

CAF Pricing Schedule – Commercial sites: Guidance for completion

Contents

Introduction

The CAF Pricing Schedule is a procurement tool that has been developed by a range of stakeholders with the aim of driving sustainable and ethical contract pricing in the cleaning industry. The schedule provides transparency of wages and overheads, hours allocated to a site and productivity rates and enables a fair and consistent assessment of tenders.

Through analysis of over 700 tender results and extensive trialling of the pricing schedule tool, CAF has developed a set of cost and productivity benchmarks for retail and commercial sites. A key requirement of the CAF Standard is that stakeholders use the pricing schedule either at the point of tender or by applying it to existing contracts to demonstrate that on-cost and productivity rates fall within reasonable industry benchmarks.

This Guidance should be referred to when completing the pricing schedule to ensure that you have a CAF compliant pricing model.

What the pricing schedule is designed to do

- Provide baseline transparency to contract pricing;
- Verify that enough hours have been allocated to a contract to ensure that cleaners are working within safe productivity limits; and
- Ensure that reasonable overheads have been provisioned so that cleaners' wages and entitlements are not undermined.

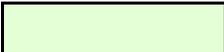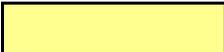## What the pricing schedule is *not* designed to do

- Be used as a scheduling/rostering tool;
- Be the sole determinant of safe productivity levels; and
- Specify in detail the cleaning tasks to be completed at a site.

Steps to completion

How to read the Pricing Schedule

Property managers will need to fill out some sections of the pricing schedule with their requirements before sending to cleaning contractors to complete.

Cells throughout the sheet are colour coded by the stakeholder group responsible for completing each section:

Legend	Responsible party
	Property manager (cells that need to be completed)
	Property manager (columns with cells to be completed)
	Property manager (cells that are optional to complete)
	Property manager (columns with cells that are optional)
	Tenderer (cells that need to be completed)
	Tenderer (columns with cells to be completed)
	Tenderer (cells that are optional to complete)
	Tenderer (columns with cells that are optional)

There are 6 tabs:

1. Instructions
2. Labour Rates
3. Resource allocation
4. Tenancy additional works
5. Additional contract items
6. Summary

A detailed description of each can be found at the end of this Guidance.

Important note on editing

The spreadsheet is initially locked and will require a password before editing is allowed. Property managers will be sent the password and will only be able to edit the areas they are required to complete.

You must enable editing if your version opens in Protected View mode.
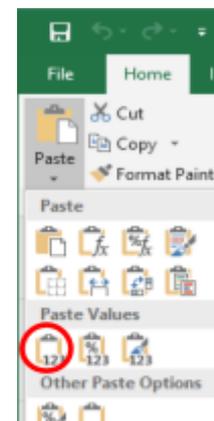
If you copy-and-paste into cells, first make sure the sheet is unlocked and then use the paste 'values only' option as on the right.

Step 1: Property owner/manager sets up the pricing schedule

1. ***Instructions*** **tab:**

   1.1. Complete **SITE INFORMATION** and **CONTACT INFORMATION** cells highlighted in light green.

   1.2. The **Due Date** is the date you want the cleaning contractor to return the Pricing Schedule.

2. ***Resource Allocation*** **tab:**

   2.1. Complete the site details including Levels and Suites. Input each level once only. Suite details only need to be included if there are multiple suites per floor.

   2.2. Complete each **Tenant Area** cell per Level and/or Suite, in meters square. (*Note: this will cause an error to show in columns H and I, this is normal! It will fix itself once the contractor has input their data.*)

   2.3. Complete each **Common Toilet Area** cell per Level only. The Common Toilet Area should be the total of men/women/unisex toilet areas on every floor. You can also add detail around the number of pans, urinals, basins and showers in a toilet area (purple columns R, S, T) which can assist the cleaning contractor to more accurately allocate resources.

   Note on common areas and end of trip facilities:
   Large common areas (including lobbies) that require cleaning resources should be included as a separate line item <u>without</u> an sqm allocation (see 'Outdoor garden/dining area' in the example below). The CAF productivity rate currently does not take these areas into account, so this allows the contractor to allocate resources in columns U, V and W without affecting the CAF productivity benchmark.

   End of trip facilities will count towards the bathroom productivity rate, so the sqm allocation should be entered as per the example below.

Level	Suite	Tenant	Tenant Area	Common Toilet Area
List each level once only	One line per suite (if applicable)	Either one line per level or one line per suite	Sq. metre (m²)	Sq. metre (m²)
Level 1	101	Firm A	150.0	35.0
	102	Firm B	150.0	
	103	Firm C	200.0	
Level 2		Firm D	500.0	35.0
Outdoor garden/dining area				
End of trip facilities				50.0

Exclusions: Tenancy areas that are not included in the contract you are tendering.

3. *Tenancy Additional Works* **tab**

Note: Only complete this tab if you have any tenant-specific cleaning requirements e.g. if Firm A has requested cleaning of meeting room tables, chairs, shelving and fridge and this goes beyond the existing scope of services provided to all tenants.

3.1. Complete site details including Level, Suite (if applicable), Tenant, Task and Frequency. If the desired frequency is not listed in the drop-down menu, please select "other". Then insert the required frequency per annum in Column F. If applicable, property manager to provide Comments and Explanations to assist the cleaning contractor to more accurately allocate resources.

Level	Suite	Tenant	Task	Frequency	If 'other', list frequency per annum
Level 1	101	Firm A	Cleaning of meeting room tables, chairs, shelving and fridge (Friday evenings)	1 x Week (Weekday)	
Level 2		Firm D	Kitchen area cleaned, dishwasher loaded/unloaded, mop hard floors	1 x Weekday	
Level 2		Firm D	Pressure wash kitchen hard floors	1 x Week (Saturday)	
Level 4	402	Firm F	Apply conditioning treatment to furniture in reception area	Other (Saturday)	12

4. *Additional Contract Items* **tab**

4.1. The property manager includes any incidental expenses that aren't part of regular cleaning services (e.g. sanitary bins, pressure cleaning, high window cleaning etc). This can also be left to the contractor to complete.

4.2. Do one final check that all items have been completed (especially the *Resource Allocation* tab) and then the pricing schedule is ready to be sent to contractors for completion.

Step 2: Cleaning contractor completes the pricing schedule

This is a recommended process to follow to complete the schedule – you may decide to complete the steps in a different order.

1. **_Instructions_ tab**

    1.1. Complete the **Tenderer** cell (B24).

2. **_Labour Rates_ tab**

    2.1. Complete the number of staff and total hours per day. The **total hours per day** is the aggregate for all staff in the relevant classification. In Row 6 of the example below, the number of staff is 5 (Cell C6) and the total hours per day is 38 (Cell D7). This means that each Level 1 full-time cleaning service employee is working 7.6 hours per day on average.

	A	B	C	D
1		LABOUR RATES SCHEDULE		
2	CAF	Site: Insert site name here		
3		Tenderer: Insert contractor name here		
4	Employee Type	Classification	No. of Staff per Day	Total Hours per Day
5	Weekday (day shift)			
6	Full-time	Cleaning service employee Level 1	5	38
7	Full-time	Cleaning service employee Level 2		
8	Full-time	Cleaning service employee Level 3	1	7.6
9	Part-time	Cleaning service employee Level 1	2	10.6
10	Part-time	Cleaning service employee Level 2		
11	Part-time	Cleaning service employee Level 3		
12	Subtotal		8	56.2

    2.2. **Public holiday**: Staff entered in the **Weekday** fields are automatically accounted for regarding public holiday pay at Row 59. The number of days allocated is tied to the State/Territory selected on the _Instructions_ sheet. If public holiday cleaning is required, please complete the **Public Holiday** section. This is calculated as the difference between the public holiday award rate and the ordinary weekday (day shift) award rate.

    2.3. If you pay above award rates, enter the full rate in the red cells as per the example below:

Weekday (day shift)								
Full-time	Cleaning service employee Level 1			$21.18		250	$	-
Full-time	Cleaning service employee Level 2			$21.92		250	$	-
Full-time	Cleaning service employee Level 3	1	7.60	$23.09	$29.94	250	$	56,886.00
Part-time	Cleaning service employee Level 1			$24.36		250	$	-
Part-time	Cleaning service employee Level 2			$25.21		250	$	-
Part-time	Cleaning service employee Level 3			$26.55		250	$	-
Subtotal		1	7.60				$	56,886.00

    2.4. If you have a **salaried managerial position**, this must be shown as a separate line item at Row 62. Input the gross salary here as the non-discretionary on-costs are not applied to this item.

*Note: If you have any salaried cleaning employees or supervisors (are on the floor completing cleaning tasks and not in an office/at a desk), please include them as a separate item in the weekday shift area and input the <u>net salary</u> as a **Custom Rate** (hourly) in column F. They will then be included in the on-cost and productivity benchmarks.*

2.5. Complete relevant **Labour Allowances**.

2.6. Non-discretionary labour on-costs have been pre-populated based on legislated minimum requirements. If you pay above the minimum, the full percentage rate should be added in the Custom area (e.g. If you pay 3 percentage points above 9.5% superannuation, this should be entered into the custom field as 12.5%).

2.7. Complete Discretionary On-Costs as either a percentage (calculated on total labour, allowances and non-discretionary on-costs) or the total cost in dollars. For profit margin, the percentage is applied to the total of all costs.

2.8. Self-assessment: Ensure that all relevant fields have been completed, including allowances and all discretionary on-costs. If you choose not to allocate resources to one of the discretionary on-costs, make sure this is noted in the Comments and Explanations column.

2.9. Self-assessment of on-costs vs benchmark: check if the On-Cost Percentage at the end of the worksheet meets the CAF benchmarks, and that the Variance is either close to zero or in the positive:

	Premium / A Grade	**B Grade**
Total on-cost percentage	● Must be greater than 48% ● 'Please explain' for 47-48%	● Must be greater than 50% ● 'Please explain' for 49-50%

3. ***Tenancy Additional Works* tab**

3.1. If tenants require additional work, the *Tenancy Additional Works* tab will have been completed by procurement. On this basis:

a) Allocate Labour Hours per Task Occurrence for each task.

b) Complete Columns Z, AA and AB on the *Resource Allocation* sheet with the corresponding hours (*e.g. if Firm A has requested weekly cleaning of meeting room tables, chairs, shelving and fridge, and you determine this will take 2 extra hours per week, you must note this in both the Tenancy Additional Works tab **and** the Resource Allocation tab*).
   Note: If you are scheduling tenancy cleaning on weekends, you must allocate the hours to Saturday and Sunday in a way that corresponds with your input on the *Labour Rates* tab.

c) The distribution of costs will be automatically applied in the *Resource Allocation* sheet.

Level	Suite	Tenant	Task	Frequency	If 'other', list frequency per annum	Labour Hours per Task Occurrence
Level 1	101	Firm A	Cleaning of meeting room tables, chairs, shelving and fridge (Friday evenings)	1 x Week (Weekday)		1.20
Level 2		Firm D	Kitchen area cleaned, dishwasher loaded/unloaded, mop hard floors	1 x Weekday		1.20
Level 2		Firm D	Pressure wash kitchen hard floors	1 x Week (Saturday)		1.00
Level 4	402	Firm F	Apply conditioning treatment to furniture in reception area	Other (Saturday)	12	0.75

4. *Resource Allocation* tab

Note: This tab should already be pre-populated with Levels, Tenants, Tenant Area (sqm) and Common Toilet Area (sqm). If these items have not been pre-populated, please send the schedule back to the procurer for completion.

Contractor to input the following*:*

4.1. Complete Labour Hours for Common Toilet Area cleaning only (row 110). This includes end of trip facilities. If you have allocated weekend cleaning, make sure you allocate hours for Saturday and Sunday that correspond with input on the *Labour Rates* tab.

4.2. If there are any additional common areas (e.g. lobbies, gardens, plant rooms etc) which do not have a sqm allocation, use the 'Other Common Area' section (columns U, V and W) to allocate resources.

4.3. If the Property Manager has indicated additional requirements in the *Tenancy Additional Works* sheet, follow the steps as per Section 3 (above) and allocate the hours accordingly.

4.4. The remaining hours will be automatically allocated to Tenant Area cleaning.

4.5. Self-assessment: check if the Weekday Productivity Rate (bottom of column H and P) for the Tenant Area and Common Toilet Area meet CAF benchmarks:

	Premium/ A Grade	**B Grade**
Tenant Area productivity rate	● Must be less than 720 square metres per person per hour (sqm) ● 'Please explain' for 720-750 sqm	● Must be less than 800 sqm ● 'Please explain' for 800-820 sqm
Common Toilet Area productivity rate	● Must be less than 60 sqm ● 'Please explain' for 60-70 sqm	● Must be less than 80 sqm ● 'Please explain' for 80-85 sqm

5. *Additional Contract Items* tab

5.1. If the property manager has indicated additional contract items they would like, complete the remaining metrics as applicable (price per occurrence and frequency). If the property manager has indicated the tenderer is to complete this item, complete the worksheet with your requirements.

6. *Summary* tab

6.1. Complete cells C24 and C25 with annual percentage increase of the total contract price.

Self-assessment:

6.2. Check for Variances in Productivity rates and On-costs in the *Summary* worksheet and *Resource Allocation* worksheet. **Variances must be zero** (or close to zero) for all items. If you find there is a Variance, you can:

a. Check the *Labour Rates* worksheet to ensure information has been entered correctly.

b. Check the *Tenancy Additional Works* worksheet to ensure information has been entered correctly.

c. If there is still a Variance, you may need to re-allocate resources in the *Resource Allocation* worksheet or adjust inputs in the *Labour Rates* and/or *Tenancy Additional Works* worksheet.

6.3. Check that the Productivity Rates and On-Costs meet CAF benchmarks.

6.4. Once Variances are zero or close to zero, the pricing schedule is ready to be returned to the property manager.

Step 3: Property owner/manager assesses the pricing schedule

1. **_Labour Rates_ tab**

   1.1. Check that contractor has completed **No. of Staff per Day** and **Total Hours per Day** in columns C and D.

   1.2. Check that all discretionary on-cost items have been completed, and if not, that this has been noted in the Comments and Explanations column. There should be no zeros or empty fields without an explanation.

   1.3. Check that the **Total On-Cost Percentage** at the end of the worksheet meets CAF benchmarks, and the Variance is either close to zero or in the positive:

	Premium / A Grade	**B Grade**
Total on-cost percentage	● Must be greater than 48% ● 'Please explain' for 47-48%	● Must be greater than 50% ● 'Please explain' for 49-50%

2. **_Resource Allocation_ tab**

   2.1. If there are Tenancy Additional Works specified, the total hours per tenant (as per the _Tenancy Additional Works_ worksheet) has been added in Columns W, X and Y, and the Variance at the end of the columns is zero (or close to zero).

   2.2. Check that the Productivity Rate for the Tenant Area (H106) and Common Toilet Area (P106) meet CAF benchmarks:

	Premium/ A Grade	**B Grade**
Tenant Area productivity rate	● Must be less than 720 square metres per person per hour (sqm) ● 'Please explain' for 720-750 sqm	● Must be less than 800 sqm ● 'Please explain' for 800-820 sqm
Common Toilet Area productivity rate	● Must be less than 60 sqm ● 'Please explain' for 60-70 sqm	● Must be less than 80 sqm ● 'Please explain' for 80-85 sqm

3. **_Tenancy Additional Works_ tab**

   Note: You must have completed this tab before sending to contractors if you require tenant specific work.

   3.1. Check that all Task items have been allocated an Hour figure in column G.

   3.2. Check that the Variance (Row 108) is zero.

4. *Summary* tab

4.1. Check that the contractor has included an Annual Increase in column C – this will at a minimum cover any annual award wage increases.

4.2. Send completed pricing schedule to CAF.

Guide to the worksheets

Instructions

The *Instructions* sheet is the home worksheet where you will find information about the parties completing the tender and a colour-coded legend to guide you through the process.

Labour Rates

The *Labour Rates* sheet is where the cleaning contractor inputs information relevant to labour costs such as the classification, number and hours per day of staff; allowances; and non-discretionary and discretionary on-costs. The figures are based on statutory minimums and have been verified by the Fair Work Ombudsman and Long Service Leave authorities.

This sheet will automatically calculate total labour costs per annum based on award rates. If custom rates are used at the site (i.e. where a collective agreement applies), they must be higher than the award.

You can find reference information regarding award rates, allowances and on-costs within the *Reference Documentation* column.

**Please note, this sheet is designed to be completed based on total actual resources required, therefore there is no allowance within the sheet to input overtime hours. You can find more information about overtime here: https://www.fairwork.gov.au/employee-entitlements/hours-of-work-breaks-and-rosters/hours-of-work/when-overtime-applies#2169-2184

**Four weeks annual leave have been counted in the Labour On-Costs section. However, some shift workers may be eligible for five weeks (https://www.fairwork.gov.au/leave/annual-leave). If this is the case, you can input Additional annual leave (shift workers) as a whole dollar amount.

Resource Allocation

The *Resource Allocation* worksheet provides a breakdown of hours allocated per tenant area and common toilet area. This includes the tenant area, common areas and common toilet area that are required to be cleaned daily by the contractor.

This sheet will also show a breakdown of costs (based on sqm) per tenant. The amount includes the labour rates plus on-costs as per the *Labour Rates* worksheet. It also includes any additional costs for tenant-specific work. Cost information will automatically populated based on other inputs.

Data entered into this sheet is used to calculate productivity rates (square metres per hour covered by a cleaner). This is important to ensure that cleaners are working within safe and reasonable limits.

Tenancy Additional Works

The *Tenancy Additional Works* worksheet includes any tenant specific scope requirements. For example: dishwasher service, specific kitchen service, private tenant bathrooms, additional bathroom refresh etc. which falls outside of the general scope of cleaning offered to all tenants.

Information included here will be reflected in the *Resource Allocation* worksheet to determine what the cost of additional tenant cleaning requirements will be to that tenant.

Additional Contract Items

The *Additional Contract Items* worksheet includes any incidental expenses that are not captured in the Overheads (under discretionary on-costs) in the *Labour Rates* worksheet. This can include, for example, additional materials such as air fresheners, sanitary bins, and urinal sanitisers, or additional services, such as high window cleaning, strip and seal, or pest control. Generally, this should only include services that occur on an occasional basis.

This worksheet can be completed by either or both the property manager and contractor.

Summary

The *Summary* worksheet provides an overview of the total costs and hours allocated to this contract to determine the total cost of the contract.

Contractors are expected to include an annual increase in contract value. This is at a minimum to account for CPI increases, and annual wage reviews. CAF does not provide guidance on what the amount of the annual increase should be.

Notes

These worksheets are unlocked and can be used for any calculations done in the process of completing the pricing schedule, or for any other purpose.

Ongoing development

The CAF pricing schedule is relatively new in the cleaning industry as a labour rights assessment tool. We rely on feedback and data to continuously improve the functioning of the sheets, and our benchmarks. If you find any errors, please report them to info@cleaningaccountability.org.au