



Southland Mature Employment Charitable Trust
Trading as Southland Mature Employment Services Limited

21 August 2023
Invercargill City Council
Private Bag 90104
Invercargill

ATTENTION: Heather Guise, Council Land Advisor

Dear Heather

WACHNER PLACE RESTROOM STAFF CONTRACT

Our contract expires on the 31st August. Therefore, we have pleasure in submitting our quotation for supervision and cleaning for the Wachner Place Restrooms from 1 September 2023 to 31 August 2024.

Our price for the period above is **\$173,282** (exclusive of GST) compared to \$163,108 for the last year. This \$10,000 increase is due to:

- Last year's price included the April 2023 minimum wage increase applying for 5 months. Applying that increase for a full 12 months (ie from September 2023 to August 2024), causes a \$6,000 increase.
- Applying the estimated April 2024 minimum wage increase of 4.8% for 5 months increases the contract price a further \$4,000.

Our quotation is also based on:

- Negotiation of increases or decreases to the contract rate, if the minimum wage differs from the estimated rate of \$23.80, being accepted as a variation.
- Opening hours will be 8am to 8pm, 364 days a year (closed Christmas Day)
- One staff member will be on duty during these hours
- Extra staff may be used at busy times at a cost of \$26.00, GST exclusive, per hour, as agreed with the Manager.

Note, we have attached for your information two cost breakdowns. One assumes no increase to the minimum wage rate, giving an increase of \$6000. The second, assumes the 4.8% increase to wages as from April 2024, giving a further \$4000 increase.

Thank you for the opportunity to submit this quotation and we look forward to your response.

Yours faithfully

Grant Meyer
(Administrator)

WACHNER PLACE

OPENING HOURS - 12 hours day x 364 days year = 4368 hours (closed Christmas Day)

	Current Contract				from 01/09/2023 to 31/8/2024 Current/Projected Pay Rate			
STAFFING COSTS								
Co-ordinator - 936 hours @	until 31/3/23	23.85	\$	13,022.10	7 mths	until 31/3/24	25.40	\$ 13,868.40 7 mths
Staff - 3432 hours @		21.20	\$	42,442.40	7 mths		22.70	\$ 45,445.40 7 mths
Total Hours - 4368								
	from 1/4/23	25.40	\$	9,906.12	5 mths	from 1/4/24	25.40	\$ 9,906.00 5 mths
		22.68	\$	32,438.84	5 Mths	(if no increase)	22.70	\$ 32,461.00 5 mths
			\$	97,809.45				\$ 101,680.80
Average Rate		\$	22.39				\$	23.28
Allowance for Annual Leave								
8% x 4368 x average hrly rate		\$	22.39	\$	7,824.76		\$ 23.28	\$ 8,134.46 1.04
Statutory Days								
10 days 12hr/day = 120 hrs extra paid half hourly rate		\$	11.20	\$	1,343.54	(now 11 stat days)	\$ 11.64	\$ 1,536.39 1.14
Christmas Day 12hr (unworked stat day) @				\$	268.71			\$ 279.34 1.04
Alternate Days Allowance								
10 days 12 hr/day = 120 hrs @		\$	22.39	\$	2,687.07	(now 11 stat days)	\$ 23.28	\$ 3,072.77 1.14
Sick Leave								
10 days x 6 hour shift - 60 hr/person x 6 staff = 360 hrs @		\$	22.39	\$	8,061.22		\$ 23.28	\$ 8,380.29 1.04
Allowance for Kiwisaver Employment Cont. @ 3%				\$	3,539.84		\$	3,692.52 1.04
				\$	121,534.59		\$	126,776.57 1.04
PROPOSED FIXED COSTS								
Training Health & Safety		\$		224			\$	224
ACC Levy		\$		1,118			\$	1,118
Admin		\$		7,242			\$	7,242
Overheads		\$		11,715			\$	11,715
		\$		141,833.09			\$	147,075.57 1.04
Plus Mark-up 15%		\$		21,274.96			\$	22,061.34
		\$		163,108			\$	169,137 1.04

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Total Hours - 4368								
	from 1/4/23	25.40	\$	9,906.12	5 mths	from 1/4/24	26.78	\$ 10,442.25 5 mths
		22.68	\$	32,438.84	5 Mths	(4.8% increase*)	23.80	\$ 34,034.00 5 mths
			\$	97,809.45				\$ 103,790.05
<u>New Zealand Gross Minimum Hourly Wage - 2023 Data - 2024 Forecast (tradingeconomics.com)</u>				*				
Average Rate		\$	22.39			\$	23.76	
Allowance for Annual Leave								
8% x 4368 x average hrly rate		\$	22.39	\$	7,824.76		\$ 23.76	\$ 8,303.20 1.06
Statutory Days								
10 days 12hr/day = 120 hrs extra paid half hourly rate		\$	11.20	\$	1,343.54	(now 11 stat days)	\$ 11.88	\$ 1,568.26 1.17
Christmas Day 12hr (unworked stat day) @				\$	268.71		\$	285.14 1.06
Alternate Days Allowance								
10 days 12 hr/day = 120 hrs @		\$	22.39	\$	2,687.07	(now 11 stat days)	\$ 23.76	\$ 3,136.51 1.17
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				\$	121,534.59		\$	129,406.40 1.06
PROPOSED FIXED COSTS								
Training Health & Safety		\$		224		\$		235
ACC Levy		\$		1,118		\$		1,172
Admin		\$		7,242		\$		7,590
Overheads		\$		11,715		\$		12,277
		\$		141,833.09		\$		150,679.76 1.06
Plus Mark-up 15%		\$		21,274.96		\$		22,601.96
		\$		163,108		\$		173,282 1.06