

Cleaning company overhauls workplace practices

([#twitter](#)) 3 December 2018

A Western Australian commercial cleaning company that underpaid its workforce more than \$447,000 has signed up to ongoing scrutiny of its workplace arrangements under an Enforceable Undertaking with the Fair Work Ombudsman.

Delron Cleaning Pty Ltd, which provides cleaning services at sites in Sydney, Perth and regional Western Australia, commissioned an external audit of its employees' entitlements after identifying errors in its payroll system.

The external audit, conducted by PwC, covered the period from March 2015 to March 2017 and involved 1,188 current and former employees. The audit found Delron had underpaid 1,174 cleaners a total of \$447,717, with a majority of workers being both underpaid and overpaid at various times.

The company alerted the Fair Work Ombudsman to the errors and worked cooperatively with the regulator in rectifying the breaches. All underpaid workers were back-paid prior to the signing of the Enforceable Undertaking.

Underpayments related to failures to pay correct overtime and shift work penalties, and part time and broken shift allowances, as required under the Cleaning Services Award 2010. Individual underpayments ranged from one cent to \$12,100 for a cleaner in Perth. The Fair Work Ombudsman also identified record keeping breaches by Delron pertaining to its casual and part-time employees.

Prior to signing the Enforceable Undertaking, Delron made significant workplace improvements including educating managers and staff on new payroll processes, conducting quarterly audits and integrity checks of its new payroll system and setting up an employee hotline.

The Enforceable Undertaking commits Delron to further training of its payroll and human resources staff on relevant workplace obligations. Delron is also required to complete three external audits over the next 18 months to check compliance with workplace laws, rectifying any breaches found.

The company must send letters of apology to affected workers and place a public notice acknowledging and apologising for its breaches in the Australian Financial Review.

Fair Work Ombudsman Sandra Parker said the matter highlights the importance of employers regularly checking their payroll systems to ensure they are compliant.

"While Delron have taken proactive steps to improve their workplace practices, this Undertaking contains strong measures aimed at ensuring sustained compliance across the business."

"We know that cleaners can be some of the most vulnerable workers in Australia and the sector remains an ongoing focus for the agency," Ms Parker said.

As part of the Enforceable Undertaking, Delron will make a substantial donation to the [Cleaning Accountability Framework](http://www.cleaningaccountability.org.au/) (http://www.cleaningaccountability.org.au/) to assist with promotion of workplace compliance in the sector. The Framework is an industry-led initiative which promotes the adoption of best practice throughout the cleaning supply chain to improve labour and cleaning standards in Australia.

Employers and employees can visit www.fairwork.gov.au or call the Fair Work Infoline on 13 13 94 for free advice and assistance about their rights and obligations in the workplace. A free interpreter service is available on 13 14 50.

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Download the [Delron Cleaning Pty Ltd Enforceable Undertaking \(DOCX 162.4KB\)](https://www.fairwork.gov.au/ArticleDocuments/545/delron-cleaning-pty-ltd-enforceable-undertaking.docx.aspx) (https://www.fairwork.gov.au/ArticleDocuments/545/delron-cleaning-pty-ltd-enforceable-undertaking.docx.aspx) (PDF 2MB) (https://www.fairwork.gov.au/ArticleDocuments/545/delron-cleaning-pty-ltd-enforcable-undertaking.pdf.aspx)

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