



Key Decision Report of the Corporate Director Housing and Adult Social Services

Officer Key Decision	Date: 23 May 2017	Ward(s): St Georges, Tollington, Highbury East and Mildmay
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THE APPENDICES TO THIS REPORT ARE NOT FOR PUBLICATION

SUBJECT: Contract Award for Refurbishment of Passenger Lifts at Brecknock Estate, Hilldrop Estate, Holly Park Estate, Highbury Grange Estate and Besant Court.

1. Synopsis

- 1.1 This document seeks approval for the awarding of the contract for the refurbishment of 14 passenger lifts to Griffin Elevators Limited, in accordance with the Council's Procurement Rules.
- 1.2 The contract will include the refurbishment and modernisation of three (3) passenger lifts at Brecknock Estate, six (6) at Hilldrop Estate, two (2) at Holly Park Estate, two (2) at Highbury Grange Estate, and one (1) at Besant Court.

2. Recommendations

- 2.1 To approve the contract award for the refurbishment of fourteen (14) passenger lifts, at Brecknock Estate, Hilldrop Estate, Holly Park Estate, Highbury Grange Estate and Besant Court as follows:

Lot 1
Awarded to Griffin Elevators Ltd.

Lot 2
Awarded to Griffin Elevators Ltd.

Lot 3
Awarded to Griffin Elevators Ltd.

3. Date the decision is to be taken:

23rd May 2017.

4. Background

4.1 Recommendations from bi-annual Lift Operations and Lifting Equipment Regulations (LOLER) reports identified the need to refurbish a number of lifts throughout the borough. Feasibility studies have been carried out on all of the lifts proposed for refurbishment which identified that they are all at end of life. The original manufacturer has ceased trading and parts are now difficult or in some cases impossible to obtain costs for repairs are very likely to increase and may result in long down times while components are located or manufactured.

4.2 The total advertised budget figure was £1,625,000.

The contract was divided into three lots to allow for competitive pricing and value for money for leaseholders. The contract notice stated that bidders may apply for one or more lots, and that each lot will be awarded to the contractor with the highest combined score for quality and cost. A single contractor may be awarded one or more lots. If a single contractor is awarded more than one lot, a single contract may be issued combining lots.

A single organisation achieved the highest combined score of quality and cost for each lot, with a total combined final tender price of £1,406,759.

The contract duration to undertake works is forty two (42) weeks plus 14 weeks lead-in with a further 12 months defects liability period.

4.3 There is no corporate contract for this type of works contract, and no suitable framework identified. Therefore, a competitive tender process was undertaken.

This tender was conducted in two stages, known as the Restricted Procedure as the tender was 'restricted' to a limited number of organisations. At the first stage, ten organisations who had expressed an interest in this contract submitted a pre-qualification questionnaire. Following the evaluation, six organisations met the minimum requirements and were invited to tender.

Five lift installation, repair and maintenance contractors provided tenders for all three lots, and one provided a tender for lots 2 and 3 only. One contractor failed to submit a compliant bid. The award criteria were advertised as 70% for price and 30% for quality. Quality was further broken down: 10% for proposed approach to quality management, 10% for proposed approach to workforce management, and 10% for approach to health and safety.

4.4 The commissioning team have consulted with the Home Ownership Team, LBI Lift Maintenance Section and Housing Investment Team. As landlord, the Council is obliged to consult with all leaseholders who are affected by the works. A formal "Section 20" consultation process has been undertaken during which the Council notified all leaseholders why the works are necessary and provided a formal opportunity for leasehold observations to be raised. A second consultation has also been undertaken to notify leaseholders of the Council's intention to award the contract to the contractor with highest combined score of quality and cost for each lot and to provide responses to any observations raised. This consultation will allow the Council to recover the relevant service charges associated to the work from leaseholders.

4.5 The refurbished lifts will take into account environmental factors and improvements in technology. They will be fitted with low energy lighting, LED and voice indication that requires little or no maintenance. They will also incorporate modern controls and features including floor levelling accuracy which is now a standard feature with a modern lift motor and control panel set up. An alarm that enables voice contact to the rescue service and non-contact door safety edges will be installed as standard features. Social considerations include the installation of a mirror, handrail and bright lighting to both enhance the

appearance of the car and improve the safety of residents.

The modernisation and improvements are beneficial to all users and are particularly helpful to the elderly and less mobile. The Council has the duty to ensure adequate health and safety for users of the lifts and engineers who maintain and inspect them. The refurbished lifts will comply with all the latest safety standards and relevant requirements of the European Lift Directive EN91 and encompass the relevant requirements of the Equality Act 2010.

- 4.6** The London Living Wage will be a condition of this contract. The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to sign the Council's anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.

5. Implications

5.1 Financial implications:

The approved 16/17 Capital Programme for Lifts was for £1,500, 000 for 13 lifts. The 17/18 approved capital programme includes Hyndman House on Brecknock Estate and was subsequently been added to this project as it is also now due for renewal. This would potentially increase the budget price by £125,000 for 14 lifts, except the tender prices returned are lower than the original works budget of £1,500,000 and therefore can be contained within the existing resources.

Six contractors were asked to tender and one tender received was non-compliant. The winning tender from Griffin Elevators Limited is £1,406,759. This leaves an uncommitted works resource of £93,241 against the approved budget.

5.2 Legal Implications:

The Council is responsible for undertaking the repair, maintenance and improvement of its housing properties and installations therein (Part 2 of the Housing Act 1985 and section 111 of the Local Government Act 1972). The Council has power to enter into contracts with providers of lift refurbishment services under section 1 of the Local Government (Contracts) Act 1997.

The proposed contract is a contract for works which is below the EU threshold of £4,104,394.00 for application of the Public Contracts Regulations 2015 (the Regulations). The Council's Procurement Rules require contracts over the value of £164,176.00 to be subject to competitive tender. The contract has been procured with advertisement and competitive tendering in compliance with the principles underpinning the Regulations and the council's Procurement Rules.

Bids were evaluated in accordance with the evaluation model. Griffin Elevators Ltd was found to be the highest scoring tenderer for each of Lots 1, 2 and 3. Therefore the contract may be awarded to Griffin Elevators Ltd as recommended in the report. In deciding whether to award the contract as recommended the Corporate Director for Housing and Adult Social Services should be satisfied as to the competence of the supplier to provide the services and that the tender prices represent value for money for the Council. Regard must also be had to the information set out in the attached exempt appendices.

5.3 Environmental Implications

To reduce the environmental impact of the unavoidable manufacture of lift components and delivery of items to site, many parts, where possible are re-used and not replaced to save on costs and environment.

The modernised lifts will incorporate more energy efficient component parts than those that are being

replaced. The drive motor will be smaller and more efficient and, where feasible, without gears.

The lift controller will automatically shut down during inactivity and 'wake up' on demand. Low energy LED lighting and indication will be installed throughout, which will also switch off when the lift is not in use.

By refurbishing, parts will be reused as opposed to replacement, it is beneficial in reducing the cost of the works and decreases the time period the lifts are out of service.

All waste will be disposed of in accordance with a waste hierarchy, prioritising reuse and recycling.

5.4 Resident Impact Assessment:

The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment was completed in March 2016 and the summary is included below.

The new lifts shall comply, where possible in an existing building, with the Equality Act. ie. buttons will be installed so as to be within easy reach for all users. The position of the lift will be indicated both visually and audibly. Doors will be fitted with non-contact safety reopening device. Brighter lighting will be installed.

Improved safety features, in compliance with the latest safety standards will be included, such as two way operational safety gear, efficient drive unit to fine control the lift speed and its stopping - ensuring accurate floor levelling.

6. Reasons for the decision:

- 6.1 To approve the contract award for the refurbishment of fourteen (14) passenger lifts as outlined in paragraph 1.2. All three lots will be awarded as individual contracts to the contractor who achieved the highest combined score for quality and cost in each lot.

In this case Griffin Elevators Limited achieved the highest combined score for quality and cost in each lot.

7. Record of the decision:

- 7.1 I have today decided to take the decision set out in section 2 of this report for the reasons set out above.

Signed by:

Corporate Director Housing and Adult Social
Services

Date

Appendices

- Exempt appendices 1 and 2

Background papers: None

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