

## Decision by Portfolio Holder



**Report reference: HSG-010-2017/18**

**Date of report: 16-January-2018**

**Epping Forest  
District Council**

**Portfolio: Housing**

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Housing Assets Manager**

**Democratic Services: J Leither**

**Subject: Acceptance of Tenders - Repair, Refurbishment and Maintenance of the  
Limes Farm Housing Estate Passenger Lifts.**

### Decision:

- (1) That Essex Lift Services Ltd be awarded the contract for the repair, refurbishment and maintenance of the Limes Farm Housing Estate passenger lifts for the corrected tender sum of £679,370.51;
- (2) That the overall value of the works be limited to the sum included in the Capital Programme identified for Limes Farm and Copperfield Lifts.

<b>ADVISORY NOTICE:</b> <i>A Portfolio Holder may not take a decision on a matter on which he/she has declared a Pecuniary interest. A Portfolio Holder with a non-pecuniary interest must declare that interest when exercising delegated powers.</i>	
I have read and approve/ <del>do not approve</del> (delete as appropriate) the above decision:	
Comments/further action required:	
Signed: Councillor S-A Stavrou	Date: 18 <sup>th</sup> January 2018
<i>Non-pecuniary interest declared by Portfolio Holder/ conflict of non-pecuniary interest declared by any other consulted Cabinet Member:</i>  None	<i>Dispensation granted by Standards Committee:</i> Yes/No or N/A
<b>Office use only:</b> Call-in period begins: 26 <sup>th</sup> January 2018	Expiry of Call-in period: 1 <sup>st</sup> February 2018

**After completion, one copy of this pro forma should be returned to  
Democratic Services IMMEDIATELY**

**Initialed as original copy by  
Portfolio Holder:**

**Reason for decision:**

Any tenders in excess of £250,000 but below £1m requires a Portfolio Holder decision as set out in the Council's Procurement Rules.

The lift equipment installed in blocks on the Limes Farm Housing Estate are in excess of twenty years old and the component life expectancy and obsolescence of the passenger lift equipment determines that a comprehensive scope of works for the repair and refurbishment of the passenger lifts is undertaken to ensure the passenger lifts continue to perform to an acceptable standard. A reliable passenger lift service is essential for the residents and visitors of the Limes Farm Housing Estate with accessibility issues, whether it's physical or due to other issues such as pushchairs, accompanying young children, carrying heavy shopping along with services such as furniture and white goods deliveries.

**Options considered and rejected:**

The main alternative options considered are:

- (1) Not to undertake the work, however this will inevitably lead to an unacceptable increase in the number of passenger lift breakdowns and due to obsolete equipment, increases in the time it takes to carry out the necessary repairs.
- (2) To re-tender the work on an individual passenger lift basis. However, this would be very time consuming, inefficient and is not cost effective, as the Council would lose the benefit from economies of scale.

**Background Report:**

1. The Council in January 2017 commissioned Butler and Young Lift Consultants Ltd to provide an independent specialist opinion on the suitability and current condition of the installed lift equipment within the Limes Farm Housing Estate.
2. Butler and Young Lift Consultants Ltd subsequently issued individual Condition Reports on the Passenger Lifts Installed at the Green, Yellow and Red Towers on the Limes Farm Housing Estate in February 2017. The recommendation contained in each Report was for the repair and refurbishment of 9-lifts and that a scope of works to be developed that;
  - retains some of the existing lift equipment, but replaces the remainder of the installation with vandal resistant, heavy duty generic equipment;
  - replaced equipment should be suitable for the installed environment and include long term UK product support;
  - replaced equipment should ensure compliance with current Health and Safety requirements and technical standards;
  - replaced equipment should ensure a further twenty years operation; and
  - that the refurbishment works should be undertaken with a year.
3. The Council in July 2017 appointed TÜV SÜD Ltd Dunbar Boardman (TSDB) to provide Professional Engineering Consultancy Services for the Repair and Refurbishment of the Limes Farm Estate Lift Installations.
4. TSDB produced a Specification setting out the contractual and technical requirements for a 'turn key' contractor to carry out the repair, refurbishment and maintenance of nine passenger lifts incorporating the Council's requirements for Passenger Lifts Servicing (Including: Preventative, Routine and Reactive Maintenance; Breakdown and

Entrapment attendance; Thorough Inspection and Supplementary Testing of Lifting Equipment).

5. The intent of the TSDB Specification is that the Plant and the Works shall be designed, manufactured, supplied, installed and constructed such as to be fit for the purpose of providing Passenger Lift service in compliance with current regulations, with some specific elements of the lift installations also being vandal resistance.
6. The budget for the Limes Farm and Copperfield Lift Refurbishment identified within the 2017-18 Capital Programme is £950,000.
7. The Council and TSDB have undertaken a competitive tender exercise in accordance with the Council's Procurement Rules.
8. Invitations to tender were issued on the 3<sup>rd</sup> October 2017 to 4 contractors who are suitably qualified, insured, registered on Constructionline and experienced in undertaking this type of work.
9. The tenders were returned before noon on Friday 3<sup>rd</sup> November 2017, and opened by Councillor Whitbread with the Assistant Director ICT in attendance on Wednesday 8<sup>th</sup> November 2017 in accordance with the Councils Procurement Rules. The results of the tender opening are shown in table 1 below;

Contractor;		Tender Sum £;	Position;
1.	Apex Lift & Escalator Engineers Ltd;	Declined	N/A
2.	Axis Elevators Ltd;	837,399.00	3rd
3.	Essex Lift Services Ltd;	676,381.51	1st
4.	Stannah Lift Services Ltd;	710,568.04	2nd

Table 1.

10. A full Tender Evaluation Report was undertaken by TSDB on the 3-submitted tenders and the Report was issued to the Council on the 22<sup>nd</sup> November 2017. The Tender Evaluation Report included a review and an assessment of the Contractors contractual comments, MF/1 Amendments, technical comments and proposals, programme of work and the price framework.
11. The Tender Evaluation Report also included a full arithmetical check of the tenderers' submitted rates identifying any omissions and any pricing inconsistencies. Table 2 below shows the corrected tender sums submitted by the contractors and while all of the contractors submitted tenders contained minor arithmetical errors, when these are corrected, their overall positions did not alter.

Contractor;		Corrected Tender Sum £;	Position;
1.	Apex Lift & Escalator Engineers Ltd;	Declined	N/A
2.	Axis Elevators Ltd;	833,833.00	3rd
3.	Essex Lift Services Ltd;	679,370.51	1st
4.	Stannah Lift Services Ltd;	701,556.03	2nd

Table 2.

12. The Tender Evaluation Report concluded that, the most competitive tender that fully meets the Council's specification and contractual requirements was submitted by Essex Lift Services Ltd.
13. Essex Lift Services Ltd is the incumbent maintenance provider for the Limes Farm Estate passenger lifts and has a good track record working with the Council, providing both a quality service and value for money on a consistent basis.
14. It is therefore recommended that Essex Lift Services Ltd, be awarded the contract for the repair, refurbishment and maintenance of the Limes Farm Housing Estate passenger lifts for the corrected tender sum of £679,370.51.
15. A review of Essex Lift Services Ltd membership currently on Constructionline registration no: 85542 has been undertaken and a further review will be undertaken prior to the contract commencement.
16. The Council's Procurement Rules C14 (1) permits alterations to tenders where the relevant Spending Control Officer is satisfied that it is appropriate to accept the correction of Arithmetical Errors, if the Spending Control Officer is satisfied that such errors were made inadvertently.

**Resource Implications:**

£950,000 is currently allocated within the existing Capital Programme for Limes Farm and Copperfield Lifts for 2017/18.

**Legal and Governance Implications:**

The financial expenditure is below that requiring an OJEU Procurement Exercise. Therefore, this tender complies with the requirements as set out in the Council's Procurement Rules. This tender also satisfies Section 20 of the Commonhold and Leasehold Act 2002.

**Safer, Cleaner and Greener Implications:**

This programme helps to maintain the Limes Farm Housing Estate passenger lifts and increase the passenger lifts standards of Health and Safety.

**Consultation Undertaken:**

Leaseholders have been consulted in line with the Notice of Intention Under Regulation 5 (1) of Schedule 1 of The Service Charges (Consultation Requirements) (England) Regulations 2003 Notice of intention to enter into a long-term agreement. Also, pre-tender consultation (Section 20 notice no.1) was also undertaken with leaseholders in the blocks of flats.

**Background Papers:**

Tender Evaluation Report for the Repair, Refurbishment and Maintenance of the Limes Farm Housing Estate Passenger Lifts.

Butler and Young Lift Consultants Ltd Condition Reports on the Passenger Lifts Installed at the Green, Yellow and Red Towers on the Limes Farm Housing Estate.

**Risk Management:**

A risk assessment has been undertaken which includes performance, quality, and health and

safety risks. A credit check has also been undertaken on Essex Lift Services Ltd.

A credit check has been carried out on Essex Lift Services Ltd and although there has been a significant downturn in their accounts they are not seen as an immediate risk. They still have a good liquidity ratio and the equity gearing isn't too bad either.

**Key Decision Reference (Y/N): N**

### **Equality Analysis**

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality information is provided at Appendix 1 to the report.