



Committee Name: Cabinet

Committee Date: 08/09/2021

Report Title:

The award of a contract for housing and non-housing lift servicing and maintenance

Portfolio:	Councillor Gail Harris - Portfolio holder for social housing and Councillor Paul Kendrick – Portfolio holder for resources
Report from:	Executive director of community services
Wards:	All Wards
OPEN PUBLIC ITEM	

Purpose

The purpose is to delegate the Executive Director of Community Services the authority to award a contract for housing and non-housing lift servicing and maintenance

Recommendation:

To enter into a contract for the provision of housing and non-housing lift maintenance services

To delegate authority to the Executive Director of Community Services, in consultation with the Portfolio Holders for social housing and resources, to award the contract for housing and non-housing lift servicing and maintenance to the most economically advantageous bidder

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets the great neighbourhoods, housing and environment corporate priority.

This report addresses the good quality housing strategic action in the Corporate Plan.

This report helps to meet People living well adopted policy of the Council

This report helps to meet the housing, regeneration, and development objective of the COVID-19 Recovery Plan

Report Details

Identification of need and background

1. The council has lift assets across 19 residential housing sites including six sheltered housing sites and at seven non-housing sites. These lifts require scheduled maintenance and servicing visits to ensure they are fit for continued operation.
2. The Council is currently in a contract with Otis Limited to undertake lift maintenance and servicing. In accordance with Contract Standing Orders, the contract with Otis was subject to a short extension to 31 October 2021, to ensure there is continuity of service whilst the future service needs were evaluated and the procurement exercise undertaken.
3. A Leaseholder consultation is currently in process for these services and would be complete prior to the commencement of a new contract.

Procurement process and timeline

4. The procurement exercise is being undertaken in accordance with Norwich City Council Procurement Procedures.
5. Following commencement of the procurement process, internal due diligence identified that the contract constituted a services contract, but the process to that point had been undertaken based on the contract being of a works nature. Although the contract had been openly advertised in accordance with our contract procedures, there are specific publicity requirements placed by the Public Procurement Regulations 2015 which means it is necessary to abort the current procurement process and re-advertise the opportunity to potential suppliers.
6. This has extended the timeframes for undertaking the procurement exercise, which was initially expected to conclude in November. It is now anticipated that the new contract will commence in January at the earliest and the current contract subject to a further short extension to cover the timeframe for the procurement exercise.

7. In accordance with both the Public Procurement Regulations and our Contract Procedure Rules, once the advertisement period has finished, suppliers will be evaluated on seven quality questions regarding technical ability, engineer availability, contract monitoring, supply chain, call-outs response times, memberships/accreditations, and employee qualifications.
8. Suppliers are asked to provide a Pricing Schedule for four work streams for housing properties routine lift servicing and maintenance, non-housing properties routine lift servicing and maintenance, the major foreseeable ancillary items and dayworks rates (to cover any unforeseen emergencies).
9. The supplier with the highest total score will then be determined and the most economically advantageous bid selected.
10. In order to avoid further delay to the contracting process, it is requested for cabinet to agree to enter a contract, but to delegate the awarding of the contract to the Executive Director of Community Services

Consultation

11. The Portfolio holder for social housing and the Portfolio holder for resources have been briefed on this proposal. In addition, the process of designing and programming in the housing and non-housing lift servicing and maintenance works and contract specification has involved detailed discussion with council heads of service, housing officers, procurement, finance, and electrical engineers within the Major Works section within NPS Norwich Ltd (NPSN).
12. This contract award is subject to Leaseholder Consultation.

Implications

Financial and Resources

13. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2019-22 and Budget.
14. The 2021/22 HRA budget for lift maintenance and servicing contracts is set at £45,000 with an additional £150,000 for capital upgrade works. Lift maintenance and servicing works to non-housing properties are funded from a general fund repairs & maintenance budget set at £289,316.

Legal

15. The contract will be subject to a JCT Measured Term Contract (MTC) 2016. together with the council's standard terms and conditions.

16. The procurement is being undertaken in accordance with Public Contract Regulations 2015.

17. nplaw will assist at the pre-tender stage, with reviewing the contractual documentation (including the JCT, Invitation to Tender, and specification), to identify and specific risks that require mitigation or amendments to the drafting.

Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	The proper servicing and operation of passenger lifts has a significant effect on those who for diverse reasons cannot use stairs. It allows them access to work and home and enables them to live uninterrupted, independent lives with regards to access.
Health, Social and Economic Impact	The proper servicing of passenger lifts is essential to tenants/users/visitors gaining access to dwellings and places of work. The implications of not being able to go to work, get home without assistance etc. are incalculable.
Crime and Disorder	Neutral
Children and Adults Safeguarding	The supplier and all associated sub-contractors must adhere to the councils Safeguarding Policy statement.
Environmental Impact	Neutral

Risk Management

Risk	Consequence	Controls Required
Operational	Breakdowns/entrapment within the lift car. Delivery of works by the contractor	A Senior electrical engineer at NPSN will act as the contract administrator for the contract. This will involve regular update meetings, site visits and monitoring etc.
Financial	Additional costs for responsive repairs	As above, cost control and expenditure will be carefully managed by NPSN.

Compliance	Non-compliance of installed systems.	The lift servicing and maintenance will comply with current standards. Installation, inspections, and commissioning will be carried out by NPSN.
Security	Risk to residents during the servicing and maintenance works	The supplier and all associated sub-contractors must adhere to the councils Safeguarding Policy statement. Contractors and NPSN will work closely with council housing officers and the office facilities team to ensure that clear communication takes place with lift users to provide assurance that security will be maintained at all times.
Legal	Non-compliance with legislation could result in a sub-standard installation.	NPLaw will be consulted regarding the proposed programme and asked to provide an advice regarding the works and compliance with current regulations and standards.
Political or Reputational	The implementation of sub-standard, poorly maintained, or serviced Lifts will have a negative impact on tenants/users and would be detrimental politically and reputationally to the council	As detailed above a Senior electrical engineer at NPSN will act as the contract administrator for this scheme. This will involve regular update meetings, site visits and monitoring etc.

Other Options Considered

17. **Do nothing:** If the work is not carried out, all lifts in council housing and non-housing properties will not be able to be serviced, repaired, or maintained. This would cause disruption and health and safety risks to council tenants, council employees and subsequent complaints and possible negative press attention. This was not recommended.
18. **In house provision:** Norwich City Council does not have any existing in-house resources or skills to carry out these works. This was not recommended.
19. **Joint venture provision:** the service cannot be provided by any of the council's current joint ventures or partnerships at this current time.
20. **Identify a single supplier to award the contract to without competition:** This route would be contrary to Contract Procedures and the Public Procurement Regulations 2015
21. **Utilise an existing framework:** Frameworks provided by Crown Commercial Services (CCS) Eastern Shires (ESPO) Eastern Procurement Ltd (EPL) were explored. EPL do have a recent lift compliance framework, but it is not appropriate for this contract as the requirements of the services are too specific. This was not recommended.
22. **Establish competitively tendered contract with one supplier:** Run a competitive procurement exercise looking for a single supplier to meet the council's requirements which was the recommended option. Following this route has ensured the opportunity was made available to the competitive market, promoting value for money, yet reaching SMEs and local suppliers and is likely to achieve a better value for money outcome. Timescales allowed for the requirement to be fulfilled by this method.

Reasons for the decision/recommendation

23. It is recommended to ensure further delay to the procurement process is avoided, authority to enter into the contract is delegated to the relevant Executive Director in consultation with the Portfolio Holders for social housing and resources.

Background papers: None

Appendices: None

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