

## **Report to the Cabinet**

**Report reference:** C-037-2010/11  
**Date of meeting:** 25 October 2010



**Epping Forest  
District Council**

**Portfolio:** Performance Management  
Housing

**Subject:** Maintenance & Statutory Testing of Electric and Hydraulic Lifts

**Responsible Officer:** Mike Bateman (01992 564056).

**Democratic Services Officer:** Gary Woodhall (01992 564470).

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### **Recommendations/Decisions Required:**

(1) That a contract be awarded to Amalgamated Lifts Ltd in the sum of £27,022 plus VAT per year, for the first year being the second lowest tender received for the Preventative, Routine and Reactive (breakdown) Maintenance including Statutory Testing and Certification of 24 Lifts at various locations within the Epping Forest District; and

(2) That the contract period be set from appointment (anticipated 15 November 2010) for a three year period until 14 November 2013 and that the annual rate in recommendation (1) above, be applied giving a contract value of £81,066, comprising two years fixed price and the final year subject to inflation by the application of the appropriate inflation index.

### **Executive Summary:**

Following a competitive tendering exercise using six lift engineering contractors selected from Constructionline, tender offers were received within the range: £22,520 to £48,392 for a single year period. After a detailed analysis, the lowest offer received from Accord Lift Services Ltd in the value of £22,520 has been rejected for a number of reasons identified during the evaluation process.

The second lowest tender received from Amalgamated Lifts Ltd with a value of £27,022 per year, that meets all of the specification requirements is recommended for acceptance.

The project cost is split between Corporate Support and Housing Directorates and is funded from within existing budgets. (HRA for Housing Directorate, Revenue (routine maintenance) for Corporate Support).

As the project involves both the Performance Management and Housing Portfolios, this matter must be reported to the Cabinet.

### **Reasons for Proposed Decision:**

Having reviewed the servicing and maintenance of all Lifts it was established that there was a potential for savings to be made by collectively incorporating all lifts into one contract.

All Lifts require regular servicing, testing and certification to meet the requirements of the Health and Safety Executive to ensure all lifts are safe for the users.

Additionally, there are critical tests required in order to comply with the requirements of the Council's Insurers.

In addition to providing good routine maintenance and covering breakdown calls, this contract ensures full compliance with all statutory criteria and meets the Council's obligations under the relevant risk and safety criteria.

### **Other Options for Action:**

To do nothing and not comply with Health and Safety Legislation, the Council's Insurer's requirements and British Standards.

### **Report:**

1. In accordance with Contract Standing Orders, enquiries of the Essex Procurement Hub established that there was no framework agreement available for Lift Maintenance and Certification; hence Contractors were selected from Constructionline to form an ad-hock list for competitive tendering. Six Contractors were selected, after establishing that they could meet exacting criteria of the specification in terms of response times, technical ability, etc.

2. Tenders have been received from the selected contractors as set out below:

- Accord Lift Services Ltd £22,520 plus VAT;
- Amalgamated Lifts Ltd £27,022 plus VAT;
- Britannic Lift Company Ltd £39,608 plus VAT;
- Essex Lift Services Ltd £34,198 plus VAT;
- Industrial Lift Services Ltd £48,392 plus VAT; and
- Jackson Lift Services Ltd £28,628 plus VAT.

### Tender Analysis and Evaluation

3. In relation to the lowest offer from Accord Lift Services Ltd, in the value of £22,520 plus VAT, an evaluation had identified a number of issues with the bid, which precluded its acceptance by Officers. Using evaluative weighted criteria, as recommended by the Council's Procurement Officer and detailed in the tender, had resulted in this contractor being in second place overall, primarily because the tender documents were not completed correctly. Consequently, Officers could not recommend acceptance of this tender.

4. Taking the second lowest offer received from Amalgamated Lifts Ltd, in the value of £27,022.00 plus VAT, although an arithmetic error had been identified and corrected, the same evaluative weighted criteria outlined in the tender documents, had put this bid in first place overall. On this basis, it was recommended that the offer be accepted.

5. For the remaining offers the application of the evaluative weighted criteria outlined in the tender documents placed the companies in the following overall positions:

- Jackson Lift Services Ltd 3rd;
- Essex Lift Services Ltd 4th;
- Britannic Lift Company Ltd 5<sup>th</sup>; and
- Industrial Lift Services Ltd 6<sup>th</sup>.

6. Further cost analysis of these tenders was not been undertaken.

7. Taking the recommended arithmetically corrected tender of Amalgamated Lift Services Ltd in the sum of £27,022 for a one year period, this can be met from existing budgets.

8. The funding split between Portfolios and hence Directorates per year has been calculated as set out below:

	Maintenance	SAFED 1	Contingency	Total
Corporate Support:	£3610.00	£1740.00	£2202.00	£7552.00
Housing	£9450.00	£5220.00	£4800.00	£19470.00
	£13060.00	£6960	£7002.00	£27022.00

### **Resource Implications:**

Corporate Support Revenue cost: £7,552 per annum (three year term).  
Housing (HRA) Account cost: £19,470 per annum (three year term).

An analysis of this tender relative to the existing maintenance arrangements suggests that an anticipated annual saving will be made in the order of £6,500. This is as a direct result of a detailed and specific set of requirements and the economy of scale saving due to volume of standardised works.

### **Legal and Governance Implications:**

Maintenance of Assets as set out in the Asset Management Plan 2007-2012.  
Compliance with Health and Safety Legislation and LOLER (Lifting Operations and Lifting Equipment Regulations).  
Compliance with Insurers requirements for lift inspections.

### **Safer, Cleaner and Greener Implications:**

Regular maintenance and lubrication will ensure that the lifts run efficiently and use minimum power requirements necessary for the vertical drive.

### **Consultation Undertaken:**

None.

### **Background Papers:**

Technical Specification: CFM06/EFDC/liftmaintain/(s)/r0.  
Form of Tender: CFM06/efdc/LiftMaintain/fot/r0.

### **Impact Assessments:**

#### Risk Management

This maintenance program will help maintain the value of the property assets, and minimise mechanical failure through a robust regime of preventative maintenance.

Equality and Diversity:

*Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications?* No

*Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken?* No

*What equality implications were identified through the Equality Impact Assessment process?*  
N/A.

*How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?*  
N/A.