


REPORT TO CABINET

22 January 2020

Subject:	Lift Maintenance Services
Presenting Cabinet Member:	Councillor Joanne Hadley - Cabinet Member for Homes
Director:	Alan Caddick – Housing and Communities
Contribution towards Vision 2030:	
Key Decision:	Yes
Cabinet Member Approval and Date:	Cabinet Member for Homes
Director Approval:	Director – Housing and Communities
Reason for Urgency:	Urgency provisions do not apply
Exempt Information Ref:	Exemption provisions do not apply
Ward Councillor (s) Consulted (if applicable):	This is a boroughwide initiative
Scrutiny Consultation Considered?	Scrutiny has not been consulted
Contact Officer(s):	Andy Jukes Procurement Business Partner 0121 569 3635

DECISION RECOMMENDATIONS

That Cabinet:

1. Authorise the Director – Housing and Communities in consultation with the Executive Director – Resources, to authorise the award of the contract for Lift Maintenance Services following the conclusion of the current procurement exercise.

1 PURPOSE OF THE REPORT

- 1.1 This report seeks approval to authorise the Director – Housing and Communities and the Executive Director – Resources to award the contract for Lift Maintenance Services upon completion of the current procurement exercise.

2 IMPLICATION FOR VISION 2030

- 2.1 Ambition 7. The renewal of this contract will enable the Council to maintain delivery of good quality residential housing and quality of life to residents with mobility and disability issues.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 The Council recently undertook a procurement exercise for the provision of Lift Maintenance Services for the period 1 October 2019 to 30 September 2023.
- 3.2 The anticipated value of the contract is £3.18 million (£795,000 per annum) for a period of four years.
- 3.3 This tender was divided into the following lots:
- Lot 1 – High Rise - £500,000 pa
 - Lot 2 – Public Buildings and Schools - £65,000 pa
 - Lot 3 – Residential - £230,000 pa
- 3.4 Following a previous procurement exercise, approval from Cabinet was obtained on 28 August 2019 to award the contract to two contractors; Deltron Lifts Ltd and Dolphin Lifts Midlands Ltd. Subsequently a challenge to the proposed contract award was received from the incumbent contractor during the mandatory standstill period.
- 3.5 Following a full review of the challenge, it was decided that the most suitable course of action was to re-run the procurement exercise rather than engage in protracted legal action.

4 THE CURRENT POSITION

- 4.1 In order to maintain service provision during the re-tendering period, interim contracts have been put in place until 31 March 2020. The value of these agreements is below EU tender threshold in order to ensure compliance with the Public Contracts Regulations 2015. A revised procurement exercise has commenced and is scheduled for new contract to commence on 1 April 2020.
- 4.2 Tender documentation has been revised to address issues raised in the recent challenge. The tender has been re-advertised in accordance with Public Contracts Regulations 2015. Closing date for receipt of tenders is 7 January 2020.
- 4.3 Due to the relatively short timeline now available to conduct this tender exercise, it is necessary to request delegated Director authority to award this contract upon completion of tender evaluation at the end of January 2020. This will ensure that mandatory standstill requirements are observed and sufficient time is available to comply with any potential TUPE requirements. Furthermore, it will allow for an appropriate mobilisation period to be implemented.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 Consultation has been undertaken with stakeholders from all three service areas participating in this contract and they are in agreement with this course of action.

6 ALTERNATIVE OPTIONS

- 6.1 As the previous long-term agreements have now expired and were due for retender, alternative options have already been explored. The most economically advantageous solution is still to conduct a tender process in compliance with the Public Contracts Regulations 2015.

7 STRATEGIC RESOURCE IMPLICATIONS

7.1 The proposed contract value of £3.18 million (£795,000 per annum) for the provision of Lift Maintenance Services is included within the following:

High Rise – approved Housing Revenue Account budgets

Public Buildings
and Schools – the Council's annual building maintenance budget

Residential – the Better Care Fund and the Housing Revenue Account.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

8.1 Following approval, all contracts will be awarded in accordance with the council's Procurement and Contract Procedure Rules and the Public Contracts Regulations 2015.

9 EQUALITY IMPACT ASSESSMENT.

9.1 An Equality Impact Assessment was not undertaken as this is a renewal of an existing contractual arrangement. The contract will be monitored to ensure compliance.

10 DATA PROTECTION IMPACT ASSESSMENT

10.1 The sharing of any relevant data for the delivery of this contract will be in compliance with the General Data Protection Regulations.

11 CRIME AND DISORDER AND RISK ASSESSMENT

11.1 There are no crime and disorder issues relating to the consideration of this report.

12 SUSTAINABILITY OF PROPOSALS

12.1 There are no changes to the proposals in the report previously approved on 28 August 2019.

12.2 Residential properties will be managed and maintained by the council and all the associated costs will be met from within the Housing Revenue Account and Better Care Fund.

12.3 The income generated from the rent will also go back into the Housing Revenue Account.

12.4 Public buildings will be maintained through the Council's existing annual building maintenance budget.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

13.1 Social Value commitments have been built in to the tender evaluation criteria to ensure the successful contractor(s) complies with nationally recognised standards and contributes to the Council's Vision 2030 ambitions.

13.2 The outputs will be monitored throughout the delivery of the contract to ensure that the commitments made are honoured.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

14.1 The award of this contract will enable Sandwell Council to fulfil its duties to both residents and personnel by providing a complete 365 days, 24 hours emergency breakdown service. This will include weekends and bank holidays to all of its lifts and lift equipment. It will additionally provide for the regular maintenance of the same to ensure compliance with all regulatory health and safety requirements.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

15.1 The previous long-term contract agreements have now expired and the service is being provided through interim agreements which are in place until 31 March 2020.

15.2 A revised procurement exercise is currently being undertaken within the constraints of a greatly reduced timeline due to unexpected complications outlined in Section 3 of this report.

15.3 In order to complete the procurement exercise and award the new contract in time for an April 2020 commencement, delegated authority is sought to enable the Director of Housing and Communities and Executive Director – Resources to approve the successful contractor recommendation submitted by Procurement Services.

16 **BACKGROUND PAPERS**

16.1 None

17 **APPENDICES:**

None

Alan Caddick
Director Housing and Communities