



Agenda item:

[No.]

Procurement Committee **On 27th October 2009**

Report Title: 1-24 & 25-67 Remington Road and 1-60 Eckington House – Lift Replacement Scheme	
Report authorised by Niall Bolger, Director of Urban Environment <i>N Bolger 01/10/09</i>	
Contact Officer : Elena Wilmot - Project Manager, Contact Tel: 020 8489 1018, email: Elena.wilmot@homesforharingey.org	
Wards(s) affected: Seven Sisters	Report for: Non-Key Decision
<p>1. Purpose of the report (That is, the decision required)</p> <p>1.1 To seek member's agreement to award the contract for Lift Replacement works at 1-24 & 25-67 Remington Road and 1-60 Eckington House</p>	
<p>2. Introduction by Cabinet Member</p> <p>2.1 I thank residents in advance for their cooperation whilst these works are in progress and would advise residents to contact their Tenancy Management Officer should they anticipate that these works will cause any problems for themselves.</p>	
<p>3. State link(s) with Council Plan Priorities and actions and /or other Strategies:</p> <p>3.1 Sustainable comment The replacement of the lifts will improve the reliability and make the operation of the lifts more efficient for residents and visitors to these blocks.</p> <p>3.2 Environmental Improvement The lift replacement programme forms part of the overall asset management</p>	

strategy and the 5 year capital programme that delivers the strategy. The 5 year capital programme report has been agreed with Homes for Haringey board members and Haringey council officers.

3.3 Conservation Area
Not applicable

4. Recommendations

- 4.1 That Members agree to award the contract for the above project, as allowed under Contract Standing Order (CSO) 11.01(a).
- 4.2 That the total estimated cost excluding fees as detailed in Para 2.1 of Appendix A be noted.

5. Reason for recommendation(s)

- 5.1 Homes for Haringey invited tenders from the approved list of specialist contractors in accordance with the Council's procurement procedures. It is intended that the contract is awarded to the lowest price tender.

6. Other options considered

- 6.1 Not applicable

7.0 Summary

- 7.1 The works set out in this report forms part of the overall delivery of the Housing Capital Programme for 2009/10.

7.2 Background

- 7.2.1 The lift systems at these sites are extremely old and spare parts are largely no longer available. The lift modernisation works will improve the reliability and make the operation of the lifts more efficient.

7.3 Contract Details

- 7.3.1 Total estimated construction cost (excluding fees) refer to **para 2.1 Appendix A**
- | | |
|------------------------------------|-------------------------------|
| Anticipated contract start on site | 11 th May 2010 |
| Anticipated contract completion | 25 th October 2010 |
| Contract duration | 44 weeks |

7.4 Properties Within Project

- 7.4.1 There are 127 dwellings in this project that will benefit form the works described in this report and they are listed below:

Block/Street	Property numbers	No. of floor levels
Remington Road	1-24	4
Remington Road	25-67	5
Eckington House	1-60	9

7.5 Schedule of Works

7.5.1 The scope of improvement works within this project includes the replacement of the lift cars, doors and steel architraves to each landing. The lift motor room equipment will be replaced along with the associated wiring. Each lift shaft will be painted, rewired and will include new shaft lighting

7.5.2 The works will be carried out in two phases with the replacement of one lift at Eckington House and both lifts at Remington House. The two lifts at Remington Road will be carried out simultaneously as the blocks are separate, each lift serving one side of the building only. The second phase will address the remaining lift at Eckington House.

7.5.3 The lifts at Eckington House serve either odd or even floors and residents may need to climb/descend one flight of stairs during the replacement of the lifts.

7.5.4 Residents have been asked to consult their Tenancy Management Officer if they feel that they will be unable to cope during the replacement of the lifts.

7.5.5 Life Cycle Costings summary
Not applicable

7.5.6 Digital Satellite Provision
Not applicable

7.5.7 Sustainability Implications

7.5.8 The modernisation of the lifts is pre-emptive as some of the equipment is redundant. The replacement of the lifts will reduce the likelihood of the lifts being totally inoperable in the event of a breakdown which may require the replacement of parts that are redundant. The new lifts will be more reliable and efficient which will bring enormous improvements to residents, especially the elderly, disabled and parents with young children.

7.5.9 The scheme has been carefully designed where possible to allow for minimising waste during the construction and the useful life of the products. The new lifts will fit in the existing lift shafts thus minimising reconstruction. The new lifts will have simple and standard replacement parts to reduce the repair time when maintaining the equipment.

7.5.10 All of the new equipment is designed to be more efficient and usually smaller. The reduced size contributes to less energy use, less lubrication, less noise, reduced maintenance of components and repairs.

7.5.11 All replacement equipment is broken into constituent parts for recycling and disposed of through specialist organisations, this includes all of the metallic components such as stainless steel cars, entrances, steel ropes, bronze tracks and lift motors.

7.6 **Conservation Areas**

7.6.1 For the purposes of this project, the properties are not located in a conservation area.

7.7 **Planning**

Not applicable

8. Chief Financial Officer Comments

8.1 This report proposes to award a contract for lift replacements work at Remington Road and Eckington House in accordance with the Council's Contract Standing Orders. The lift replacement programme forms part of the overall asset management strategy and the 5 year capital programme that delivers the strategy.

8.2 Provision for expenditure in 2009/10 is included within the capital programme for 2009/10. Expenditure to be incurred in 2010/11 will be taken into account in finalising the detailed capital programme for that year within available resources.

9. Head of Legal Services Comments

9.1 This report is seeking Procurement Committee approval to award a contract for lift replacement on two buildings listed in paragraph 1 of this report.

9.2 The value of this contract is below the works threshold required to tender in the EU. The Public Contracts Regulations 2006 will therefore not apply to this contract and it is the Council's CSO's that will apply.

9.3 The report states that tenders were obtained from various contractors on the Council's approved list.

9.4 The value of this contract requires the Procurement Committee to approve the Contract in accordance with CSO 4.03.

9.4 The Head of the Legal Services is satisfied that leaseholder consultation has been carried in accordance with the requirements of the Service Charge (Consultation Requirements) (England) Regulations 2003. It should be noted that the second

period of leaseholder consultation (see paragraph 12.11 below) had not been completed by the date of these comments (12 September 2009). Nevertheless, the Council will have complied with its obligations under the Regulations provided it does not award a contract for the works, or instruct a contractor to begin works on site, before the end of the 30 day leaseholder consultation period allowed under the second notice to i.e. before 24 September 2009.

9.5 The Head of Legal Services confirms that provided there are no leaseholder consultation issues arising under paragraph 12.11 of this report, then there are no legal issues preventing Members from approving the recommendations.

10. Head of Procurement Comments

10.1 The contractors invited to tender have been selected from the pre-qualified list of lift contractors.

10.2 The selected contractor is based on lowest price.

10.3 The lift contractors will be recycling a number of component parts.

10.4 The Head of Procurement acknowledges the recommendation to award in paragraph 4 and Appendix A.

11. Equalities and Community Cohesion Comments

11.1 The proposed works will benefit all residents living in these dwellings and visitors to the blocks. It will allow easy access to the upper floors of the block, particularly to those with push chairs and residents who are elderly or with poor mobility.

12. Consultation

12.1 Internal

Homes for Haringey have carried out detailed consultation on this project by detailed newsletters to council officers and Ward Members.

12.2 External

Homes for Haringey have carried out details consultation on this project by detailed newsletters to residents.

12.3 Upon appointment of the contractor, a meeting will be arranged for the residents to meet the contractor and HfH Project Team so that any concerns can be addressed.

12.4 Leaseholder Implications

12.5 There are 33 leasehold properties within this project and these are as follows:-

Eckington House: 1, 12, 14, 16, 18, 24, 26, 28, 48
Remington Road: 5, 8, 9, 11, 12, 14, 17, 21, 24, 27, 31, 33, 34, 35, 37, 39, 40
43, 44, 47, 52, 56, 60, 62

- 12.6 As a result of applications made under the Right to Buy legislation, there are 33 leaseholders as well as council tenants, living in the properties affected by the works described in this report.
- 12.7 Under the terms of their lease the lessee is required to make a contribution towards the cost of maintaining in good condition the main structure, the common parts and common services of the building. Such contributions are recovered by the freeholder through the lessees service charge account.
- 12.8 In accordance with the Landlord and Tenant Act 1985, the Council as freeholder, has obtained competitive prices and subject to the Procurement Committee's agreement the council will award this contract to the lowest tender.
- 12.11 The Housing Service issued the following Section 20 Notices to the leaseholders:
- Notice of intention issued on 17/09/09 and expired on 17/10/09.
 - A second Section 20 Notice (Notice of Estimates) was issued on 26/08/09 and expires on 24/09/08.

The notice gave a description of the proposed works and provided details of two estimates for the costs of the works. The Council is obliged to have regard to any observations from leaseholders on either the first or second notice.

- 12.12 The total amount estimated to be recovered from 33 leaseholders is £105,968
- 12.13 Leaseholders within the 5 year Section 125 period total estimated recoverable charges would be £25,643 which equates to an average of £4,274 per leaseholder.
- 12.14 Leaseholders outside of the 5 year Section 125 period total estimated recoverable charges are £80,325 which equates to an average of £2,975 per leaseholder.
- 12.15 The charges to all 33 leaseholders are limited to the estimates contained in their Offer Notices. Invoices for these works are included within the annual Certificate of Actual Services Charge, which is sent to every leaseholder after the end of the financial year. Each invoice will be calculated on the basis of the stage payments and other costs incurred in respect of the contract during the year. The invoice will be payable interest free over a period of up to one year. For longer periods interest is chargeable, currently at 7.46%.

13. Service Financial Comments

- 13.1 The project is estimates to cost as detailed in Appendix A and will be funded from the Housing Capital Lifts Improvements Budget.

14. Use of appendices /Tables and photographs

14.1 Appendix A – separate attachment

15. Local Government (Access to Information) Act 1985

15.1 The background papers relating to this project are:

- Tender analysis report dated 6th August 2009

These can be obtained from Elena Wilmot – Project Manager on 0208 489 1018.

15.2 This report contains exempt and non exempt information.

Exempt information is contained in Appendix A of this report and is NOT FOR PUBLICATION. The exempt information is under the following category (identified in the amended Schedule 12A of the Local Government Act 1972):

Information relating to the financial or business affairs of any particular person (including the authority holding that information).