

Report for: Cabinet - 21 January 2025

Item number: 13

Title: Award of Contract for Planned Investment Programme (Lifts)

Report authorised by: Jonathan Kirby, Interim Director of Placemaking and Housing

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Ward(s) affected: Bounds Green & Northumberland Park

**Report for Key/
Non Key Decision:** Key Decision

- 1 Describe the issue under consideration
 - 1.1 The Council is currently working on modernising a total of 4 lifts in 1-40 Bounds Green Court, N11 and 1-24 Woodmead, N17. The lifts which are due to be replaced as part of the 2024-2025 modernisation programme have exceeded their expected life and require major refurbishment to bring them up to current standards.
 - 1.2 This report seeks authority to award a contract for Lift Modernisation Works at 1-40 Bounds Green Court, N11 and 1-24 Woodmead, N17. The modernisation works will improve the reliability and efficiency of the lifts and reduce the risk of breakdowns.
- 2 **Cabinet Member Introduction**
 - 2.1 The current lifts within this programme have reached the end of their useful life and replacement parts are becoming obsolete. The modernisation of the lifts will ensure that they comply with current lift standards and will provide our residents and visitors with a reliable and efficient service when travelling the building.
- 3 **Recommendations**
 - 3.1 It is recommended that Cabinet, pursuant to the council's Contract Standing Order 9.07.1 (d) approves the award of the Lift Modernisation Works to 1-40 Bounds Green Court, N11 and 1-24 Woodmead, N17 contract to the company identified in the exempt part of this report for the maximum sum of £544,684 for a period of 33 weeks.

- 3.2 Pursuant to Contract Standing Order 9.07.3, that Cabinet approves the issuance of a letter of intent for an amount up to 10% of the winning bid value (£544,684) totalling £54,468.
- 3.3 Further that Cabinet approves the professional fees and project management costs of £44,714 that represents 7.91839% of the contract sum.
- 3.4 For Cabinet to note the total project costs set out in the exempt part of the report.

4 Reasons for decision

- 4.1 The four lifts within this scheme were last modernised in 2004 and are at the age where major improvements are required. The project will allow works to modernise the facilities whilst also alleviating the risk of breakdowns and delays waiting for replacement parts.
- 4.2 The recommendation is based on a robust evaluation process following a competitive procurement process conducted on Adam Procure Dynamic Purchasing System (DPS).
- 4.3 The evaluation process was carried out in accordance with the Invitation to Tender requirements and was based on 60% price and 40% quality. The outcome of the evaluation was as follows:

Contractor	Price 60%	Quality 40%	Total %	Rank
A	60%	32%	92%	1
B	56%	32%	88%	2

Further details of the tender and evaluation process are outlined in Appendix A, the exempt part of this report.

- 4.4 The recommended contractor A's submitted tender was comprehensive and included well-chosen comparable examples, a good understanding of the contract's risks and challenges and a good understanding how to add social value for residents.

5 Alternative options considered

- 5.1 An alternative option would be the use of the London Construction Programme Major Works framework. However, Haringey Council's Strategic Procurement advised that the DPS Framework would offer greater competition and would be the optimum route to market. This considered aspects such as the speed of access to pre-approved contractors and focus on companies that concentrate their resources in the local area.

5.2 The option of not undertaking this work was also considered. However, if the works were delayed it would result in lift breakdowns waiting for replacement parts which are largely no longer available, increased repair costs and resident dissatisfaction.

6 Background information

6.1 The life expectancy of lifts in social rented housing blocks is 15-25 years, depending on their usage and location. The lifts that are due to be replaced as part of the 2024-2025 modernisation programme have exceeded their expected life and it is now becoming increasingly difficult to obtain replacement parts. The modernisation works will improve the reliability and efficiency of the lifts and reduce the risk of breakdowns.

6.2 Haringey Council commissioned consultants Frankham Consultancy Group Ltd as the specialist multidisciplinary construction related consultant to manage these works. The scheme under consideration will be designed, costed and project managed by Frankham in partnership with Haringey Council. Works included within this scope include aspects such as pre-surveys, validation inspections and monitoring of works, progress and programme.

6.3 The scope of works will include the refurbishment of the lift car doors, replacement of lift controllers, floor indicators, refurbishment of the lift cars to meet current standards, replacement of lift motors and motor room equipment, upgrading of the lift shafts including associated wiring , lighting. The work will also include works to lift access ladders, access platforms and painting within the lift shafts and motor rooms.

6.4 The scheme will be funded from the Major Works Capital Programme budget.

6.5 The project details are as follows:-

Number of dwellings in the project	1-40 Bounds Green Court N11 (3 lifts) 1-24 Woodmead N17 (1 lift)
Anticipated start on site	March 2025
Anticipated practical completion	August 2025
Contractor	Details in appendix A (exempt report)

7 Consultation

7.1 Consultation with residents will take place by newsletters. A newsletter was sent to residents in August 2024. A follow up newsletter will provide an update on progress and will confirm the appointment and details of the successful contractor.

8 Leasehold Implications

- 8.1 As a result of applications made under the Right to Buy legislation, there are 22 leaseholders living in the properties affected by the works described in this report.
- 8.2 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.
- 8.3 In accordance with The Service Charges (Consultation Requirements) (England) Regulations 2003, Notice of Intention was issued on 25/05/2023 inviting observations and nomination of alternative contractors by 27/06/2023. No observations were received and no alternative contractors were nominated.
- 8.4 The Notice of Estimate was issued on 03/10/2024 inviting observations by 05/11/24. It gave a description of the proposed works and provided details of the costs of the works. One observation was received regarding payment terms and a response was duly provided by leaseholder services.
- 8.5 The total amount estimated to be recovered from the 22 leaseholders is £216,828.84

9 Conservation Areas

- 9.1 The properties in this scheme do not fall within a conservation area.

10 Contribution to the Corporate Delivery Plan 2023-2026 High level Strategic outcomes

- 10.1 This project will help to achieve the Corporate Delivery Plan: This will include contributing to deliver the following objectives: -

- Ensuring the Council is compliant with the regulatory requirement to bring all council homes to the Decent Homes Standard by 2028
- Reliable, customer-focused resident housing services

- 10.2 This project will help to improve the quality of our social housing and landlord services which supports the Corporate Delivery Plan's vision for safe, sustainable, stable and affordable homes.

Statutory Officers comments (Chief Finance Officer, including Procurement), Assistant Director for Legal and Governance, Equalities).

11 Finance

- 11.1 The report recommends award of contract of lift modernisation works for an estimated period of 6 months commencing from March 2025 at contract sum of £0.545m.

- 11.2 This will cover the cost of bringing 4 lifts, that has exceeded their useful lives, in two blocks, to modern standards.
- 11.3 This project cost will be contained in Existing Stock capital works programme budget/MTFS approved by full council in March 2024.
- 11.4 It is estimated that contribution to the cost of the project from leaseholders will be around 39.8% of the contract sum, circa £0.217m.
- 11.5 Further finance comments are contained in the exempt report.

12 Procurement Comment

- 12.1 Strategic Procurement (SP) note that this report relates to the approval to award a contract for Lift Modernisation Works at 1-40 Bounds Green Court, N11 and 1-24 Woodmead, N17.
- 12.2 SP note that a competitive tender exercise was launched via the LCP's DPS Lift category. The adopted procurement is in line with Contract Standing Order (CSO) 9.04.1(b) and Regulation 34 of the Public Contracts Regulations.
- 12.3 The Tenderers' submissions were evaluated in accordance with the scoring methodology contained within the published Invitation to tender document.
- 12.4 The tender valuation was based on price and quality and the recommended Tenderers submission demonstrates value for money.
- 12.5 SP supports the recommendation to approve the award in accordance with CSO 9.07.1(d)

13 Legal Comments

- 13.1 The Assistant Director for Legal and Governance has been consulted in the preparation of this report.
- 13.2 The report indicated and Strategy Procurement confirmed that a compliant procurement process was carried out in line the Council's Contract Standing Orders (CSO) and the Public Contracts Regulations 2015.
- 13.3 Pursuant to the Council's CSO 9.07.1(d), Cabinet has the power to approve the award of a contract where the value of the contract is £500,000 and above and as such the recommendation in paragraph 3.1 of the report is in line with the provisions of the Council's CSO.
- 13.4 The recommendation in paragraph 3.2 of the report is permitted under the Council's CSO 9.07.3 which allows the issuance of a Letter of Intent pending the issuance and execution of a formal contract where works, goods or services

under a contract is required to commence prior to the issuance and execution of a formal contract.

- 13.5 The terms of the Council's standard right to buy lease permit recovery of a proportion of the cost of these works from leaseholders, subject to compliance with the consultation requirements set out in the Landlord and Tenant Act 1985 and the Service Charges (Consultation Requirements) (England) Regulations 2003 ("the statutory provisions").
- 13.6 The liability of those of the leaseholders who purchased on the terms of the Council's older right to buy lease is limited (with exceptions) to contributions to the cost of those works broadly constituting repair; those under the current form of lease are required also to pay a contribution towards improvements.
- 13.7 The statutory provisions set out a two-stage process for consultation with leaseholders, the first setting out the proposed works and inviting comments thereon and nomination of a contractor from whom to seek an estimate, and the second, after obtaining estimates, setting out estimates and inviting comments; in each case the leaseholder is to be given a minimum of 30 days to respond. The Council must have regard to any comments made, and obtain an estimate from a nominated contractor if one (or more) is nominated.
- 13.8 Where the Council decides to award the contract to a contractor who did not submit the lowest estimate, it must within 21 days of entering into the contract serve a further notice on leaseholders stating its reasons for awarding the contract, and summarising any observations received at the second stage of consultation and its response to them.
- 13.9 Details of the Council's compliance with those provisions are set out in the body of this report under "Leasehold Implications". Legal Services were consulted on and approved the form of the notices served.
- 13.10 The Assistant Director for Legal and Governance sees no legal reasons preventing the approval of the recommendations in the report

14 Equality

- 14.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act.
 - Advance equality of opportunity between people who share protected characteristics and people who do not.
 - Foster good relations between people who share those characteristics and people who do not.
- 14.2 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race,

religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

- 14.3 Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.
- 14.4 The decision will primarily impact residents living in properties owned by Haringey Council, a significant number of whom share the protected characteristics. It is notable that BAME people and disabled people are overrepresented in our council housing stock.
- 14.5 Overall, in so far as this decision will support the Borough Plan objective to drive up the quality of housing for everyone this decision can be expected to have a positive equalities impact.
- 14.6 As a body carrying out a public function on behalf of a public authority, the contractor will be required to have due regard for the need to achieve the three aims of the Public Sector Equality Duty, noted above. Arrangements will be in place to monitor the performance of the contractor and ensure that any reasonable measures are taken to address any issues that may occur and may have a disproportionate negative impact on any groups who share the protected characteristics.

Use of Appendices

- 15 Appendix A: Part A exempt information.
 - 15.1 **Local government (Access to information) Act 1985**
 - 15.2 NOT FOR PUBLICATION by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the financial or business affairs of any particular person (including the authority holding the information).
- 16 Asset Management Strategy 2023-2028
[Housing Asset Management Strategy 5 December 2023 Cabinet Report FV.pdf](#)
 [\(haringey.gov.uk\)](http://haringey.gov.uk)