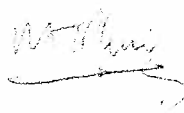


Haringey Council

Report for:	Cabinet on 10 July 2012	Item number	
Title:	Lift Modernisation Group 2 9-67 odd Russell Road N15 35-52 Lowery House, N17 2-53 Priory Road, N8 1-28 Spanswick Lodge, N15		
Report authorised by :	Mun Thong Phung Director of Adult and Housing Services		
Lead Officer:	Phil Harris, Deputy Director Community Housing Services Tel:0208 489 4338 E-mail <a href="mailto:phil.harris@haringey.gov.uk">phil.harris@haringey.gov.uk</a>  Keith Carter, Director of Property Services Tel:0208 489 3271 E-mail: <a href="mailto:keith.carter@homesforharingey.org">keith.carter@homesforharingey.org</a>		
Ward(s) affected:	St Anns, Bruce Grove, Muswell Hill, West Green	Key Decision	

1. Describe the issue under consideration

- 1.1 To seek member's agreement to award the contract for lift modernisation works at Russell Road, Lowery House, The Priory, Spanswick Lodge to the contractor as stated in Appendix A paragraph 2

2. Cabinet Member Introduction

- 2.1 This report makes timely recommendations for planned asset management by the replacement of ageing lifts in blocks of council

owned housing.

- 2.2 As usual, close attention will have to be directed to the management of client expectations in the delivery of this project with regard to tenants with mobility problems being given adequate opportunity to contact their Housing Manager in advance, to register any special issues that need to be taken on board during the new installations.

### **3. Recommendations**

- 3.1 That Members agree to award the contract for the above project, as allowed under Contract Standing Order (CSO) 9.07.1 (d) (a), based on the lowest tender received.
- 3.2 That the total cost including fees as detailed in Para 3.1 of Appendix A to be noted.

### **4. Other options considered**

- 4.1 To continue using the current lifts with increasing maintenance costs and the risk of regular breakdowns and long periods of the lift being out of service.

### **5. Background information**

- 5.1 In order to ensure that its assets remain in good working order, the Council has an annual capital programme with provision for lift renewals. In recent years, the level of investment in new lifts has not kept pace with life cycle deterioration and this is being partly redressed in 2012/13 with a larger lift renewal programme. Homes for Haringey has tendered four lift renewal packages. The lifts were divided into two separate groups so that similar lift types have been tendered together. The works have further been sub divided into blocks that do and do not have leaseholders. This resulted in four tender packages.
- 5.2 The estimated total cost of all packages falls under the £4.34m value that would require a full OJEU tender process. The contractors chosen to tender for each package were randomly selected by the Construction Procurement Group from contractors available on the Construction line database for this category of work. CPG also carried out credit checks and Health and Safety checks before inviting them to tender. It will be noted that some tenderers appear on several tender lists and that no two tender lists are the same. This encourages open competition and should deliver good value.
- 5.3 Tenders were invited on a price only basis for the following reasons:
- the contractors are well known in the industry and they are well know to Homes for Haringey.

- the quality is in the finished product itself and Homes for Haringey specify the materials to be used to deliver the product.
- there is very little interface between the contractor and the residents as most of the replacement work is carried out within the lift shaft and there is no need to access residents dwellings
- outside of this contract Homes for Haringey will be making separate provision for the elderly and disable residents who have mobility problems to help them with their shopping, etc.

5.4 The lift systems at these sites are extremely old and spare parts are largely no longer available. Lifts in the programme have a history of failure and / or a significant risk of imminent failure as the parts are no longer available. The lift modernisation works will improve the reliability and make the operation of the lifts more efficient.

#### 5.5 Contract Details

5.6 Contractors invited to tender were randomly selected by the Construction Procurement Group from contractors available on Construction line database for this category of work. They also carried out credit checks and Health and Safety checks before inviting them to tender.

Total estimated construction cost (excluding fees) refer to para 2.1 Appendix A

#### 5.7 Contract particulars:

Anticipated contract start on site	17 September 2013
Anticipated contract completion	25 May 2013
Contract duration	33 weeks
(20 weeks off site fabrication and 13 weeks on site installation)	

#### 5.8 Properties Within Project

There are 158 dwellings in this project that will benefit from the works described in this report and they are listed below:

Block	Property numbers	No. of floor levels	No. of dwellings
Russell Road	9-67 odd	3	25
Lowery House	1-52	4	52
Priory Road	1-29	3	29
Priory Road	30-53	3	24
Spanwick Lodge	1-26	3	29

#### 5.9 Scope of Works

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 have new lighting in the lift shaft.

5.10 Each block is served by one lift.

#### 5.11 Life Cycle Costings summary

The life expectancy of a lift in public housing block is between 15 – 25 years depending on their usage and location. These lifts have exceeded their expected life and are being replaced because of increasing difficulty to obtain parts, which in many cases have become obsolete.

#### 5.12 Digital Satellite Provision

Not applicable

#### 5.13 Consultation

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

5.15 Homes for Haringey have also carried out consultation on this project through detailed newsletters and a meeting with residents that will be affected.

5.16 Upon appointment of the contractor, a meeting will be arranged for the residents and key stakeholders to meet the contractor and HfH Project Team and address any concerns.

#### 5.17 Leaseholder Implications

There are no leasehold properties within this project.

#### 5.18 Sustainability Implications

5.19 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 improvement to residents, especially the elderly, disabled and parents with young children.

5.20 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.

- 5.21 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.
- 5.22 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.

### 5.23 Conservation Areas

The properties are not located in a Conservation area.

### 5.24 Planning

Not applicable

## 6. Comments of the Chief Financial Officer and Financial Implications

- 6.1 If approval is given for contract Groups 1 to 4 for the modernisation of lifts, the spend will be as follows:-

	Contract sum £	Fees £	Total £
Lift modernisation Group 1	832,951	102,620	935,571
Lift modernisation Group 2	409,276	58,445	467,721
Lift modernisation Group 3	562,053	67,446	629,499
Lift modernisation Group 4	499,675	60,711	560,386
	<b>2,303,955</b>	<b>289,222</b>	<b>2,593,177</b>

- 6.2 The phasing of spend is scheduled as follows:-

Phasing	2011/12 £	2012/13 £	2013/14 £	Total £
Lift modernisation Group 1	54,968	648,147	232,456	935,571
Lift modernisation Group 2	39,285	407,015	21,421	467,721
Lift modernisation Group 3	10,380	575,967	43,152	629,499
Lift modernisation Group 4	9,342	523,026	28,018	560,386

113,975	2,154,155	325,047	2,593,177
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6.3 Financial provision exists within the Housing Capital Programme in the sum of **£2.181m** for 2012/13 and 2013/14.

6.4 A proportion of these costs will be recoverable from leaseholders and confirmation of the amount is awaited.

## **7. Head of Legal Services and Legal Implications**

7.1 The contracts are below the threshold where European tendering is required under the Public Contracts Regulations 2006.

7.2 Contractors were selected from Construction line by the Council's Construction Procurement Group. On the 16<sup>th</sup> of September 2010 Procurement Committee approved the use of Construction line (pre-qualified list for specialist works).

7.3 The recommendation is for an award to the lowest priced tendered in accordance with CSO 9.07.1 (a).

7.4 Because of the value of the contract, the award needs to be made by Cabinet in accordance with CSO 9.07.1 (d).

7.5 The award is a key decision and as such needs to be included in the Council's Forward Plan. The Directorate has confirmed that this has taken place.

7.6 The Head of Legal Services confirms that there are no reasons preventing Members from approving the recommendations contained in this report.

## **8. Equalities and Community Cohesion Comments**

8.1 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 wheelchairs and residents who are elderly or with poor mobility.

8.2 There are residents with mobility problems on the upper floors of these dwellings. An assessment has been carried out by Supported Housing and it is recommended that staff be employed during the project to care for the needs of these residents including help with shopping and errands.

## 9. Head of Procurement Comments

- 9.1 The contractors have been selected from Constructionline, (a government managed UK register of pre-qualified construction services database).
- 9.2 The tender has been prepared and tendered on a lowest price basis for this award.
- 9.3 The Head of Procurement recommends the award as stated in paragraph 1.1 in Appendix A as value for money

## 10. Policy Implications

- 10.1 Homes for Haringey have in place an Asset Management Strategy and Environmental Sustainability Strategy which provide a strategic framework for delivery of the lift improvements programme. The objectives of these strategies are closely linked to the Council's Greenest Borough Strategy, the Sustainable Procurement Strategy, Regeneration Strategy and Asset Management Plan.

This improvement programmes will contribute to the achievement of Council Priorities 1,2,3, and 5 by:

- Improving the environmental performance of Council Housing stock
- Providing a cleaner and greener environment for residents
- Providing decent homes and improving well-being
- Delivering cost effective services

## 11. Use of Appendices

Appendix A – separate attachment

## 12. Local Government (Access to Information) Act 1985

- 12.1 The background papers relating to this project are:
  - Tender analysis report dated 3<sup>rd</sup> April 2012

These can be obtained from Graham Clarke – Project Manager on 0208 489 1160

- 12.2 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).

