

To: City Executive Board

Date: 2 December 2009 **Item No:**

Joint Report of: Head of Oxford City Homes & Interim Head of Property & Facilities Management

Title of Report: Lift Maintenance Contract – Tender Approval

Summary and Recommendations

Purpose of report: To advise the Board on the tenders received for the maintenance of lifts in Council property. This contract covers both HRA and General Fund properties.

Key decision? Yes

Executive lead member: Councillor Joe McManners

Report approved by:

Finance: Catherine O'Connor
Legal:

Policy Framework: More housing, better housing for all.

Recommendation(s): That the lowest tender for the maintenance of lifts in the total sum of £343,572.90 submitted by Cotswold Lifts Ltd be accepted.

Background –

1. This project was approved by the Executive Board and Council in February 2009 as part of the HRA 2009/10 programme. The budgets allocated to this particular project in 2009/10 are £114,556 within the HRA Planned Maintenance revenue budget and £21,500

within the General Fund. Future levels of funding will reflect the predicted spend within the contract.

2. To ensure value for money both HRA lift maintenance and General Fund lift maintenance projects have been incorporated into one contract.
3. The works involve the ongoing servicing and maintenance of lifts, both in communal areas of blocks and Council public buildings and stairlifts/through floor lifts in individual Council homes. Within the contract sum, the contractor has included to cover all replacement parts and servicing costs for a period of three years. The only additional costs would be for the repair of any defects caused by vandalism.
4. Competitive tenders have been received for this work under the EU procurement process, the results of which are shown in the Financial Implications section below. Documents were sent to twenty interested companies and five tenders were received by the due time/date.
5. Cotswold Lifts are the current contractors for the HRA servicing and repairs to lifts and have undertaken this work for the previous ten years. The Council has been pleased with their performance to date.

Legal implications -

6. The contract will be a fixed price contract under the JCT Measured Term Contract (Revision 1, 2007) and will be for a period of three years, all subject to contract. It is proposed that the contract will start on 1st February 2010.

Financial implications –

7. The following tenders were received:
 - A. £343,572.90 - (£288,912:90 HRA and £54,660:00 General Fund)
 - B. £356,028:00 - (arithmetically incorrect, total should read £373,572:00 and no tender for General Fund)
 - C. £432,677.00 - (£363,077:00 HRA and £69,600:00 General Fund)
 - D. £439,950:00 - (£365,478:00 HRA and £74,472:00 General Fund)
 - E. £445,605:00 - (£380,085:00 HRA and £65,520:00 General Fund)

8. The tenders have been checked and apart from tender B, there are no anomalies or errors in pricing.
9. Leaseholders within blocks of flats with lifts installed will be recharged their proportion of the costs within their service charge. It is predicted that in a full year £3,785 will be recovered in this way.

Environmental implications -

10. There are no environmental implications to this report.

Equalities impact -

11. There are no equalities issues generated by this project.

Level of risk -

12. The level of financial risk to the project is low but the health and safety risks are higher due to the nature of the work. The contractor's assessments have been closely checked and they will be monitored as the works proceed by the Project Surveyor.

Recommendation -

13. That the lowest tender for the maintenance of lifts in the total sum of £343,572.90 submitted by Cotswold Lifts Ltd be accepted.

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Background papers: Tenders and Specification.

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