



Havering

LONDON BOROUGH

Notice of KEY Executive Decision

Subject Heading:	High rise block lift replacements
Decision Maker:	Neil Stubbings Neil.Stubbings@havering.gov.uk Strategic Director of Place
Cabinet Member:	Councillor Paul McGeary - Lead Member for Housing
SLT Lead:	Neil Stubbings Neil.Stubbings@havering.gov.uk Strategic Director of Place
Report Author and contact details:	James Johnson, Senior Project Manager, Housing Services Email: james.johnson@havering.gov.uk Tel: 01708 432144
Policy context:	Supports the outcomes within the London Borough of Havering's Corporate plan. <u>Places.</u> Making sure that our neighbourhoods are a great place to live by investing in them and keeping them clean, green and safe.
Financial summary:	The contract value is £3,854,478
Reason decision is Key	Expenditure exceeding £500,000
Date notice given of intended decision:	15 November 2023

Key Executive Decision – Part Exempt Report

Relevant Overview & Scrutiny Committee:	Place
Is it an urgent decision?	No
Is this decision exempt from being called-in?	No

The subject matter of this report deals with the following Council Objectives

~~People – Things that matter for residents~~

X Place - A great place to live, work and enjoy

~~Resources – A well run Council that delivers for People and Place~~

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

For the reasons detailed in this report, the Strategic Director of Place is recommended to: -

1. Agree to award a works contract with a value of £3,854,478 to Lift Specialists Ltd for the replacement of lifts at
 - a. Edinburgh House
 - b. Elizabeth House
 - c. Mountbatten House
 - d. Victoria House
 - e. Dryden Towers
 - f. Kipling Towers

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 of the Council's Constitution

3.3 Powers of Members of the Senior Leadership Team

Members of the Senior Leadership Team (SLT) have delegated authority to act as follows within the assigned service service/portfolio of responsibilities, subject to the general provisions and limitations set out in section 3.1 above.

Key Executive Decision – Part Exempt Report

General powers

(a) To take any steps necessary for proper management and administration of allocated portfolios.

(b) To exercise all the powers delegated to them personally and those powers delegated to Second Tier Managers and other staff members in their directorate where circumstances require and so far as legally permissible. Exercise of such powers should be recorded where appropriate. Where possible, a SLT member should give notice to a relevant staff member that he or she intends to exercise a specified power that is delegated to that staff member

Contract powers

(b) To award all contracts with a total contract value of between £500,000 and £5,000,000 other than contracts covered by Contract Procedure Rule 16.3.

STATEMENT OF THE REASONS FOR THE DECISION

1. The pairs of lifts at Edinburgh House, Elizabeth House, Mountbatten House, Victoria House, Dryden Towers and Kipling Towers are all old, are becoming difficult to maintain and are experiencing more frequent and longer periods of downtime due to breakdown. Some of the technology in the installations is now obsolete and the software is no longer supported.
 - a. The lifts at Edinburgh House, Elizabeth House, Mountbatten House and Victoria House were new when the buildings were constructed in 1967 and were partially upgraded in the years between 1997 and 2001.
 - b. The lifts at Dryden Towers and Kipling Towers were new when the buildings were constructed in 1968 and were partially upgraded in 1995.
2. Replacement of the lifts will improve compliance with current regulations (as far as practicable) and serviceability by utilising well-engineered, good quality components, which are fully open protocol and suitable for their environment.
3. Each block has one lift serving odd numbered floors and one serving even numbered floors. This arrangement is not suitable to comply with modern fire safety standards and does not cater well for the disabled if, on occasion, one lift breaks down. Replacement will include making both lifts in each block stop at every floor.
4. Where it is not detrimental to the design life, and possible, some of the existing components will be retained and refurbished as part of the works.
5. The life expectancy of the refurbished lifts would be expected to be 25 years, subject to the quality of maintenance and their correct usage during this time.
6. A lift engineering consultant was appointed to design and specify the works. They will be retained to manage the contract when a contractor has been appointed.
7. The contract for the lift replacement was procured via a Dynamic Purchasing System operated by The Procurement Hub.
8. Quality scoring was undertaken, moderated by a member of the Procurement Team and the pricing of the tender was evaluated by a consultant quantity surveyor. The overall score was based on a quality and price percentage of 30% and 70% respectively.

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9. The bid of £3,854,478 submitted by Lift Specialists Ltd was the most economically advantageous tender (MEAT). This figure is inclusive of all builder's, electrical and other works in connection.
10. In addition, the leaseholders will be consulted in accordance with the requirements of Section 20 of the Landlord and Tenant Act 1985.

OTHER OPTIONS CONSIDERED AND REJECTED

The option of doing nothing was rejected on the grounds that the current state of the lifts presents a big risk to its users and subsequently, to Havering Council in its role as a social and freehold landlord. Whilst the lifts continue to be used then, as time passes they will wear out more and more and thus break down more and more frequently. Furthermore, as time passes, the lifts will become increasingly obsolete and parts hard or impossible to find. There will come a point when the lifts break down and cannot be repaired. This would mean that there would be no lift in place until replacement works are undertaken and waiting until this time would have a significant impact to people with limited mobility, particularly the elderly.

The specialist professional advice Havering sought is for these lifts to be replaced now. The consultant has also advised that, where possible, some parts may be refurbished and incorporated into the works.

PRE-DECISION CONSULTATION

Resident meetings were convened at the start of 2023 by the Resident Liaison team.

The Home Ownership team have issued Stage 1 Section 20 notices to the leaseholders and will issue Stage 2 notices and observe the required notice period prior to formal award of the contract.

The Compliance Team who are responsible for lift maintenance have been consulted.

The award of contract was approved at GRG on 6 March 2024.

Further resident consultation meetings are planned prior to works commencing so that the details of the works can be disseminated, concerns addressed and expectations managed.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: James Johnson

Key Executive Decision – Part Exempt Report

Designation:



Senior Project Manager

Signature:

Date: 26/03/2024

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

1. The Council has the general power of competence under Section 1 of the Localism Act 2011 to do anything an individual may generally do, subject to limitations. Additionally, the Council has the power to award contracts under Section 111 of the Local Government Act 1972 which, permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.
2. The proposed contract value (£4,625,374 inc VAT) is below the threshold for Works contracts (currently **£5,372,609**). Therefore, the contract is not caught by the full rigors of the PCR regime.
3. Whilst the award does not fall under the full PCR regime, when considering whether to approve award of this contract, the Council must comply with the contract award requirements of the Council's Contract Procedure Rules ("CPR").

Officers have confirmed that the works contract was procured via a Dynamic Purchasing System operated by the Procurement Hub and the bid submitted was the MEAT. The award of the contract is in compliance with CPR 18.2, 18.3, 18.4, 18.5 as well as, PCR 34.
4. Leaseholder consultation is required under Section 20 of the Landlord and Tenant Act 1985 (as amended) and as stipulated by Section 151 of the Common hold and Leasehold Reform Act 2002.
5. For the reasons set above, the Council may award the contract to Lift Specialists Ltd.

FINANCIAL IMPLICATIONS AND RISKS

The total cost of the contract is £3,854,478 not including VAT. This will be funded from the Housing Revenue Account Capital Programme - Project Code C38690 Task 8.0.

Financial Stability

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A financial check has been carried out on Lift Specialists Ltd, using Experian, and they are considered 'very low risk'.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The recommendation made in this report does not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

The contract award process will be carried out in accordance with the Council's Contract Procurement Rules. The proposed contractor will be expected to comply with the Council's policies with regards to the promotion of equality and diversity in service delivery and employment practice. The change to lifts being made available to each floor will also help address where there are lifts breakdown as this would improve outcomes from those with greater mobility needs. Officers will ensure that EQIA is undertaken in the delivery of these arrangements.

HEALTH AND WELLBEING IMPLICATIONS AND RISKS

See separate EqHIA – Appendix A

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

The contractor will be expected to comply with the law and contractual obligations imposed on them by Havering with regard to minimising adverse environmental impact.

BACKGROUND PAPERS

None

APPENDICES

Appendix A

EqHIA

Open

Key Executive Decision – Part Exempt Report

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed

Name:

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date:

Lodging this notice

The signed decision notice must be delivered to Committee Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____