

Tender evaluation report seeking to award the Contract for Installation, Refurbishment and Upgrading of lifts 2023-2024

Date: 22nd March 2023

Report of: Head of Leeds Building Services

Report to: Chief Officer Civic Enterprise Leeds

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Appendix 1 Tender Analysis Report under access to information rule 10.4.3

Brief summary

Seeking authority to award a contract to E A Foulds Limited t/a Foulds Lifts to deliver the Installation, refurbishment & upgrading of lifts programme in the Council's high-rise buildings ensuring continuity of service delivery. This proposed contract will be for a 12 month period to cover the financial year 2023/24.

The multi-storey blocks associated with this contract are:

- Gamble Hill Croft
- Gamble Hill Grange
- Westerly Croft
- Westerly Rise
- Whincover Grange
- Potternewton Heights

This report demonstrates the process undertaken and results from a recent procurement exercise utilising the Efficiency North framework - Servicing/Maintenance and/or Installation of Passenger or Goods Lifts - Lot 2 for the replacement, refurbishment or upgrading of lifts.

Recommendations

The Chief Officer Civic Enterprise Leeds is requested to:

- a) Approve the award of a contract to E A Foulds Limited t/a Foulds Lifts in the sum of £2,278,886.80 for a period of 12 months to undertake works associated with the installation, refurbishment & upgrading of lifts to 6 high rise blocks in the city starting on 1st June 2023 and finishing on 30th May 2024 with no option to extend.
- b) Recognise that Appendix 1 – tender Analysis Report should be designated exempt from publication in accordance with information procedure rule 10.4(3)

What is this report about?

- 1 This report provides details of the tender evaluation process and seeks approval from the Chief Officer Civic Enterprise Leeds to award contract for delivery of installation, refurbishment and upgrading of lifts in the city for 2023/24.
- 2 This report is a Significant Operational Decision as it is the result of a previous Key Decision ref D55633. The Authority to Procure decision was taken on 8th October 2022 giving approval to procure a contractor utilising an open and competitive procedure inviting specialist contractors from the Efficiency North Framework - Servicing/Maintenance and/or Installation of Passenger or Goods Lifts - Lot 2 for the replacement, refurbishment or upgrading of lifts.
- 3 An open, transparent tender process has been undertaken. Ten contractors who expressed interest via the Efficiency North framework were invited to tender through the YORtender portal. Six bids were received from Axel-Elex Ltd t/a Curti Lifts, Deltron Lifts Ltd, E A Foulds Limited t/a Foulds Lifts, Lift & Engineering Services Ltd, Sheridan Lifts Ltd and UK Lift & Escalator Ltd prior to the tender deadline. Their submissions were evaluated as outlined in the tender documentation and E A Foulds Limited t/a Foulds Lifts has been identified as the successful organisation on conclusion of the tender process.
- 4 The tenders were assessed on a quality/price separated approach with a quality threshold of 60% required to then be evaluated on price. The evaluation team comprised of officers from Leeds Building Services (LBS), Housing Leeds Property Management and Commercial Quantity Surveyor (QS) from Communities, Housing & Environment.
- 5 Following the completion of the quality review a summary is listed below. Contractor E and Contractor F were eliminated due to not meeting the required quality threshold of 600 points and were therefore not evaluated on price.

Bidder	Quality Points (Total 1000)	Pass/Fail
E A Foulds Limited t/a Foulds Lifts	660	Pass
Contractor B	770.50	Pass
Contractor C	680	Pass
Contractor D	672.50	Pass
Contractor E	395	Did not pass quality threshold
Contractor F	480	Did not pass quality threshold

- 6 The Quantity Surveyor from the Commercial Team then evaluated the remaining four pricing tenders for compliant bids with E A Foulds Limited t/a Foulds Lifts scoring the maximum as they had the cheapest price and submitted a fully compliant bid.
- 7 The table below shows a summary of the price evaluation scores:

Bidder	Price Score	Rank
E A Foulds Limited t/a Foulds Lifts	1000.00	1
Contractor B	915.70	2
Contractor C	680.12	3
Contractor D	621.39	4

- 8 On this basis, the Commercial QS and the project teams from LBS, Housing Leeds Property Management Team supported by the Procurement and Commercial Services Team recommend the appointment of E A Foulds Limited t/a Foulds Lifts.
- 9 The recommendation to the appointment of the contractor is based on the following consideration:
- The tenderer exceeded the minimum quality threshold put in place as part of the tender process and therefore eligible to continue in the process in accordance with published tender documentation.
 - The rates submitted by the proposed successful bidder are in line with the pre tender estimate (PTE) and have been benchmarked against current and historic 'industry' rates and are deemed to be within acceptable parameters for work of this nature.
- 10 With regards to the proposed successful tenderer, due diligence and a vetting process has been undertaken in relation to financial standing, insurance, Health and Safety, relevant qualifications, references licences and safeguarding to ensure the contractor is financially stable and capable to deliver the contract to a high standard. This has identified no issues and received positive feedback.

What impact will this proposal have?

- 11 The award of this contract will allow Housing Leeds and LBS to continue delivering the lifts programme across multi-storey stock. Reducing the risk of tenants enduring difficulties in accessing their homes should the existing lift units fail.
- 12 Equality, Diversity, Cohesion and Integration (EDCI) impact assessment has been undertaken for this scheme and included as part of the Authority to Procure report. There are not expected to be any negative impacts in relation to the service provision.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing Inclusive Growth Zero Carbon

- 13 This proposal supports all the Council's three key pillars. In terms of inclusive growth this work will ensure that tenants benefit from regeneration and improvement work to their block.
- 14 Social Value was evaluated as evaluated as part of the requirement for this provision and the contractors have made commitments deliver on selected national Themes, Outcomes and Measures (TOMs) during the contract. The selected TOMs include commitment to promoting

local skill and employment, decarbonisation and safeguarding our world, social innovation and sustainability. These will be monitored throughout the contract by the Council with support from the Social Value Engine (SVE).

- 15 The contract will support the climate emergency pillar via Social Values assessment and the works delivered will replace old lift units for more efficient units.

What consultation and engagement has taken place?

Wards affected: Bramley, Armley, Wortley & Chapel Allerton

Have ward members been consulted? Yes No

- 16 The Head of Property Management in Housing Leeds and the Head of LBS and their representatives have been consulted throughout to determine how requirements will be met and agree with the proposed contract award.
- 17 The Executive Member for Environment and Housing and Deputy Executive Member for Environment and Housing have been consulted and are supportive of the approach.
- 18 Consultation and engagement with the Project Team from Housing Leeds Property Management Team, LBS and the Procurement and Commercial Services Team including Leaseholders Team within Communities, Housing & Environment have taken place when developing the procurement strategy as well as assessing the availability of tendering options and engagement with tenants.
- 19 Consultation with leaseholders was undertaken prior to the ITT and as part of the tender award process in line with the required legislation. The consultation is not expected to have any impact on the award of the contract and contract start date.
- 20 Engagement with residents of each block will continue throughout and all residents will be contacted prior to works starting.
- 21 Procurement and Commercial Services (PACS) legal team have been engaged regarding the suitability of the external framework proposed for use and have confirmed that Efficiency North Servicing/Maintenance and/or Installation of Passenger or Goods Lifts - Lot 2 for the replacement, refurbishment or upgrading of lifts is considered to be an 'approved framework' and therefore this proposal is compliant.

What are the resource implications?

- 22 The tender received from E A Foulds Limited t/a Foulds Lifts in the sum of £2,278,886.80 is within the allocated budget. In making the final decision, the decision maker should be satisfied that this contract represents best value for the Council.

What are the key risks and how are they being managed?

- 23 Financial risks - the risk of the project exceeding the allocated budget has been managed by the production of robust costings taking in to account the current market conditions to ensure that contractors are on track with expected level of spend. Financial checks have already taken place and the proposed contractor is confirmed as financially stable for the proposed workload.
- 24 Performance – The contract manager will undertake regular meetings throughout the duration of the contract and will monitor performance measures / KPIs that are included within the specification and contract management plan.

- 25 The Contract Manager will ensure performance standards are met by the contractors and if they are found to be under performing and failing to meet the minimum standards, appropriate action will be taken to rectify the cause of failures.
- 26 TUPE implication has been considered as a contractor to contractor aspect, however this is unlikely to be a matter for implementation as there are no term related requirements.
- 27 A risk register for the project is in place and will continue to be managed to monitor, mitigate, and identify any new risks as they arise. Once a contractor is in place the council will work with them to review risks regularly.

What are the legal implications?

- 28 The procurement has been undertaken in line with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015, as relevant. The tender has been evaluated in accordance with the evaluation criteria set out in the tender documents and following an evaluation process, E A Foulds Limited t/a Foulds Lifts have been identified as the proposed successful contractor. The original procurement of the Efficiency North Framework was undertaken on a competitive basis in line with the Public Contracts Regulations 2015 and awarding a call off contract to M E A Foulds Limited t/a Foulds Lifts under the Efficiency North Framework is fully compliant with those regulations.
- 29 The decision set out in this report is a Significant Operational Decision and is not subject to Call-in and flows from the original Key Decision as referred to in point 2. Except for the Tender Analysis Report (Appendix 1) which is to be kept confidential, there are no other grounds for keeping the contents of this report confidential under the Access to Information Rules.
- 30 Appendix 1 information of this report has been identified as exempt/confidential under the Access to Information rules 10.4(3) because the public interest in maintaining the exemption outweighs the public interest in disclosing the information and financial details which, could adversely affect the business of the Council and the business affairs of a number of individual other companies.
- 31 This contract is works driven and is below the Find a Tender Service (FTS) threshold of £5,336.937 (including VAT) and as such no standstill period is required to be carried out.

Options, timescales and measuring success

What other options were considered?

- 32 Alternative procurements were considered as part of the Authority to Procure exercise, and the approach applied to use Efficiency North Framework was deemed to be the preferred procurement option.

How will success be measured?

- 33 A contract Management Plan and the Contract Management Module will be used throughout the duration of the contract to provide structure and opportunity for feedback. SMART based KPI tools to be used to monitor the performance of the contract and ensure service is being delivered in line with Council expectations in respect of VfM, sustainability and service delivery improvement. This will be managed jointly by Leeds Building Services and Housing Leeds property management Team
- 34 The Social Value Engine (SVE) will be used by the Council to measure and monitor the impact of the social value measures (TOMs) implemented on this contract.

What is the timetable and who will be responsible for implementation?

35 The contract is anticipated to commence by 1st June 2023 for a period of 12 months with no option to extend.

Appendices

- Appendix 1 – Tender Analysis Report (Confidential)

Background papers

<https://democracy.leeds.gov.uk/ieDecisionDetails.aspx?ID=55633>