



Berneslai Homes, a fresh approach to people, homes and communities

Report of Delegated Decision of Berneslai Homes Senior Management Team

Title: Ceiling Track Hoist and Through Floor Lift Installation, Service and Maintenance Contract. 2018-2021

Decision: To recommend that the CTL and TFL Contract is awarded to Prism UK Medical who provided the lowest quote and who meet all criteria

Date of Decision: 26th June 2018

Sponsoring Director: Stephen Davis -
Director of Assets, Regeneration & Construction

..... S R Davis

Chief Executive

..... M. E. Saggan

Director of Corporate Services

..... Aludale

Director of Customer and Estate Services

..... [Signature]

Construction Services Manager

.....

Subject Matter:

Re-tender of the Through Floor Lift (TFL) and Ceiling Track Hoist (CTH) Contract

To recommend to Berneslai Homes, Senior Management Team a preferred contractor for the supply, delivery, installation, service and maintenance of TFLs and CTHs within properties managed by Berneslai Homes.

The duration will be for the next three years with an option to extend the contract for a further two years subject to satisfactory performance.

Background

- 1.1 The existing contract was agreed previously due to the time it took to obtain three quotes as there was no previous contract in place. This had a major effect on installation times, customer satisfaction and hidden costs (surveyors time preparing, procuring and administering each individual tender).
- 1.2 The existing contract has resolved all of these issues and has proved to be successful over the past 3 years.
- 1.3 The procurement costs from NPS cost are
 - Pre-Contract – time charge capped at £5,500
 - Administration Post Contract £4,500 per annum

Current Position

- 2.1 Over the past 3 years requests for the supply and installation of the TFL and CTH's have been ordered with Pollock Lifts. A breakdown of cost is as follows.
A breakdown of servicing, removal and repairs for the last 3 years is as follows:-

2015/16

6 CTH's for the sum of	£16,171.00
3 TFL's for the sum of	£23,944.06
Servicing costs	£3775.00
Removals	£775.00
Repairs	£840.00

2016/17

27 CTH's for the sum of	£41,556.00
3 TFL's for the sum of	£24,952.30
Servicing costs	£4,250.00
Removals	£2,575.00
Repairs	£0.00

2017/18

29 CTH's for the sum of	£43,860.18
3 TFL's for the sum of	£42,111.46
Servicing costs	£7,216.00
Removals	£3,845.00
Repairs	£1,960.25

Total cost for the last three years is:

62 CTH's – total cost of	£101,587.18, average cost £1,638.50
9 TFL's – total cost of	£ 91,007.82, average cost £10,111.98
Servicing costs	£15,241.05
Removals	£7,195.80
Repairs	£2,800.25

2.2 Each new installation has a 12 month warranty and maintenance plan. The current arrangements have been very successful and the reason for the new proposal is that the contract is due to end. The current contract has been extended further due to the time taken to procure the proposed new contract.

2.3 The following tenders have been received:-

Prism UK Medical	£452,899.90
Care and Independence Systems	£532,646.00
Hoists and Shower Chair Ltd	£559,949.00
Pollock Lifts Ltd	£560,638.00
ThyssenKrupp Encasa	£687,935.00
Wessex Lifts Company Ltd	£777,777.25

2.4 It is proposed that Prism UK Medical is awarded the contract as they submitted the lowest tender.

2.5 Arithmetical and Technical checks have been carried out which identified small anomalies. These have been referred to the proposed contractor; and have been amended with a slight cost increase. The proposed contractor is still the cheapest contractor.

2.6 Fees from NPS are:

- Pre-contract – time charged at £5,500
- Pre-contract £4500 per annum

2.7 Agreed timescales for installation.

TFL's	9 weeks
CTH's (curved track)	6 weeks
CTH's (straight track)	4 weeks

Agreed timescales for removals

TFLs	10 working days
CTHs	5 working days

- 2.8 All TFL's and CTH's that are removed are stored on premises provided by the contractor and reused wherever possible on future installations. All removed items that cannot be re-installed have parts removed which are then used for future maintenance and servicing of existing stock.

Insurances

- 3.1 The contractor will submit a cash bond of £10,000.
- 3.2 Copies of relevant insurance documents have been submitted and approved by finance.
- 3.3 The preferred contractor has supplied risk assessments, method statements, is Safety Schemes in Procurement (SSIP) compliant and has provided proof of CHAS accreditation.
- 3.4 Emergency service will be 24 hours a day, 365 days a year.

Proposal

- 4.1 It is proposed that Prism UK Medical is awarded the contract as they submitted the lowest tender.

Risk

- 5.1 Contractual risk has been reduced by the procurement process and selection of a competent contractor.
- 5.2 The contractor will be monitored on a regular basis and the performance discussed at regular meetings with Berneslai Homes. As this is a call off contract, if performance is poor Berneslai Homes are not obliged to spend to the tendered amount.
- 5.3 The contractor risks losing the final two years of the contract, if their performance is less than what is expected, as detailed within the terms of the contract.
- 5.4 All orders will be raised against the Major Works adaptations budget. All repairs will be ordered against the revenue budget after the warranty period has expired.

Financial Implications

- 6.1 There are no direct financial risks arising from this contract. The HRA has an annual capital budget for this type of installation (major adaptation). All repairs and maintenance issues will be charged to the revenue budget when warranties have expired.

Employee Implications

- 7.1 There are no employee implications arising from this report.
- 7.2 There are no TUPE implications arising from this report.

Equality

- 8.1 A full, new Equality Impact Assessment has been carried out in March 2018. There is no evidence to suggest that anyone with protected characteristics will be disadvantaged.
- 8.2 Performance for this service has always been high with no complaints logged within the last three years.
- 8.3 The renewal of the contract will ensure that waiting times for this type of work will remain at a minimum.
- 8.4 The winning company is fully aligned to Berneslai Homes level of commitment to equality and diversity.

Contact Officer: John Hirst
Date: 18th June 2018

Ext 4331

FINANCIAL IMPLICATIONSi) Capital Expenditure

<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>

Ceiling track hoist and lift installation

Works	150,967	150,967	150,966
Fees	10,000	4,500	4,500

<u>160,967</u>	<u>155,467</u>	<u>155,466</u>	<u>0</u>
----------------	----------------	----------------	----------

To be financed from:

Major Adaptations Budget

160,967	155,467	155,466
---------	---------	---------

<u>160,967</u>	<u>155,467</u>	<u>155,466</u>	<u>0</u>
----------------	----------------	----------------	----------

ii) Revenue Effects

<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
<u>(£)</u>	<u>(£)</u>	<u>(£)</u>	<u>(£)</u>

<u>0</u>	<u>0</u>	<u>£0</u>	<u>£0</u>
----------	----------	-----------	-----------

To be financed from:

<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
----------	----------	----------	----------

Impact on Medium Term Financial Strategy

Not applicable in this report

Agreed by:



.....On behalf of the Service Director-Finance

EXAMINING TENDERS AND REPORTING – TENDER REPORT - WORKS

Project Title: PROVISION OF CEILING TRACK HOISTS AND THROUGH FLOOR LIFTS (TERM CONTRACT) BARNSELY 2018 – 2021 (WITH AN OPTION TO EXTEND FOR A FURTHER TWO YEARS)

Ref: 07-17-18-1-1291

1. Tenders Received (PR-81)

The time and date for receipt of tenders was 12.00 noon on Friday 9 February 2018

Tenders have been received as follows (state lowest first):-

	£
1. Prism UK Medical Ltd	452,899.90
2. Care and Independence Systems	532,646.00
3. Hoists and Shower Chair Ltd	559,949.00
4. Pollocks Lifts Ltd	560,638.00
5. ThyssennKrupp Encasa	687,935.00
6. Wessex Lift Co Ltd	777,777.25

The priced Specification has been received from the lowest tenderer and is reported upon below

2. Arithmetical Check (PR-86)

An arithmetical check has been carried out on the lowest tender and errors found resulting in an addition of £ 1,600.00 to the above figure.

The Conditions of Tendering for the project specified arithmetical errors in pricing would be dealt with in accordance with JCT Tendering Practice Note 2017 – Alternative 2. This gives the Tenderer an opportunity of confirming his offer or amending to correct genuine arithmetical errors.

The tenderer has been consulted and has decided to correct the arithmetical error increasing his tender to £454,499.90. After correction the tender is still the lowest and is reported on below.

Document No and Name:		Version No:	Date:	Retention Period:	Page No:
19872	PR-88 Examining Tenders & Reporting Tender Report Works	1	July 2015	12 Years	Page 1 of 4

EXAMINING TENDERS AND REPORTING – TENDER REPORT – WORKS (CONT'D)

Project Ref: 07-17-18-1-1291

3. Technical Check (PR-87)

A Technical check has been carried out and the following observed

3.1 Pricing

Generally only the end "total" column has been completed with no rates inserted. The Contractor has confirmed that the total cost in the end column may be divided by the unit number to give a rate per unit.

Some items have been priced at "£0.00" as follows –

- a) Track alternative fixings - items 3.6, 3.7, 3.8, 3.14, 3.15, 3.16, 3.23, 3.24, 3.25, 3.28, 3.29. The Contractor has confirmed these are correct.
- b) Provision of information and warranties – Items 3.52, 3.53, 3.54, 4.23, 4.24. The Contractor has confirmed that standard certification, warranty documents, user manuals and equipment handover demonstration/training are included in the price of the equipment.
- c) Extra over cost of powered door option to through floor lifts – item 4.4. The Contractor has confirmed this is an error and should have been priced at £300.00.

Some items were considered to be either low or insufficient for the works as follows -

- a) Ceiling tracks generally – both straight and curved. The Contractor has confirmed they are correct and the works can be executed for the prices.
- b) Costs for where 2Nr tracks (ground or first) to one dwelling seem disproportionately low compared to single track installation - items - 3.2, 3.4, 3.10, 3.12. The Contractor has confirmed that the prices are correct with savings made across travel costs etc
- c) Curved track only £20 more than similar straight track. The Contractor has confirmed this is correct.
- d) Motorised traverse items 3.5, 3.13, 3.21, 3.27 priced at £100 - is this sufficient? The Contractor has confirmed this price is correct and sufficient
- e) Refix existing track - items 3.39 and 3.40 – are these rates sufficient? The Contractor has confirmed they are correct and sufficient.
- f) Servicing track rates - £28 at 6 months and £38 at 12 months - items 3.50 and 3.51 - are these sufficient? The Contractor has confirmed these rates are sufficient and reflect the service efficiencies recently implemented.
- g) Remove track £80 - items 3.55 - 3.57 – are these sufficient? The Contractor has confirmed items 3.55 and 3.57 are correct but item 3.56 is an error and should be £140.00.
- h) Smoke alarm at Ground + First - rate £100 - items 3.43, 4.14 - is this sufficient? The Contractor has confirmed the rate is an error and should be £250.00.
- i) Forming opening for through floor lift - £450.00 - Item 4.15 - is this sufficient? The Contractor has confirmed this is an error and should have been priced at £900.00.
- j) Section 5 servicing - Items 5.1 - 5.4 - are the rates sufficient? The Contractor has confirmed they are sufficient.

Document No and Name:		Version No:	Date:	Retention Period:	Page No:
19872	PR-88 Examining Tenders & Reporting Tender Report Works	1	July 2015	12 Years	Page 2 of 4

EXAMINING TENDERS AND REPORTING – TENDER REPORT – WORKS (CONT'D)

Project Ref: 07-17-18-1-1291

3.1 Pricing (Contd)

- k) Section 6 extended warranty - Item 5.2 lift £150.00 - is this sufficient? (Under servicing of existing lifts Item 5.3 rate is £225.00). The Contractor has confirmed this is an error and should have been priced at £225.00.
- l) Section 6 extended warranty - items 6.3 and 6.4 rates - these are 3x items 5.1 and 5.2 rates - is this correct? The Contractor has confirmed item 5.3 is correct as the standard CTH warranty is two years hence the 3 x 5.1 rates. The through floor lift extended warranty rate is an error and should be £900.00

The Contractor has been advised that under the Conditions of Tendering genuine errors in pricing will be dealt with in accordance with JCT Tendering Practice Note 2017 – Alternative 2. This gives the Tenderer an opportunity of confirming his offer or amending to correct genuine errors.

The Contractor has reviewed the rates queried above which he confirmed were in error and has proposed the following changes to correct genuine errors in rates –

<u>Item</u>	<u>Original Rate</u>	<u>Revised Rate</u>
4.4 – powered door option	£0.00	£150.00
3.56 – remove two tracks	£80.00	£140.00
3.43 – fire alarm	£100.00	£160.00
4.14 – fire alarm	£100.00	£160.00
4.15 – lift builders work	£450.00	£700.00
5.2 – servicing two tracks	£125.00	£225.00
6.4 – extended warranty 48 months TFL	£475.00	£900.00

The proposed revised rates are generally less than those noted originally by the Contractor (see above) and are considered to be reasonable. The effect of the revised rates is to increase the tender sum to £476,544.90. This revised tender sum is still the lowest tender submitted and therefore can be considered for acceptance.

3.2 Preliminaries

There are no specific costs allocated for Preliminaries – these are included with the installation of the equipment rates and prices.

3.3 Prime Cost and Provisional Sums

There are no Prime Cost or Provisional Sums in the tender.

3.4 Dayworks

There are no Dayworks in the tender.

Document No and Name:		Version No:	Date:	Retention Period:	Page No:
19872	PR-88 Examining Tenders & Reporting Tender Report Works	1	July 2015	12 Years	Page 3 of 4

EXAMINING TENDERS AND REPORTING – TENDER REPORT – WORKS (CONT'D)

Project Ref: 07-17-18-1-1291

3.5 Contractors Insurances and Bond details

Copies of insurances have been submitted with the tender and approved by Finance – see email dated 23.02.2018

The Contractor has elected to provide a Cash Bond for the lump sum amount of £10,000 – see email dated 23.02.2018

3.6 Compliance with requirements of tender documentation (other than Health and Safety)

The Form of Tender, Appendices and Anti Collusion Certificate have been completed and returned.

The Contractor has not qualified or altered/amended his tender.

The Contractor has submitted copies of Contractor's Design Information and sample warranties and copies are attached to this report.

The Contractor has confirmed that Tender Amendment Nr1 issued during the tender period has been included in the tender.

4. Client/Planning Supervisors Evaluation of Competence and Provision for Health and Safety

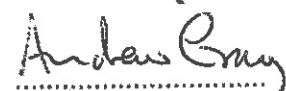
The Contractor is SSIP compliant including the additional category of Principal Contractor with CHAS accreditation valid until 8.06.2018. Risk Assessments and Method Statements have been provided by the Contractor and are attached

5. Conclusion

The lowest tender submitted by Prism UK Medical Ltd adjusted for the correction of arithmetical and genuine errors resulting in an adjusted sum of £476,544.90 remains the lowest tender received and is considered competitive for the works.

We recommend acceptance of the adjusted tender submitted by Prism UK Medical Ltd in the sum of £476,544.90 subject to funding being made available and satisfactory assessment of the Design Information provided and approval of the Contractors Health and Safety information.

Signed:  Project Quantity Surveyor Date: 2.03.2018

Authorised for issue:  For and on behalf of Date: 2/3/18
PP the NPS Group
Karen Temple
Managing Director

Copy to: Project File
Mr M Allen

Document No and Name:	Version No:	Date:	Retention Period:	Page No:
19872 PR-88 Examining Tenders & Reporting Tender Report Works	1	July 2015	12 Years	Page 4 of 4