


<b>London Borough of Hammersmith &amp; Fulham</b>  <b>CABINET</b>  <b>7 DECEMBER 2015</b>		
<b>TESTING AND INSPECTION OF EXISTING FIRE ALARMS &amp; EMERGENCY LIGHTING SYSTEMS WITHIN HOUSING PROPERTIES –BOROUGH WIDE</b>		
<b>Report of the Cabinet Member for Housing : Councillor Lisa Homan</b>		
<b>Open Report</b>  A separate report on the exempt part of the Cabinet agenda provides exempt financial information.		
<b>Classification - For Decision</b>  <b>Key Decision:</b> Yes		
<b>Wards Affected:</b> All		
<b>Accountable Lead Directors:</b> Kathleen Corbett, Director for Finance and Resources, HRD & Mike England, Director, Housing Strategy and Options		
<b>Report Author:</b> Henrietta Jacobs, Procurement Manager		<b>Contact Details:</b> Tel: 020 753 3729 email:henrietta.jacobs@lbhf.gov.uk

## 1. EXECUTIVE SUMMARY

- 1.1 This report seeks approval to let a contract to undertake the testing and inspection of fire alarm systems, emergency lighting and general lighting systems in sheltered housing, high rise blocks, hostels and community centres.
- 1.2 The Council has a responsibility under the Regulatory Reform (Fire Safety) Order 2005 to maintain the fire alarm and emergency lighting installations within its premises. The works to be carried out under this contract will discharge the Council's duties under this aspect of the regulations.
- 1.3 The works will be carried out in accordance with the requirements of BS 5839-1:2002 with respect to fire alarm systems and BS 5266-1:1999 with respect to emergency lighting installations. The works include quarterly testing and inspection of each fire alarm system and testing of emergency lighting

systems on a monthly basis. The fire alarm systems installed within the properties are all Gent Vigilon systems, and the works are to be undertaken by a contractor who is a suitable Gent System Integrator.

- 1.4 The contract also includes for attending to reactive breakdown repairs to fire alarm systems as and when required.

## **2. RECOMMENDATIONS**

- 2.1 That approval be given to accept the Most Economically Advantageous Tender (MEAT) submitted by the provider named in the exempt report, as set out in the exempt report.

- 2.1 To note that the contract is expected to start on 1<sup>st</sup> March 2016 for a period of 5 years with an option to extend annually for a further 3 years.

## **3. REASONS FOR DECISION**

- 3.1. To ensure the Council meets its responsibility under the Regulatory Reform (Fire Safety) Order 2005 to maintain fire alarm and emergency lighting installations within its premises. The works to be carried out under this contract will discharge the Council's duties under this aspect of the regulations. The existing contract for the testing and inspection of fire alarm and emergency lighting installations expires on 31<sup>st</sup> December 2015, and hence the proposed contract is required in order that the Council continues to discharge its statutory obligations.

## **4. INTRODUCTION AND BACKGROUND**

- 4.1 Maintenance of fire alarm and emergency lighting systems within housing properties is currently carried out under a single combined contract with **Lyrico UK Ltd**. This contract expires on 31<sup>st</sup> December 2015. However the works under the existing contract have been programmed to ensure that no building is operated without a valid test certificate during the interim period between the expiry of the existing contract and commencement of the new contract on 1<sup>st</sup> March 2016.

## **5. PROPOSAL AND ISSUES**

### **5.1 Brief details of the works.**

- 5.1.1 The contract consists of the testing and inspection of fire alarms, emergency lighting and general lighting systems including day to day reactive repairs to fire alarm systems within each building fitted with the above systems in compliance with BS 5839 and BS 5266 respectively. This includes quarterly testing and inspection of each fire alarm system whilst for emergency lighting and general lighting systems, testing and inspection is carried out on a monthly basis.
- 5.1.2 The contract also includes attending to day to day reactive breakdown repairs to fire alarm systems as and when required, based on a notional schedule of rates which has been priced by the contractor.

- 5.1.3 Day to day reactive breakdown call & improvements work to emergency lighting and general lighting are carried out under the Repairs & Maintenance (RM) contract with MITIE.
- 5.1.3 The buildings included in this contract are all buildings fitted with fire alarm systems and communal lighting across the housing portfolio.
- 5.1.4 The fire alarm systems installed in all the properties to be serviced under this contract are manufactured by Gent Honeywell and are from their Vigilon Range. In order to ensure that all the maintenance, servicing and reporting is carried out fully in accordance with the manufacturer's instructions, and so as to ensure that the systems remain fully functional, it is essential that all servicing is undertaken by an approved Gent System Integrator. Therefore, officers specified that the successful contractor must comply with this requirement.

## **5.2 Tender Details**

- 5.2.1 The total value of the contract exceeded the EU threshold for Services (currently £172,544.00). Therefore, in accordance with the Contract Standing Orders, it was necessary to carry out a full Official Journal of the European Union (OJEU) procurement exercise in accordance with the Public Contracts Regulations 2006.
- 5.2.2 Following Cabinet approval on 8<sup>th</sup> December 2014, a procurement exercise was initiated. The procurement was conducted under the restricted procedure. A notice was published in the Official Journal of the European Union (OJEU) with Ref No 2015/s 027-045509 and the Pre-Qualification Questionnaire (PQQ), was made available for download on the **29<sup>th</sup> January 2015** using the CapitalSourcing Portal.
- 5.2.3 Of the 52 suppliers that expressed an interest, 20 submitted a PQQ by the deadline of **10 March 2015**.
- 5.2.4 Following the evaluation of the PQQ's, 9 successful contractors with the highest scores were invited to tender on **16<sup>th</sup> June 2015**.

### **5.2.5 Tender Evaluation & Award Criteria**

The closing date for the tender return was the 10<sup>th</sup> August 2015, and evaluation was carried out by a Tender Appraisal Panel (TAP) comprising of officers from property services, and procurement in accordance with the published criteria. Evaluation was completed on **18<sup>th</sup> September 2015**. Legal and Finance were consulted at every stage of the process.

Tenders were evaluated on the basis of the most economically advantageous tender with a maximum of 60% for quality and 40% for price, of which 10% of the quality was based on sustainability and Environmental issues. The attached Appendix 1(contained in the exempt report on the exempt Cabinet agenda), provides details of the published Evaluation & Award criteria.

5.3 The tenders were received on the 10<sup>th</sup> August 2015 are on a fixed price basis and remain open for acceptance for 6 months.

5.3.1 Tenders received are on a fixed price basis for the first 12 months of the contract with annual inflationary increase thereafter, using “indices for maintenance costs” “Table” “M & E”, published under the DFTs “Updating Percentages Adjustments for Measured Term Contracts.

5.3.2 Tenderers were asked to provide prices against each building for carrying out testing and inspection of fire alarms, emergency lighting and general lighting systems. In addition, tenderers were also asked to provide on cost against schedule of rates for carrying out day to day reactive breakdown repairs.

5.3.3 The financial makeup of the contract comprises three elements as follows:

1. Fixed annual sum for regular servicing of fire alarms & emergency lighting.
2. Fixed schedule of rates for day to day repairs and call outs to fire alarms systems only.
3. Schedule of rates for planned improvements to fire alarms systems only.

5.3.4 To allow a tender sum for comparisons of bids to be ascertained, the tender documents contained a financial model with a specified number of day work hours and a sum for the schedule of rates works items, together with schedules for the regular servicing and call outs repairs.

5.3.5 As part of the tender process Tenderers were required to provide with their tender a detailed quality submission in response to questions compiled by Property Services. The submissions were scored by members of the TAP in accordance with the scoring criteria included within the tender documents, based on a quality ratio of 60% and 40% price. Each response was awarded a score of 0 – 5 in accordance with the published criteria based on their responses to the following weighted criteria in their quality submission:-

- Performance and Quality Control
- Resourcing
- Health and Safety
- Customer Care
- Environmental

## **6. OPTIONS AND ANALYSIS OF OPTIONS**

6.1 Officers considered the option that was published in the OJEU notice and tender documents. The Council’s published evaluation and award criteria, was based on the Most Economically Advantageous Tender (MEAT), comprising of 60% Quality and 40% Price. Tenderer’s were made aware of the scoring criteria of 0 to 5. Subsequently, the percentages awarded to each tenderer for the price and quality elements of the evaluation, are added together to arrive at the MEAT tender i.e. the tender with the highest total percentage awarded.

## **7. CONSULTATION**

- 7.1 There will be liaison with building managers to ensure that the needs of the residents are accounted for when programming and undertaking the work. For those few high-rise buildings where the service is a new provision (for example where emergency lighting has only recently been installed) it is the intention to write to each tenant and leaseholder informing them of the proposals.
- 7.2 The majority of buildings included in this contract are sheltered schemes, hostels, concierges and community centres, and consequently there are no properties sold under the Right-To-Buy legislation and no statutory requirement to consult under that legislation. In the case of emergency lighting in high-rise blocks which contain leaseholders, the cost of the works will be below the £250 threshold above which statutory consultation is necessary, and therefore, again there is no requirement to issue Notices under the legislation.

## **8. EQUALITY IMPLICATIONS**

- 8.1 Currently there are no significant equalities issues highlighted. Should the liaison with building managers highlight any specific needs of protected groups when undertaking the works, officers will ensure that these needs are taken into account.
- 8.2 Implications verified/completed by: Danny Reynolds, Group Leader Engineering, 0208 7534780

## **9. LEGAL IMPLICATIONS**

- 9.1 The proposed contract award has been carried out in compliance with the Council's Contract Standing Order and the Public Contracts Regulations 2006 (the regulations in force at the time the procurement commenced). Accordingly Director of Law endorses the recommendations in this report.
- 9.2 Implications completed by: Kar-Yee Chan, Solicitor (Contracts), 020 8753 2772.

## **10. FINANCIAL AND RESOURCES IMPLICATIONS**

- 10.1 As set out in the exempt report on the exempt Cabinet agenda.

## **11. IMPLICATIONS FOR BUSINESS**

- 11.1 There are no business implications arising from this report.
- 11.2 Implications verified/completed by Henrietta Jacobs – Procurement Manager 0208 753 3729

## **12. RISK MANAGEMENT**

- 12.1 Risks relating to the project's pre-construction processes have been ascertained, and the project will not commence until the necessary actions

identified on the register have been undertaken. A post-contract risk register will be developed jointly with the contractor once they have been appointed, in order that risks can be managed throughout the duration of the project

12.2 Implications verified/completed by Ed Cousin – Project Electrical Engineer, 020 8753 4889.

### **13 PROCUREMENT AND IT STRATEGY IMPLICATIONS**

13.1 This contract, over the initial contract period (5 years) and potential extension period (3 years), has a value exceeding £1 million and thus Cabinet are required to approve award.

13.2 The procurement has been conducted in accordance with the Public Contracts Regulations 2006 and Council Contract Standing Orders and accordingly, the interim Heads of Procurement (job share) agree with the recommendations.

13.3 Implications verified/completed by: (Robert Hillman, Procurement Consultant x1538)

#### **LOCAL GOVERNMENT ACT 2000** **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext of holder of file/copy</b>	<b>Department/ Location</b>
	None		

**LIST OF APPENDICES (contained in the exempt report on the exempt Cabinet agenda):**

**Appendix 1 – Tender Evaluation & Award Criteria**