



Escalator, Lift and Travelator Maintenance - award of contract

Committee Strategy & Programmes

Date of meeting 26 November 2021

Date of report 4 November 2021

Report by Director of Subway

1. Object of report

To recommend to the Committee, the approval of the award of contract for SPT's Escalator, Lift and Travelator Maintenance to Otis Limited.

2. Background

- 2.1 SPT owns and operates Escalator, Lift and Travelator assets throughout the SPT estate. To ensure continued safe and reliable operation of these assets, SPT must ensure maintenance of these assets to the required and appropriate levels. This is also a compliance matter with the sub surface regulations.
- 2.2 The current contract is due to expire February 2022 therefore SPT undertook a procurement exercise in 2021 for the delivery of Escalator, Lift and Travelator Maintenance with the aim of continuing to deliver the best possible value for SPT, whilst maintaining safe and reliable operation of the assets.
- 2.3 In addition to any regulatory obligations, providing safe and reliable Escalators, Lifts and Travelator is essential to SPT's customer service provision, which ensures ease of access and egress to the Subway stations by all patrons.

3. Outline of proposals

- 3.1 SPT invited contractors to tender for a five-year contract with the option to extend for a further two years at SPT's sole discretion. The services included under the scope of supply are:
 - To provide planned and reactive maintenance and support for all Escalator, Lift and Travelator infrastructure inclusive of any installed auxiliary equipment used as part of the safe operation of these assets;
 - To provide support and access to SPT's Insurance provider to allow mandatory insurance inspections to take place;
 - To provide assessment and identification of all required critical spares and to ensure that retention of these identified parts is provided for any component that

on failure would render the asset inoperable or result in unsatisfactory asset performance;

- To provide a designated Contract Manager who shall interface with the SPT Asset Manager and provide regular management information reports measuring performance against set targets and Service Level Agreements;
- To provide as necessary, evidence of competence for all Operatives/Technicians/Engineers and provide any valid method statements and risk assessments for all works prior to them being undertaken; and
- To provide details of fixed rates for additional works or works determined as out-with the scope of the maintenance contract (e.g. acts of vandalism or safe isolations).

3.2 This Invitation to Tender (ITT) was issued as an open tender procured in accordance with the Utilities Contracts (Scotland) Regulations 2016.

Two tenders were returned and evaluated against pre-determined award criteria defined in the tender documents in order to determine the Most Economically Advantageous Tender (MEAT). For the purpose of evaluation, weightings were: 60% commercial and 40% technical.

The technical bids were evaluated for basic compliance before being scrutinised by an evaluation panel for assessment. Initial draft scores and comments were received and a consensus meeting held to agree a finalised SPT score and comments for each question for both bidders.

The results of the technical evaluation are as follows:

Supplier	Technical score	Aligned to 100	Weighted Score %	Ranking
Otis Limited	81	100	40.0	1
TK Elevator UK Ltd	65	81	32.2	2

The commercial evaluation was based on providing a fully managed service including spares on the SPT estate and an estimation of callout cover for lock offs on the escalators. Prices were requested to be fixed for two years and then CPI indexation would apply thereafter. Otis Limited submitted a bid of £380,463 per annum for the full managed service. It should be noted that this value currently represents a modest saving on existing costs of around £3,000 per annum.

The results of the commercial evaluation were as follows:

Supplier	Weighted Commercial Score %	Ranking
Otis Limited	60.0	1
TK Elevator UK Ltd	45.8	2

After evaluation of both the technical and commercial submissions, it is concluded that the bid received from Otis Limited provides best value for SPT.

The results of the combined commercial and technical were as follows:

Supplier	Technical Score	Commercial Score	Total Technical & Commercial	Ranking
Otis Limited	40	60	100	1
TK Elevator UK Ltd	32.2	45.8	78	2

4. Conclusions

From the evaluation of the tender bids it is recommended that best value would be served by awarding the contract for the provision of these services to Otis Limited for the period of five years with a possible two years extension subject to performance and available funding.

5. Committee action

The Committee is recommended to approve the award of contract to Otis Limited for a maximum period of seven years for the Maintenance of SPT Escalator, Lift and Travelator Maintenance up to value of £3m (excluding VAT).

6. Consequences

Policy consequences	<i>None directly.</i>
Legal consequences	<i>None directly.</i>
Financial consequences	<i>The contract costs will be accommodated within the Escalator Maintenance budget under revenue budget code 1-1500-4160.</i>
Personnel consequences	<i>None directly.</i>
Equalities consequences	<i>None directly.</i>
Risk consequences	<i>This is a critical service for the on-going safe, customer focused operation of the Glasgow Subway.</i>

Name **Antony Smith**
Title **Director of Subway**

Name **Valerie Davidson**
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