

**To: Procurement Sub Committee**

**On: 27th January 2016**

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**Addendum to report  
by  
The Chief Executive  
and  
Director of Community Resources**

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**Contract Update Report**

**Update Report for Street Lighting Maintenance and Repairs Award**

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**1. Summary**

- 1.1 The purpose of this addendum is to provide an update to the Procurement Sub Committee on the outcome of the adjudication proceedings between the Council and Lightways Contractor's Limited (the "Contractor") under the Street Lighting Maintenance and Repairs Contract, reference RC1509\_4636(MC\_9698) (awarded under the terms of Renfrewshire Council's Framework for Street Lighting Maintenance, Repairs, Improvements & Developments, Lot 1 maintenance and repairs of street-lighting, reference R1111026690, such award having been approved at the Procurement Sub Committee on 19th October 2015) (the "Contract").
- 1.2 The Adjudicator has found in favour of the Council on every point which was referred to him and consequently the Contractor will now be obliged to carry out the works in accordance with the terms of the contract and for the rates contained in the Price List submitted in his tender.
- 1.3 The decision of the Adjudicator is binding upon the parties unless the matter is subsequently referred to, and overturned by, the Court (or the parties reach an alternative agreement).

## **2. Recommendations**

It is recommended that the Procurement Sub Committee note:

- 2.1 the Adjudicator has found in favour of the Council and considers the Council's contract to be robust .

## **3. Background**

- 3.1 The points submitted by the Council for determination by the adjudicator along with the Adjudicator's decisions are as follows:

- a) Declaration that the Contractor is under an obligation to carry out only those works instructed in a Task Order

Decision: The Adjudicator declared that the Contractor is under an obligation to carry out only those works instructed under a Task Order

- b) Declaration that the Contractor is not entitled to seek payment under billed items on the Price List referring to "Repair Physical Fault" on every occasion when they attend site to implement works under a Task Order.

Decision: The Adjudicator declared that the Contractor is not entitled to seek payment under billed items 7,000.46 – 7,000.51 (Repair Physical Fault) of the Price List on every occasion when they attend site to implement works under a Task Order.

- c) Declaration that the Contractor is only entitled to receive payment under the "Repair Physical Fault" section of the Price List where that item of work has been expressly instructed by the Council under a Task Order.

Decision: The Adjudicator declared that the Contractor is only entitled to receive payment under the Repair Physical Fault section of the Price List where that item of work has been expressly instructed by the Council under a Task Order.

- d) Declaration that when instructed to attend site and replace a lamp, the Contractor is only entitled to receive payment under the appropriate billed items of the Price List.

Decision: The Adjudicator declared that when instructed to attend site and replace a lamp, the Contractor is only entitled to receive payment under the appropriate billed item in section 7,000.16 – 7,000.38 of the Price List.

- e) Declaration that upon receipt of an instruction to attend site and renew a luminaire with free issue luminaire, the Contractor is only entitled to receive payment under the appropriate billed item of the price List.

Decision: The Adjudicator declared that upon receipt of an instruction to attend site and replace a luminaire with free issue luminaire, the Contractor is only

entitled to receive payment under the appropriate billed item in section 7,000.01 – 7,000.15 of the Price List.

f) Declaration that the remaining sections within the Financial Assessment Model and the Price List fall to be interpreted in the same way as in c) to e) above.

Decision: The Adjudicator declared that the remaining sections within the Financial Assessment and the Price List fall to be interpreted in the same way as items referred to under c – e above.

- 3.2 The Adjudicator has determined wholly in favour of the Council, thereby confirming that the Council's contract is robust. The adjudicator declared that the Contractor is liable to pay the whole costs, fees and legal expenses of the Adjudicator.

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