
To: Procurement Sub Committee

On: 30th November 2016

Report by:

**Joint Report
by
The Chief Executive & Director of Community Resources**

Contract Authorisation Report

Mini Competition for Strategic Review of Street Lighting LED Lantern Replacement 2016/2017 - Phase 3

1. Summary

- 1.1 The purpose of this paper is to seek the approval of the Procurement Sub Committee to award a contract for the Mini Competition for the Strategic Review of Street Lighting - LED Lantern Replacement 2016/2017 - Phase 3, reference RC1610_6962(ITT15294) under the terms of Scotland Excel's Framework Contract for Street lighting bulk renewal of luminaires 10-13.
- 1.2 This Contract is for the final phase in the Council's strategic review of street lighting project to install LED lanterns within Bishopton, Erskine, Langbank and all town centres in the Renfrewshire area.
- 1.3 A contract strategy document for the Strategic Review of Street Lighting was approved by the Strategic Commercial & Procurement Manager and Director of Community Resources on 21 August 2016.

2. Recommendations

2.1 It is recommended that the Procurement Sub Committee authorise:

2.1.1 The Head of Corporate Governance to award the Contract for the Strategic Review of Street Lighting – LED Lantern Replacement 2016/2017 Phase 3 (reference RC1610_6962(ITT15294) to Power 1 Electrical Contractors Ltd;

2.1.2 The value of the Contract at £504,273.44 excluding VAT with an additional value of 10% contingency for unforeseen works;

2.1.3 The starting date of the Contract is anticipated to be 12 January 2017 with the Contractor receiving the first delivery of LED lanterns on this date. The Contractor will be on-site on 23 January 2017 and the completion date will be 19 May 2017. The starting date will be confirmed in the letter of acceptance.

3. Background

3.1 Community Resources is responsible for the maintenance of all street lighting within the Council boundary area. This Contract is for the installation of new LED lanterns for roads, cycle paths and footpaths within the Council boundary area.

3.2 On 25th June 2015, the Council approved the street lighting improvement strategy for the replacement of existing street lanterns with LEDs to improve the quality of light, reduce energy and reduce maintenance costs. The Council also approved a capital investment programme, estimated at £11m to fund delivery of the project by the end of the 2016/17 financial year.

3.3 On 27 January 2016, the Procurement Sub Committee approved a new tendering procedure for the LED Lantern Replacement 2016/2017 using revised tender documents.

3.4 The original installation programme was revised to provide for the LED installation to be completed in three (3) phases. This Contract is for the final phase 3 covering Bishopton, Erskine, Langbank and all town centres within the Renfrewshire Council area. Phase 1 was approved at Procurement Sub Committee on 29 March 2016. Phase 2 was approved by the Chief Executive during summer recess on 3 August 2016.

3.5 Scotland Excel has a framework Contract for Street Lighting Bulk Renewal of Luminaires 10-13, which has been in place since 1 July 2016. A mini competition was conducted under this framework.

3.6 Nine (9) suppliers were awarded to this framework Contract and on 21 October 2016 the Council invited all nine (9) suppliers to submit a tender via the Public

Contracts Scotland e-tendering system. By the closing date at 12 noon on 8 November 2016, two (2) suppliers submitted a tender, three (3) suppliers declined to tender and four (4) did not reply.

3.7 Tender submissions were evaluated against the award criteria detailed below:

- Technical – The technical scores from the Scotland Excel framework Contract were adopted for this mini-competition. The technical envelope was weighted as follows; servicing the framework 14 marks, added value 3 marks and community benefits 3 marks. The associated weighting for this overall section is 20%.
- Commercial – Framework Contract award criteria 80%

3.8 The two (2) tender submissions received were evaluated against the award criteria stated above. The scores relative to the Award Criteria of each tenderer are as follows:

Supplier	Price (80)	Quality (20)	Total Score
Power 1 Electrical Contractors Ltd	80	18.00	98.00
Centre Great Ltd	70.60	4.63	75.23

3.9 It is recommended that the contract is awarded to Power 1 Electrical Contractors Ltd, who based on evaluation, have provided the most economically advantageous tender. Prices have been fixed for the contract duration.

3.10 Power 1 Electrical Contractors Ltd have committed to a number of community benefits on the Scotland Excel Framework Contract. The Council will work closely with Power 1 Electrical Contractors Ltd during the mobilisation period to establish a delivery plan for Renfrewshire Council as a result of this contract. The community benefits offered on the Framework Contract are as follows:

Description of benefit offered	Quantity
Employability workshop or event in a school, college or community group (employability session, career information, mock interviews)	3
Offer training sessions to Council apprentices (or other nominated representatives) on use of products or relevant health and safety courses	3
Offer weekly or monthly work experience placements to a nominated school pupil or Council apprentice	1
Donation of materials and/or labour to support community project. Value of £250	1
Donation of product vouchers to support apprentices. Value of £250	1

Implications of the Report

1. Financial

Financial costs in respect of this Contract will be met from the capital budget allocation for the Strategic Review of Street Lighting LED project.

The financial status of Power 1 Electrical Contractors Ltd has been assessed by Scotland Excel during the framework Contract evaluation.

2. HR and Organisational Development

None.

3. Community Planning

Safer and Stronger

Renfrewshire Council has a statutory obligation under the Roads (Scotland) Act 1984 for the provision and maintenance of roads and footways. For street lighting there is no requirement for the Council to provide street lighting. However, where it does in the interest of road safety or public amenity there is a requirement to maintain this lighting. Where lighting is provided, the Council endeavours to meet the standards set out in the British Standards for lighting design.

This type of improvement to the condition of the road network contributes to maintaining network availability and public safety.

LEDs produce white light which provides for better colour identification compared with conventional lighting and will therefore contribute to community safety

Greener

This project is projected to reduce energy and carbon consumption by 62%

4. Legal

The tendering procedures for the establishment of this contract were in accordance with Scotland Excel Framework Contract Terms and Conditions for Street lighting bulk renewal of luminaires 10-13 and the Council's Standing Orders Relating to Contracts.

5. Property

The works resulting from this Contract include installation of new LED lantern on existing columns and installation of new columns on life expired columns across the Council boundary area.

6. Information Technology

None

7. Equality & Human Rights

The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. Health and Safety

Tenderers health and safety submissions have been evaluated by Renfrewshire Council's Health and Safety section. All tenderers have met the minimum requirements regarding health & safety.

9. Procurement

The mini competition procurement exercise was conducted in accordance with, the Framework Terms and Conditions and the Council's Standing Orders Relating to Contracts.

10. Risk

This Contract is for the final phase of the Strategic Review of Street Lighting – LED lantern replacement programme. Some delays have taken place in previous phases due to supply chain issues. Close contract management has been set for this Contract to ensure the risk of delay is mitigated.

11. Privacy Impact

N/A

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