
To: Finance, Resources and Customer Services Policy Board

On: 31 January 2018

Report by: Joint Report by the Chief Executive and the Director of Environment & Communities

Heading: Strategic Review of Street Lighting – LED Lantern Replacement Final Phase

1. Summary

- 1.1 The purpose of this report is to inform the Finance, Resources and Customer Services Policy Board that a contract was awarded to CentreGreat Ltd for the Strategic Review of Street Lighting – LED Lantern Replacement Final Phase under the terms of the Scotland Excel's Framework Contract for street lighting bulk renewal of luminaires 10-13.
- 1.2 This Contract was for the final phase in the Council's strategic review of street lighting project to install LED lanterns within 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 Environment & Communities on 21 August 2016. An amendment to this strategy was approved by the Corporate Procurement Manager in December 2017.

2. Recommendations

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board note;
 - 2.1.1 That a contract was awarded to Centregreat Limited to undertake the Strategic Review of Street Lighting – LED Lantern Replacement Final Phase following Power 1 Electrical Contractors Ltd entering administration;
 - 2.1.2 The contract started on 2 October 2017 and will complete in January 2018;
 - 2.1.3 The contract value of £227,282.69 excluding VAT with an additional value of 10% contingency for any unforeseen works.

3. Background

- 3.1 Environment & Communities is responsible for the maintenance of all street lighting within the Council boundary area. This Contract is for the final phase of 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 2017/18 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 awarding the contract to Amey OW Limited. Phase 2 was approved by the Chief Executive during summer recess on 3 August 2016 awarding the contract to Power 1 Electrical Contractors Limited. Phase 3 was approved by the Procurement Sub Committee on 30 November 2016 awarding the contract to Power 1 Electrical Contractors Limited.
- 3.5 The Phase 1 installation contract reached completion on 4 October 2017.
- 3.6 On 11 September 2017 French Duncan LLP were appointed as administrators of Power 1 Electrical Contractors Ltd. Power 1 Electrical Contractors Ltd were no longer able to provide the services required under the contracts and the Council therefore terminated both contracts for the Strategic Review of Street Lighting Phases 2 and 3.

- 3.7 The Council had already purchased the LEDs for installation under the Phases 2 and 3 and which were being stored by Power 1 Electrical Contractors Ltd at their premises. The Council needed to take immediate steps to preserve Council LED assets and to ensure future delivery of the LED programme. Failure to do so would have resulted in financial implications for the Council in terms of carbon reduction targets and energy savings. It was therefore imperative that the project timescales were maintained.
- 3.8 Following discussions with the Director of Environment & Communities, Head of Amenity Services, Head of Corporate Governance and the Corporate Procurement Manager, it was recommended that a new request to participate in a direct award was to be issued to Centregreat Ltd.
- 3.9 A request to participate in a direct award for the Strategic Review of Street Lighting – LED Lantern Replacement 2017/2018 Final Phase was issued under the terms of the Scotland Excel framework for street lighting bulk renewal of luminaires 10-13 to Centregreat Ltd.
- 3.10 The quote submitted by Centregreat Ltd for these works are in line with the rates tendered for the framework. The total cost of the works is £227,282.69 excluding VAT.
- 3.11 To maintain the programme this contract was awarded on 2 October 2017 with completion by 31 January 2018.
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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.

2. HR & Organisational Development

No TUPE implications have arisen or are anticipated.

3 Community/Council Planning

Building strong, safe and resilient communities –

Renfrewshire Council has a statutory obligation under the Roads (Scotland) Act 1984 for the provision and maintenance of roads and footways. LED lights improve the colour rendition and clarity of light to support public protection and road safety. 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

Creating a sustainable Renfrewshire for all to enjoy-

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.

5. **Property Assets**

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**

No Information Technology implications have arisen or are anticipated.

7. **Equality and Human Rights**

Centre Great Ltd Equality & Human Rights has been assessed under the the Scotland Excel Framework Agreement for the bulk renewal and have confirmed their compliance with their statutory obligations in respect of Equality and Human Rights.

8. **Health & Safety**

Centre Great Ltd Health & Safety has been assessed under the Scotland Excel Framework Agreement for the bulk renewal of to ensure that they met the minimum requirements regarding Health & Safety.

9. **Procurement**

The direct award procurement exercise was conducted in accordance with the Framework Terms and Conditions.

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, all lanterns have now been delivered and are available to Centre Great.

11. **Privacy Impact**

No Privacy Impact Assessment requirements were identified within this procurement.

12. **Cosla Policy Position**

No Cosla Policy Position implications have arisen or are anticipated.

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