

ENVIRONMENT CABINET MEMBER MEETING

Agenda Item 78

Brighton & Hove City Council

Subject:	Approval to award Highway Street Lighting Maintenance Contract		
Date of Meeting:	17 December 2009		
Report of:	Director of Environment		
Contact Officer:	Name:	Christina Liassides	Tel: 29-2036
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Key Decision:	Yes	Forward Plan No: ENV12782	
Wards Affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 Further to Cabinet Member approval in September 2009 to procure the Street Lighting Term Maintenance Contract, this report now requests Cabinet Member approval to award the contract for the period 2010 – 2012 with an anticipated works value of £2,000,000.00.
- 1.2 This contract is for the essential maintenance works required to keep the Council's street lighting and other illuminated street furniture in safe, working order.

2. RECOMMENDATIONS:

- 2.1 That the Cabinet Member approves the award of the Street Lighting Term Maintenance Contract which has been procured in partnership with East Sussex County Council.

(Approval will enable a 3 month mobilisation period for the new contract to be put into place. This is the essential minimum period required to enable the successful contractor to purchase resources, plant and stock for contract commencement on 1 April 2010.)

- 2.2 That Colas Ltd, having submitted the best value tender, be awarded the new joint contract for street lighting maintenance across East Sussex and Brighton and Hove.

(The contract is due to commence on 1 April 2010 for a minimum period of 2 years and 5 months.)

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The contract will provide for the maintenance and repair of the Council's 25,000 items of illuminated street furniture which comprises:
 - Lighting Columns – 20054
 - Central Refuge Beacons – 189

- Feeder Pillars – 390
 - Illuminated Bollards – 1309
 - Illuminated Signs – 2759
 - Belisha Beacons – 89
 - Floodlights – 215
 - School Crossing Patrols – 37
 - Subway Lighting – 513
 - Non-illuminated reflective bollards - 62
- 3.2 The contract will commence on 1 April 2010 and terminate on 31 August 2012.
- 3.3 Subject to satisfactory Contractor performance, there is an option of up to four twelve month extension periods resulting in a maximum contract term of 6 years and 5 months, terminating on 31 August 2016.
- 3.4 This will be a term contract and payment for works will be from a call-off Schedule of Rates submitted by the Contractor.
- 3.5 The existing Term Maintenance Contract with Colas Ltd expires on 31 March 2010. An advertisement was placed in the European Journal (OJEU) inviting expressions of interest to undertake the new Contract. 20 companies expressed interest in the Contract and 7 returned the pre-qualification questionnaires. All 7 companies were invited to submit tenders and documents issued accordingly. On the tender return date, 13 November 2009, 4 bids were returned in the correct format comprising 2 packages, a 'Quality Submission' and a 'Financial Submission'.
- 3.6 The Contract is divided into two principal activities – General Maintenance and Ordered Maintenance, which consists of Regulatory Repair Work to illuminated bollards and signs, and Special Maintenance which will be ordered specifically by the Street Lighting Team.
- 3.7 The structure of the Contract allows for the provision of new or replacement street and amenity lighting to be implemented through any environmental enhancement projects funded from specific project budgets. This may increase the value of the Contract by a small percentage. Any such projects undertaken will be undertaken in conjunction with the Street Lighting Team to help inform the development of a long term street lighting policy for the city.
- 3.8 The final tender assessment was based on a weighting of the Quality and Financial submissions in the ratio 60:40 respectively. Each tender submission was assessed by 2 panels; a Quality Panel and a Financial Panel.
- 3.9 To assess the quality element of the tenders returned bidders were scored in the following core areas – Quality Management, People for Contract, Environment, Public Relations, Health & Safety, Key Performance Indicators, Training and Development, and Added Value.
- 3.10 In terms of the financial element, this was scored using a financial model prepared by East Sussex County Council (and agreed by Brighton & Hove City Council Procurement) based on anticipated annual quantities.

- 3.11 Appendices attached at the rear of this report evidence the works undertaken to evaluate the tenders
- 3.12 The value of works orders raised throughout the life of the contract will vary depending on the types of works ordered. Works will be undertaken anywhere within the boundaries of Brighton & Hove City Council.

4. CONSULTATION

- 4.1 Consultation has been undertaken in accordance with the Council's and East Sussex County Council's Procurement Policy and includes Brighton & Hove Strategic Finance and Procurement.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 As stated in the body of the report, General Maintenance and Regulatory Repair Work are the only guaranteed elements of the contract, and these would be funded from existing budgets. The current revenue budget for general lighting maintenance is £600,200.
- 5.2 The Local Transport plan sets out a five year delivery programme of works, with the current plan agreed to 2010/11. The funding set aside for street lighting this year is £250,000.

Finance Officer Consulted: Karen Brookshaw Date: 03/11/2009

Legal Implications:

- 5.3 The value of supplies referred to in this report is above the applicable threshold for the purposes of EU procurement law and UK procurement Regulations. The report indicates that the procurement, in partnership with East Sussex County Council, was undertaken in compliance with the relevant legal requirements. The value of the contract is in excess of £75,000 and so must be in a form approved by the Head of Law. The Council must take the Human Rights Act into account in respect of its actions but it is not considered that any individual's Human Rights Act rights would be adversely affected by the recommendations contained in this report.

Lawyer Consulted: Sonia Likhari Date: 06/11/2009

Equalities Implications:

- 5.4 The Council's Code of Practice on Equalities and Workforce Matters is enforced in all procurement.

Sustainability Implications:

- 5.5 Sustainability is promoted in all departmental contract procurement. Specifications allow for recycling and development of sustainable processes. New energy efficient technology is introduced wherever possible and funding permits.

Crime & Disorder Implications:

- 5.6 Well-lit streets help reduce crime and fear of crime as well as providing a safer night-time street scene.

Risk & Opportunity Management Implications:

- 5.7 There are health and safety risks involved in failing to maintain the public highway street lighting which could have severe and costly consequences. Failure to improve or maintain street lighting adversely affect National Indicators, Best Value Performance Indicators and potential funding.

Corporate / Citywide Implications:

- 5.8 The contract will deliver Revenue and Capital funded works across the City and can be utilised by other departments through the Council where appropriate and in consultation with the street lighting team to ensure continuity and a planned approach to the future of the service within the city.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 Permission was granted by CMM to enable us to commence the joint procurement process so CMM have accepted the principle of a maintenance contract tender rather than other options.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The Council has a duty maintain street lighting and electrical equipment on the public highway under the Highways Act 1980. This Contract facilitates this requirement.
- 7.2 This contract succeeds the current Street Lighting Maintenance Term Contract that terminates on 31st March 2010. This form of contract, procured through the EU process is considered most suitable.

SUPPORTING DOCUMENTATION

Appendices:

1. Tender Assessment tables.

Documents in Members' Rooms

1. Copy of Contract Documents

Background Documents

None