

Agenda Item No:	8	
Committee:	Cabinet	
Date:	19 July 2018	
Report Title:	Parish Street Lighting	

Cover sheet:

1 Purpose / Summary

To consider and agree the proposal for future management, repairs & maintenance, and funding for Parish street lighting.

2 Key issues

- Repairs and maintenance (R&M) and energy for District and Parish lights are currently managed and funded by FDC
- A new R&M schedule of rates contract was awarded with effect of 2 July 2018
- Members previously proposed that Parish owned street lighting repairs & maintenance and energy are funded in future by the respective Parish Council.
- A proposed Service Level Agreement outlines the service to be provided and costs recovered as from July 2018.
- It includes professional management, customer interface, and a one-off inventory and condition survey covered by FDC free of charge.
- The proposal has been shared with Parish Councils who were requested to respond with their intentions by 22 June 2018.
- Four positive responses have been received to date. Other Parishes indicated they were unable to respond by the deadline or requested a meeting with FDC, which was arranged for 4 July 2018.
- An updated position will be presented at the Cabinet meeting.
- In light of limited responses it is suggested that a revised PC commitment cut-off date and management date of 1 August 2018 is adopted.

3 Recommendations

- Cabinet endorse the proposal to provide street lighting services to the Parish Councils that agree to the arrangements as outlined in this report and the proposed Service Level Agreement with effect from 1 August 2018.
- Parish R&M and energy costs are funded in future by the respective Parish Council from 1 August 2018.
- Authority to implement the proposals with the Parish Councils is delegated to the Portfolio Holder for Finance and the Corporate Director Growth and Infrastructure.

Wards Affected	All
Forward Plan Reference	
Portfolio Holder(s)	Cllr Anne Hay - Finance Portfolio Holder
Report Originator(s)	Trevor Watson Head of Assets and Projects Gary Garford Corporate Director Growth and Infrastructure
Contact Officer(s)	Trevor Watson Head of Assets and Projects Gary Garford Corporate Director Growth and Infrastructure
Background Paper(s)	

Report:

4 Background / introduction

- 4.1 Historically District and Parish street lights have been managed as one, with repairs and maintenance and energy provision supplied in conjunction with Cambridgeshire County Council (CCC) highway lighting. From 2011 to 2017 this was provided by Balfour Beatty providing a comprehensive service which benefited from being delivered in association with their PFI contract with CCC.
- 4.2 Repairs and maintenance (R&M) and energy costs for Parish lighting are currently funded by FDC, other than for replacement lights or significant repairs which are funded by the respective Parish Council.
- 4.3 FDC decided in 2017 that the arrangement with Balfour Beatty no longer offered the required benefits in terms of level of service or cost and decided to seek an alternative arrangement.
- 4.4 A proposal was established in consultation with the Leader of the Council, the appropriate Portfolio Holder, and other appropriate Cabinet Members for future street lighting service provision.
- 4.5 The proposal provides a 'one stop shop' for street lighting R&M and energy provision managed by FDC, with R&M and energy costs recharged back to the respective Parish Councils. The overall management of the contract and an initial inventory and condition survey are to be funded by FDC.

5 Considerations

- 5.1 Following a competitive tendering exercise the street lighting R&M contract has been awarded to Cable Test Ltd for 3 years commencing 2nd July 2018 with the contract extendable for a 2 further years. Parish estimates have been prepared based on tendered rates and 2017/18 fault report trends. Actual costs will be applied at the end of each financial year and an appropriate adjustment carried forward to the next years charge.
- 5.2 The contract excludes bulk street light replacements which it is proposed will be provided via an appropriate contract once participating Parishes are known and condition surveys complete. This will allow for a separate tender for such work to achieve best value for the various partner Councils.
- 5.3 It is proposed that energy will continue to be procured from CCC initially but alternative suppliers will be assessed once an accurate inventory of lighting equipment is in place.
- 5.4 All Parish Councils have been provided with an individual estimate for 2018/19 street lighting service and a proposed Service Level Agreement (SLA) and asked if they wish to have their lights managed by FDC or wish to assume full responsibility themselves. See Appendix A
- 5.5 The R&M contract and future service delivery is based on a standard lighting specification for replacement works, and to achieve the most cost effective service, reliability and service response standards all participating Parish Councils will be agreeing to work with the established standards and equipment by signing the SLA.
- 5.6 This proposal is separate to the FDC 'offer' of September 2015 relating to the replacement of category 1 and 2 defective street lights. The Cat 1 replacement programme has been undertaken by FDC and is complete. The financial contribution towards Parish Cat 2 replacements remains in place but all Parish Councils wishing to accept the FDC management proposal must work within the standard specification and the SLA.

- 5.7 It is highly advisable that those outside the arrangement should equally comply with the established standard, as should they decide to join the scheme at a later date the equipment will be to the required specification for the FDC contract. If not the equipment would have to be brought in line (at the PC's cost) with the FDC specification prior to joining the scheme. It is also worth noting that all procurement, insurance and legal duties will be assumed by the Parish Council.
- 5.8 Parish Councils were asked to respond to the proposal by 22 June 2018 but at the time of preparing this report the following responses had been received: - Newton PC, Gorefield PC, Christchurch PC and Tydd St Giles PC have agreed to join the FDC contract.
- 5.9 A number of other PC's have requested a further meeting with FDC, which was scheduled for 4th July and have indicated they are unable to respond within the requested time frame. The outcome of such a meeting will be reported to the Cabinet meeting.

6 Finance

- 6.1 FDC has funded Parish lighting since 1974. However, in the current financial climate when year on year savings are required to be made this position of funding third party assets is no longer justifiable.
- 6.2 The recovery of Parish R&M and energy costs will help contribute to future year budgetary challenges, both in terms of income, reliability through standardisation of suitable quality equipment, and energy efficiency through the installation of LED luminaires.
- 6.3 The financial revenue summary assuming all Parishes participate is as follows;

	2018/19	2019/20
	£	£
Costs		
Repair & Maintenance costs (All)	36,165	37,000
Energy Costs (All)	63,096	65,000
Cyclic Activities (All) - transferred to reserve until required	25,000	25,000
Significant repairs (FDC only)	13,000	13,000
Inventory (District/Parish/Clarion)	80,777	-
Total estimated cost	<u>218,038</u>	<u>140,000</u>
Income		
Parishes (includes R&M, Energy and Cyclic)	59,888	60,000
Clarion (includes R&M, Energy, Inventory & Cyclic)	11,032	11,200
Total estimated income	<u>70,920</u>	<u>71,200</u>
Net Service cost	<u>147,118</u>	<u>68,800</u>
Budget		
R&M - general	43,200	43,200
R&M - replacements	13,000	13,000
R&M - Reserve	38,684	-
Energy	65,950	67,600
Total Budget	<u>160,834</u>	<u>123,800</u>

Saving (-)

-13,716

-55,000

6.4 The estimated budget saving, based on 100% Parish take up and full year costs, equates to £13,716 in the current year and £55,000 in future years.

7 Conclusions

7.1 The proposal represents a market tested 'one stop 'shop' for street lighting R&M with costs passed on at tendered rates. It also includes professional management, customer interface, and a one-off inventory and condition survey covered by FDC free of charge.

7.2 Alternatively Parishes may prefer to assume all management, operational, and legal responsibility themselves.

Street Lighting – Parish Council Service Level Agreement

Parties to the Agreement: Fenland District Council (FDC) and (enter name) Parish Council

Purpose: To set out the levels of service, apportionment of costs, charging mechanisms, and responsibilities for the provision of Parish Council street lighting repairs and maintenance, energy, and management

Period: July 2018 to July 2021 (tba)

Scope: Service covers day to day maintenance and management of Parish Street lighting, including repairs and energy costs. Further services available by specific agreement include ad-hoc individual replacements. The service excludes bulk replacements and lighting improvement schemes. Mechanisms are included within the agreement to provide the excluded items by separate arrangement.

Number of (enter name) Parish Council street lighting units covered by the agreement = (enter number)

Level of Service

1. Included services

- Development and maintenance of street lighting asset inventory
- Appropriate identification plate with service contact details on each street light
- Receipt of service requests by e-mail and on-line reporting
- Receipt of 24 hr emergency service requests
- Ordering/prioritisation of service visits by appropriate contractor
- Routine fault repairs
- Specify and provide quotations for significant repairs (see Significant repairs below)
- Emergency response to make safe apparatus
- Liaison with Distribution Network Operator for existing apparatus faults
- 3yrly structural testing (columns over 25yrs old)
- 6yrly electrical testing (with lens clean for LED luminaires)
- Bowl clean (non-LED lanterns) during fault rectification
- Energy, including data calculation and usage
- CDM (Construction Design and Management) Regulations, Electrical and other appropriate Regulations compliance
- Procurement in accordance with FDC Code of Procurement
- Liaison with local highway authority street works teams in respect of road opening notices and licences for compliance with NRSWA 1991 (Part N) and Section 171 licence in accordance with Highway Act 1980.
- Provision of electrical duty holder on behalf of Parish
- Provision of site specific utility records

2. Significant repairs not covered by 'routine faults' (subject to Parish advanced agreement and additional to Parish estimate) such as;
 - replacement columns or luminaires,
 - pole and wall brackets and outreach bracket arms,
 - street light relocation
 - rewiring or significant internal electrical faults
 - electric supply (DNO) issues including shrouding overhead lines
 - provision of new power supply
 - Major fault investigation
 - Cable tracing
 - Column/Pole Bracket painting to include anti-climbing
 - Ad-hoc interim (non-scheduled) testing i.e. for unadopted apparatus
 - Feeder Pillar replacement
 - Temporary Portable Traffic Signal Equipment for traffic sensitive locations
 - Removal or trimming trees
3. Excluded services
 - Lighting improvements/upgrades
 - Lighting designs
 - Replacement of defective or damaged street lights (bulk replacements)
 - Scouting for lighting faults
 - Provision of wide scale utility records
 - License for installation of new apparatus within the highway (Section 50 of NRSWA 1991)
4. Service Reporting
 - Service reports can be made e-mail or web direct to FDC
 - Reporting for emergencies available 24/7
5. Communication
 - 6mthly financial and performance reports
 - Provide details of emergency actions within 10 working days.
6. Response times
 - Contractor will undertake scheduled maintenance visits every 4 weeks in spring/summer and every 2 weeks in Autumn/Winter with additional visits being required as and when necessary for minor/major faults and emergencies.
 - The overarching response times are as follows;
 - Minor Faults – Non-Emergency attendance within 14-28 days, for rectification of faults during programmed maintenance visit

- Major Faults – Urgent attendance within 24 hours to undertake safety works undertaken during attendance with rectification of fault during programmed maintenance visit
- Emergency - Attendance within 3 hours, safety works undertaken during attendance with rectification of fault during programmed maintenance visit
- Minor faults will be collated by the FDC Assets and Projects Team and passed to the contractor for rectification during the next programmed maintenance visit.

7. Apportionment of costs

- The repairs and maintenance contract is based on a 'schedule of rates' approach and therefore cost apportionment will be based on 'actual' costs appropriate to the individual Parish. An allowance will also be made for reoccurring costs which do not fall due every year such as electrical and structural testing.
- The estimated for 2018/19 will be based on recorded activity levels prior to the agreement with an adjustment for 'actual' costs applied at the end of the financial year. No allowance is included for significant or excluded works.
- Energy costs will be charged at a 'cost per street light' rate calculated on an equal basis from the total energy cost across all managed street lighting assets
- Once a fully detailed inventory is available 'actual' energy costs will be applied if possible for each Parish. This will enable the energy efficiency benefits from the investment in LED replacement lights to be reflected in energy charges. Timing will be subject to negotiations with energy providers.
- FDC management and administration provided FOC, other than 'excluded works' which will attract appropriate professional fees as set out elsewhere in this agreement

8. Charging mechanisms

- Invoices to be raised annually by FDC at the beginning of each financial year
- Parish fees will be based on estimated costs from previous service levels with an appropriate adjustment at year end based on actual costs carried forward to the next accounting period as credit or debit
- Tendered rates will apply where available where provided by the term contractor within the contract. Cost price will be recharged where procured by an alternative provider.
- Estimated energy costs will be included where actual charges are not available. An appropriate adjustment will be made for actual costs in the period following
- Alternative charging arrangements will apply for 'excluded services' which will include associated professional fees as set out in 'Additional works' below.

- Payment to be made with 30days of receipt of invoice
- Payment by BACS
- Contract rates will be adjusted annually by the Consumer Price Index (CPI)

9. Additional works

- Services within the 'excluded services' list can be provided at additional cost.
- Separately procured works will be recharged at invoiced cost plus 15% to cover professional and administrative fees. Should the Parish decide not to proceed, FDC will recharge professional fees appropriate to the abortive work undertaken.
- FDC Assets & Projects team can be engaged to undertake additional design, tender, project management commissions supplementary to this agreement
- Fees and quotations to be project specific and provided on request
- FDC propose to put in place a contract for future bulk replacement of defective lighting units. The Parish may access street lighting replacements to the standard specification via the contract at tendered prices plus professional and administrative fees of 15%.

10. Miscellaneous

- i) Uncharted street lights
 - From time to time uncharted street lights will be discovered. Investigations into the history and ownership will be undertaken by FDC to include location, historic records, CCC/Balfour Beatty records, adjacent development sites, other relevant factors
 - The hierarchy of ownership will generally follow the following principal;
 - Highway lights – CCC/Balfour Beatty
 - Unadopted development sites – developer/residents
 - Footway lights – District within Chatteris, March, Wisbech, Whittlesey, and respective Parish Council within Parish areas
 - All 'new' District and Parish lights will be added to the inventory and ongoing R&M and energy costs apportioned accordingly, including structural and electrical testing
- ii) Removal of street lights
 - In certain circumstances existing street lights may no longer be appropriate in their current location. Parishes may wish in such circumstances to remove rather than repair or replace. FDC can provide guidance in such circumstances
 - Removal would be dealt with under section 2 of this agreement, 'significant repairs' undertaken only subject to Parish agreement in advance

11. Contact details

- E-Mail
 - assets&projects@fenland.gov.uk

- On-line
 - <http://www.fenland.gov.uk/streetlights>
- Telephone
 - FDC main switchboard 01354 654321

Parish Council obligations

The Parish Council will;

- Delegate all responsibility for day to day management of its street lighting maintenance and management to FDC
- Retain funding agreement for identified 'significant repairs'
- Provide timely responses to identified 'significant repairs' (target within 10 working days)
- Agree to FDC undertaking works in the event of an emergency to address all safety issues.
- Direct all enquiries or service reports to FDC and not contact the contractor directly
- In the event of a major/significant fault occurring or a lighting asset being involved in a road traffic collision, the asset shall in the first instance be made safe by the contractor. Following site attendance the Parish will be advised of the repair or replacement cost using where possible the schedule of prices. A quotation shall be produced for any works which fall outside of the schedule of rate works items.
- Not instruct other service providers directly to undertake works without consultation with FDC and not depart from the FDC standard specification as contained within the R&M contract. Where a Parish instructs the term contractor or other contractors to undertake works without appropriate consultation and agreement, FDC will consider the SLA null and void and consider implementation of the termination clause.
- Be responsible for insuring their street lighting assets

Termination

In the event of either party wishing to terminate the agreement 6months written notice will be provided. All costs and fees will be due for the period of the notice.

The responsible Authority will assume full responsibility for their assets on the date of termination, including all safety, financial and other obligations.

Disputes

In the first instance issues and concerns which the Parish does not feel have been adequately addressed at a service level should be referred to the Head of Assets and Projects to address.

If the Parish remains dissatisfied the issue can be escalated to the Corporate Director for Growth and Infrastructure.

In the event of an issue still remaining unresolved the matter will be referred to the responsible Portfolio Holder for adjudication.

Consents

Parish to authorise FDC and their contractor ICP (independent connection provider) to act on behalf of the Parish. Parish to also authorise FDC to enter into an appropriate 'Asset Owner' agreement with UKPN on their behalf.

Signed Agreement

..... (enter name) Parish Council agrees to the terms and conditions of the **Street Lighting – Parish Council Service Level Agreement**

Signed for Parish Council.....

Date.....

Signed for Fenland District Council

Date