

# **TOWN COUNCIL REPORT 18.11.2020 – ITEM 17**

## **LED STREET LIGHTING REPLACEMENT**

### **1. Background**

PTC is responsible for the operation of 15 streetlights in Portishead and a recent inspection shows that 3 are not working and a further 9 have old incandescent light fittings. It is proposed to replace those 12 lights with modern LED fittings.

### **2. LED Replacement Benefits**

LEDs have many benefits, including:

- They consume 60% less energy than older units
- They last four times as long and are cheaper to maintain than older units
- They are easier to control, allowing units to be dimmed and turned off
- They reduce light pollution because their beam is focused more effectively on the roads and footpaths and not on private land

The survey of our streetlights has been conducted by Centregrate which is also the company responsible for most of the other LED upgrading work in North Somerset. The total cost of the work is quoted at £7,540 + VAT.

The annual street lighting electric bill is around £800 and in past years around a further £2,000 has been spent on maintenance and repairs. The installation of LEDs lights is expected to save around £500 in electricity and £1,500 in maintenance costs. Accordingly, the cost has a four-year payback period as well as providing an environmental benefit and improved (working) lighting.

### **3. Contractor**

Financial Regulation 11.1(i) requires the RFO to obtain three quotations for contracts of between £5,000 and £25,000. However, as Centregrate Ltd are undertaking most of the LED upgrade work in North Somerset and are a preferred supplier to North Somerset District Council it is proving difficult to find alternative companies prepared to quote. Accordingly, we have sought advice from the NSC Street Lighting team in connection with the quotation we have received from Centregrate.

The advice from NSC is that:

- a. The SOR rates are quite reasonable, considering you are not paying an overhead fee each year, so only paying for the work being carried out under maintenance.
- b. As for costs to carry out replacement of your ageing asset, they are comparable to what we would pay.
- c. For the size of your asset, I would say you are getting value for money and it would be competitive/consistent with their tender.

Accordingly, on the basis that Centregrate have been appointed as a preferred supplier of NSC following its competitive tender process and the quotation we have received is consistent with those being paid by NSC and are considered by the NSC street lighting team as offering value for money, we request a dispensation not to obtain further quotations for this work.

#### **4. Budget**

This project was not envisaged at the start of the year and so is not specifically included within the approved budget for 2020-12. However, the budget included the following earmarked amounts that are not currently spent or committed.

Support for tree planting, zero carbon & climate emergency	£5,000
New Street Furniture	£5,000
Total uncommitted funds	£10,000

Accordingly, it is proposed to reallocate part of these amounts to the LED streetlight upgrade.

#### **5. Recommendation**

It is recommended to award Centregrate Ltd the contact to repair and upgrade 12 streetlights to LED technology for a cost of £7,540 plus VAT and to waive the Financial Regulations requirement to seek alternative quotes in this case, given that value for money has been assured by other means.