

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise Strategic Planning and Infrastructure
DATE	13 March 2014
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Winter Festival Lighting
REPORT NUMBER	EPI/13/043

1.0 PURPOSE OF REPORT

To update the Committee on proposed Winter Festival Lighting for 2014-2015

2.0 RECOMMENDATION(S)

It is recommended that the Committee approves of the purchase:

1. approves Option 2, the purchase for, approx £50,000, of the festive lighting that has been erected in the city centre over the last 3 years. The lights will be supplied fully refurbished and ready for erection, the erection and maintenance and storage of the lights to be carried out in-house.
2. approves the purchase of additional festive lighting to change the display on an annual basis and up-lighters for the gardens etc up to an average spend of £70,000 per annum over the 3 year period.
3. requests a report back to Committee highlighting the proposed priority lighting projects and proposed changes to festive lighting across the city.

3.0 FINANCIAL IMPLICATIONS

Previous expenditure on festive lighting was approved for £169,000/annum including electricity from the Common Good Fund and similar provision has been made within the budget approved on 6 February 2014 by Council. At this stage the costs of similar features to previous winter festivals lighting may cost more. However by tailoring the needs of the Council to match its expenditure to budget will allow

elected members and officers the flexibility to possibly reduce costs and increase the area covered by festive lighting.

4.0 OTHER IMPLICATIONS

All activities are undertaken in a safe manner through controls on suitably qualified staff, risk assessments and application of internationally recognised standards.

5.0 BACKGROUND/MAIN ISSUES

Historically, the city centre festive lights have been provided by the City Council for the people of Aberdeen and are an important part of the City's Winter Festival. In recent years the funding has been provided from the Common Good Fund. The current arrangement of festive lighting includes: 11 No. cross-street features in Union Street; 2 No. cross-street features in Bridge Street; 1 No. cross-street feature in Belmont Street; 1 No cross-street feature in Shiprow and various associated features and lights in The Castlegate and Union Terrace.

In 2008 the Council agreed to secure the design, supply, installation and maintenance of festive lighting. As the contract price exceeded the EU Threshold and the threshold in the Council's Standing Orders the procurement exercise was done as an open procurement under the Procurement Regulations. The estimated price of this contract was £185,000 per annum i.e. £5,000 relative to electricity costs and £180,000 for the lighting (estimated contract value of £555,000).

In 2010 the Contract was once again tendered as an open procurement under the Procurement Regulations and awarded for a three year period. This contract finished in January 2014 and a decision is now required on the way forward for this and subsequent years. (estimated contract value of £310,000).

Officers have considered the following options,

Option 1: Tender Festive Lighting Contract for the next 3 – 5 years

Option 1	Year 1	Year 2	Year 3	Useable Budget
Procurement Costs	£18,000	£0	£0	
Tender	£110,000	£110,000	£110,000	
Electricity	£10,000	£10,000	£10,000	
Erection	incl	incl	incl	
Feature Maintenance	incl	incl	incl	
Storage	incl	incl	incl	
Maintenance	£10,000	£10,000	£10,000	
Total	<u>£148,000</u>	<u>£130,000</u>	<u>£130,000</u>	
Allowable Budget	<u>£169,000</u>	<u>£169,000</u>	<u>£169,000</u>	
Remaining Budget	<u>£21,000</u>	<u>£39,000</u>	<u>£39,000</u>	£99,000

Option 2: Purchase the festive lighting that has been erected in the city centre over the last 3 years. The lights will be supplied fully refurbished and ready for erection, with the erection and maintenance and storage of the lights to be carried out in-house. Purchase additional lighting each year to change display on an annual basis

Option 2	Year 1	Year 2	Year 3	Useable Budget
Procurement Costs	£1,000	£500	£500	
Purchase	£50,000	£40,000	£40,000	
Electricity	£10,000	£10,000	£10,000	
Erection	£25,000	£25,000	£25,000	
Feature Maintenance	£5,000	£5,000	£5,000	
Storage	£5,000	£5,000	£5,000	
Maintenance	£10,000	£10,000	£10,000	
Total	£106,000	£95,500	£95,500	
Allowable Budget	£169,000	£169,000	£169,000	
Remaining Budget	£63,000	£73,500	£73,500	£210,000

The Procurement Business Partner within the Central Procurement Unit has been consulted and is supportive of the recommendations within this report

Option 3: Purchase lighting for the next 3 years via mini tender with the erection and maintenance and storage of the lights to be carried out in-house.

Option 3	Year 1	Year 2	Year 3	Useable Budget
Procurement Costs	£7,000	£0	£0	
Purchase	£160,000	£0	£0	
Electricity	£10,000	£10,000	£10,000	
Erection	£25,000	£25,000	£25,000	
Feature Maintenance	£5,000	£5,000	£5,000	
Storage	£5,000	£5,000	£5,000	
Maintenance	£10,000	£10,000	£10,000	
Total	£222,000	£55,000	£55,000	
Allowable Budget	£169,000	£169,000	£169,000	
Remaining Budget	-£53,000	£114,000	£114,000	£175,000

This option would require a report to Finance and Resources Committee to request that the allocation from the Common Good Fund be revised to accommodate an increased cost in year 1 for the purchase of the festive lights.

As can be seen from the above options the purchase of the existing festive lighting provides best use of the finances which will allow the

monies saved to be spent on additional lighting which will assist to brighten the city centre.

Any additional festive lighting to change the displays on an annual basis will be procured, in consultation with the Procurement Business Partner within the Central Procurement Unit, to ensure compliance with the authority's Standing Orders Relating to Contracts and Procurement.

It is proposed that the money be used to install up-lighters to Rubislaw Terrace Gardens, Union Terrace Gardens, Pocket Park Schoolhill and repair building lighting to the Mither Kirk.

Additional schemes being considered are festive lighting across

- Rose Street and Chapel Street
- Belmont Street
- Market Street
- Castlegate

6.0 IMPACT

The continued delivery of Aberdeen's festive illuminations will support the administrations aims through:

Aberdeen-the Smarter City

We will embrace the distinctive pride the people of Aberdeen take in their city and work with them to enhance the sense of well-being here, building strong communities which look out for, and look after one another.

We will promote Aberdeen as a great place to live, bring up a family, do business and visit.

We will ensure that Union Street regains its position as the heart of the city and move cultural activity centre-stage through re-invigorated cultural leadership.

Single Outcome Agreement

National Outcomes: 1, 5, 10, 12, 13, 14.

7.0 BACKGROUND PAPERS

EP&I Committee 15/03/2011 Festive Lighting EPI/11/107

<http://councilcommittees/documents/b5710/Private%20ADDITIONAL%20CIRCULATION%2015th-Mar-2011%2014.00%20Enterprise%20Strategic%20Planning%20and%20Infrastructu.pdf?T=109>

8.0 REPORT AUTHOR DETAILS

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