



**COUNCILLOR STUART  
WHITTINGHAM**

**CABINET MEMBER FOR  
HIGHWAYS AND TRANSPORT**

**CABINET**  
**16 JULY 2018**

**STREET LIGHTING INVESTMENT**  
**PROGRAMME**

**Councillor Stuart Whittingham, Cabinet Member for Highways and Transport, said:**

“This investment is fantastic news for every Wirral resident. Through imaginative and ambitious thinking we are now in a position to confirm every single street lamp in Wirral – 27,000 individual columns – will be replaced with a new, energy efficient LED light.

This brings benefits which are almost immeasurable: it will help reduce crime, help people feel safer, make transport easier, attract investment and economic growth and create jobs. It is also much better for the environment, with the new lights providing more light while using less power.

This news has already been well received by residents and now I look forward to seeing the programme swing into action. This represents a £10 million investment in improving Wirral, it is a huge commitment and one which I know residents will welcome.”

**REPORT SUMMARY**

This report seeks approval to accept a £4.6 million interest free loan from SALIX to deliver Phase 2 of an LED replacement programme to enable more than 27,000 street lamps to be replaced over a three year programme.

Approval is also requested to implement a procurement strategy, in accordance with Contract Procedure Rules, to enable this Phase 2 programme to be delivered. It is proposed that this strategy also includes the procurement of over 9000 life expired street lighting columns to be funded from £5.95 million of Council capital funding approved by Cabinet in March 2018.

Investment in street lighting infrastructure will enable the Council to move towards a modern, energy efficient and more reliable street lighting network that is fit for the future. This will support the delivery of the Wirral Plan Pledge to “ensure Wirral has safe, affordable, well maintained and efficient transport networks” and will also support the delivery of the Pledge to “ensure Wirral’s neighbourhoods are safe”.

This is a key decision and affects all Wards in the Borough.

## **RECOMMENDATIONS**

Cabinet is requested to:

- (1) Approve acceptance of a £4.6 million interest free loan from SALIX to deliver Phase 2 of the LED replacement programme; and
- (2) Approve the implementation of the procurement strategy outlined in this report, in accordance with Contract Procurement Rules, to enable both the Phase 2 LED programme and the Street Lighting Column replacement programme to be delivered.

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATION/S**

Street lighting is an important element of the transport network because of the safety and confidence it brings to road users. Wirral Council is committed to improving the efficiency of its services and options provided by new LED technology enable the street lighting service to minimise future energy use and reduce carbon emissions. Investment in the infrastructure is required to ensure that the Council maintain a fit for purpose asset in accordance with nationally accepted asset management principles.

Phase 1 of the LED programme delivered in 2015/6 saw the conversion of 7,533 high energy sodium lamps replaced with Light Emitting Diode (LED) lighting. Phase 2 will see the conversion of more than 27,000 units.

This will result in all lamps in Wirral being replaced over the next three years and will result in all Wirral's lanterns being LED lights by March 2021.

### **2.0 OTHER OPTIONS CONSIDERED**

Do nothing – this option has been rejected as the street lighting assets are in poor condition due to a lack of previous investment resulting in significant deterioration and subsequent high maintenance revenue spending. Lack of investment increases the Council's exposure to third party insurance claims. Public perception regarding street lighting provision and repair is poor.

### **3.0 BACKGROUND INFORMATION**

In 2015/16 the first phase of the conversion of over 7500 high energy using street lights from conventional sodium discharge lighting to LED lighting was completed. The contract also extended the Council's existing street lighting central management system (CMS) to manage the operational functionality of these street lights to reduce long term energy costs through dimming and fault identification.

It was always the intention that further conversion phases were to be developed when value for money could be demonstrated however at that time the cost of LED lighting for the remaining asset was considered to be prohibitive and did not provide value for money.

During the last few years the cost of LED lighting has reduced significantly and in some cases by as much as 50%, depending on the unit type. This cost reduction, together with the development of pre-installed dimming equipment in each individual street light has made the installation of LED lighting considerably more affordable and value for money. The pre-installed dimming system reduces energy consumption by lowering lighting output between 11pm and 5am daily and this has negated the need to further extend CMS with all the associated installation and software support costs, which for this number of units would be substantial.

Phase 1 of the LED programme installed 7,533 lanterns, the remaining lantern asset to be completed under Phase 2 over a three year programme is 27,655 units. These units are mainly in residential areas and predominantly made up of high and low pressure sodium discharge lighting.

Retrofitting LED luminaires to replace these units will result in annual savings on maintenance through long term warranties, energy saving through dimming and better performing lighting sources, as well as carbon reduction through the removal of high energy consuming lighting sources.

Prior to consideration of LED Phase 2 an inspection of all 35,500 lighting columns was undertaken to determine whether they can accommodate the increased weight of the LED lanterns to avoid risk of column failure. Wirral's current street lighting column asset has been predominantly fabricated from concrete, cast iron, aluminium and steel, and also a few wooden columns still exist. Some columns are over 60 years old and a number of the non-galvanised steel columns are more than 40 years old.

The results of the inspection survey indicated that 2,782 columns required removal and replacement, with a further 6,454 being identified as suitable for sleeve or slip over, making a total of 9,235 defective columns. The sleeve and slip over option is only a short term repair and may result in replacement within a further 5 year period. As such this short term option was discounted and £5.95 million of Council capital funding was approved by Cabinet in March 2018 which will enable the removal and replacement of 9,235 street lighting columns.

SALIX is a government-led initiative allowing local authorities and other public bodies to borrow money on an interest-free-loan basis to carry out environmental improvements that lead to energy reduction. Given the high energy usage of the sodium lighting an application was submitted to SALIX for a £4.6 million interest free loan to support the Phase 2 of the LED replacement programme. Phase 2 will enable future energy use to deliver the street lighting service to be minimised and carbon emissions to be reduced. A business case was submitted to SALIX and in March 2018 the Council was notified that the application was successful.

The Council capital funding for the column replacement and the interest free loan secured via SALIX now enables a three year delivery programme of column and lantern replacement and will ensure that the Council has an efficient and fit for purpose asset.

#### **4.0 PROCUREMENT STRATEGY**

The Council will procure the services of a specialist consultant to prepare the specification of the new LED luminaires. This will be dependent on the classification of the road and based on the spacing between the existing street lighting columns. Through a process of soft market testing and evaluation in accordance with Wirral's Contract Procurement procedures a

replacement LED luminaire will be chosen and contractors will be invited to submit a tender for their installation. It is intended that the contract will be awarded to a sole contractor for the whole length of the installation programme.

In addition to the LED Phase 2 programme the three year programme of column replacement will also be added to this contract so that the contractor will be responsible for both elements of the installation contract.

Both the contract for the appointment of a consultant and the installation contract will be advertised on The Chest in accordance with procurement procedures. Following evaluation of the tenders it is proposed that the award will be made by the Leader of the Council.

## **5.0 FINANCIAL IMPLICATIONS**

The delivery of the programme will be delivered using the following resources:

- £4.46 million of SALIX interest free loan. Salix is a government-led initiative allowing local authorities and other public bodies to borrow money on an interest-free-loan basis to carry out environmental improvements that lead to energy reduction
- £5.95 million of Council capital funding (approved by Cabinet March 2018)

Anticipated financial savings from reduced energy costs are as follows:

£200k – 2019/20

£300k – 2020/21

£200k – 2021/22

## **6.0 LEGAL IMPLICATIONS**

The procurement strategy will be delivered in accordance with the Councils Corporate Procedure Rules. Given the value of the contracts this will be subject to OJEU.

## **7.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS**

The procurement of a consultant will be required to prepare the specification for the new LED luminaires. Following procurement procedures contractor will be identified for the installation works. Both the specification preparation and installation works will be overseen by existing Officers within the Delivery Services and Business Management Directorates.

## **8.0 RELEVANT RISKS**

Appointment of contractor – this will be subject to contract procedure rules to ensure that the appropriate checks are in place.

Contract preparation – column and lantern inventory has been substantially updated over the past year. In accordance with procurement rules soft market testing regarding specifications and lantern types is well advanced.

## 9.0 ENGAGEMENT/CONSULTATION

No specific consultation has been undertaken however public perception of street lighting service is poor. Complaints from residents regarding failed units has increased significantly over recent years and this investment will enable an improvement programme which will ensure we have a fit for purpose lighting stock going forward.

## 10.0 EQUALITY IMPLICATIONS

Has the potential impact of your proposal(s) been reviewed with regard to equality?

Yes and impact review can be viewed here:

<http://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments>

**REPORT AUTHOR:** *Julie Barnes*  
*Lead Commissioner - Transport*  
telephone: (0151) 606 2365  
email: [juliebarnes@wirral.gov.uk](mailto:juliebarnes@wirral.gov.uk)

## APPENDICES

None

## REFERENCE MATERIAL

### SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Budget Council - Approval of capital funding for column replacement	5 <sup>th</sup> March 2018