

## TRAFFORD COUNCIL

**Report to:** Executive  
**Date:** 25<sup>th</sup> March 2015  
**Report for:** Decision  
**Report of:** Executive Member for Economic Growth and Planning  
and Executive Member for Environment and Operations

### Report Title

**RESHAPING TRAFFORD: Economic Growth, Environment and Infrastructure**

### Summary

The report provides an update on progress on the procurement of a Service Provider to deliver a range of Highways, Environmental, Professional, Technical and Infrastructure services. The report sets out the results of the evaluation of tenders received and makes recommendations with regard to the award of the contract and the replacement of existing street lighting luminaires with LED luminaires.

### Recommendation(s)

It is recommended that:

- 1) Approval is granted to proceed to the contract award stage for the procurement of Environmental, Highways, Professional, Technical and Infrastructure Services;
- 2) Approval is granted:
  - a. To proceed to the contract award stage for street lighting maintenance including the replacement of existing street lighting luminaires with LED luminaires;
  - b. That “neutral” and “warm” LED luminaires be used for the street lights, as set out in paragraph 6.1.11 of the Part II report;
  - c. That a Central Management System is installed as part of the replacement programme.
- 3) That authority be delegated to the Deputy Chief Executive in consultation with the Director of Legal and Democratic Services to finalise contract terms and enter into the contract with the preferred bidder(s) for each Lot as identified in paragraph 5.6 in the Part II report.

Contact persons for access to background papers and further information:  
 Richard Roe, Director of Growth and Regulatory Services and Dianne Geary, Senior Business Change Manager.  
 Extensions: x4265 and x1821

Background Papers:           Trafford LED Street Lighting HIA Update Report  
   Equality Impact Assessments

This report supports the following Corporate priorities;

Relationship to Policy Framework/Corporate Priorities	<ul style="list-style-type: none"> <li>• Low Council Tax and Value for Money</li> <li>• Reshaping Trafford Council</li> </ul>
Financial implications:	<p>The Council at its meeting on 18<sup>th</sup> February 2015 approved budget proposals for 2015/16, which included a saving of £2.25m from this procurement exercise. The award of this contract will result in these savings being achieved in full. The total cost of the recommended contract award across all lots is included in the Council's approved budget for 2015/16. This excludes any potential savings from energy or maintenance costs from the replacement of street lights with LED luminaires. As part of the contract award, the provider will commission and undertake capital schemes in respect of Highways, Street Lighting Greenspace and Property. The annual value of this work will vary according to the provision included in the annual capital programme. The total cost of the LED street lighting programme is £8.0m, and provision exists in the recently approved capital programme. The Council will also be responsible for the condition of street lighting columns, which is no change to the existing position. A provision of £1.3m is included in the capital programme for street lighting columns to support the installation of LED luminaires where required. The project management and procurement costs are expected to be £450,000, as reported at the Executive in September 2014.</p>
Legal Implications:	<p>The procurement exercise has been handled in accordance with statutory requirements, EU regulations and Trafford's Contract Procedure Rules.</p>

	Robust governance arrangements have been established to ensure effective Contract Management. These arrangements include appropriate roles for members in future governance
Equality/Diversity Implications	Equality Impact Assessments have been carried out and have identified no impact. These continue to be reviewed and updated and a copy of the latest assessment is available on the Council website.
Sustainability Implications	All bidders have submitted bids which provide sustainable solutions.
Staffing/E-Government/Asset Management Implications	There are significant staffing implications associated with this report as set out in section 12. The Lot 3 provider will be responsible for management of the Council's property portfolio including the commissioning and delivery of revenue and capital works. Carrington Depot will be managed and operated by the successful Lot 1 provider.
Risk Management Implications	<p>A risk management log has developed as part of the overall governance for the Reshaping Trafford project, and is reviewed and updated on a regular basis. Any project of this scale carries risks in terms of achieving key deliverables, specifically savings aspirations and timing. These risks need to be set in the context of the overall financial challenge facing Trafford.</p> <p>Bidders have included Risk Management Plans as part of their final tenders.</p>
Health & Wellbeing Implications	<p>These will be identified and addressed as part of the mobilisation project plan.</p> <p>All proposals for LED have been accompanied by health and safety assessments and are compatible with Trafford Health Impact Assessment and the follow up Health Impact Assessment</p>
Health and Safety Implications	All bidders have addressed how they will manage Health and Safety of staff delivering services as part of their final tenders. There are no additional Health and Safety implications associated with this report.

## 1. BACKGROUND

- 1.1 Trafford faces substantial financial pressures and the budgets for 2015 to 2018 require innovative savings provisions to be considered. This has involved a number of different approaches including reducing contract costs through improved procurement, commissioning of services, managing demand and partnership working.
- 1.2 Trafford is taking these different approaches forward through its 'Reshaping Trafford' programme and is identifying potential alternative delivery models, opportunities for increasing income and efficiencies across the full range of our services.
- 1.3 A range of services across the Economic Growth, Environment and Infrastructure directorate were identified as being appropriate for delivery through an alternative model. This built on the experience of contracting out the delivery of the domestic and commercial waste services. The services being considered under this exercise are Trafford's Environmental Services, including Commercial Waste, Domestic Waste, Street Cleaning and Grounds Maintenance; plus Highways Services, including Winter Maintenance, Bridges, Traffic and Transportation, Road Safety, Street Lighting and Furniture; Drainage; Greenspace Strategy; the Let Estate; Corporate Landlord; and Major Projects teams. Contracts will be required to be in place from July 2015.
- 1.4 In addition, to deliver efficiencies in procurement, Manchester City Council's environmental services, including Domestic Waste and Street Cleaning, have been included as a specific sub-Lot. The budgeted value for the Manchester services in 2014/15 is £20m. Trafford Council are the overall procurement lead, but evaluation of bids has been carried out independently by officers from Trafford and Manchester for relevant services.
- 1.5 The Executive set four high level desired outcomes to be delivered through this procurement exercise, specifically:
  - **To deliver a minimum of 20% savings against the net budget from contract commencement.** In cash terms, 20% savings means that we are looking for an initial minimum saving in the region of £2.25M for 2015/16 (part year) along with on-going efficiency savings throughout the life of the contract;
  - **To deliver further, future efficiency savings through continuous improvement and innovation in service provision through the contract life.** Although the day to day operations would be managed by a third party Service Provider who would also look to grow and invest in the service, the Council would have a continuing strategic role and responsibility to ensure the partnership continues to deliver efficiencies and savings;
  - **To have flexibility, recognising the challenging financial climate facing local authorities at the moment.** Trafford Council is undergoing change and this process includes exploring alternative options to see how the Council can

operate in the changing financial climate. The successful Service Provider(s) should bring additional expertise and resources to work in collaboration with the Council and respond to the on-going budget pressures; and

- **Protect jobs and maintain service standards in so far as practicable.** Since austerity began the Council has already saved circa £75m, however we still have significant savings to make. Our priority remains to make sure we can identify sustainable levels of service delivery to the Trafford community and also protect jobs. This will potentially open up different opportunities for staff and further encourage and support the involvement of community groups in service delivery.

1.6 In the last three years the Council has delivered nearly £4m in savings and additional income, for the services in scope, as set out in the table below:

<b>Services</b>	<b>Savings/income 2012/13 to 2014/15 (£m)</b>
Environmental Services	1.6
Highways	1.5
Property and Development	0.7
<b>Total</b>	<b>3.8</b>

- 1.7 Trafford is recognised for lean and efficient services and has the foundations in place to build and develop for the future. The ‘Reshaping Trafford’ approach which has been adopted provides exciting opportunities to work with market leader(s) in the industry to build innovation and resilience for the years to come.
- 1.8 The Executive in March 2014 approved the publication of an Official Journal of the European Union (OJEU) notice for specified services, authorised the Corporate Director of Economic Growth, Environment and Infrastructure to extend the current Veolia waste contract by up to 12 months and provided delegated authority to approve the final service specifications, tenderer selection and evaluation criteria to be published with the OJEU notice, including moving services between Lots.
- 1.9 The Executive in September 2014 approved the next stage of the procurement process for the shortlisted bidders, the Invitation to Submit Detailed Solutions.
- 1.10 A briefing was delivered to Scrutiny Committee on 29th October 2014, explaining the desired outcomes, procurement process to date, next steps and key issues, followed by an explanation of the detailed solutions evaluation criteria.
- 1.11 The Executive in December 2014 received a report on progress to date following competitive dialogue in achieving the desired outcomes of the procurement exercise, before the Invitation to Submit Final Tender was issued on 23<sup>rd</sup> January 2015.

- 1.12 A report and presentation was delivered to Scrutiny Committee on 26th February 2015 to provide an update on the procurement process prior to the report being issued to Executive. A report from Scrutiny Committee is an agenda item for Executive on 16<sup>th</sup> March 2015.

## **2. SERVICES IN SCOPE**

- 2.1 This new arrangement has combined a number of environmental and technical services within one procurement exercise with the aim of achieving better value for money and providing alternative sustainable delivery options for those services.
- 2.2 The contracts have been procured through a single procurement exercise, based upon competitive market dialogue, with services being offered in three Lots, including two sub-Lots. Potential Service Providers have been able to tender for any combination of Lots (and sub-Lots), being:

### **Lot 1: Environmental Services:**

#### Lot 1a: Trafford Environmental Services

Domestic waste;  
Commercial waste;  
Grounds maintenance; and  
Street cleansing.

#### Lot 1b: Manchester Environmental Services

Domestic waste; and  
Street cleansing.

### **Lot 2: Highways & Street Lighting (operational):**

#### Lot 2a: Highways:

Highways;  
Winter maintenance; and  
Gully cleansing.

#### Lot 2b: Street Lighting

Street lighting infrastructure;  
LED street lighting project; and  
Street furniture.

### **Lot 3: Technical Services:**

Highways and Bridges (engineering etc.);  
Professional Services including Engineering Design; Asset, Project and Contract Management; and Developers Interface;

Building Professional Services including Major Building Projects; Structural Engineering; Mechanical and Electrical Engineering; Landscape Architects; Operational Estate/Asset Management for the Corporate Estate and Schools; Property Development; and Land Sales; Management of Trafford's Investment Estate; Major Projects Team (Capital Build Team); and Capital Development Team.

- 2.3 The annual current value of direct costs incurred in relation to these Trafford services in 2014/15 is £15.5m plus c£10m capital expenditure (excluding schools), which is variable dependent on Council activity. The breakdown of this total budget by Trafford lot is as follows:

<b>Lot: Description</b>	<b>Revenue Budget 2014/15 (£m)</b>
Lot 1a: Trafford Environmental Services	9.6
Lot 2a: Highways	2.4
Lot 2b: Street Lighting	0.6
Lot 3: Technical Services	2.9
<b>Total</b>	<b>15.5</b>

- 2.4 A further c£9.3m of capital (over the two years 2015/16 and 2016/17) has been identified to support the potential rollout of LED street lighting, subject to Executive approval based on a positive business case, demonstrated through the procurement process and acceptable mitigation of any potential impacts.
- 2.5 The Council has a successful record of delivering services in partnership. The domestic and trade waste elements of Lot 1a have been delivered through a private sector provider since 1992, and the budget for the current financial year for these services is £4.9m. The service has developed and improved over the period of the contract as demonstrated by the increase in recycling rates from 48% March 2013 to 58% March 2014. The average for Greater Manchester for 2013/2014 is 44.5% so Trafford is already a leader in this area. Trafford waste contract accounts for around a third of the total value of the three Lots.
- 2.6 The Council will continue to provide strategic oversight and retain responsibility for setting strategy, policy and agreeing service standards, supported by robust contract management throughout the life of the contract.

### **3. PROGRESS TO DATE**

- 3.1 The OJEU notice for Trafford was issued on 10th April 2014 (in collaboration with Manchester City Council), followed by the release of the Pre-Qualification Questionnaire (PQQ) on 1<sup>st</sup> May 2014 to all organisations who had expressed an interest.
- 3.2 Sixteen Pre-Qualifying Questionnaires were received on 2nd June 2014 and were evaluated by Council officers and a shortlist of ten bidders across the Lots was selected to proceed to the next stage.
- 3.3 The shortlist to the Invitation to Participate in Dialogue/Invitation to Submit Outline Solutions (ITPD/ISOS) was released on 27th June 2014, followed by competitive dialogue meetings during July. One bidder withdrew from the process during the competitive dialogue phase. Outline solutions were submitted on 28th July 2014 and evaluated by Council officers.
- 3.4 Following approval at Executive on 1<sup>st</sup> September 2014, the shortlist to the Invitation to Submit Detailed Solutions (ISDS) was released on 9<sup>th</sup> September 2014. Further competitive dialogue ensued during September and October. Three bidders withdrew from the process during the competitive dialogue phase. The remaining bidders submitted Detailed Solutions for a range of Lots on 31<sup>st</sup> October 2014.
- 3.5 The shortlist for Invitation to Pursue Further Competitive Dialogue (IPFCD) was released on 13<sup>th</sup> November 2014. Further dialogue commenced 24<sup>th</sup> November 2014 and was closed on 22<sup>nd</sup> January 2015.
- 3.6 The Invitation to Submit Final Tender (ISFT) was released on 23<sup>rd</sup> January 2015. The Invitation to Submit Final Tender (ISFT) marks the final stage of the OJEU bidding process for procuring services under the competitive dialogue procedure.
- 3.7 The purpose of the ISFT was to invite Bidders to submit their Final Tender incorporating the detailed feedback that has been provided during the competitive dialogue stages. Once submitted, bidders cannot make any further changes to their Final Tender other than in response to a formal request by the Authority to clarify some aspect of their Final Tender submissions.
- 3.8 This ISFT sets out an explanation of the process and the conditions applying to the submission of Final Tenders and conclusion of the tender process.
- 3.9 The ISFT submissions were received on 2nd February 2015. The names of the bidders who submitted a final tender are below:

#### **Lot 1a:**

- Amey LG
- Veolia ES (UK) Ltd

**Lot 2a:**

- Amey LG
- Balfour Beatty Living Places
- Kier MG Ltd

**Lot 2b (incl. potential LED project):**

- Amey LG
- Balfour Beatty Living Places
- Kier MG Ltd

**Lot 3:**

- Amey LG
- Kier MG Ltd

3.10 In the remainder of this report, and in the related Part II report, the names of the bidders have been anonymised. This includes summaries of bidders' tenders and prices and the results of the evaluation of bids. This is to ensure that the decision as to whether to accept the recommendation to award the contract is based on the results of the evaluation, and that all bidders are advised on the final decision through the appropriate procurement channels.

**4. DOCUMENTATION**

4.1 During the procurement exercise bidders have received a number of key documents, generic and Lot specific, to review and comment.

4.2 Generic Documents include:

- **Partnership Agreement:** the contract to be entered between Trafford and the preferred bidder(s) containing terms, conditions and schedules. This is now in a form which has been considered by all bidders such that the principal terms are agreed, but will require some further limited amendment before finalisation.
- **Invitation to Submit Final Tender (ISFT):** tender document issued to the bidders in accordance with the competitive dialogue procedure and containing the questions, evaluation criteria and scoring mechanism for the final procurement stage.
- **Performance Payment Mechanism:** sets out how the payment shall be calculated and adjusted in the event of changes in the volume and performance delivered by the preferred bidders) and details the fee at risk in relation to under-performance.
- **Position Papers:** sets out the Council's current position on specific functions and the available options for bidders.

#### 4.3 Lot Specific Documents include:

- **Specifications:** sets out the description of the minimum requirements, output based, required by Trafford for each service area.
- **Special Conditions:** details the individual obligations for each Lot in addition to the specifications.
- **Key Performance Indicators (KPIs):** Service standards and performance targets which will have to be met by the service provider.
- **Financial Submission and Evaluation Templates:** details costs and assumptions of each bidder relating to their financial data included as part of the final tender.
- **Cost Quality Matrices:** details Trafford's costs and KPIs in delivering the existing service.
- **Commentary Tables:** sets out the specific clauses, bidder specific, that were discussed during the competitive dialogue phases which will be incorporated in the partnership agreement.

4.4 Throughout the competitive dialogue phases a document library containing background information including volumetrics, policies and procedures, was updated regularly and information supplied to bidders.

## 5. EVALUATION CRITERIA AND OUTCOME

5.1 The ISFT contains the questions, evaluation criteria and scoring methodology for the final procurement stage. Completion of the scoring and evaluation determines the preferred bidder. The seven evaluation criteria are governance and contract management, contract delivery, social value, savings and income, growth and commercialisation, performance payment mechanism and contract delivery.

5.2 The Council indicated that it would reject (Fail) any Final Tender which was evaluated such as to receive a "Deficient" score to any of the individual quality related criteria or where the aggregate score for the quality related criteria was less than 50% of the total score available for those specified elements.

5.3 A summary of the criteria and scoring principles are below:

Reference	Criterion	Trafford Points (Weightings)
<b>Group 1: Criteria in common</b>		
C1 (Quality)	Governance and contract management	100 (10%)
C2 (Quality)	Contract delivery: Common to all Lots	100 (10%)
C3 (Quality)	Social value	50 (5%)
<b>Group 2: Criteria specific to individual Lots</b>		
C4 (Price)	Savings and existing income to be transferred	350 (35%)
C5 (Price)	Growth and commercialisation	100 (10%)
C6 (Price)	Price Performance Mechanism	50 (5%)
C7 (Quality)	Contract Delivery: Lot specific	250 (25%)

5.4 The commercially sensitive aspects for each Bidder have been advised as part of the ISFT. As a result all final tender responses (financial and quality criteria) are deemed commercially sensitive and covered in Part II of this report. However, a summary of the general proposals for questions 1, 2 and 3 are outlined below.

5.5 The identities of the bidders will not be released at this time due to the commercially sensitive nature of this information at this stage in the procurement process. Subject to Executive approval, the identities of the bidders will be released once the bidders themselves have been notified the outcomes of the tender evaluation process and the procurement process completed.

5.6 For question1, Governance, bidders were asked to provide their proposals with regard to the recommended governance arrangements. Responses have included:

- Tiered governance structures led by Strategic Partnership/Strategy Boards meeting on either a quarterly or six month cycle; and
- Operational Boards and a variety of supporting groups and forums to underpin the work of the main governing boards.

5.7 For question 2, Contract Delivery, bidders were asked to detail their proposals with regard to managing the transition, managing risk and business continuity. Responses have included:

- Mobilisation – the period from award of contract to contract commencement. Detailed mobilisation plans from all bidders; covering issues, such as staffing, plant/vehicles, ICT, depots and communications.

- Transition – the first 100 days from contract commencement. Detailed transition plans received for transition covering service transformation;
- Proposals with regard to risk management and business continuity; and

5.8 For question 3, Social Value, bidders were asked to provide details on generating employment and training opportunities for young people and unemployed, commitment to disadvantaged communities, promoting supply chain opportunities and increasing benefits to the economy. Responses have included:

- Commitments to local employment and training opportunities, including Apprenticeships, work placements and programmes for NEETs
  - Evidence of joint working with local partners (e.g. Trafford College / JCP / Thrive / Trafford Leisure Trust) to deliver local outcomes (e.g. local job creation, support to third sector, etc.)
  - Commitment to staff volunteering time in support of local community projects
- A range of innovative projects in relation to increasing benefits for the economy, fuel poverty and support to local charities

5.9 Bids have also been considered in relation to the four high level outcomes set by the Executive, and responses are summarised below:

<b>Desired Outcomes</b>	<b>Bidders Summary</b>
<p>To deliver a minimum of 20% savings against the net budget from contract commencement.</p> <p>(Covered in Questions C4 and C5)</p>	<p>In cash terms, 20% equates to a £2.25m saving for year 1 (July 2015 to March 2016) along with on-going efficiency savings throughout the life of the contract.</p> <p>The 20% savings against the net budget for all services covered by this procurement would be achieved in year 1 with further efficiencies and income guaranteed from year 2 and over the life of the contract. In addition, proposals have been received to deliver future savings and income growth. The Council would also work with the provider to explore new opportunities for savings and income in line with the Council's funding and service delivery requirements.</p> <p>For Lot 3, significant investment is required in technology and staff to maintain and improve the service and therefore the savings profile for this particular Lot is different to that for Lots 1a, 2a and 2b.</p>

<p>To deliver further, future efficiency savings through continuous improvement and innovation in service provision through the contract life.</p> <p>(Covered in Questions C5, C6 and C7)</p>	<p>A range of potential opportunities to generate further efficiency savings have been identified in bids.</p> <p>Through the governance proposals the Council would continue to have a strategic role and responsibility to ensure the partnership continues to deliver efficiencies and savings.</p> <p>Evidence has been provided in bids to demonstrate that a variety of supporting groups and forums would underpin the work of the main governing boards.</p>
<p>To have flexibility, recognising the challenging financial climate facing local authorities at the moment.</p> <p>(Covered in questions C1 and C4)</p>	<p>The bidders have demonstrated that additional expertise and resources would be available to work in collaboration with the Council and respond to the on-going budget pressures.</p> <p>The service providers would be required to work with the Council in developing annual budget proposals in line with the Council's budget setting and consultation processes.</p>
<p>Protect jobs and maintain service standards in so far as practicable.</p> <p>(Covered in questions C4 and C7)</p>	<p>Three of the bidders confirmed that there would be no redundancies and that new opportunities would potentially be available to the staff.</p> <p>Service standards have been maintained in line with current levels, with service improvements identified in a number of service areas.</p>

## **6. TRAFFORD'S STREET LIGHTING and LED APPROACH**

- 6.1 Trafford have a Street Lighting Strategy and Maintenance Policy. The vision of the Street Lighting Strategy is to provide appropriate street lighting in an efficient and cost effective way that seeks to minimise any adverse impact on the built and natural environment, taking advantage of any opportunities to deliver improved street lighting design, and ensuring safety for road users, pedestrians and communities.
- 6.2 The objectives of the strategy are focussed on the quality and effectiveness of the street lights, the safety for road users, pedestrians and the wider community whilst recognising specific requirements such as conservation areas and providing appropriate lighting to minimise any adverse impacts. Other objectives in the strategy concentrate on efficiency and reducing carbon emissions whilst reducing maintenance and operational costs and giving due consideration to public health issues.
- 6.3 To achieve the vision and objectives of the Strategy, new street lighting and improvement schemes within the Borough are expected to be undertaken in accordance with key guiding principles which consist of safety, prevention of crime/fear of crime, limiting negative environmental impact, conserving energy, delivering value for money, improving and increasing the life expectancy of the assets.
- 6.4 The street lighting strategy is also aligned with Trafford's Environmental Strategy 2014 - 2017, Sustainable Strategy 2013 - 2020 and Community Strategy 2010 which sets out Trafford's vision for 2021 by responding to the challenge of climate change, reducing carbon emissions, supporting a stronger economy and reduction of crime.
- 6.5 In June 2013 the Trafford LED Street Lighting Programme Health Impact Assessment (HIA) report was issued. This report was commissioned by Trafford. A Trafford LED Street Lighting HIA 2014 Follow Up Review Report has also been produced. This report is a review and follow up of the June 2013 Trafford LED Street Lighting Programme HIA report. Both reports are available as background documents to this report.
- 6.6 The aim of the follow up report was to provide an update to the findings of the 2013 HIA report in light of new scientific reviews and/or journal articles as well as any other material that has been identified by Trafford Council since the 2013 HIA report was published. In addition, consideration was given to whether there were any potential health impacts arising out of the ad hoc replacement of standard luminaires with LED luminaires (which had taken place to a limited extent as part of the Council's street lighting maintenance practices) and whether there was any justification for the removal of existing LED luminaires on the grounds of potential human health impacts.
- 6.7 The review concluded that there was no scientific evidence that LED street lighting, including 'cool' white and blue-rich white LED street lighting, has any

additional health and wellbeing effects beyond that found for artificial lighting in indoor or outdoor settings in general.

- 6.8 The review also concluded that any proposed introduction of LED street lighting in Trafford, and ad hoc replacement of existing lighting, has, overall, no (neutral) or a minor positive health and wellbeing impact for the residents, workers and visitors of Trafford compared to the non-LED type of street lighting currently being used.
- 6.9 It further concluded that no recommendations on the specific design, types or levels of LED street lighting would be appropriate given the lack of evidence that LED street lighting has any adverse health impacts.
- 6.10 Both the original HIA and the Review document were made available to Bidders.
- 6.11 Evidence from experience of LED lighting elsewhere suggests a preference for neutral or warm LED luminaires which is perceived to provide a safer and more natural light.
- 6.12 LED luminaires provide a more directional source of light, reducing spillage and light pollution which is a further environmental benefit.
- 6.13 There are a number of different lighting regimes, the main ones currently in use in Trafford being:
- SOX is 'low-pressure' sodium light source introduced in the 1960's. This lantern/light source emits the 'yellow' light at night. Trafford have 8,658 in total across the borough. The SOX luminaires have now ceased being manufactured by the street lighting luminaire suppliers, although the lamps will be provided for the foreseeable future.
  - SON is 'high-pressure' sodium light source introduced in the 1980's. This lantern/light source emits the 'pink' light at night and Trafford has 16,890 across the borough. A similar scenario to the SOX luminaire exists in that the manufacturers are gradually halting manufacture of certain SON luminaires. The lamps will be provided for the foreseeable future, although the price may increase over time.
  - Luminaire/Lantern both have the same meaning; lantern is the older name given to what is now call the luminaire. The luminaire is the name given to any lighting fitting we install on the highway which may contain a lamp or more than one lamp as on some major route schemes. The luminaire is the 'housing' which contains the equipment to allow the emission of the light (flux). It would house the lamp, lamp-holder, ballast, capacitor, wiring, photo-cell base, etc. to allow the luminaire to function. The original, pre LED, better quality luminaires can survive functionally for 15-20 years, but require regular maintenance and cleaning. Currently the luminaire manufacturers are claiming LED luminaires should survive for 20+ years.

## 7. LED EVALUATION CRITERIA AND OUTCOME

- 7.1 Proposals have been submitted by bidders replace 24,000 conventional SOX and SON luminaires (which are the traditional street lamps currently used in Trafford) with LED luminaires over a two year programme, throughout Trafford. This conversion could provide over 60% saving in electrical energy per luminaire, and a reduction in associated carbon emissions.
- 7.2 As part of their final tender, bidders have submitted street lighting proposals for both the delivery of a current routine maintenance and replacement service (Lot 2b option 1) and for the roll out of a LED replacement programme (Lot 2b option 2) alongside maintenance and replacement. It is noted that savings vary across different types of lighting and all potential impacts have been considered in order to ensure that Trafford are able to achieve the Street Lighting objectives stated above.
- 7.3 In relation to a LED roll out bidders have provided prices for a range of different lighting regimes and separately for the use of a central management system which would allow the control and management of all street lights from a single central point. Final tenders have been assessed against both routine maintenance and replacement programme options and approval for the LED rollout is being sought from Executive.
- 7.4 There are three different types of LED luminaire. These emit either “warm”, “cool” or “neutral” white light. There are also three different forms of control option that could be adopted, defined as:
- Photocell (automatic switch on and off based on light levels) on each column;
  - Photocell on each column which would allow the future implementation of a fixed dimming regime; and
  - Central Management System which would enable future variable dimming.

Consideration has been given to Residential, Traffic Routes, Town Centres and Conservation Areas.

7.5 Bidders have been provided with a combination of options and hybrid options to form baseline scenarios against which to price. The bidders have also submitted a custom scenario where they have proposed their ‘best fit’ option for LED. The options are as follows see Appendix 1 for more detail of the specification for each of these options:

	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>	<b>Option 4</b>
<b>Residential</b>	Cool White	Warm White	Neutral White	Neutral White
<b>Traffic Routes</b>	Cool White	Warm White	Neutral White	Neutral White
<b>Town Centres</b>	Cool White	Warm White	Neutral White	Warm White
<b>Conservation Areas</b>	Cool White	Warm White	Neutral White	Warm White

7.6 Bidders have been asked to consider any potential health or environmental impacts of each option as well as outlining the LED roll out installation duration, the manufacturers to be utilised and detailing the electrical testing and inspection requirements.

7.7 The evaluation has considered the capital cost of installation, maintenance costs, and reduction in utility costs. Details of the bids received and the evaluation are set in in the related Part II report.

7.8 Based on the financial evaluation as set out in the Part II report and having considered potential health impacts and environmental aspects it is concluded that

- The installation of LED luminaires reduces costs to the Council and contributes to meeting sustainability objectives through reduced energy usage; and
- That the use of a combination of neutral and warm LED luminaires best meets the objectives of the Council’s Street Lighting Strategy.

## **8. CONTRACT MANAGEMENT**

8.1 Key Performance Indicators (KPIs) Performance Indicators (PIs) and the Performance Payment Mechanism (PPM) would support the management of the contract.

8.2 There is a suite of KPIs covering the whole range of required service delivery outcomes and the customer care standards. Each KPI has a SMART target and a minimum acceptable level (monitored annually or monthly). Bidders

have agreed to these KPIs and are aware of the current baseline performance that is being achieved. There is also a suite of performance Indicators (PI)s which will be monitored for service management information purposes.

- 8.3 Performance below the SMART target will result in financial penalties to the provider via deductions from the monthly payments. Repeated performance below the SMART targets will result in an increasing rate of penalisation, until the contract default mechanism is triggered i.e. for serious breach of contract. Performance below the minimum acceptable level commences default proceedings.
- 8.4 The PPM sets out how the Payment will be calculated and adjusted in the event of changes in the volume and standard of the Services delivered by the successful bidder(s) whilst also providing a method to share any financial gains from improved performance. The Payment Mechanism is intended to incentivise a successful bidder's delivery of services, to give a transparent view on performance as well as informing the Council's strategic decision making process. The below summarises the total number of KPIs and PIs in each Lot to give an indication of their coverage.

<b>Lot</b>	<b>KPIs / PIs</b>	<b>Areas covered in the KPIs include</b>
1a	24 / 50	The recycling rates, missed collections and the Waste Disposal Authority Levy, street cleaning, parks, graffiti, grass length and fly tipping
2a	11 / 8	The safety inspections, defect rectification, emergency incidents, winter maintenance and highway claims
2b	7 / 8	Routine and reactive maintenance, emergency incidents and productivity
3	16 / 33	Reactive maintenance, asbestos, legionella and utilities consumption.

Full copies of the whole range of KPIs are included as an Appendix in Part II of the report.

8.5 During the procurement exercise, the issues below have been subject to dialogue and have been addressed and resolved satisfactorily in the final stages to deliver the desired outcomes:

Issue	Mitigation	Final Tender Resolution
<p>There are contractual arrangements which may not be transferrable by agreement to the incoming Service Provider(s) e.g. vehicle and plant contract hire arrangements.</p>	<p>Discussions have been completed with the current vehicle provider to vary the current contract to enable transfer to the new service providers. Further details were shared with bidders prior to the Call for Final Tender.</p>	<p>All existing contractors have been contacted to inform them of potential changes to contractual arrangements.</p> <p>Following analysis, Trafford are satisfied with the position in relation to each contract and as to how service continuity will be assured i.e. novate, terminate, extend.</p>
<p>A balance will need to be drawn between the contract savings and the Council's Waste Disposal Levy obligation. The mechanism for setting the Levy means that disposal costs for Trafford could increase if other Greater Manchester authorities increase their recycling rates and Trafford's remains static. However,</p>	<p>During dialogue and financial consequences of increasing the current high recycling rates has been explored. Evaluation has taken account of the net financial effect of proposals, both in terms of direct contract costs and the Waste Disposal Levy.</p>	<p>Bidders have submitted their solutions taking into account Council requirements. Proposals to mitigate this risk include the following:</p> <ul style="list-style-type: none"> <li>• Increases in recycling performance</li> <li>• Additional materials for recycling</li> <li>• Use of incentive schemes, communication and work with third sector to improve recycling performance and re-use</li> <li>• Proposals to increase income through growth of commercial waste service</li> </ul>

there could be additional direct costs associated with increasing recycling rates.		
Ensuring the transfer of the management and financial responsibility for insurance claims to ensure a joined up highways solution and mitigate financial risk to the Council.	Various options have been considered during the procurement stages, with the bidders indicating their preference. Options were presented for the Call for Final Tender.	The Payment Performance Mechanism has been drafted to reward contractors for improved claims repudiation and contains penalties if the value of successful claims increases.  Trafford will manage the insurance claims.
The Service Provider (s) role in enforcement activities needs to be fully developed to support the in-house service and provide additional resilience and sustainability.	This requirement has been set out in documentation provided to bidders during the procurement stages and was included as part of the dialogue.	The requirement for an 'engage and educate' approach has been included in relevant documentation, which bidders have agreed to.  Bidders are proposing to utilise front-line staff as the 'eyes and ears' of the Council as well as assisting with engagement, education campaigns to look to modify behaviours of residents and visitors in agreement with the Council.
Additional opportunities for savings or new income development	In so far as is possible, risk and investment requirement will be transferred to the partners.	There has been no change to this mitigation.

<p>could be supported through invest to save / invest to grow. This could be delivered with investment funding from prudential borrowings in order to maximise benefits to the Council.</p>	<p>Prudential borrowings will be considered on a case by case basis and only pursued where there is both a clear additional benefit and security of repayment of principal to the Council in so doing. This potential option was included during the procurement stages and was discussed during the financial dialogue meetings.</p>	
<p>The Council will need to ensure that there are appropriate mechanisms in place to monitor performance and flex contractual arrangements in response to changing circumstances.</p>	<p>The contract progressed with both internal and external legal support during the detailed dialogue stages and in preparation for the final tender stage. The contract includes robust performance management mechanisms including formal mid-term review(s) to ensure market competitiveness, value for money and demonstrate service delivery quality. It is the intention that these formal reviews will include the ability for the Council</p>	<p>Bidders have submitted their solutions taking into account Council requirements. Proposals to mitigate this risk include the following:</p> <ul style="list-style-type: none"> <li>• Mid-term review proposed</li> <li>• Performance management regime agreed</li> <li>• Annual service planning process</li> <li>• Contract change mechanisms agreed</li> <li>• The Council will retain responsibility for setting strategy and policy</li> <li>• Learning lessons from experience elsewhere</li> </ul>

	<p>to terminate the contract in certain circumstances dependent on the outcome. Specific legal sessions were completed during dialogue prior to the call for final tender.</p>	
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## **9. PROCUREMENT PROCESS OVERVIEW**

- 9.1 The process has been managed by the STaR, (Stockport, Trafford and Rochdale), Shared Procurement Service. The procurement route was a Competitive Dialogue process that has been undertaken in full compliance with EU, UK and Council procurement guidelines and regulations, supported by both internal and external legal advice where appropriate. This has ensured we can demonstrate both fairness and transparency whilst delivering best value for the Council.

## **10. SCRUTINY COMMITTEE REPORT FEEDBACK**

- 10.1 A report and presentation was delivered to Scrutiny Committee on 26th February 2015 to provide an update on the procurement process prior to the report being issued to Executive. The report received from Scrutiny Committee highlights three areas for consideration, and the response to these areas is set out below:

- Social and Community Engagement:

All bidders have submitted detailed proposals for social and community engagement; including specific proposals for Member engagement. This includes information gathering to gain an overview of the current service and shape any future service and also methods by which to keep customers, residents, community groups and Members abreast of any potential service initiatives.

The proposals for full engagement involve different channels, tailored depending on the audience. Examples of the types of engagement, in no particular order, include:

- A neighbourhood approach to service delivery, with face-to-face engagement;
- Community sessions open to the public;
- Residents tailored communications depending on recipient including different languages; and
- Surveys and feedback from CRM and social media and from contacts with residents on-site being used to drive service improvement.

Bidders have also proposed governance strategies, in which Member engagement is detailed. This includes Executive Member representation at Strategic Board level and compliance with the Council's budget setting requirements through an annual service planning process.

Throughout the Procurement process, the importance of social and community engagement was discussed. The Service Specifications produced for each Lot detailed the requirements for engagement, including Method Statements for specific Lots, which bidders completed as part of their Final

Tender. Examples of the types of requirements for engagement detailed within the Specifications are as follows:

- Where appropriate, the Service Provider shall provide an appropriate managerial member of Personnel to attend meetings with Elected Members to discuss the Services;
- Produce a customer satisfaction survey;
- Liaise with any stakeholders, Council members, members of the public or third party bodies who express a concern in respect of the Highway Network; and
- Consult with and inform Elected Members in relation to certain areas i.e. Street Naming and Numbering applications.

In addition, clause 1.6 of the partnership agreement outlines the approach required from the Service Provider (s) to social value issues which includes social and community engagement.

- Budget Pressure

The savings outlined in the desired outcomes are achievable and will meet the savings target required in the budget for 2015/16. Future efficiency savings are expected through continuous improvement and innovation in service provision through the contract life cycle. In addition to delivering direct budget savings, the award of the contract(s) will also provide cost avoidance, particularly in relation to Lot 3. As set out later in this report, were the Council to retain the services covered by Lot 3. Significant investment would be required in ICT systems and staff in order to effectively manage and maintain the Council's property estate at current service levels. The Council also faces particular challenges in the resilience in some specialist technical service areas, which without mitigation could lead to additional budget pressure to 'buy-in' external expertise.

- Service Provider (s) /Contractor Failure

The Partnership Agreement contains a number of measures to protect the Council's interests in the event of contract failure, either due to the provider(s) delivery of services or should the provider(s) cease trading or otherwise abandon the contract. More information is provided in the related Part II report, but these measures include:

Step-in rights: This provides the Council with the ability to take over delivery of services for a short period of time in the event of specific service failures;

Provision of a Parent Company Guarantee/Bond: Provides the Council with financial protection in the event a subsidiary company ceases to trade or otherwise abandons the contract. The level of financial protection would be sufficient to enable the Council to take over delivery of services in the short

term and procure an alternative provider (if this is deemed the most appropriate route at that time)

## 11. NEXT STEPS

- 11.1 Subject to Executive approval, the proposed timetable through to contract commencement is as follows:

<b>Indicative Date</b>	<b>Deliverable</b>
March 2015	Executive report and approval to award the contract
March 2015	Award of contract
April 2015 onwards	Contract mobilisation
July 2015	Contract commencement

- 11.2 Bidders have been asked during the competitive dialogue phases to submit mobilisation plans for the period following contract award until end of June 2015. Mobilisation plans have been included in the final tender process to allow Trafford the opportunity to ensure sufficient planning and continued service delivery would be in place during the transitional period.

## 12. STAFFING

- 12.1 The majority of staff directly employed by the Council in the services outlined in this report (c 250), plus those employed by Veolia on the current Trafford waste contract (c 100), would transfer to the relevant new Service Provider (s), with their length of service and terms and conditions protected under the Transfer of Undertakings (Protection of Employment) (TUPE) Regulations. In relation to pensions, the Council will support an application for admitted body status to the Greater Manchester Pension Scheme for the duration of the contract scheme.
- 12.2 Trafford's preferred solution is for Service Provider (s) to become an Admitted Body for Greater Manchester Pension Scheme (GMPS). The scheme would be a closed admission scheme, meaning any new staff employed by the Service Provider (s) in future would not be able to join the GMPS (instead they would be required to be offered membership of the Partners standard pension scheme). From the date of transfer, subject to obtaining Admitted Body Status, the Service Provider (s) would assume all the responsibilities of a scheme employer provided for in the regulations.
- 12.3 The staff that would transfer to the relevant new Service Provider (s) would benefit from developing their existing as well as acquiring new skill sets and receive the necessary training and development to enhance their continued learning and development. Operational teams requiring investment in technology would utilise the new Service Provider (s) systems to enhance operational efficiency. New Service Provider (s) would also be able to offer

career opportunities to potentially broaden the type of work and knowledge to develop long term sustainable employment.

### **13. ALTERNATIVE OPTIONS CONSIDERED**

- 13.1 The alternative options were originally set out in the March 2014 Executive report and further information as detailed below.

#### **Do Nothing:**

The current waste contract ends September 2015. As this service is a statutory requirement, it would be necessary to procure the future delivery of this service independently. This would not allow the Council to maximise the potential benefits from procuring the waste collection as part of a wider procurement.

For other services in the Economic Growth, Environment and Infrastructure directorate savings targets have been consistently met over recent years. However, given the need for forward thinking, medium term practical solutions and for continuous service provision together with the need to provide significant future savings, to do nothing would mean that it would be difficult to continue to deliver services and the range of services which could be delivered and the quality of those services would be affected.

Without significant investment the services will not be sustainable nor be able to deliver future efficiencies over the medium and longer term.

Economic growth requires change and to do nothing by remaining static will prevent Trafford from achieving its long term ambitions and the Trafford Vision 2021. Investment and development of the services involved in the procurement is a key part of growth and regeneration and working in collaboration with Service Provider (s) to deliver services to Trafford residents requires change to existing delivery models.

Significant investment for services in Lot 3 would be required should the contract(s) not be awarded.

The Property Service's systems need completely updating in order to improve operational delivery, ensure the linkages with Planning and Regeneration priorities are in place and to ensure that opportunities for income generation from the investment estate are maximised. This would require significant investment in terms of systems, software and resources.

In addition, investment would need to be made in staff capacity and development to meet the future needs of the services. The ability to access key specialist advice is now limited and this specialist technical advice would have to be bought in on an ad-hoc basis which would be a costly and an inefficient approach. Sustainability is required by utilising the wider pool of people that Service Provider(s) would offer.

### **Bring in house:**

For the waste contract, to bring this in house is not a financially viable option due to the capital spend which would be required. This was considered in the original Waste procurement business case and discounted.

### **Collaboration with other Local Authorities:**

There are different time and financial pressures facing other AGMA authorities and partners. Trafford needs to address its own challenges in the next 12 months. However, the procurement route other authorities would be able to join the contract at a later date.

With due consideration of the above options and the need to deliver of the desired outcomes, the approach recommended is still considered to represent the best option.

## **14. CONSULTATION**

- 14.1 Meetings were held earlier in the year with the Trade Unions and as part of the staff budget consultation. Further consultation will take place with affected staff and their union representatives during the latter stages of the procurement process i.e. post contract award. This has been incorporated at appropriate stages in a comprehensive communications strategy.
- 14.2 Bidders met with the Trade Unions in February 2015 to provide an overview of their organisation, experience of staff transfers, involvement with Trade Unions, experience of mobilisation and supporting their staff, tripartite arrangement and facilities agreement.
- 14.3 A separate meet and greet session with the bidders and staff took place at Trafford Town Hall and Carrington Depot in February 2015 to allow staff, prior to contract award, to have the opportunity to meet informally with the prospective Service Provider (s).
- 14.4 Further engagement with staff, and the successful Service Provider (s), will also take place once the contract is awarded.
- 14.5 Two meetings have been held with the friends of parks groups to discuss proposals particularly in relation to the maintenance of parks. Where appropriate or required to meet Trafford's duties in this regard, there will be further consultation with residents, community groups and stakeholders.

**15. REASONS FOR RECOMMENDATION**

- 15.1 Bids received have demonstrated the ability of the preferred bidder to meet the high level outcomes set by the Executive. The recommendation will enable officers to proceed to award the contract for the delivery of services is set out in paragraph 2.2.
- 15.2 The replacement of street lights with LED luminaires will provide significant financial savings to the authority through reduced energy costs, and will reduce CO2 emissions. The proposed use of neutral and warm light luminaires meets the objectives set in the Council's Street Lighting Strategy, and provides the best mix of light type and energy reduction.
- 15.3 Therefore, approval is sought to proceed to the contract award stage for the procurement of Highways, Environmental, Professional, Technical and Infrastructure services.

**Key Decision:** Yes

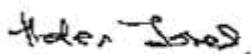
**If Key Decision, has 28-day notice been given?** Yes

**Finance Officer Clearance** ID

**Legal Officer Clearance** JLF

**DEPUTY CHIEF EXECUTIVE'S SIGNATURE**

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.



## APPENDIX 1

### PROJECT SPECIFIC LUMINAIRE REQUIREMENTS

*[Note: one option to be chosen by Council prior to appointment of preferred bidder]*

All LED Luminaires Installed must comply with the requirements of this Appendix 1.

#### Option 1

Apparatus	Requirements
<b>LED Luminaires -</b>	
Colour Rendering Index (CRI)	> 60
Correlated Colour Temperature (CCT)	Residential areas – Max 5700K (Cool White) Traffic Routes – Max 5700K (Cool White) Town Centres – Max 5700K (Cool White) Conservation Areas – Max 5700K (Cool White)
Lumen Maintenance (minimum)	L70 at 80,000 hours
Luminous Intensity Class (minimum)	Residential areas – G2 Traffic Route / Conflict Areas – G3 Town Centres – G2
Ingress Protection	IP66 minimum
Mounting Arrangement	The luminaire must be capable of allowing either Side Entry and Post Top mounting within the same body. Varying tilt up to $\pm 10^\circ$ Side Entry Spigot diameters: 34, 42, 60mm Post Top Spigot diameters: 60, 76mm
Construction	Modular – to facilitate future upgrades in LED arrays Various colour options
Control (The Council reserves the right to select the method of control.)	Option A – Luminaires shall operate with photocell / mini cell control; or  Option B – Luminaires shall operate with photocell / mini cell control and control gear capable of delivering a fixed dimming regime; or  Option C - Luminaires shall incorporate a node / CMS communication device with Constant Light Output functionality.
Warranty	Each luminaire should be covered by a warranty providing a minimum 20 year operating life, details of which are to be provided by the Service Provider and novated to the Council on the completion of the LED Replacement Programme

## Option 2

Apparatus	Requirements
<b>LED Luminaires -</b>	
Colour Rendering Index (CRI)	> 60
Correlated Colour Temperature (CCT)	Residential areas – 3000K (Warm White) Traffic Routes - 3000K (Warm White) Town Centres - 3000K (Warm White) Conservation Areas – 3000K (Warm White) *3000K or thereabouts to warrant the description warm
Lumen Maintenance (minimum)	L70 at 80,000 hours
Luminous Intensity Class (minimum)	Residential areas – G2 Traffic Route / Conflict Areas – G3 Town Centres – G2
Ingress Protection	IP66 minimum
Mounting Arrangement	The luminaire must be capable of allowing either Side Entry and Post Top mounting within the same body. Varying tilt up to $\pm 10^\circ$ . Side Entry Spigot diameters: 34, 42, 60mm Post Top Spigot diameters: 60, 76mm
Construction	Modular – to facilitate future upgrades in LED arrays Various colour options
Control (The Council reserves the right to select the method of control.)	Option A – Luminaires shall operate with photocell / mini cell control; or  Option B – Luminaires shall operate with photocell / mini cell control and control gear capable of delivering a fixed dimming regime; or  Option C - Luminaires shall incorporate a node / CMS communication device with Constant Light Output functionality.
Warranty	Each luminaire should be covered by a warranty providing a minimum 20 year operating life, details of which are to be provided by the Service Provider and novated to the Council on the completion of the LED Replacement Programme

### Option 3

Apparatus	Requirements
<b>LED Luminaires -</b>	
Colour Rendering Index (CRI)	> 60
Correlated Colour Temperature (CCT)	Residential areas – 4000K (Neutral White) Traffic Routes – 4000K (Neutral White) Town Centres - 4000K (Neutral White) Conservation Areas – 4000K (Neutral White) *4000K or thereabouts to warrant the description neutral
Lumen Maintenance (minimum)	L70 at 80,000 hours
Luminous Intensity Class (minimum)	Residential areas – G2 Traffic Route / Conflict Areas – G3 Town Centres – G2
Ingress Protection	IP66 minimum
Mounting Arrangement	The luminaire must be capable of allowing either Side Entry and Post Top mounting within the same body. Varying tilt up to $\pm 10^\circ$ Side Entry Spigot diameters: 34, 42, 60mm Post Top Spigot diameters: 60, 76mm
Construction	Modular – to facilitate future upgrades in LED arrays Various colour options
Control (The Council reserves the right to select the method of control.)	Option A – Luminaires shall operate with photocell / mini cell control; or  Option B – Luminaires shall operate with photocell / mini cell control and control gear capable of delivering a fixed dimming regime; or  Option C - Luminaires shall incorporate a node / CMS communication device with Constant Light Output functionality.
Warranty	Each luminaire should be covered by a warranty providing a minimum 20 year operating life, details of which are to be provided by the Service Provider and novated to the Council on the completion of the LED Replacement Programme

#### Option 4

Apparatus	Requirements
<b>LED Luminaires -</b>	
Colour Rendering Index (CRI)	> 60
Correlated Colour Temperature (CCT)	Residential areas – 4000K (Neutral White) Traffic Routes – 4000K (Neutral White) Town Centres - 3000K (Warm White) Conservation Areas – 3000K (Warm White) *3000K/4000k or thereabouts to warrant the description warm/neutral
Lumen Maintenance (minimum)	L70 at 80,000 hours
Luminous Intensity Class (minimum)	Residential areas – G2 Traffic Route / Conflict Areas – G3 Town Centres – G2
Ingress Protection	IP66 minimum
Mounting Arrangement	The luminaire must be capable of allowing either Side Entry and Post Top mounting within the same body. Varying tilt up to $\pm 10^\circ$ Side Entry Spigot diameters: 34, 42, 60mm Post Top Spigot diameters: 60, 76mm
Construction	Modular – to facilitate future upgrades in LED arrays Various colour options
Control (The Council reserves the right to select the method of control.)	Option A – Luminaires shall operate with photocell / mini cell control; or  Option B – Luminaires shall operate with photocell / mini cell control and control gear capable of delivering a fixed dimming regime; or  Option C - Luminaires shall incorporate a node / CMS communication device with Constant Light Output functionality.
Warranty	Each luminaire should be covered by a warranty providing a minimum 20 year operating life, details of which are to be provided by the Service Provider and novated to the Council on the completion of the LED Replacement Programme

### Option 5 (Contractors Own Option)

Apparatus	Requirements
<b>LED Luminaires -</b>	
Colour Rendering Index (CRI)	> 60
Correlated Colour Temperature (CCT)	Residential areas – ?K (? White) Traffic Routes – ?K (? White) Town Centres - ?K (? White) Conservation Areas – ?K (? White) ?K or thereabouts to warrant the description warm, neutral or cool
Lumen Maintenance (minimum)	L70 at 80,000 hours
Luminous Intensity Class (minimum)	Residential areas – G2 Traffic Route / Conflict Areas – G3 Town Centres – G2
Ingress Protection	IP66 minimum
Mounting Arrangement	The luminaire must be capable of allowing either Side Entry and Post Top mounting within the same body. Varying tilt up to $\pm 10^\circ$ Side Entry Spigot diameters: 34, 42, 60mm Post Top Spigot diameters: 60, 76mm
Construction	Modular – to facilitate future upgrades in LED arrays Various colour options
Control (The Council reserves the right to select the method of control.)	Option A – Luminaires shall operate with photocell / mini cell control; or  Option B – Luminaires shall operate with photocell / mini cell control and control gear capable of delivering a fixed dimming regime; or  Option C - Luminaires shall incorporate a node / CMS communication device with Constant Light Output functionality.
Warranty	Each luminaire should be covered by a warranty providing a minimum 20 year operating life, details of which are to be provided by the Service Provider and novated to the Council on the completion of the LED Replacement Programme

Tenderers are invited to submit alternative tenders, based on a different combination of LED luminaires other than that shown in options 1 to 4; clearly identifying the benefits and costings of supporting such a proposal within an agreed business case format.

For each of the above Options the Service Provider will, for each proposed luminaire provide a Manufacturer's data sheet (or equivalent) to confirm the following data:-

- 1 Rated input power (in W)
- 2 Rated Luminous flux (in lumens)
- 3 LED luminaire efficacy in (lm/W)
- 4 Luminous Intensity Distribution
- 5 Photometric Code
  - a. Correlated Colour Temperature (CCT in K)
  - b. Rated Colour Rendering Index (CRI)
  - c. Rated Chromacity co-ordinated values (initial and maintained)
  - d. Maintained luminous flux
- 6 Rated life (in h) of the LED module and the associated rated lumen maintenance (Lx)
- 7 Failure fraction (Fy), corresponding to the rated life of the LED module in the luminaire
- 8 Ambient temperature (ta) for the luminaire
- 9 Power Factor
- 10 Intensity Distribution
- 11 Drive Current
- 12 Risk Group (Control of Artificial Optical Radiation at Work Regs 2010)