

Report of the Interim Deputy Chief Executive

CHRISTMAS DECORATIONS OPTIONS1. Purpose of report

To provide members with information and options for Christmas decorations across the Borough and to seek permission to waive financial regulations by extending the previous three year installation contract by one further year.

2. Background and detail

The Borough Council currently provides Christmas decorations in the four main town centres, and also a small number in Toton (a three-year arrangement that ended in 2017). The Christmas lights are erected and taken down by a private contractor as part of a three year tender which also ended in 2017. Details are given in the appendix.

In addition, it should be noted that the County Council approved the principle of new charges for the right to place Christmas decorations on its infrastructure (such as street lights) on 8 March 2018. However, the County Council has verbally indicated that these charges are unlikely to be implemented until Christmas 2019. The level of such charges has yet to be set.

3. Options

The two main options currently being considered are as follows:

- No significant change (although there will be additional costs associated with the County Council's new charges in due course).
- Reduce provision of decorations in some areas with little or no commercial premises, instead add some existing and some new decorations in the more key central locations (some of these are not dependent on County Council-owned infrastructure) in order to create a better overall impact. Further details are given in the appendix. This is the preferred option.

In addition, the Council will need to decide whether to continue funding decorations in Toton. The view of officers is that it is difficult to justify 100% funding decorations in areas such as Toton as they do not contribute to town centre vitality. It also sets a precedent for other non-town centre areas at a time of constrained budgets.

4. Financial implications

These are given in the appendix although the implications of the County Council's charges are not yet known. The current annual budget is £43,000.

RECOMMENDATION

The Committee is asked to CONSIDER the preferred option and to RECOMMEND accordingly; and is asked to waive financial regulations in relation to a one year final extension to the current installation contract.

Background papers

Nil

Existing Christmas decorations

Ref	Lamp Decs (small)	Lamp Decs (large)	Lamps on Trees	Xmas Tree	Catenary	Other	Total
Toton			2			6	8
Stapleford	57	0	0	1	0	1	59
Kimberley	16	2	1	1	3	6	29
Eastwood	26	15	4	1	3	1	50
Beeston	33	0	16	2	4	6	61
Spares	3	0	0	0	0	0	3
							210

Actual expenditure 2017/18 (Budget £43,000)

Item	Cost
Main contract	£31,259
Repairs and upgrades	£5,836
Electricity	£786
TOTAL	£37,881
Underspend against budget	(£5,119)

Proposed changes (if second option selected)

The following costs are based on a quote from the existing provider:

Toton – To remove from the current contract all post decorations and tree lights - deduction = £1025.00 (Note: to retain the tree lights – which have a high profile on the A6005 entry to Broxtowe - keep £350.00 in).

Stapleford – Additional / New LED pea lights to trees in the following locations:

- Site 1 – Larry’s Bar New 1000 LED kit = £450.00 + Install/Remove @ £250.00
- Site 2 – Walter Parker Square 2 x Trees 500 LED/Tree = 1000 kit = £450.00 + Install/Remove @ £250.00
- Site 3 – Walter Parker Square Cluster of Trees enhance with +1500 LEDs = £525.00 + Extra works @ £200.00
- Site 4 – Victoria Street car park 2 x trees 800 LED/Tree = 1600 Kit = £800 + Install/Remove @ £320.00

Kimberley – To remove from the current contract all post decorations 135-141 = 7pcs – as a deduction = £525.00 (this is the residential stretch from Kimberley Depot to the first business); and instead double them up in more central/commercial locations where structural testing permits. Much of the £525.00 savings will be needed for the doubling up and some possibly for structural testing.

Additional decorations at the following locations:

- New Across street decoration – James Street = £1250.00
- New across street decoration – main road = £1650.00
- Site 1 – Green Lane Trees 2500 LED kit = £1125.00 + Install/Remove @ £625

- Site 2 – Green Lane 3 x trees 600 LED/Tree = 1800 Kit =£890 + Install/Remove @ £370.00

Eastwood - To remove from the current contract all post decorations 56-68 = 13pcs – as a deduction = £975.00 (this is the residential stretch of road from Eastwood town centre to Hilltop - decorations would be retained in Hilltop itself), note these will be re-distributed near The Sun Inn/Morrisons area instead where structural testing permits. Much of the £975.00 savings will be needed for the doubling up and possibly for additional structural testing and electrical works.

Replacement Light curtain/Boyes = £1100.00

Beeston - To remove from the current contract all post decorations 62-65 = 4pcs – as a deduction = £300.00 (this is the largely residential stretch of Station Road from Middle Street to Queens Road – and instead double them up in more central/commercial locations where structural testing permits. Much of the £300.00 savings will be needed for the doubling up and some possibly for structural testing.

Summary of costs of proposed changes (if second option selected)

Location	Investment (one off)	Additional fitting cost (annual)	Deductions (annual)
Toton			(£675) *
Stapleford	£2,225	£1,020	
Kimberley	£4,915	£995	(£525 x 33%)*
Eastwood	£1,100		(£975 x 33%)*
Beeston			(£300 x 33%)*
TOTALS	£8,240	£2,015	(£1,275)

*Assumes approximately two thirds of the savings are used to re-locate existing decorations in more central high profile locations, and that only the tree lights are retained in Toton.

Estimated Expenditure 2018/19 (if second option selected)
(Budget £43,000)

Item	Cost
Main contract (2017 base)	£32,000
One off investment (as above)	£8,240
Additional annual fitting cost (as above)	£2,015
Deductions in annual fitting cost (as above)	(£1,275)
Repairs	£2,000
Electricity	£1,000
TOTAL	£43,980
Overspend against budget	£980

Current installation contract and proposal for a final 1 year further extension

The main installation contract was last tendered in 2015. Five companies were invited to tender. Three submitted tenders but one of these did not meet the required criteria. The contract for a maximum of 3 years was won by Leisure Lites Ltd, an Eastwood-based

company who also provide Christmas decorations for Erewash Borough and its parishes. The only other acceptable tender was priced at around 15% more than Leisure Lites.

It should be noted that Leisure Lites Ltd were also the successful tenderer (and lowest priced) during the period 2012-2015; and they have offered to hold their 2015 price for 2018.

As the 3 year contract has now completed, and because of the estimated contract value, the Council's financial regulations would require 3 quotes for a 1-year extension, or re-tendering for a longer contract period. However, it is felt that a greater degree of stability and security, and a better use of officer time, would be gained by granting the present incumbent a 1 year extension, whilst a complete re-examination of Christmas light procurement is undertaken – for example, leasing and renting options; plus separate installation options.

A one-year-only contract may not be attractive to a new incumbent and runs the risk of a steep learning curve in year 1 with potentially no long term learning. It is also believed that Leisure Lites continued to offer best value in view of their tender success in 2012 and 2015, and their ongoing work for Erewash Borough Council and its parish councils, and as they are prepared to hold their price for 2018.

As a further test the other company which submitted a compliant tender in 2015 was also asked to re-price for 2018 and their price was £37,480, 17% above the Leisure Lites main contract price.