

EAST AYRSHIRE COUNCIL

DEVELOPMENT SERVICES COMMITTEE – 7 FEBRUARY 2002

REPORT ON STREET LIGHTING MAINTENANCE CONTRACT

Report by Director of Development Services

1. PURPOSE OF REPORT

- 1.1** The purpose of this report is to seek committee approval to extend the existing contracts for the Street Lighting Maintenance Contract until 31 March 2003.

2. BACKGROUND

- 2.1** The existing contract for the provision of street lighting maintenance is due to expire on 31 March 2002 although we have an option to unilaterally extend it until 30 May 2002.
- 2.2** The original date was chosen so that it coincided with North and South Ayrshire Council's Street Lighting Maintenance Contract renewal.
- 2.3** North and South Ayrshire Council's original contractor subsequently decided that they no longer wished to operate in Scotland and transferred the contract by mutual agreement to Hyder Infrastructure Services. As part of the transfer both Councils agreed to extend their contracts until 31 March 2003.

3. PROPOSALS

- 3.1** It is proposed to extend the existing contract with Hyder Infrastructure Services until 31 March 2003. This will allow the Council to evaluate the potential benefits from collaboration with North and/or South Ayrshire and to review the contract specification and contractual arrangements.
- 3.2** Hyder Infrastructure Services have indicated that they would be willing to extend contract the under the current terms and conditions and freeze prices for 12 months.

4. FINANCIAL IMPLICATIONS

- 4.1** Hyder Infrastructure Services have agreed to suspend the variation of price element of the contract for the proposed 12 months of the extension. Based on previous costs this would equate to a 3 to 5% saving (approximately £13 to £15K) on the price Hyder would have expected to receive over this period.

5. LEGAL IMPLICATIONS

- 5.1 There is no allowance in the existing contract to extend beyond 30 May 2002. Hyder Infrastructure Services have however indicated their willingness to extend the contract until 31 March 2003. There is no known expectation by other contractors that they would have the opportunity to tender to provide the service before 31 March 2003.

6. RECOMMENDATIONS

- 6.1 The committee approves the proposed extension of the Street Lighting Maintenance Contract until 31 March 2003.

Stephen Chorley
Director of Development Services

4 February 2002

LJP/MP

LIST OF BACKGROUND PAPERS

Nil

**For further information please contact Len Paget, Principal Engineer,
Roads and Transportation Division, on 01563 576313**

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AGENDA