ITEM 8a

DERBY CITY COUNCIL

STREET LIGHTING REPORT

Report for BVPI 215a and BVPI215b covering financial year 2006/07 and looking forward to 2007/08.

RECOMMENDATION

1. To note and acknowledge the reasons behind the results of the two street lighting related performance indicators BVPI215a and BVPI215b.

SUPPORTING INFORMATION

2. Background

Both BVPI215a and 215b are new performance indicators that were first introduced for financial year 2005/06. Appendix 1 contains the definition for calculating BVPI215a and Appendix 2 contains the definition for calculating BVPI215b.

During 2006 our recording and collating process was audited by Price, Waterhouse Coopers, we are therefore confident in the accuracy of our published data.

The result of the 2006/07 BVPI215a performance indicator is likely to place Derby City Council in the bottom quartile nationally.

The result of the 2006/07 BVPI215b performance indicator is likely to place Derby City Council in the bottom quartile nationally.

ISSUE(S)

3.1 BVPI215a

During financial year 2006/07 we were in contract year 8 of a contract that originally was intended to last 5 years. In 2003 the Authority had decided that the best method of improving the street lighting service for Derby was a PFI. The existing contact, which had been won by Commercial Services, had been extended on a yearly basis until it was possible to procure the PFI.

When the contract was awarded to Commercial Services in 1999 the contract requirement for the repair of lighting faults within 10 days was a nationally accepted timescale. Over the intervening years expectations have changed, nationally many new contracts have been awarded since ours and the repair times have been reduced.

All of the street lighting and illuminated sign / bollards are inspected at night every fortnight throughout the year. The next working day all faults are issued to the contractor for repair.

The issuing of faults is done electronically using a system called Exor, this system has had many periods of unreliability which has caused delay's in issuing some repairs.

One of the main reasons for looking at a PFI was the age profile and condition of the lighting stock. Street lighting units usually have a design life of 25 years Derby has many that are over 40 years old. The older the stock gets it becomes less reliable, there are more faults and it is then more difficult to repair them all in the expected timescale.

Some repairs take longer than the 10 day requirement because on some roads it can take longer than this to organise the traffic management.

The 3½ years that it has taken to procure the PFI caused some concerns in the staff that were going to be transferred to the private sector contractor, this impacted on morale and may have had a negative impact on their performance.

The PFI contract, which commenced on 25th June 2007, will bring an enormous improvement in result of this performance indicator. Within 3 to 6 months of the start of the contract the quarterly reported value for BVPI215a should be approximately 5 days. This would give a financial year 2007/08 figure of approximately 7.5 days, from 2008/09 onwards the figure should be approximately 5 days.

3.2 BVPI215b

The definition for this performance indicator states that it's purpose is 'to measure the time taken by the DNO to rectify street lighting faults under the DNO's control'. It is therefore **not** a measurement of the Authority's performance.

Since the 1980's when many of the utility companies were privatised the Distribution Network Operator (DNO) have been in the ownership of

several companies. Whenever there is a new owner there is the inevitable restructuring which always seems to cause delay's, before there is any sign of improvement. When the EMEB was privatised the first thing that happened was that all of the operational work was outsourced to other private companies, which adds additional delay's into the process.

A representative from the street lighting team attends the monthly progress meetings with our DNO, which is currently Central Networks where we try to ensure that they repair faults in our area as quickly as possible. These underground cable faults can not be repaired by anyone other than the DNO, also we do not directly pay for these repairs to be carried out as this cost included in our energy cost. Both of these points mean that it is very difficult for us to put much pressure on the DNO to carryout the repair works quickly. It should be noted that for the 2005/06 period, which is the last one where the national statistics are available, Derby City recorded a better performance then our neighbouring Authorities. This I believe shows that our monthly progress meetings are beneficial.

In the long term it is hoped that the new PFI contract will have a positive knock on effect with the DNO's performance. It is likely that both the PFI service provider (Balfour Beatty) and the DNO will be working out of the same depot for a number of years, hopefully they will have a good working relationship and this may help Derby get a better service from them. The PFI also contains a performance deduction that can be levied against the service provider if the DNO fails to perform, it is anticipated that this will ensure that DNO repairs are carried out in a timelier manner.

IMPLICATIONS

Financial

1. The street lighting PFI contract including energy has a value of £145M over 25 years, the Authority received £35.71M of PFI credits from the government to help finance the project.

Legal

2. There is no legal obligation to provide street lighting, however if it is installed it should be maintained in accordance with good industry practice.

Personnel

3.1 Impact

On the 25th June 2007 when the PFI contract commenced eleven Derby City Council employees were TUPE'd over to Balfour Beatty on their existing terms and conditions.

CONCLUSIONS

BVPI215a

The performance of Derby City Council during financial year 2006/07 was poorer than predicted primarily because of a revision to a British Standard, which delayed the signing of the PFI. The PFI contract was signed on 4th April 2007 and commenced on 25th June 2007. The PFI contract will ensure a significant improvement in this performance indicator, with financial deductions being made against the service provider if this isn't achieved.

BVPI215b

The performance of our local Distribution Network Operator (Central Networks) is erratic, this is due to their constant restructuring, working practices and seasonal workload variations. It is hoped that the PFI will have a positive influence on the performance of Central Networks as it is likely that both they and Balfour Beatty will be working out of the same depot. This would simplify communication and they should foster a good working relationship.

APPENDIX

1. BVPI215a Definition
2. BVPI215b definition

Appendix 1

BV 215(a) - Rectification of Street Lighting Faults - non DNO - 2006/07

The indicator measures the average number of days taken by the highway authority to rectify street light faults under the highway authority's control (or to identify and report a DNO fault to the DNO).
'Average number of days' should be calculated as the total number of calendar days that lights are faulty in a year, divided by the total number of lights that are faulty in that year.
Only include faults under the control of the local authority, and DNO faults *up to notification of the DNO by the highway authority.* Do not include DNO faults following notification to the DNO.
'Faulty' means out of operation, or not operating as designed, e.g. flickering. All faults should be included, even those as a result of vandalism, accidental damage, or failure of electricity supply cables owned and operated by the authority.
Lights burning during the day (unless this is intended) should be treated as faults.
When counting **'number of street lights'** authorities should include:

- all lights which they are responsible for maintaining on all local authority roads,
- street lights mounted on other structures, e.g. buildings, utilities poles etc. where the purpose of the light is to illuminate the street.
- lights in highway tunnels/underpasses and pedestrian subways and all other day burners
- lights which the authority is responsible for maintaining on housing estate footpaths should be included in the count, even where their details are recorded on a database other than the local authority's main highway lighting database.

When counting 'number of street lights' authorities should not include:

- illuminated signs,
- illuminated bollards,
- pedestrian crossing signs and school crossing beacons.
- special event/celebrations/Christmas decorations.

Group faults are to be counted as the number of units out on the particular circuit that has malfunctioned
Failure of lamps in a multi lamp lantern or in a multi-lantern street light should be counted as individual faults e.g. failure of one lantern on a twin arm is one fault, failure of both lanterns is two faults.
If a fault recurs on the same light more than once during the year, each fault should be treated as a separate fault.
Calculating the time period:
The start time is from the time the local authority detects the fault or is notified of the fault (whichever is the sooner).

Include faults *completed* during the relevant year (1 April 2006 to 31 March 2007 inclusive) even if the authority detected or was notified of the fault before 1 April 2006. *Authorities should not include faults reported during the relevant year for which completion date is later than 31 March 2007.*
Completion of fault time is when the unit light is put back into working order. Lights which are reported as faulty but are subsequently found to be out of operation due to a DNO fault should be counted. The time period for calculation is from the time the authority (or its agent or contractor) detects the fault or is notified of the fault, whichever is the sooner, to the time the authority (or its agent or contractor) reports the fault to the DNO.

Appendix 2

BV215(b) - Rectification of Street Lighting Faults - DNO Controlled - 2006/07

The indicator measures the average number of days taken by the DNO to rectify street light faults under the DNO's control, following notification of the fault to the DNO.
'Average number of days' should be calculated as the total number of calendar days that lights are faulty in a year, divided by the total number of lights that are faulty in that year.
Only include faults under the control of the DNO, following notification of the fault to the DNO.
'Faulty' means out of operation, or not operating as designed, e.g. flickering. All faults should be included, even those as a result of vandalism, accidental damage, or electricity supply cable failures.
When counting 'number of street lights' authorities should include:

- all lights which they are responsible for maintaining on all local authority roads
- street lights mounted on other structures, e.g. buildings, utilities poles etc. where the purpose of the light is to illuminate the street
- lights in highway tunnels/underpasses and pedestrian subways and all other day burners
- lights which the authority is responsible for maintaining on housing estate footpaths should be included in the count, even where their details are recorded on a database other than the local authority's main highway lighting database.

When counting 'number of street lights' authorities should not include:

- illuminated signs,
- illuminated bollards,
- pedestrian crossing signs and school crossing beacons.
- special event/celebrations/Christmas decorations.

Group faults are to be counted as the number of units out on the particular circuit that has malfunctioned.
Failure of lamps in a multi lamp lantern or in a multi-lantern street light should be counted as individual faults e.g. failure of one lantern on a twin arm is one fault, failure of both lanterns is two faults.
If a fault recurs on the same light more than once during the year, each fault should be treated as a separate fault.
Calculating the time period: The start time is from the time the DNO is notified of the fault by the local authority/Agent/Contractor/DNO.
Include faults *completed* during the relevant year (1 April 2006 to 31 March 2007 inclusive) even if the authority detected or was notified of the fault before 1 April 2006. *Authorities should not include faults reported during the relevant year, for which completion date is later than 31 March 2007.*

Completion of fault time is when the unit light is put back into working order and the fault completion is reported back to the local authority.