

Cultural and Economic Services Committee

Date: 1 March 2021

Purpose of the Report: Christmas Lights

Contact Officer: Vivien Cannon, Head of Cultural and Economic Services

Corporate Objective/s	Vibrancy and Vitality of Town and Town Centre - To continue to support a vibrant town through partnership working and initiatives including management of the street market, support for local businesses, town and community promotions and town centre enhancements.	
Implications:		
Financial	Yes	Existing budget
Human Resources		
Operational/Service delivery	Yes	
Procedural/Legal		
Risk/Health and Safety		

1. RECOMMENDATIONS

Should members be minded, the proposals are:

- 1.1 To extend the current contract for the Christmas Lighting Scheme for a further two years.
- 1.2 To recommend to Policy and Finance Committee to carry forward unspent funds of £5,200, (4412/101), into dedicated Christmas Lights earmarked reserves for spend on 3D motifs.
- 1.3 To spend available annual budget funds from financial year 2021/22, (4412/101) on 3D motifs.

2. BACKGROUND

- 2.1 The contracts for Christmas lighting schemes run on a three-year cycle and the last one ended in December 2020.
- 2.2 The principle of retendering the scheme every three years is because it is believed the public get tired of seeing the same scheme after the third year. The current scheme however has not received the same level of exposure as

Council would expect due to Covid restrictions and appears to remain popular with the public.

- 2.3 Officers have therefore been exploring alternative options to help Committee secure value for money out of its allocated budget and the current scheme.
- 2.4 Committee may wish to instruct officers to go out to tender for a new scheme.
- 2.5 For a period of six years, the local Rotary Club has contributed towards the costs of the Christmas Tree decorations. For the last three-year contract, they contributed £1,200.

3. INFORMATION

- 3.1 When contracting a scheme, the Council hires the decorations, pays for storage and upkeep/testing, installation and removal. Additional charges are levied should the contractor be called out to address issues that are not the fault of their work or equipment, e.g., wind damage.
- 3.2 Contracting a new scheme initially shows a large funding outlay in the first year of the three-year contract as all motifs/equipment are newly purchased by the contractor.
- 3.3 Officers have explored two options with the current contractor to understand the benefits or otherwise for a new scheme or extending the current scheme.

(a) Council purchasing the current scheme.

Pros	Cons	Costs
Council owns equipment reducing continuing years if no additions are made to the scheme. <i>(this could be a con too)</i>	<p>Large outlay of funds in 1st year or purchase.</p> <p>Current equipment will be 3yrs old. From years 4-5 onwards, parts of the decorations will start dimming or breaking and Council will incur repair / replacement costs.</p> <p>The scheme would be tiered and at end of its life by year 7.</p> <p>Re-resale not a viable option. Council will</p>	<p>One-off purchase of scheme: £32k (exc. VAT).</p> <p>Approved budget for 2021/22 lighting contract is £33k.</p> <p>N.B. £33k incorporates the cost of buying the Christmas tree, installation, and removal.</p> <p>Annual costs for installation, removal, storage, testing per year is £15,470 (exc. VAT), leaving a <u>deficit</u></p>

	need to find a way to dispose of it.	of <u>-£14,470</u> (ex. VAT) to be found from elsewhere. In addition, potential need for a budget of £2-3k (exc. VAT) per year for string and LED replacements.
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(b) Repeating the scheme for another one or two years

Pros	Cons	Costs
<p>Council does not pay for repairs or upkeep of the scheme.</p> <p>More environmentally friendly to use the same frames and parts and only dispose of the faulty parts.</p> <p>Council does not own the scheme (<i>as above this was identified as a pro</i>) and is not left with a scheme at the end of its life that Council will need to find a way of disposing of it.</p>		<p>Rental of scheme £14,000 per yr. (exc. VAT)</p> <p>Installation, removal, checks, maintenance and storage per year £11,720 per yr. (exc.VAT)</p> <p>Total- <u>£25,720</u> per yr. (exc. VAT).</p> <p>Contractor has stated it would include all the maintenance and replacing any product that goes faulty – and will add the snow tubes for the Christmas tree at no extras cost (bought as an addition to the 2020 scheme).</p> <p>This is a discount from the usual £29,858.15 previously charged for the first 3 years of the recent contract.</p>

- 3.4 Should Committee wish to make a small number of alterations to the scheme, e.g., changing the lights in the trees, (3x trees are part of the scheme), the above proposed costs of extending the scheme with changes would go up to £29,800per yr.

- 3.5 The 2020 Christmas Scheme was enhanced using three large scale 3D motifs funded by redirecting £10k from the Christmas festival budget. The motifs were well received and given that Covid restrictions are predicted to have a continued impact upon event delivery, especially in the winter season when current thoughts are that infections peak, Committee may wish to hire 3D motifs for Christmas 2021.
- 3.6 Should Committee decide to extend the scheme, and not make any changes, the approximate saving on the available budget could be £4,780per yr. Keeping £780 of that to one side to cover costs of call outs, the remaining £4k could be used towards the funding of 3D motifs.
- 3.7 The current year 2020/21 budget has an underspend of £5,204. If £5,200 were carried forward into dedicated earmarked reserves and combined with the above, (para 3.6), savings, the total available funds for 3D motifs for Christmas 2021 would be £9,200. With some annual flexibility on the cost of the Christmas tree/installation, this could be made up to £10k and above, for securing three motifs.

4. CONCLUSIONS

- 4.1 The Christmas lighting contract for 2019 to 2020 has been well received yet the third and final year did not receive the usually high level of public exposure due to Covid restrictions.
- 4.2 Given the emerging consensus that the winter months will see an increase in contracted Covid-19 cases, Council will not be able to secure the Christmas Festival in its usual format as a Covid Secure event. Repeating the purchase of 3D motifs would again be a good alternative approach for creating spectacle and celebrating Christmas safely.
- 4.3 Repeating the current scheme for a further one or two years would assist the Council secure value for money.

End