



State of the Market Survey 2017

Street Lighting



Briefing 17-41

November 2017



The state of the market survey was conducted by Rob Bailey, APSE Principal Advisor with assistance from Ian Scherr - Research and Coordination Officer

For any enquires in relation to the survey, Rob may be contacted on:

Tel: 0161 772 1810

Email: rbailey@apse.org.uk

Street Lighting Services

State of the Market 2017

APSE conducted an online survey during May and June 2017. A series of questions were asked covering a range of issues of interest to those officers and councillors responsible for Street Lighting services.

The surveys are an attempt to understand perceptions of the market amongst people directly involved in delivering services.

Methodology

At the beginning of May, an email invitation was sent out to all APSE colleagues who deal with Street Lighting. This contained 26 questions on various different issues faced by those involved, 24 of which will be used for this report. Duplicate responses and almost wholly incomplete responses were eliminated from the sample, leaving a final sample of 86.

No questions were mandatory, so the total amount of responses differs from question to question. This report will state the total that answered each question in the results. Respondent's information has been kept confidential, with identifying information being limited to the general area of the U.K. the respondent is from.

The relatively small sample size makes it challenging to distinguish sample variance from actual trends across time. Whilst reference to previous years is made, this is purely for general information, and this report is best treated as a snapshot of the current opinions of those working in street lighting services, rather than a thorough analysis of change over time.

Results from the Survey

1. Where in the United Kingdom do you work?



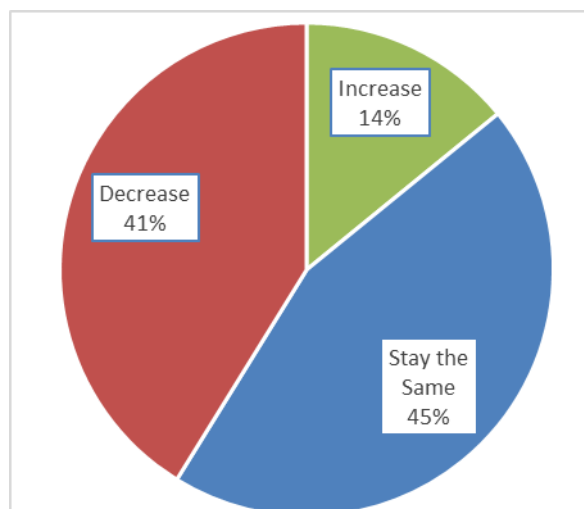
Respondents represent variety from across the whole of Great Britain. England accounts for 45 of respondents, with 11 from Wales and 30 from Scotland. This gives a total sample of 86. Responsibility in Northern Ireland rests with the Department for Infrastructure

2. How has the budget for the street lighting service changed from 2016-17 to 2017-18?

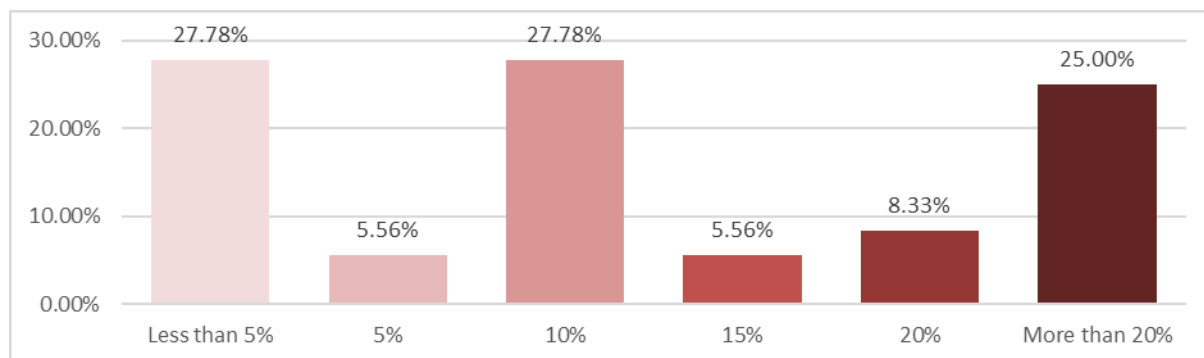
Of the 85 people that answered this question, only 12 believed that their budget had increased since 2016-17. 35 felt it had decreased.

The comments allow for insight as to why this is.

- Capital has increased and revenue has decreased.
- PFI contracts operate with a fixed budget.
- Maintenance costs decreasing due to LED technology



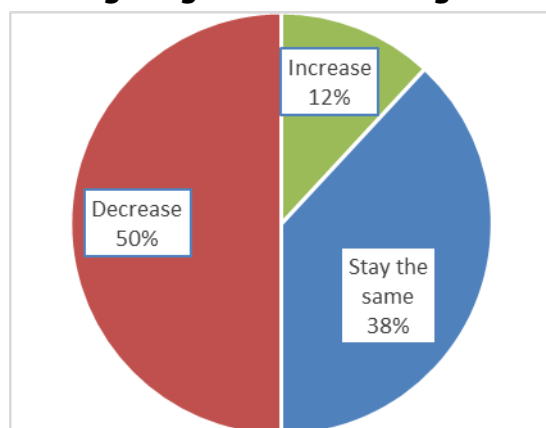
3. If your budget has decreased from 2016-17 to 2017-18, how much has it decreased by?



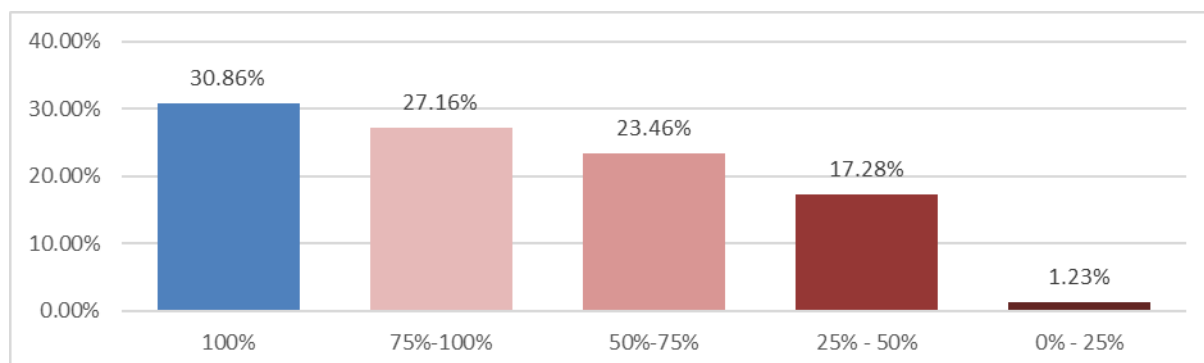
Of the 36 responses to this question, more than half said their budget had decreased by 10% or less. 9 people had experienced a budget cut in excess of 20%.

4. How do you expect the budget for the street lighting service to change when allocated in 2018-19?

42 out of 84 respondents believe that their budget will decrease in 2018-19, and only 10 expect an increase. LED lighting is again mentioned as a key driver, with some budgets increasing to allow for the conversion, and then if this has been done, a decrease in budget due to lower maintenance and energy costs.



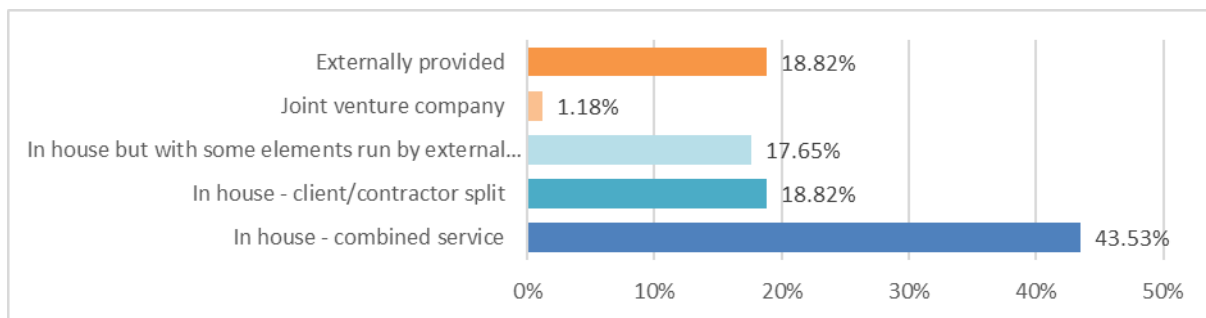
5. To what extent will your 2017/18 budget for street lighting meet the need to maintain your assets and/or provide replacements where necessary?



Of the 81 people that answered, 25 felt that their budget would meet 100% of their needs. Only one person believed that the budget would meet 25% or less of their needs.

Comments highlight that maintenance is often determined under a PFI contract. They also show that some councils are able to meet maintenance demands, but they have issues with aging stock and that often backlogs remain problematic.

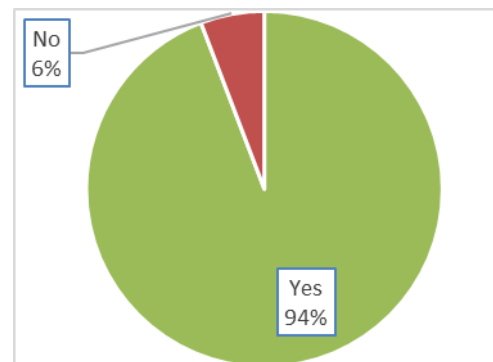
6. How are your street lighting services currently delivered?



A clear majority responded that their services were delivered at least in part In-House (68 out of 85). Of this, a combined service was the most popular option. Joint Venture companies were the least popular, with only a single response. Compared to last year, there is a modest increase in those answering "In house - combined service" which is up 10%, which goes alongside a 7% fall in those answering "externally provided"

7. If the service is currently provided in-house, do you expect the service to remain in-house over the next 12 months?

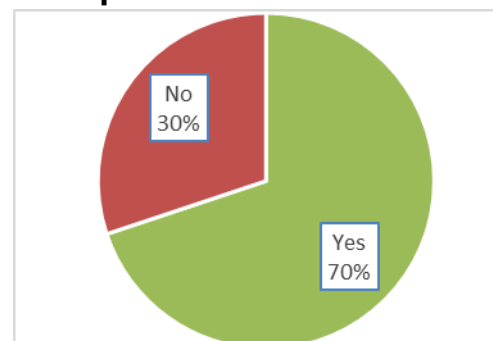
Of the 69 people that answered this question, only 4 said that they did not expect the service to stay in-house over the next year.



8. Do you personally feel staff absence levels at an acceptable level?

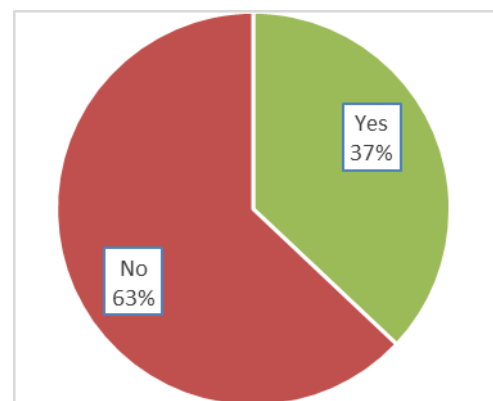
58 of 83 people felt that absence was at an acceptable level. Some noted that there had been a recent increase in Long Term absence. Someone also noted that there was a difference between Technical and Operational staff, with the latter group experiencing slightly worse absence levels.

These figures are slightly more positive than the 2016 survey, which had Yes at 68.5%.



9. Do you run an apprenticeship scheme?

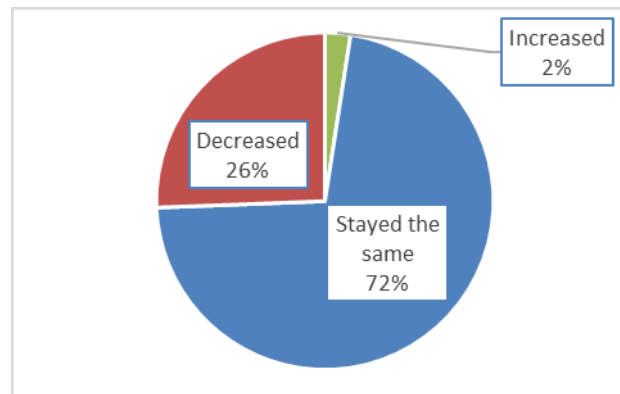
The Majority of people (51/81) said that they did not run an apprenticeship scheme. Many mentioned that whilst apprenticeships were available within their councils, there is often not the scope for a specific lighting based one. This is



somewhat higher than the 20% that said they ran an apprenticeship scheme in 2016.

10. What has happened to your training budget over the past 12 months?

Of the 82 responses, only two said that the training budget had increased. The majority (59) indicated that the budget hadn't changed. Worryingly however over a quarter of respondents reported a decrease in training budgets

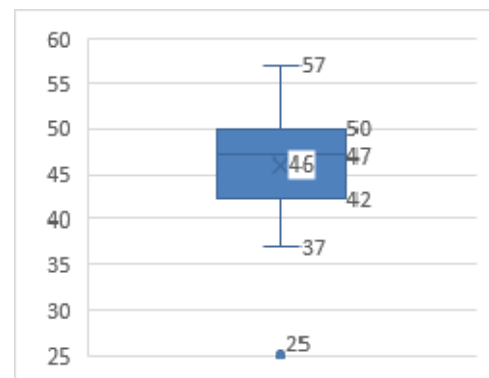


11. What is the average age of your street lighting operational staff?

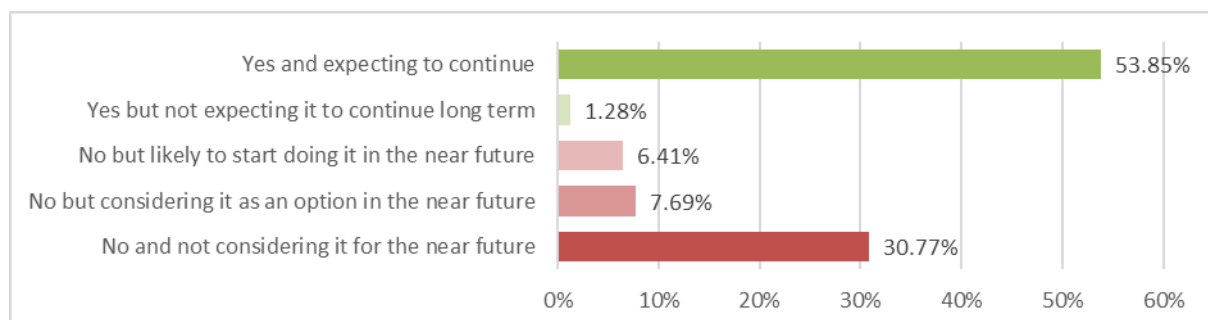
The estimated average (mean) age of operational staff is 46 years old. Half of all respondents who were able to give an age placed the average age of staff within the range of 42 - 50 years old.

The oldest average reported was 57, and the youngest 25.

There were 52 valid responses to this question.

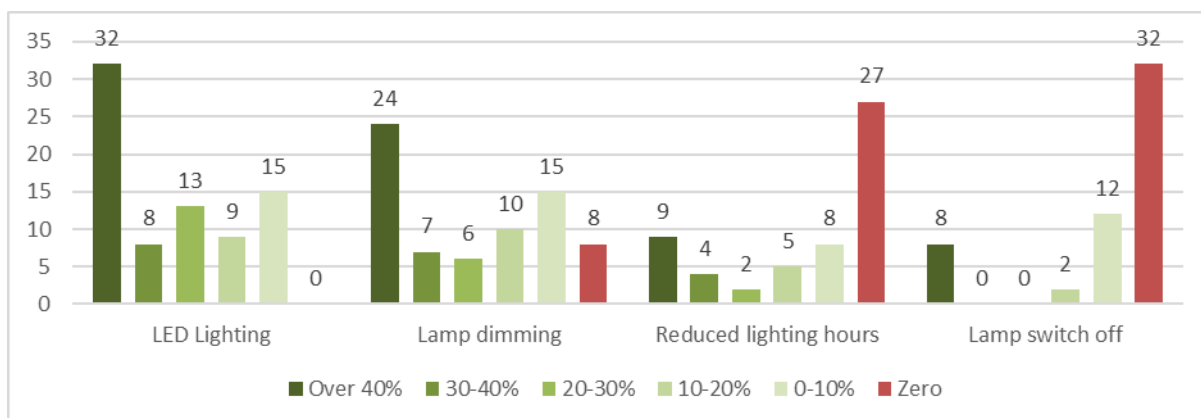


12. Do you currently sell your services to organisations external to the council?



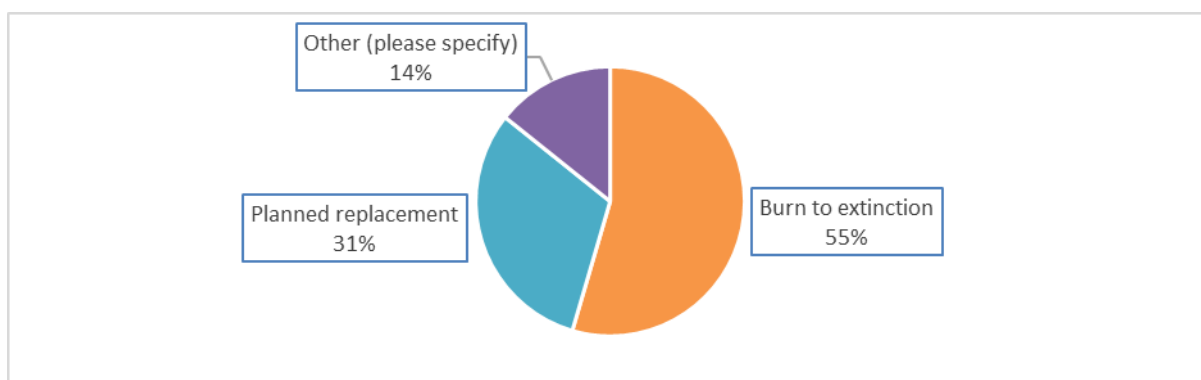
The majority of councils (43 out of 78) sell their services to external organisations, with all but one expecting this to continue. A further 11 were either likely to start or were considering this as an option. This leaves 24 which did not sell its services and had no plan to do so, which is 5% higher than the response from 2016.

13. What energy saving initiatives have you undertaken and what proportion of the lighting stock do you estimate is affected?



There was a total of 77 responses to at least one of these initiatives. All 77 said that they were working on LED Lighting, and most of these affected over 40% of their lighting stock. Comments indicated that this was often combined with Trimming to maximise efficiency. Lamp Dimming is also a popular initiative, which a clear majority also engaged in. Reduced lighting hours was somewhat popular, with 28 responses saying they have undertaken initiatives in this area.

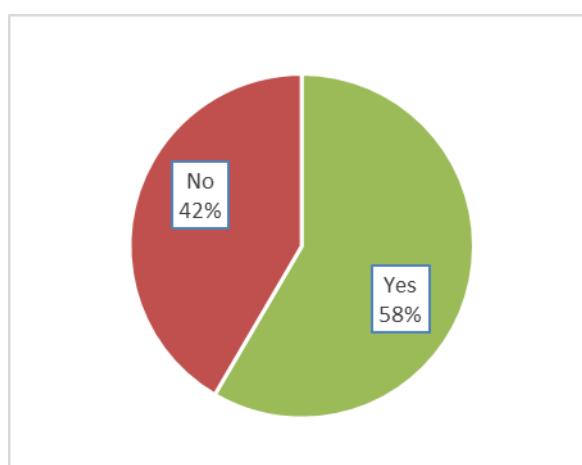
Lamp switch offs were the least popular initiative, with 28 responses saying they had engaged in it, compared to 32 that had not.



14. What is your council's approach to lamp replacement within your street lights?

Of the 77 responses, 42 said their policy was to burn to extinction. 24 said that there was a planned replacement. The comments indicated that there were programmes to convert to LED, and then burn to extinction from there.

15. Does your council scout for failures?



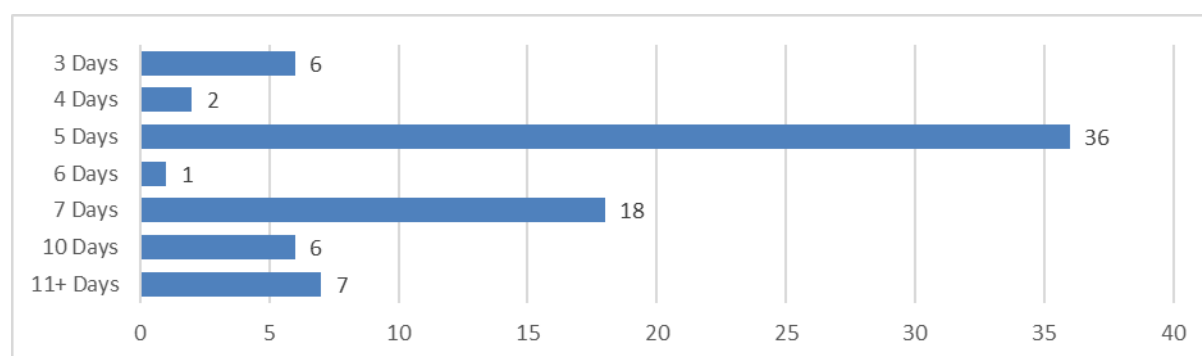
Of the 77 respondents, 45 said that their council scouts for failures, compared with 32 who said they did not.

The comments indicate the various strategies used by councils to do this. Some only scout strategic routes, and others only during the winter time, relying otherwise on reports. Changing to LED stock may reduce scouting further.

16. How does your council track energy usage (by half hourly metering, estimated annual consumption or other)?

The most popular method for tracking energy usage is half hourly, with the vast majority of responses indicating this. The next largest group was estimated annual consumption, and a few said they were unmetered.

17. What is your council's target time for restoring street lights to working order (in days)?



Of the 76 people responses, over half indicated a target time of 5 days or less. Three respondents said that their target time was over 20 days.

18. Which energy supplier do you use?

The table below gives a summary of the responses received.

Supplier	Amount
EDF	34 (45%)
Npower	20 (27%)
Scottish Power	5 (7%)
SSE	4 (5%)
SWALEC	2 (3%)
Total Gas and Power	2 (3%)
British Gas	1 (1%)

Robin Hood Energy	1 (1%)
Other/Misc.	6 (8%)

19. What is the length of your current energy contract?

Naturally, there was a large amount of variation between responses to this question. Responses ranged from a single year to six years at most. There were 12 respondents who said 1 year, which was the most popular option. There were many that weren't sure about their contracts due to arrangements with either neighbouring authorities or a national consortium.

20. When does your current energy contract end?

As expected, contracts end at various times and are being negotiated on a continuous basis, with many arrangements being carried out through purchasing consortiums. There is always further room for collaboration in the procurement of energy (including many speaking through APSE's own local authority energy collaboration, APSE Energy <http://www.apse.org.uk/apse/index.cfm/local-authority-energy-collaboration/>)

In this survey, 19 people indicated that their contract was ending in 2018, 11 in 2019 and many more ongoing.

21. Where do you see growth areas for the street lighting service over the next 12 months?

As has been mentioned throughout this report, one of the biggest areas seen for growth is the expansion of LED Lighting and the various programs that will deliver and manage this. Many also saw opportunities in providing services to private sector developers for architectural lighting, and working with 'Smart Cities'. Many also mentioned column replacements as a key area for growth, as well as street sign lighting.

22. Where do you see areas where work may decrease over the next 12 months?

Following the increased usage of LED Lighting, many reported an expectation for maintenance and faults work to decrease, both planned and reactive, as well as lantern replacement once conversion was complete. A few also mentioned that they anticipated a reduction in inspections during the night.

Local Authority Street Lighting Services

State of the Market 2017

The Association for Public Service Excellence

APSE member authorities have access to a range of membership resources to assist in delivering council services. This includes our regular advisory groups, specifically designed to bring together elected members, directors, managers and heads of service, together with trade union representatives to discuss service specific issues, innovation and new ways of delivering continuous improvement. The advisory groups are an excellent forum for sharing ideas and discussing topical service issues with colleagues from other councils throughout the UK.

Advisory groups are a free service included as part of your authority's membership of APSE and all end with an informal lunch to facilitate networking with peers in other councils. If you do not currently receive details about APSE advisory group meetings, and would like to be added to our list of contacts for your service area, please email: enquiries@apse.org.uk.

Our national advisory groups include: -

- FM & Building Cleaning
- Catering (school meals)
- Cemeteries and Crematoria
- Environmental Health
- Highways and Street Lighting
- Housing Construction and Building Maintenance
- Local Authorities Commercialisation, Income and Trading Network
- Parks, Horticulture and Grounds Maintenance
- Renewables and Climate Change
- Sports and Leisure Management
- Vehicle Maintenance and Transport
- Waste Management, Refuse Collection and Street Cleansing