

## **Cabinet Office**

The Guildhall, Swansea, SA1 3SN www.swansea.gov.uk

Councillor Chris Holley Convenor Service Improvement and Finance Scrutiny Performance Panel Please ask for: Councillor Rob Stewart
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Our Ref: Your Ref:

Date:

10<sup>th</sup> October 2019

RS/CM

BY EMAIL

## **Dear Councillor Holley**

Further to my letter of 18<sup>th</sup> September 2019 you have asked for further clarification on street lighting cost increases.

In Wales all apart from four of the North Wales Local Authorities are part of the National Procurement Service arrangement.

Each pricing period runs for twelve months, from 1st April to the 31st March. As we recently switched to a different trading strategy customers are currently committed until 31st March 2021.

There has been a significant cost increase for April 2019 due to market prices during the 1st October 2018 and 31st March 20 19 purchasing window. The market is similar to the stock market and is impacted by political concerns such as Brexit, a weak pound, issues with nuclear generators coming offline and issues with gas production which has a knock on effect on how much it costs to generate electricity etc.

Yours sincerely

COUNCILLOR ROB STEWART LEADER OF THE COUNCIL

