

## **CABINET**

<b>DATE</b>	12 <sup>th</sup> March 2025
<b>REPORT OF</b>	Councillor Stewart Swinburn – Portfolio Holder for Housing, Infrastructure Transport
<b>RESPONSIBLE OFFICER</b>	Carolina Borgstrom - Director for Economy, Environment, and Infrastructure
<b>SUBJECT</b>	Installation and Maintenance of Road Lighting, Traffic Signs and Bollards
<b>STATUS</b>	Open
<b>FORWARD PLAN REF NO.</b>	CB 03/25/08

### **CONTRIBUTION TO OUR AIMS**

The procurement of the Installation and Maintenance of Road Lighting, Traffic Signs and Bollards will primarily contribute to the Council's priority of residents should 'Live in a safe environment'.

### **EXECUTIVE SUMMARY**

The Council's contract for Installation and Maintenance of Road Lighting, Traffic Signs and Bollards will come to an end on 31 October 2025. This was an eight (8) year contract and all options for extension has now been exhausted. A new contract is now required to be procured and this report therefore seeks approval to procure a new contract. The tender process is being managed by the Council's transformation partner, Equans, as required under the Services Agreement.

### **RECOMMENDATIONS**

It is recommended that Cabinet:

1. Approves the undertaking of a procurement exercise for the Installation and Maintenance of Road Lighting, Traffic Signs and Bollards.
2. Authorises the Director of Economy, Environment and Infrastructure in consultation with the Portfolio Holder for Environment and Transport to commence the above procurement exercise.
3. Delegates responsibility to the Director of Economy, Environment and Infrastructure in consultation with the Portfolio Holder for Environment and Transport to deal with award, implementation, mobilisation and all ancillary matters reasonably arising therefrom.
4. Authorises the Assistant Director Law and Governance (Monitoring Officer) to complete and execute all requisite legal documentation arising from the above recommendations.

## **REASONS FOR DECISION**

The Council is required to demonstrate value for money in the procurement Installation and Maintenance of Road Lighting, Traffic Signs and Bollards under the Procurement Act 2023.

### **1. BACKGROUND AND ISSUES**

- 1.1 The contract is due and must be in place for 01 November 2025.
- 1.2 Schedule 28 of the main services agreement between the Council and Equans Services Ltd requires that Equans are to administer Traffic Services and also procure the contract for Installation and Maintenance of Road Lighting, Traffic Signs and Bollards as and when required.
- 1.3 The contract will be procured for a period of eight (8) years. An initial four (4) years plus two (2) further 24-month extensions. The procurement will be carried out using the open process in compliance with the Council's Contract Procedure Rules.
- 1.4 North Lincolnshire have expressed an interest in a joint procurement for their requirements.
- 1.6 A Preliminary Market engagement will be carried out prior to the tender going live. This will provide information from the market to ensure the tender requirements are targeted to the right level of supply.
- 1.7 Although it does not form part of the Contract that are the subject of this Cabinet report, it is worth noting that the Council's Partnership agreement with Equans contains the requirement to strengthen the local economy. This is expanded in the need for the partner to establish relationships with developers, businesses, and government agencies to attract public and private investment into the area during the contract term.
- 1.8 The successful contractor will need to demonstrate a commitment to social value for the residents of North East Lincolnshire and to reduce carbon emissions across the borough. They will have shown their commitment by employing local people, investing in the local economy and supporting charitable organisations.

### **2. RISKS AND OPPORTUNITIES**

- 2.1 The risk of not awarding the contract in time to allow for TUPE Consultation and staff transfer to the new provider as part of contract mobilisation.
- 2.2 Failure to award on time would mean that the Council would have failed to secure a new contract prior to the expiration date of the existing contract, which could incur significant additional costs.
- 2.3 Opportunity – The Council could benefit from economies of scale if North Lincolnshire choose to procure their requirement under the agreement.

### **3. OTHER OPTIONS CONSIDERED**

#### **3.1 Status Quo**

A decision could be made not to implement further contracting arrangements, although for the Council this would potentially reduce value for money opportunities that come by aggregating demand.

#### **3.2 Negotiation**

Negotiate an extension to that contract for a longer period of time. This option would not ensure that the Council was receiving best value and would be in breach of contract regulations and the Council's Contract Procedure Rules (CPRs).

#### **3.3 Central Purchasing Bodies**

The Council could access Government framework arrangements through one of the Pro 5 Purchasing organisations but do not always secure value for money and there is an associated cost for accessing these frameworks.

### **4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS**

There is no statutory requirement on local authorities in the UK to provide public lighting, the law states that:

- The Highways Act empowers local authorities to light roads but does not place a duty to do so.
- The Council has a duty of care to road users and has an obligation to light obstructions on the highway.
- The Council has a statutory duty under the Highways Act to ensure the safety of the highway and this includes any lighting equipment placed on the highway.
- The Electricity at Work Regulations imposes a duty on owners and operators of electrical equipment to ensure its safety.

### **5. FINANCIAL CONSIDERATIONS**

Currently the Council is spending approximately £1m per year between revenue and capital expenditure. This figure varies year on year based on capital projects.

### **6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS**

There are no implications.

### **7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS**

In accordance with the Government's Public Procurement Note – Taking into account of Carbon reduction Plans in the procurement of major government contracts 06/21. 'As part of assessing a supplier's technical and professional ability, in scope organisations should include, as selection criterion, a requirement for bidding suppliers to provide a carbon reduction plan (using the template in Annex A) confirming the supplier's commitment to achieving Net

Zero by 2050 in the UK, and setting out the environmental management measures that they have in place and which will be in effect and utilised during the performance of the contract’.

[Procurement Policy Note 06/21: Taking account of Carbon Reduction Plans in the procurement of major government contracts – GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/policies/taking-account-of-carbon-reduction-plans-in-the-procurement-of-major-government-contracts)

## **8. CONSULTATION WITH SCRUTINY**

There has been no consultation with scrutiny at this stage.

## **9. FINANCIAL IMPLICATIONS**

Whilst the direct financial implications arising for the Council are not known at this stage in the process, undertaking this procurement exercise should help ensure that the Council delivers value for money within the new

## **10. LEGAL IMPLICATIONS**

- 10.1 The Preliminary Market Engagement and the procurement exercise are governed by the Procurement Act 2023. The Preliminary Market Engagement activity will enable the specification to be developed, in line with the appropriate contractual documentation. Such activity enables the seeking or accepting of advice from independent experts, authorities or from market participants providing it does not distort competition nor breach the requirements for non-discrimination and transparency. The contract is the key governing document through which the resulting relationship will be governed and Legal Services will complete the contractual documentation on award.
- 10.2 The procurement exercise will be conducted so as to comply with the Council’s policy and legal obligations, specifically in compliance with the Council’s Contract Procedure Rules and the Procurement Act 2023, and supported by relevant officers.
- 10.3 The delegations sought are consistent with an exercise of this nature.
- 10.4 Officers should note that an award constitutes a further decision and will be subject to completion of an Officer Decision Record. Award and implementation timelines should accommodate this.

## **11. HUMAN RESOURCES IMPLICATIONS**

There are no direct HR implications for the Council contained within this report

## **12. WARD IMPLICATIONS**

This proposal affects all wards.

## **13. BACKGROUND PAPERS**

There are no background papers at this time.

#### **14. CONTACT OFFICER(S)**

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