

## CABINET

<b>DATE</b>	15 <sup>th</sup> July 2026
<b>REPORT OF</b>	Councillor Paul Batson, Portfolio Holder for Housing, Infrastructure and Transport
<b>RESPONSIBLE OFFICER</b>	Carolina Borgstrom – Director for Economy, Environment and Infrastructure
<b>SUBJECT</b>	Procurement of Commercial Bus Shelter Provider
<b>STATUS</b>	Open
<b>FORWARD PLAN REF NO.</b>	CB 06/26/01

### CONTRIBUTION TO OUR AIMS

Bus shelters support key Council priorities including “Stronger Economy” by enabling sustainable growth through effective transport provision, improving access to employment, education, key essential services and town centres. Bus shelters also contribute to “Stronger Communities” by improving accessibility for elderly and vulnerable residents, reducing social isolation, enhancing safety and comfort at bus stops, and supporting inclusive, well-connected and sustainable neighbourhoods across North East Lincolnshire.

### EXECUTIVE SUMMARY

Permission is sought from Cabinet to undertake a competitive tender process in order to procure a commercial bus shelter provider from 11 July 2027. It is recommended that Cabinet delegates authority to the Director of Economy, Environment and Infrastructure, in consultation with the Portfolio Holder for Housing, Infrastructure and Transport to make an appropriate contract award to the most advantageous tender.

### RECOMMENDATIONS

It is recommended that Cabinet;

1. Approves the commencement of a procurement exercise for a commercial bus shelter provider.
2. Delegates authority to the Director of Economy, Environment and Infrastructure, in consultation with the Portfolio Holder for Housing, Infrastructure and Transport to make appropriate contract awards to the most advantageous tender.
3. Delegates authority to the Director of Economy, Environment and Infrastructure, in consultation with the Portfolio Holder for Housing, Infrastructure and Transport to carry out all ancillary activity in terms of post award implementation

and mobilisation of such arrangements.

4. Authorises the Assistant Director Law and Governance (Monitoring Officer) to complete and execute all requisite legal documentation arising.

## **REASONS FOR DECISION**

The recommendation is made to enable the contract award process to begin as soon as the preferred provider is identified. This will allow sufficient time to mobilise a new contract, reducing the risk of any break in service provision.

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

- 1.1 A well designed bus shelter offers more than just a place to wait for a bus, it can turn a journey into a pleasant, safe, and comfortable experience. Bus shelters protect bus passengers from adverse weather conditions, provide comfortable seating, assist in the provision of good quality accurate information and ensure safety and accessibility for all users.
- 1.2 The Council currently has a concession contract with Bauer Media to clean and maintain 84 commercial bus shelter sites across North East Lincolnshire. 52 of the sites have capacity for the provider to sell advertising which helps to cover the cost of service delivery. Bauer Media also benefit from exclusive advertising rights at bus stops as part of the concession contract. The existing concession contract has been in place since 11 July 2016 and expires on 10 July 2027. The existing concession contract also requires Bauer Media to clean Council owned and maintained bus shelters and Bauer Media also provide the Council with six two week advertising campaign spaces which are free of charge.
- 1.3 Prior to going out to tender it is recommended pre-market engagement is completed to explore additional income opportunities which this contract may generate.
- 1.4 The proposed future contract length is 10 years with a possible 5 year contract extension which would be subject to high performance levels. It is anticipated the proposed contract length will make this opportunity more attractive to the commercial market and assist any providers who would need to make a capital investment.

### **2. RISKS, OPPORTUNITIES AND EQUALITY ISSUES**

- 2.1 A replacement contract will need to be in place by 11 July 2027 in order to maintain continuity of service and prevent a reduction in bus shelter provision within the borough.
- 2.2 There is the risk of failing to procure a new provider. This can be partly mitigated through preliminary market engagement which will help develop or refine the requirements, and engage the market early regarding the upcoming opportunity.

- 2.3 An equality impact assessment has been completed, and it has concluded any future contract will be expected to maintain existing bus shelter provision in the borough, therefore it is not expected there will be any detrimental equality issues at this stage. Should this change in the future, a further equality impact assessment will be completed.

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

Do nothing – This option is not recommended as it may not maintain bus shelter service provision. This option may require the Council to capital purchase replacement bus shelters and also procure a bus shelter cleaning contractor which in turn would create additional costs for the Council. This option is not recommended.

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

- 4.1. There are potential reputational and communication implications associated with the procurement of commercial bus shelter provider. Communication with current and potential providers, setting out the clear expectations for the new arrangement can take place through pre-market engagement. Their feedback would inform the development of the tender specification with the overall aim of making improvements for bus passengers.
- 4.2. Failure to ensure a new contract is in place by 11 July 2027 could result in bus shelters being removed which is likely to lead to complaints and create reputational issues for the Council.

### **5. FINANCIAL CONSIDERATIONS**

The proposal outlined within the report supports the Council's key financial objective to create long-term financial sustainability through a commercial approach to generating and retaining external income and funding, alongside a strategic change programme which delivers re-modelled future public services at maximum efficiency. The proposal will be self-financed through the contract design and any income achieved through advertising. The net effect on Council reserves over the life of the project is expected to be nil.

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

Children and young people's everyday journeys often begin and end at the bus stop. High quality, well designed and well maintained infrastructure is vitally important to Children and Young Peoples overall journey experience and enables accessibility to work, training and education.

### **7. CLIMATE CHANGE, NATURE RECOVERY AND ENVIRONMENTAL IMPLICATIONS**

Bus shelters can positively contribute towards reducing the impact of climate change and positively impact on nature recovery. For example, commercial bus shelters can be delivered with eco-friendly elements such as living roofs (roof with wildflowers and sedum plants which appeal to pollinating insects)

and solar panels.

## **8. PUBLIC HEALTH, HEALTH INEQUALITIES AND MARMOT IMPLICATIONS**

Bus shelter infrastructure is a key element within the overall bus passenger journey experience. Where local residents switch modes of travel away from private motor vehicles, there will be benefits in terms of air quality, transport related CO2 emissions and the quality of the local environment. Public transport is key to improving health, and creating sustainable communities in line with Marmot principles.

## **9. CONSULTATION WITH SCRUTINY**

There has been no consultation with Scrutiny on this matter.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 A competitive procurement process will support the achievement of best value for money through the identification of the most advantageous tender.
- 10.2 The proposed contractual arrangement with a commercial bus shelter provider is expected to be self-financing, resulting in no additional funding requirement for the Council.

## **11. LEGAL IMPLICATIONS**

- 11.1 The Preliminary Market Consultation and the procurement exercise are governed by the Procurement Act 2023. The Preliminary Market Consultation 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.
- 11.2 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.
- 11.3 The delegations sought are consistent with an exercise of this nature.

## **12. HUMAN RESOURCES IMPLICATIONS**

There are no HR Implications.

## **13. WARD IMPLICATIONS**

This contract will affect all wards in North East Lincolnshire.

**14. BACKGROUND PAPERS**

Cabinet Report, Delegated authority to award the Bus Shelter Contract (8 July 2015).

**15. CONTACT OFFICER(S)**

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