

REPORT TO: Executive Board

DATE: 21 September 2017

REPORTING OFFICER: Strategic Director – Enterprise, Community & Resources

PORTFOLIO: Transportation

SUBJECT: Street Lighting Highway Electrical Term Maintenance Contract

WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To seek approval from Executive Board to extend the current term maintenance contract for a period of one year from 1st November 2017 to 31st October 2018, and to notify the Board that the anticipated expenditure will be in excess of £1.0m.

2.0 RECOMMENDATION: That Executive Board

- 1) **agree to the extension of the Street Lighting Term Maintenance Contract under Procurement Standing Order 1.15 for a period of 1 year from 1st November 2017 to 31st October 2018; and**
- 2) **It be recorded that the expenditure is anticipated to be in excess of £1.0m per annum.**

3.0 SUPPORTING INFORMATION

3.1 In November 2010, Tarmac commenced a term maintenance contract to maintain all highway electrical equipment within the borough. It was initially for a period of 5 years but included options for up to five one year extensions. Two extensions have already been utilised. The Council's highway electrical assets covered by this contract includes the following equipment: -

- Over 20,000 conventional lighting columns plus 400 lighting columns for HHT
- 98 high mast lighting columns
- 1,400 illuminated traffic signs
- 450 illuminated bollards
- 18 Zebra crossings

3.2 The Contractor provides a good service and is responsive to the Council's needs. It meets the Performance Indicator for repairs, which is included in the Quarterly Monitoring reports. Extending the

Contract represents good value and saves the Council the cost of re-tendering the work.

3.3 The normal expenditure covered by this Contract has usually been around £0.5m each year. However due to capital funding being secured to install LED lanterns, which will be carried out through this Contract. This will increase the work carried out through the contract, therefore it is anticipated that the expenditure will now exceed £1.0m for the next extension period. In the longer term as result of installing LED lanterns there will be a reduction in street lighting maintenance costs.

3.4 There is no statutory duty to provide street lighting. The power to provide street lighting is set out in Section 97 Highways Act 1980 (see below).

Highways Act 1980

97 Lighting of highways.

(1) The Minister and every local highway authority may provide lighting for the purposes of any highway or proposed highway for which they are or will be the highway authority, and may for that purpose—

(a) contract with any persons for the supply of gas, electricity or other means of lighting; and

(b) construct and maintain such lamps, posts and other works as they consider necessary.

(2) A highway authority may alter or remove any works constructed by them under this section or vested in them under Part III of the Local Government Act 1966 or section 270 below.

(3) A highway authority shall pay compensation to any person who sustains damage by reason of the execution of works under this section.

(4) Section 45 of the Public Health Act 1961 (attachment of street lamps to buildings) and section 81 of that Act (summary recovery of damages for negligence) apply to a highway authority who are not a council of a kind therein mentioned as they apply to such a council.

However, if street lighting is provided under this Act, then it needs to be maintained in a serviceable condition, hence the need for the current maintenance contract.

4.0 **BUSINESS CASE FOR EXTENSION OF CONTRACTS**

4.1 **Value for money**

Value for money will continue to be assured through regular contract

monitoring by the Street Lighting Team.

4.2 **Transparency**

The Contract will be recorded in the Council's Contract Register accessible via the internet together with the publication of all spend in excess of £500.

4.3 **Propriety and Scrutiny**

The extension of the contract referred to in this report will be compliant with Halton Borough Council's Procurement Standing Orders. Compliance with anti-corruption practices will be adhered to and the contract within the subject of this report will be terminated if there is any occurrence of corruption by any organisations or their staff.

4.4 **Accountability**

The contract will be performance managed and monitored by the Street Lighting Team.

5.0 **POLICY IMPLICATIONS**

5.1 There are no policy implications.

6.0 **FINANCIAL IMPLICATIONS**

6.1 The total financial cost to the authority of the contract and the recommended extension will be met from existing capital and revenue budgets, which have been approved previously, but there will be a need for future revenue allocations after 31st March 2018.

7.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

7.1 **Children & Young People in Halton**

There are no direct implications for this priority.

7.2 **Employment, Learning & Skills in Halton**

There are no direct implications for this priority.

7.3 **A Healthy Halton**

There are no direct implications for this priority.

7.4 **A Safer Halton**

Street lighting can contribute to road safety and a reduction in accidents. It can also help reduce crime and anti-social behaviour which affects how safe people feel during the hours of darkness.

7.5 **Halton's Urban Renewal**

Street lighting is often part of Urban Renewal schemes and does have a positive impact on improving the environment and needs to be maintained once it is installed.

8.0 RISK ANALYSIS

8.1 Street lighting is not a statutory function and there is no legal requirement for roads to be lit, but once it is installed it must be maintained. There are no risks associated with this report as the funds for maintenance of all highway electrical equipment have been secured for the current financial year and therefore a risk assessment is not required. There will be a need for future revenue allocations to be approved for maintenance works after 31st March 2018.

9.0 EQUALITY AND DIVERSITY ISSUES

9.1 There are no Equality and Diversity implications arising as a result of the proposed action.

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

10.1 Report to Executive Board on 15th September 2016.