

Cabinet

Revised Agenda and item 10b



Date: Tuesday, 19 September 2017

Time: 4.00 pm

Venue: The Council Chamber - City Hall, College Green, Bristol, BS1 5TR

Distribution:

Cabinet Members: Marvin Rees, Craig Cheney, Asher Craig, Nicola Beech, Helen Godwin, Fi Hance, Claire Hiscott, Helen Holland, Paul Smith and Mhairi Threlfall

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Date: Monday, 18 September 2017



Agenda

PART A - Standard items of business:

1. Welcome and Safety Information

Members of the public intending to attend the meeting are asked to please note that, in the interests of health, safety and security, bags may be searched on entry to the building. Everyone attending this meeting is also asked please to behave with due courtesy and to conduct themselves in a reasonable way.

Please note: if the alarm sounds during the meeting, everyone should please exit the building via the way they came in, via the main entrance lobby area, and then the front ramp. Please then assemble on the paved area in front of the building on College Green by the flag poles.

If the front entrance cannot be used, alternative exits are available via staircases 2 and 3 to the left and right of the Conference Hall. These exit to the rear of the building. The lifts are not to be used. Then please make your way to the assembly point at the front of the building. Please do not return to the building until instructed to do so by the fire warden(s).

2. Public Forum

Any member of the public or Councillor may participate in Public Forum. Petitions, statements and questions received by the deadlines below will be taken at the start of the agenda item to which they relate to.

Petitions and statements (must be about matters on the agenda):

- Members of the public and members of the council, provided they give notice in writing or by e-mail (and include their name, address, and 'details of the wording of the petition, and, in the case of a statement, a copy of the submission) by no later than 12 noon on the working day before the meeting, may present a petition or submit a statement to the Cabinet.
- One statement per member of the public and one statement per member of council shall be admissible.
- A maximum of one minute shall be allowed to present each petition and statement.
- The deadline for receipt of petitions and statements for the 19 September Cabinet is **12 noon on Monday 18 September**. These should be sent, in writing or by e-mail to: Democratic Services, City Hall, College Green, Bristol, BS1 5TR



e-mail: democratic.services@bristol.gov.uk

Questions (must be about matters on the agenda):

- A question may be asked by a member of the public or a member of Council, provided they give notice in writing or by e-mail (and include their name and address) no later than 3 clear working days before the day of the meeting.
- Questions must identify the member of the Cabinet to whom they are put.
- A maximum of 2 written questions per person can be asked. At the meeting, a maximum of 2 supplementary questions may be asked. A supplementary question must arise directly out of the original question or reply.
- Replies to questions will be given verbally at the meeting. If a reply cannot be given at the meeting (including due to lack of time) or if written confirmation of the verbal reply is requested by the questioner, a written reply will be provided within 10 working days of the meeting.
- The deadline for receipt of questions for the 19 September Cabinet is **5.00 pm on Wednesday 13 September**. These should be sent, in writing or by e-mail to: Democratic Services, City Hall, College Green, Bristol BS1 5TR.
Democratic Services e-mail: democratic.services@bristol.gov.uk

When submitting a question or statement please indicate whether you are planning to attend the meeting to present your statement or receive a verbal reply to your question

3. Apologies for Absence

4. Declarations of Interest

To note any declarations of interest from the Mayor and Councillors. They are asked to indicate the relevant agenda item, the nature of the interest and in particular whether it is a **disclosable pecuniary interest**.

Any declarations of interest made at the meeting which is not on the register of interests should be notified to the Monitoring Officer for inclusion.

5. Matters referred to the Mayor for reconsideration by a scrutiny commission or by Full Council



(subject to a maximum of three items)

None at time of publication

6. Reports from scrutiny commission

An overview of the School Admission Arrangements in Bristol - Conclusions of the People Scrutiny Commission

7. Chair's Business

To note any announcements from the Chair

PART B - Key Decisions

8. Unlocking our Sound Heritage: A national partnership project led by the British Library's 'Save Our Sounds' initiative

9. Real Lettings Proposal – Scheme Extension

10. Item under APR15 ERDF Enterprise Support Scheme – Enterprising West of England

10a) Item under APR16 - Leasing out of offices at 100 Temple Street

10b) Item under APR16 - Street Lighting Contract Extension (Pages 6 - 8)

PART C - Non-Key Decisions

11. 2017/18 Budget Monitoring Report - P4



Cabinet Report / Key Decision

Date: 13 September 2017

Title: Street Lighting Contract Extension	
Ward: City wide	Cabinet lead: Councillor Mhairi Threlfall
Author: Nick Pates	Job title: Highways Team Manager

Revenue Cost: Current cost c£800kp.a	Source of Revenue Funding: General fund
Capital Cost: Current Cost c£600kp.a.	Source of Capital Funding: Transport capital programme
One off <input type="checkbox"/>	Saving <input type="checkbox"/>
Ongoing <input checked="" type="checkbox"/>	Income generation <input type="checkbox"/>

Finance narrative:

This proposal seeks approval to extend the street lighting maintenance contract with the current supplier for a further 10 months and to proceed with the full procurement and award of a 3 year contract.

The current level of expenditure under the contract is circa £1.4m p.a. This consists of £800k revenue expenditure and £600k capital. Additional works have been/ will need to be procured to deliver additional planned infrastructure under the approved capital programme e.g. for MetroBus, CAF etc. The new contract value / ceiling is estimated to be £2.5m p.a. (with guaranteed expenditure of £1.6m p.a.) in order provide enough head room for one-off capital works required under the capital programme going forward.

The estimated revenue expenditure under the new contract will remain at £600k p.a. and the service is in the process of gathering asset management information for a reliable asset register. This will enable better understanding of the asset condition and management requirements going forward in order to effectively prioritise and manage these assets. This will ultimately enable the process of moving towards an output based contract for better value for money and savings.

Further consideration is advisable regarding the timescale to adopt the output based contract, as this proposal currently indicates a long lead time for adoption from 2021 onwards.

Finance Officer: Tian Ze Hao – Finance Business Partner

Summary of issue / proposal:

Cabinet approval is sought for a 10 month extension to the Street Lighting maintenance and installation contract which will expire at the end of September 2017.

Summary of proposal & options appraisal:

- A Street Lighting contract procurement process has been ongoing for a period of 24months for an 'output' contract, which is centred on the delivery of outcomes based on council key drivers. This puts the onus on the contractor to determine the best way to deliver both the maintenance and installation of lighting assets and will deliver savings to the authority.
- Following advice from Legal, Procurement, and Asset Management, it was considered that without a reliable asset register, and uncertainty over the standards expected in the contract, the 'output' contract would not yet represent value for money. Therefore a shorter three year term contract was proposed in preference which will provide time to develop a reliable asset register to allow the successful procurement of a performance 'output' contract in 2021.
- Approval is sought to extend the existing contract with the current service provider for 10months to enable successful procurement of a three year contract.
- The Council's Commissioning & Procurement Group has given approval to procure a three year term contract which will be completed within the 10 month extension.
- The contract renewal process has been delayed due to a change in the recommended procurement approach and the high workload of the Street Lighting team delivering capital schemes (e.g. MetroBus, CAF) as well as the ongoing maintenance and cost saving exercise (bulk lantern change).
- A street lighting contract is critical to the Council meeting its statutory obligations under the Highways Act to maintain the highway in a safe condition.

Recommendation(s) / steer sought: *all recommendations must make clear the intended outcome*

- Approve the extension of existing contract to July 2018

- Approve procurement of a new Street Lighting Maintenance and Installation Contract for three years (July 2018 – July 2021)
- Support developing the street lighting asset register to enable procurement of a performance 'Output' contract in 2021.
- Delegate authority to the Strategic Director, Neighbourhoods to determine the procurement approach and in consultation with the Portfolio holder and S151 Officer, to award the contract and to conclude all necessary documentation to give effect to the above.

City Outcome:

Without an extension the Council would not have in place any contract facilities to carry out its statutory duty to undertake repairs to the street lighting asset in accordance with the Highways Act 1980. If the contract was not in place the Council would have no mechanism for commissioning planned maintenance or capital works other than individual spot tenders. The latter will result in increased work for the Council, an increase in complaints, and the potential delay to the delivery of programmes and projects, many of which are Government funded (e.g. MetroBus, CAF). It could also increase costs.

Health Outcome summary: None

Sustainability Outcome summary:

Will enable delivery of LED lanterns, reducing carbon emissions in the medium term and contributing to corporate and citywide reduction targets. LEDs last longer and require reduced maintenance over current lighting. A negative impact is that contract delivery will result in an increase in waste disposal.

Equalities Outcome summary:

Street lighting is a key element of the city's infrastructure and enables less able and vulnerable residents to move around the city at night in relative safety. This is particularly important for those with visual and physical impairments. The energy saving measures already taken enabled Bristol to reduce its street lighting energy usage whilst not switching off any street lights. The contract does not have a direct bearing on the energy price, but it will enable better analysis of costs and therefore indicate the full savings realisable by the introduction of LED lanterns and promote energy saving without the need for switching off street lights.

Impact / Involvement of partners: *What is the impact on key partners? What engagement have they had?* Key industry partners will be involved in the tender process.

Consultation carried out:

Current waiver approved by Barra Mac Ruairi on 23 September 2016 ref DN166775
 Cabinet Approval to tender 'Output' Contract and extend existing Term Contract - November 2015
 CPG Approval Gateway 1, approval to procure 3 year Street Lighting Contract CPG517, 31 July 2017.

Legal Issues:

An extension of the current supply arrangement is sought to allow the service to continue whilst a procurement exercise is undertaken for a new contract. I understand that the original contract (included any permitted extensions) expired in August 2015.

The contract has continued beyond the original term by way of negotiation with the incumbent supplier and this arrangement is due to come to an end on 27th September 2017. The use of negotiation is regarded as a direct award of a new contract and only permitted under Regulation 32 of the Public Procurement Rules 2015 (PCR 15) in certain circumstance. Any further extension of the current arrangement should also be considered under regulation 32 PCR 15.

Regulation 32 would permit the Council to award a contract directly in circumstances of genuine urgency. In this instance there has been some delay in the procurement due to a number of factors. If the delay is not attributable to factors within the Councils control, and has led to the urgency, then this can be relied upon as a reason for awarding the contract directly. Any award of the contract by negotiated procedure should only be for a period sufficient to allow an open and transparent EU compliant procurement process.

