

Cabinet

Report Title	Street Lighting Improvement Programme - procurement and authority to award contract
Date of Meeting	Wednesday, 10 September 2025
Report Author	John Sheppard
Lead Officer	Executive Director - Place
Lead Cabinet Member(s)	Cabinet Member for Environment and Highways
Why is this a key decision?	To result in the Council incurring expenditure which exceeds that included in any approved revenue or capital budget or the limits set out within an approved borrowing or investment strategy and was not the subject of specific grant.
Wards Affected	All Wards
Identify exempt information and exemption category	Open
Is the report urgent?	No
Reasons for urgency (only where applicable)	NA
Appendices (if any)	None

1. Executive Summary

- 1.1 This report seeks approval to undertake a procurement and award a contract to enable a street lighting improvement programme to be undertaken.

2. Recommendations

The Cabinet is recommended to:-

- 2.1 Delegate authority to the Executive Director of Place, in consultation with the Executive Director of Finance and Transformation, to prepare tender documentation, conduct a compliant procurement process and award a contract for a Street Lighting Improvement Programme in accordance with

3. Proposals – Reasons for the recommendations

- 3.1 Sandwell Council has a statutory duty to maintain street lighting on adopted highways. Well-maintained street lighting is critical to road safety, crime prevention, community reassurance, and economic resilience. Inadequate lighting can lead to increased road traffic accidents, reduced pedestrian safety, congestion, public dissatisfaction, and reputational damage to the authority.
- 3.2 The Council provides and maintains 30,985 streetlights and approximately 5,000 other types of illuminated street furniture. Of these, 30,139 lighting units have already been upgraded through a previous lantern replacement programme. This delivered significant energy efficiencies, carbon reductions and introduced Light Emitting Diode (LED) lighting technology controlled via a Central Management System (CMS), a platform that enables remote monitoring and adjustment of street lighting assets for optimal performance and fault detection.
- 3.3 The proposed contract, will focus on upgrading the small number of remaining non-LED lighting units and converting approximately 9,000 existing LED lanterns onto a single, integrated CMS. The contract will also enable the replacement of lighting columns and other illuminated street furniture that have reached the end of their design life, ensuring that the infrastructure remains safe and fit for purpose.
- 3.4 The Council's in-house Highways Maintenance (Street Lighting) Team, based at Taylors Lane Depot, provides a mainly reactive service focused on fault response and urgent repairs. While the in-house team continues to play a vital role, a structured programme delivered through a dedicated external contract will enable planned investment in long-term infrastructure improvements.
- 3.5 The new contract will support delivery of the council's energy efficiency and carbon objectives by:
- Upgrading non-LED lanterns
 - Bringing all LED assets onto a unified Central Management System
 - Replacing deteriorated lighting columns and illuminated street furniture identified via a risk-based approach (informed by structural testing, electrical testing and visual inspections in line with GN22: Asset Management of Minor Structures).
- 3.6 An open procurement exercise will be undertaken, and the intention is to appoint a minimum of two suitably and approved contractors. The works will

be procured via a schedule of rates to ensure flexibility, competitiveness and value for money.

- 3.7 The contract evaluation will be weighted 60% on price and 40% on quality. The quality criteria will have emphasis on compliance with health and safety standards and the delivery of social value in accordance with the council's priorities. The Contract will run for a period of 4 years commencing on 1st January 2026, with a total estimated value of five million pounds (£4,500,000).

4. Alternative Options Considered

- 4.1 **Option 1 – Do Nothing.** If the council does not proceed with the proposed Street Lighting Improvement Programme Contract, then an individual procurement exercise will be required for each identified need. The time and resource taken would risk a failure to the Council's statutory responsibility to maintain the adopted highway network, increase safety risks for pedestrians and road users, result in higher long-term maintenance costs due to a failure to benefit from reduced tendering costs and greater economies of scale, more reactive rather than planned repairs, potential reputational damage due to service failure and public dissatisfaction. Additionally, the council could miss an opportunity to deliver further energy savings and carbon reductions in line with climate commitments. This option is not recommended as it would lead to non-compliance with legal obligations and have negative safety, financial and reputational consequences.
- 4.2 **Option 2 – Procure and award a contract to deliver an improvement programme for street lighting.** This option would see the procurement and award of a contract for the Street Lighting Improvements. This approach enables the council to carry out essential upgrades, transition remaining streetlights to LED, centralise control under a unified CMS, and replace life-expired columns and illuminated street furniture. The contract will support long-term infrastructure planning, enhance energy efficiency, improve lighting quality, and ensure value for money through competitive procurement. This option is addressed through this report.

5. Consultation

- 5.1 No formal consultation has been undertaken, as the maintenance of the Boroughs' Street Lighting is a Statutory responsibility of Sandwell Council.

6. Financial Implications

- 6.1 The total estimated value of the contract is £4.5m over a 4-year period, with anticipated annual expenditure of approximately £1.15m. This expenditure will be met and managed from within the approved existing Capital and Revenue budget allocations for Highway Asset Management and Maintenance.
- 6.2 The following funding sources will apply on an annual basis –

Funding source	Allocation (annual) (£)
Highways revenue budget	0.5m
Housing Revenue Account (existing Service Level Agreement)	0.2m
City Region Sustainable Transport Settlements (CRSTS)	0.45m
Total	1.15m

7. Legal and Governance Implications

- 7.1 The procurement will be an above threshold open procedure in accordance with the Procurement Act 2023 and Council's Contract Procedure Rules and is required to be undertaken in compliance with these requirements.

8. Risks

- 8.1 The following risks are identified in relation to street lighting provision, the procurement and contract process as proposed, together with associated mitigation measures:

Risk	Impact	Mitigation
Failure to maintain lighting Infrastructure	Increased accidents, crime and public dissatisfaction	Structured programme of works and risk-based asset replacement
Supply chain or contractor issues	Delays in delivery	Appoint multiple contractors through a flexible schedule of rates
Budget overruns	Financial pressure	Procurement framework ensures competitive pricing and cost control

9. Equality and Diversity Implications (including the public sector equality duty)

- 9.1 No adverse impacts have been identified. The programme supports inclusivity and safety across all communities by maintaining well-lit public spaces. Positive outcomes include improved accessibility for vulnerable groups, including elderly residents and those with disabilities.

10. Other Relevant Implications

10.1 Energy and Climate Implications

The contract directly contributes to the council's climate goals by further reducing energy consumption and associated carbon emissions through LED upgrades and CMS integration.

10.2 Social Value

The contract will include social value obligations, encouraging local employment, skills development and engagement with Sandwell-based businesses.

10.3 Crime and Community Safety

Well-lit areas are associated with reduced crime and anti-social behaviour. This contract supports community reassurance and aligns with the Councils' obligations under the Crime and Disorder Act 1998.

Well-maintained street lighting significantly improves road safety by reducing accidents and enhancing visibility for all road users. It also contributes to a greater sense of security, potentially deterring crime and fostering a more vibrant community life after dark.

Studies consistently show that well-lit roads lead to a decrease in traffic accidents, especially those involving personal injuries and fatalities.

Street lighting allows drivers, cyclists, and pedestrians to see hazards, obstacles, and other road users more clearly, reducing the risk of collisions.

Pedestrians can better navigate their surroundings, identify potential dangers, and feel safer walking at night.

Improved visibility can deter criminal activity by increasing the perceived risk of being caught.

Well-lit streets encourage people to participate in evening activities, fostering a more vibrant and connected community.

Feeling safe and secure in public spaces can positively impact mental health and overall well-being.

11. Background Documents

- GN22: Asset Management of Minor Structures
- Highway Infrastructure Asset Management Plan

12. How does this deliver the objectives of the Strategic Themes?

12.1 This report will support the delivery of the following Strategic Themes:-

- **Living In Sandwell:** Safe, accessible and well-maintained public infrastructure is essential to healthy communities, better outcomes and public trust.
- **A Strong and Inclusive Economy:** Reliable infrastructure underpins local growth, encourages investment, and ensures resilience in local transport platforms.
- **A Greener Sandwell** The transition to energy efficient lighting supports the Council's commitment to environmental sustainability and a net-zero carbon targets.

Relevance Check

No adverse Equality impacts have been identified. The programme supports inclusivity and safety across all communities by maintaining well-lit public spaces. Positive outcomes include improved accessibility for vulnerable groups, including elderly residents and those with disabilities.

Budget Reduction/Service Area: NA – Capital Funding

Service Lead: Barry Ridgway

Date: 23rd July 2025

In what ways does this Budget reduction have an impact on an outward facing service? How will the service feel different to your customers or potential customers?

There are no budget reductions arising from this report.

If not, how does it impact on staff e.g. redundancies, pay grades, working conditions? Why are you confident that these staff changes will not affect the service that you provide?

There is not impact on staff arising from this report.

Is a Customer Impact Assessment needed? No