

## **APPENDIX 1:**

### **READING BOROUGH COUNCIL**

#### **FINANCIAL IMPLICATIONS - STREETLIGHTING TERM CONTRACT**

The financial implications arising from the proposals set out in this report are set out below:

##### **1. Revenue Implications:**

	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>
Employee costs (see note1)	51	53	0	0	0
Other running costs (On-going Maint.)	175	175			
Capital financings costs	0	0			
<b>Expenditure</b>	<b>226</b>	<b>228</b>	<b>0</b>	<b>0</b>	<b>0</b>
Income from: Fees and charges (see note2)	0	0	0	0	0
Grant funding (specify)					
Other income					
<b>Total Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Cost (+)/saving (-)</b>	<b>-226</b>	<b>-228</b>			

##### **2. Capital Implications**

<b>Capital Programme reference from budget book: page line</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>
Proposed Capital Expenditure: Dependant of capital award	tbc	tbc	tbc	tbc	tbc
Funded by Grant (specify) Section 106 (specify) Other services Capital Receipts/Borrowing	0	0			
<b>Total Funding</b>	<b>0</b>	<b>0</b>			

##### **3. Value for Money (VFM)**

This is a statutory service provision.

The interim Streetlighting Contract will deliver competitive rates which have already been market tested.

The tender with 2-years will be advertised in accordance with Public Contract Regulations 2015 and included a 60/40 split between tender price and quality.

The size of the capital programmes delivered will be dependent on capital bids and awards through various DfT grants.

#### **4. Risk Assessment.**

The Borough Council, as Highway Authority, has a duty under the Highways Act 1980 to maintain the public highway and the streetlighting maintenance programme will ensure we manage our lightning assets and provide a well-lit public highway, while reducing the risk to the Council and the public for decades to come.

The on-going maintenance costs will be absorbed within existing revenue budgets for highway maintenance.

Method statements will be agreed with the streetlighting contractors to ensure delivery and to minimise disruption that may be caused by the on-going Covid Pandemic.

Supply chain for products risk will be mitigated by the contractor buying large volumes & stockpiling materials based on the size of the maintenance programmes.

Increasing fuel costs is and will remain a risk pressure, which will need to be managed throughout the programme.