

Cabinet

28 July 2026

Procurement - Dorset Highways Contractor Resource (Labour Top up) Framework For Decision

Cabinet Member: Cllr J Andrews, Place Services

Local Councillor(s): All Councillors

Senior Leadership Team:

J Britton - Executive Director, Economy and Environment

Report author and job title:

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Statutory Authority:

Report status: Public (the exemption paragraph is N/A)

1. Executive summary

Re-procurement of the Highways Contractor Resource (Labour Top up) was approved by Cabinet as part of the Procurement Forward Plan Report considered at its meeting on 12 March 2024. Cabinet agreed to begin each of the procurement procedures, as listed at Appendix 1 to the Cabinet report of 12 March 2024. The table set out in the Appendix erroneously set the 'Estimated DC Total Spend over Contract Term' value at £20million over an 8-year contract term.

This report seeks Cabinet's approval to amend the 'Estimated DC Total Spend over Contract Term' value in Appendix 1 of this report from £20m to £60m over the same 8-year contract period as the previous decision could have the unintended effect of materially constraining the use of the framework and creates risks of non-compliance, interruption to service provision, and the need for an unplanned re-procurement exercise.

The amendment is required to correct a drafting error in the original report and is necessary to ensure the procurement documentation accurately reflects the intended scope and value of the framework. This correction must be made before the tender can be issued to the market and is not related to any expenditure having been incurred or any financial threshold being reached.

2. Recommendation

- 2.1 That the 'Estimated DC Total Spend over Contract Term' value of £20m in Appendix 1 to the Cabinet report of 12 March 2024 be replaced with a value of £60m.

3. Reason for the recommendation(s)

- 3.1 To ensure compliant spend in line with the Council's Contract Procedure Rules.

4. The report

- 4.1 At its meeting on TUESDAY 12 MARCH 2024 the Cabinet Member for Finance, Commercial and Capital Strategy presented a report seeking Cabinet's consideration of the contents of the report in respect of proposed over £500k procurement activity for 2024-25 that are listed in Appendix 1 and to agree to begin each of the procurement procedures listed in Appendix 1 to the Report.

4.2 Appendix 1 to the Report was as follows:

Appendix 1: 2024-25 procurement forward plan where the contract value is expected to exceed £500,000

Contract Description	Directorate / Portfolio Lead	Executive Director	Contract Term (max)	Estimated DC Total Spend over Contract Term	Sourcing Strategy	Risk
Self-drive Vehicle Hire	Place / Cllr Ray Bryan	Jan Britton	4 years	£1.6m	Call off from framework	Low
Dorset Waste Commercial ICT System	Place / Cllr Laura Beddow	Jan Britton	7 years	£900k	Call off from framework	Low
Site Investigation & Materials Testing Services	Place / Cllr Ray Bryan	Jan Britton	4 years	£2m	Tender	Low
Plastic Wheeled Bins, Recycling Containers and Plastic Sacks	Place / Cllr Laura Beddow	Jan Britton	4 years	£3m	Call off from framework	Low
Dorset Highways Contractor Resource (Labour Top-Up) Framework	Place / Cllr Ray Bryan	Jan Britton	8 years	£20m	Tender	Low
Country Park Food and Drink Provision (*This will be a concession / lease contract therefore no DC spend but £10m potential opportunity to the market)	Place / Cllr Laura Beddow	Jan Britton	10 years	Refer to 4	Tender	Low

4.3 The decisions minuted were:

(a) To begin each of the procurement procedures, as listed at Appendix 1 to the Cabinet report of 12 March 2024.

b) That in each instance the further step of making any contract award be delegated to the relevant Portfolio Holder, in consultation with the relevant Executive Director.

Reason for the decision: Cabinet was required to approve all key decisions with financial consequences of £500k or more. It was good governance therefore to provide Cabinet with a summary of all proposed procurements, that individually were estimated to be total value of £500k or more, prior to procurement procedures formally commencing.

- 4.4 The effect of the original decision has been to set the estimated Dorset Council (DC) total spend over the contract term at a lower value than is now required.

- 4.5 Dorset Council delivers its Highways service through a mixed economy model, with Dorset Highways working alongside private sector suppliers.
- 4.6 There is an ongoing requirement for supplementary labour resources, including traffic management operatives, highway maintenance staff, and HGV drivers. This framework ensures sufficient resilience and flexibility to meet fluctuating demand and fulfil statutory highway maintenance duties.
- 4.7 Bournemouth, Christchurch and Poole (BCP) Council has previously participated as a named user on this Framework, increasing its overall value and attractiveness to suppliers. This collaborative approach supports Dorset Council in securing and maximising highway maintenance funding from central government and is proposed to continue.
- 4.8 Allowing for inflation, the estimated annual Framework value (including BCP Council) is £7.5m (£3.95m Dorset Council and £3.55m BCP Council). This equates to a projected total spend of £31.6m for Dorset Council and £28.4m for BCP Council over the full eight-year term.
- 4.9 While this exceeds the value approved in the Cabinet Procurement Forward Plan (March 2024), the scope and duration of the contract remain unchanged.
- 4.10 This report therefore seeks Cabinet approval to revise the previously approved contract value to £60m, covering combined Dorset Council and BCP Council expenditure over the eight-year period.

5. **Alternative options considered**

- 5.1 Not amending the estimated maximum contract value would have the unintended effect of materially constraining the use of the framework. The current maximum value would be reached in under 3 years creating a potential risk of non-compliance, possible interruption to service provision, and the need to unnecessarily undertake a further procurement exercise.

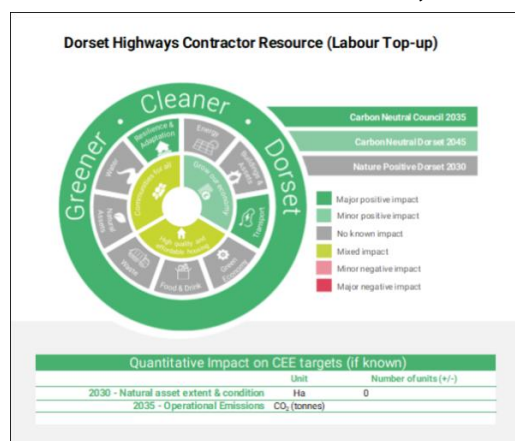
6. **Legal considerations**

- 6.1 None

7. **Financial implications**

- 7.1 None. This Framework Contract does not commit to any expenditure (as there is no guarantee as to the value or volume of work awarded to any supplier). In this way, it is a flexible solution that can adapt to any changes in budgets and programmes of work.
- 7.2 There is sufficient provision within existing highway maintenance budgets to support the value of this contract. While costs have risen in recent years due to external factors (e.g. geopolitical events and changes to employer National Insurance contributions), this is balanced by the confirmed four-year central government funding settlement (2026–2030).

8. Natural environment, climate & ecology implications



ACCESSIBLE TABLE SHOWING IMPACTS

Natural Environment, Climate & Ecology Strategy Commitments	Impact
Energy	No known impact
Buildings & Assets	No known impact
Transport	major positive impact
Green Economy	No known impact
Food & Drink	No known impact
Waste	No known impact
Natural Assets & Ecology	No known impact
Water	No known impact
Resilience and Adaptation	major positive impact

Corporate Plan Aims	Impact
Grow our economy	minor positive impact
High-quality and affordable housing	neutral
Communities for all	neutral

9. Well-being and health implications

9.1 None.

10. Other implications

10.1 None.

11. Risk implications

11.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: **Medium**- we have insufficient numbers of employed staff to carry out our most critical services including winter maintenance, carriageway defect repairs and safety critical improvement works.

Residual Risk: **Low**- additional labour resource can be easily and quickly hired in to deal with peaks in demand, we then have flexibility to off-hire resources once those peaks in workload have tailed off.

12. Equalities

12.1 None

13. Appendices

13.1 None

14. Background papers

14.1 [PID / Sourcing Plan](#)

15. Report sign-off

15.1 This report has been through the internal report clearance process and has been signed off by the Director for Assurance and Governance (Monitoring Officer), the Director for Resources (Section 151 Officer) and the appropriate Cabinet Member(s)