

Meeting of:	Cabinet
Date of Meeting:	Thursday, 26 March 2026
Relevant Scrutiny Committee:	Place Scrutiny Committee
Report Title:	Highway Maintenance Contracts (Carriageway Resurfacing 2026 – 2029 and Surface Dressing 2026 - 2028)
Purpose of Report:	To agree to award the highway maintenance contracts for undertaking carriageway resurfacing and surface dressing preservation works and to endorse the spend in 2026/27 onward
Report Owner:	Cabinet Member for Neighbourhood and Building Services
Responsible Officer:	Director for Environment and Housing
Elected Member and Officer Consultation:	Committee Reports Operational Manager – Finance Operational Manager – Engineering
Policy Framework:	This report is a matter for Executive decision by Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> • This report seeks approval of Cabinet for awarding new contracts allowing the highway maintenance team to continue to maintain the adopted highway. • Section 41 of the Highways Act 1980 explains that the Vale of Glamorgan Council have a duty to maintain highways at public expense. • Historically, highway maintenance contracts have run for two years with one-year possible extensions. These two previous contracts both expired in 2025 and we currently have no contracts in place for the upcoming season. • Due to commercial sensitivity, full details of the financial appraisals associated with the contract awards listed are detailed in the Part II report later on this agenda. 	

Recommendations

1. That the contents of the report be noted and be considered in connection with the Part II report later in the agenda.
2. That as part of the contract award process the successful contractor will be advised by a letter addendum to the contract that all excess waste from sites must be appropriately disposed of and not used to undertake other projects unless agreed in advance by the Head of Neighbourhood Services.

Reasons for Recommendations

1. To allow the Part I and Part II reports to be considered together and to publicly advise of the proposals for renewal of Highway Maintenance contracts and to allow the commercially sensitive details of these proposals to be appropriately considered prior to a decision being taken on any award.
2. To improve future arrangements for the management and use of excess waste materials associated with highways resurfacing and preservation treatment works.

1. Background

- 1.1 The Council's Highway Maintenance Service uses various contractors from the [South East Wales Civil Engineering and Highways Construction Framework](#) to undertake work on its behalf and ensure the public highway can be adequately maintained.
- 1.2 The current contract for carriageway resurfacing has exceeded its contractual spend before the contract duration had expired given an increased budget allocation from Welsh Government through Local Government Borrowing Initiative.
- 1.3 The current contract for surface dressing preservation works expired in 2025, therefore a new two year contract required to deliver works in financial years 2026/27 and 2027/28.

2. Key Issues for Consideration

- 2.1 Tenders for the Highway Maintenance contract (Carriageway Resurfacing 2026 - 2029) were invited from 5 contractors on the South East Wales Highway framework, [Lot 10](#).
- 2.2 The analysis of the tenders was based on a price / quality / community wellbeing plan model with a 70/20/10 split respectively. Tarmac Trading Ltd was identified as the most economically advantageous tender.
- 2.3 The contract referred to above are being awarded for the period of three year. Details of the tender analysis are shown in the Part II report on this agenda.

- 2.4 Tenders for the Highway Maintenance contract (Surface Dressing 2026 - 2028) were invited from 2 contractors on the South East Wales Highway framework, Lot 11.
- 2.5 The analysis of the tenders was based on a price / quality model with a 70/30 split respectively. Road Maintenance Services Ltd was identified as the most economically advantageous tender.
- 2.6 The contract referred to above are being awarded for the period of two year. Details of the tender analysis are shown in the Part II report on this agenda.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1 It is necessary to review contracts on a regular basis to ensure best value for the Council. This review is undertaken in the context of the Wellbeing of Future Generations Act which requires the Council to consider five ways of working when making decisions.
- 3.2 The Highway Maintenance teams adopt a collaborative approach when engaging contractors, ensuring the minimum disruption to the travelling public and the highest quality work.
- 3.3 A key consideration in undertaking any form of highway maintenance works is thinking for the longer term. The Council's highways continually need repairing to protect the asset and to prevent accidents caused by damage or deterioration to the surface; newly surfaced or surface treated highways serve to prevent highway pot holes appearing and the highway surface further deteriorating. It also reduces the risk of successful third-party claims against the Council for vehicle damage or personal injury.
- 3.4 Highway users are advised in advance of the highways that are due to be repaired, hence integrating the work with the local community and other highway users.
- 3.5 The proposals also seek to further the Council's Well-being Outcomes contained within the Corporate Plan. Good quality highways help to sustain economic growth, allowing both residents and visitors to better enjoy the experience of travelling within and through the Vale of Glamorgan area.

4. Climate Change and Nature Implications

- 4.1 There are no specific climate change implications arising from awarding the contract, however it is important to note that carbon calculations are produced on each completed scheme which are shared with our colleagues in Project Zero for Welsh Government analytical reporting.

5. Resources and Legal Considerations

Financial

- 5.1** The works will be financed from within the Highway Maintenance Capital Budgets and current Local Government Borrowing Initiative (LGBI).
- 5.2** For financial year 2027/2028, no LGBI monies will be issued via Welsh Government, therefore traditional Capital budget allocation will be used.
- 5.3** The approved budget for highway maintenance carriageway resurfacing and surface dressing works for 2026/2027 is £3.9M, however £200k is also used from this combined Capital and LGBI budget to fund footway improvements.
- 5.4** In their closure of accounts letter for the accounting period 2019/2020 Audit Wales made a series of recommendations relating to a complaint it had considered regarding the use of excess waste arising from highway works. The recommendations are as follows:
- The Council needs to develop a clear policy/procedure in relation to the disposal / usage of excess waste arising during off-site construction projects and Tarmac Trading Ltd take all waste arisings away from site back to their plant for processing and reuse.
 - The Council needs to ensure that contractors obtain Council approval concerning any departures from this policy regarding the use of any excess materials.
 - The Council needs to ensure that contractors obtain approval for completing works outside the original scope of work. The Council are at risk of litigation with regard to any resultant issues arising from doing the work outside the agreed scope.
 - The Council need to learn the lessons in terms of the initial investigation of the Stage 2 complaint
 - The Council's internal operating processes with its contractors have already been strengthened to address the lessons learnt through our own Corporate Complaints investigations (Stage 2 complaint mentioned), and recommendation 2 in this report seeks to formally address all the issues identified here with the incoming contractors for the avoidance of any doubt in respect to waste arisings.

Employment

- 5.5** There are no employment implications associated to this report.

Legal (Including Equalities)

- 5.6** The Council has a duty to maintain the Highway pursuant to the Highways Act (1980).

6. Background Papers

Letter to Section 151 Officer from Audit Wales – 10th May 2021 - Vale of Glamorgan Council 2019-20 financial statements.