



New Forest
DISTRICT COUNCIL

Council Meeting Agenda

14 October 2024



SUMMONS

To All Members of the Council

You are hereby summoned to attend a meeting of the District Council to be held in the Council Chamber - Appletree Court, Beaulieu Road, Lyndhurst, SO43 7PA on Monday, 14 October 2024, at 6.30 pm.



Kate Ryan
Chief Executive

Appletree Court, Lyndhurst, Hampshire. SO43 7PA
www.newforest.gov.uk

This agenda can be viewed online (<https://democracy.newforest.gov.uk>). It can also be made available on audio tape, in Braille and large print.

Members of the public are welcome to attend this meeting. The seating capacity of our Council Chamber public gallery is limited under fire regulations to 22.

Members of the public can watch this meeting live, or the subsequent recording, on the [Council's website](#). Live-streaming and recording of meetings is not a statutory requirement and whilst every endeavour will be made to broadcast our meetings, this cannot be guaranteed. Recordings remain available to view for a minimum of 12 months.

Anyone wishing to attend the meeting should contact the name and number shown below.

Enquiries to: Matt Wisdom
Email: democratic@nfdc.gov.uk
Tel: 023 8028 5072

AGENDA

Apologies

1. MINUTES (Pages 5 - 22)

To confirm the minutes of the meeting held on 16 September 2024 as a correct record.

2. DECLARATIONS OF INTERESTS

To note any declarations of interests made by members in connection with an agenda item. The nature of the interests must also be specified.

Members are asked to discuss any possible interests with Democratic Services prior to the meeting.

3. CHAIRMAN'S ANNOUNCEMENTS

4. LEADER'S ANNOUNCEMENTS

5. REPORT OF CABINET - 2 OCTOBER 2024 (Pages 23 - 112)

6. QUESTIONS (To Follow)

To ask questions under Standing Order 22. Questions received will be published ahead of the meeting. (Members are reminded that questions must be submitted to Democratic Services by no later than 12.00 noon, Wednesday 9 October 2024).

7. MEMBERSHIP OF COMMITTEES AND PANELS

To consider any changes to the membership of Committees or Panels that might be proposed by the political groups.

8. ANY OTHER ITEMS WHICH THE CHAIRMAN DECIDES ARE URGENT

Agenda Item 1

16 SEPTEMBER 2024

NEW FOREST DISTRICT COUNCIL

Minutes of a meeting of the New Forest District Council held on Monday, 16 September 2024.

- * Cllr David Hawkins (Chairman)
- * Cllr John Sleep (Vice-Chairman)

Councillors:

Alan Alvey
* Peter Armstrong
Geoffrey Blunden
* Hilary Brand
Mark Clark
* Steve Clarke
* Jill Cleary
* Kate Crisell
* Sean Cullen
* Jack Davies
* Steve Davies
* Philip Dowd
* Barry Dunning
* Jacqui England
Allan Glass
* David Harrison
* Matthew Hartmann
* John Haywood
* Jeremy Heron
Nigel Linford
* Patrick Mballa
* Colm McCarthy
* David Millar

Councillors:

* Neil Millington
Ian Murray
* Stephanie Osborne
* Alan O'Sullivan
* Adam Parker
* Dave Penny
* Neville Penman
* Dan Poole
* Caroline Rackham
* Alvin Reid
* Joe Reilly
* Janet Richards
* Barry Rickman
Steve Rippon-Swaine
* Michael Thierry
* Derek Tipp
* Neil Tungate
* Alex Wade
Malcolm Wade
* Christine Ward
* Phil Woods
* Richard Young
Vacancy

*Present

Officers Attending:

Kate Ryan, Tanya Coulter, James Carpenter, Richard Knott, Chris Noble, Daniel Reynafarje, Paul Whittles and Matt Wisdom.

Remembering Cllr Keith Craze

The Chairman expressed his deep sadness following the recent passing of Cllr Keith Craze, who served the District with dedication and distinction. He was a committed public servant, having represented the Barton ward from 2019-2023 and the Barton and Becton ward from 2023-2024.

Keith held a number of important positions in his time as a District Councillor, including most recently as Vice-Chairman of the Audit Committee. Keith brought his 40 years of experience in Human Resources to the HR Committee, adding invaluable insight to the Council's work as a local employer. He also served as Chairman of the Community, Partnerships and Wellbeing Panel prior to the Council's most recent committee structure, as a dedicated member of a number of

working groups, and he also represented the Council on a number of Outside Bodies, including work with Wessex Water, and Hampshire Road Safety.

The Chairman recognised Keith's service to New Milton Town Council, having held the distinguished office of Town Mayor and Chairman.

On behalf of the Council, the Chairman placed on record his thanks for Cllr Craze's service, and expressed his sincere condolences to Keith's family and friends.

A number of Members spoke to add their personal tributes in remembering Cllr Keith Craze.

With the NFDC flag at half mast, the Council stood in silent tribute, as it remembered Keith and his service to the Council, and the New Forest District.

Apologies

Apologies for absence were received from Cllrs Alvey, Blunden, Clark, Glass, Linford, Murray, Rippon-Swaine and M Wade.

19 MINUTES

RESOLVED:

That the minutes of the meeting held on 8 July 2024, be confirmed.

20 DECLARATIONS OF INTERESTS

There were no declarations of any disclosable pecuniary interests by Members.

21 CHAIRMAN'S ANNOUNCEMENTS

Emergency Services Day

The Chairman referred to the Council flying the Emergency Services Day Flag on Monday 9 September, in recognition of the heroic men and women of the NHS and emergency services. Each year, the occasion presents the Council with the opportunity to promote the work of the emergency services, educate the public about basic lifesaving skills, and promote the many career and volunteering opportunities available that are vital to keeping Britain safe.

Engagements

The Chairman reported on the following recent engagements:-

10 July

Laid a wreath on behalf of the District at the Annual Commemoration Indian Obelisk, in New Milton.

11 July

Attended the Brockenhurst College Gala Awards, sponsored by NFDC.

26 July

Alongside the Armed Forces Champion, Cllr Alvin Reid, attended the Blue Jumper Launch at the McMullen Barracks in Marchwood, invited by the Commanding Officer of 17 Port and Maritime Regiment.

July

Alongside the Vice-Chairman, attended a number of civic events hosted by fellow Hampshire Authorities, including East Hampshire and Basingstoke and Deane.

30 August – 1 September

At the New Forest Show this year, the Chairman was delighted to mark the Council's 50th anniversary year at its stand, alongside the Leader of the Council, the Chief Executive and many of the Council's partners across the District. The event provided a platform to launch the Council's new corporate plan, for people, place and prosperity.

12 September

Attended the Hampshire and Isle of Wight Air Ambulance tour and talk about the charity. The Chairman highlighted this as extremely interesting and informative, particularly as his chosen charity for the year.

22 LEADER'S ANNOUNCEMENTS

There were none.

23 REPORT OF CABINET - 7 AUGUST 2024**PART I – ITEMS RESOLVED BY CABINET**

There were no speakers on the items resolved by Cabinet at its meeting on 7 August 2024.

PART II – RECOMMENDATIONS TO COUNCIL**Item 4 – Annual Performance and Provisional Budget Outturn 2023/24**

The Leader introduced the item and moved the recommendations from the Cabinet meeting. Cllr S Davies seconded the motion.

RESOLVED:

That Council approve the establishment of a new Corporate Priorities Reserve, with an initial contribution of £1.5 million in 2023/24 and note the transfer of £262,000 in 2023/24 to enhance the Treasury Management Reserve.

Item 5 – Transformation Business Case – Customer and Digital Services (Including Organisational Design) and Appletree Court

The Leader introduced the item and moved the recommendations from the Cabinet meeting. Cllr S Davies seconded the motion.

One Member suggested that the general trend of staff working from home could be considered the biggest change the Council had ever seen, with it starting before the pandemic and accelerating through this period. The Member considered that whilst there were advantages of this, some risks including isolation, and the impact on collaboration and team ethic needed to be very carefully considered. It was requested that this be given very close attention, particularly if more radical change such as office closures took place. In connection with hybrid working, a further Member highlighted the importance of being able to offer this as an employee benefit, in a challenging recruitment space. This aided the Council's work as an employer of choice, and to retain talented staff, if the right balance could be found.

The Portfolio Holder for Finance and Corporate agreed that the management of the risk of staff isolation was crucial. Senior officers monitored this closely. This was assisted by a hybrid balance of three days in the office, with two working from home. The environmental benefits of reducing five days worth of staff commuting was also noted. The Portfolio Holder took the opportunity to remind Members that there were no plans to close Appletree Court, and committed to maintaining a council presence across the District.

One Member spoke specifically on the potential future of Lymington Town Hall and the impact that this might have not only on NFDC residents, but to those partner organisations using the facilities at the site.

The Leader responded to the debate, highlighting the support for the balance of hybrid working expressed through the recent staff survey results. Team days were also highlighted which involved all staff from a particular service area attending to collaborate with colleagues. Hybrid working was seen as an important part of the Council being able to strive towards and maintain its position as an employer of choice.

RESOLVED:

That Council approve:-

1. the allocation of £2.709m on an invest-to-save basis to deliver the necessary technology and organisational changes to deliver the preferred future organisational design option; and
2. the allocation of up to £1.75m for improvements to the East wing of ATC on an invest-to-save basis, to facilitate the third party letting of the south wing and the generation of c£300,000 per annum in income.

Item 6 – Introduction of a Performance Management Framework / Consideration of a relate Motion Referred by Council

The Leader introduced the item and moved the recommendations from the Cabinet meeting. Cllr S Davies seconded the motion.

One Member welcomed the increased transparency that would be achieved through the new performance management framework, specifically in monitoring climate measures. However, a number of partners that measured their overall carbon footprint were cited, despite the Council not measuring this total figure presently, recognising some of the challenges in defining this. The Member welcomed the opportunity through the Task and Finish Group to consider the options for monitoring emissions, how this is defined, and subsequently to set meaningful net zero targets based on this data.

A number of other Members endorsed the comments above, and wished to ensure that the Task and Finish Group pursued a meaningful set of objectives, including the opportunity to learn from other councils and partners on their approach to the climate and nature emergency.

In respect of the Performance Management Framework itself, a Member highlighted that additional performance measures had been suggested across number of areas that did not feature in the final version for a variety of reasons. It was hoped that these issues would be captured through other appropriate reporting mechanisms, even if not directly through the framework. Performance Management of staff and the undertaking of regular one to one conversations was also raised.

One Member suggested that ambitious targets were not necessarily a bad thing, with performance being driven towards these, falling short could still result in very high performing services. He encouraged bolder, more radical target setting and appropriate risk taking in this context.

The Leader responded to the debate, and welcomed the focus to the Task and Finish Group's proposed programme of work. She specifically addressed the concerns on staff performance management and managers undertaking one to one conversations, highlighting these were taking place and reports in this area continued to show signs of ongoing improvement.

RESOLVED:

This Council notes that:-

1. The Leader's foreword to the Corporate Plan states that 'As a well-established community leader, the Council has long recognised the strong heritage and a world-class environment we operate within, and work to protect and enhance. Tackling climate and environmental challenges is key to ensure that the special nature of the New Forest can be enjoyed by future generations.'
2. Two of the four values of this Council are Ambition (We will be ambitious for our people and our place, embracing innovation and best practice) and Fairness (We will act fairly, honestly, and openly in all that we do).
3. The first priority of this Council's Future New Forest transformation programme is "Putting our customers at the heart of what we do".
4. This Council voted in October 2021 to declare a 'Climate Change and Nature Emergency'.

5. This Council's Corporate Plan 2024 – 2028 does not include measurable targets and a mechanism to report progress against such targets to our residents.
6. High performing organisations relish being measured as it allows them to demonstrate their outstanding performance.
7. That in the draft consultation version of the Corporate Plan, a measurement of "Overall emissions from council activity (Kg of CO2)" was included.

This Council resolves that:-

1. In delivering our Corporate Plan 2024-2028, this Council stated that the plan would be underpinned by a suitable and proportionate Performance Management Framework that details the reporting regime for progress monitoring. This is now developed alongside a formal published set of KPIs, with targets (Appendix 2, 2024-2028 List of KPIs). Clear KPI definitions have been agreed with accountable officers (Appendix 3, NFDC handbook of definitions).
2. The mechanisms for reporting against the targets, and publishing progress on a minimum of an annual basis, is set out in the Performance Management Framework and accompanying list of KPIs.
3. With respect to Place Priority 2 "Protecting our climate, coast, and natural world", and the consideration of the measure, "Overall emissions from council activity (Kg of CO2)", this is not supported and the following is resolved:-
 - (a) The overall emissions resulting from council activity will continue to be reported through the Climate Change and Nature Emergency (CC&NE) Annual Report. This report details the implementation and governance of activities resulting from the CC&NE Strategy and Action Plan and outlines the scope of emissions targets, performance measures and monitoring arrangements.
 - (b) The resourcing implications of any additional targets and measures are not currently known or allocated.
 - (c) Cabinet recognise the value in more fully understanding this area and proposed to establish a Task and Finish group for 12 months, to consider this measure within the context of the Council's Climate Change and Nature Emergency Strategy and Action Plans. This will include consideration of adopted targets measures, scope, resource implications and prioritisation.
 - (d) Should the CC&NE Task and Finish group make recommendations for additional Climate Change and a Nature Emergency targets or measures to be adopted, these should reside within the CC&NE Action Plan as opposed to the Corporate Plan list of KPIs.

24 REPORT OF CABINET - 4 SEPTEMBER 2024**PART I – ITEMS RESOLVED BY CABINET**

There were no speakers on the items resolved by Cabinet at its meeting on 4 September 2024.

PART II – RECOMMENDATIONS TO COUNCIL**Item 2 – Customer Strategy**

The Portfolio Holder for Finance and Corporate introduced the item and moved the recommendations from the Cabinet meeting. Cllr S Davies seconded the motion.

The good work culminating in a 'Customer Promise', developed through the Change Champions Group was recognised by Members.

Members debated some of the improvement targets included within the strategy, most notably call transfers. It was suggested that this could be more ambitious moving forwards.

One Member highlighted the interdependencies with the Council's ICT Strategy, and the access across the District to reliable broadband. Ultimately, a consistent experience should be the ambition across different communication channels with the Council. Members welcomed the commitment to continue to offer face to face support for those that needed it.

The Portfolio Holder for Finance and Corporate responded to the debate. He highlighted that targets needed to be proportionate when a number of ICT systems and infrastructure was changing alongside service redesign. It was hoped that these could become more ambitious in the future. With regard to the number of responses to consultations, it was suggested that when change was not popular, response rates were high, but it was less likely for respondents to write to the Council welcoming change that was generally well received.

RESOLVED:

That the Customer Strategy be approved.

Item 3 – Christchurch Bay & Harbour Flood & Coastal Erosion Risk Management (FCERM) Strategy

In the absence of the Portfolio Holder for Environment and Sustainability, the Leader introduced the item and moved the recommendations from the Cabinet meeting. Cllr S Davies seconded the motion.

One Member welcomed the strategy and highlighted the need for a similar approach to the coastal area of Totton and the Waterside. It was noted that the Environment Agency was responsible for large sections of this coastline and further information on timescales for the development of a strategy were expected soon.

In response to some concerns about the funding of such an ambitious strategy, it was highlighted that with a comprehensive evidence base behind the strategy, funding opportunities were more readily available to the Council and partners, with

a strong position to pursue specific project bids. The work of the District Council's officers to get the documents to this stage was commended. A contrary view was expressed that given the ratio of funded to unfunded bids in this area, and with funding opportunities generally, the expectations upon the Council to commit significant resources including officer time to produce lengthy strategies, was not desirable.

RESOLVED:

That Council approve:-

1. The recommended leading options identified in the Christchurch Bay & Harbour Flood & Coastal Erosion Risk Management (FCERM) Strategy for the New Forest 44 District Council area, subject to securing the necessary funding contributions.
2. That in approving and adopting the strategy, it commits to developing a Funding Strategy that will seek to identify and aim to secure the necessary funding contributions to enable the national or local leading options to be implemented via future capital schemes and maintenance of existing/new schemes, noting that the exact amount of contributions will need to be confirmed as schemes are developed.

Note – Cllr Harrison requested that his abstention from the resolution above, be recorded.

Item 4 – Strategic Risk Register

The Leader introduced the item and moved the recommendations from the Cabinet meeting. Cllr S Davies seconded the motion.

In response to one Member's specific questions on some of the risks outside of tolerance levels and the mitigation measures to reduce risk, the Leader committed to supplying the relevant information to the Member outside of the meeting.

RESOLVED:

That the Strategic Risk Register, be adopted.

25 ALLOCATION OF SEATS AND APPOINTMENTS TO COMMITTEES AND PANELS

The Leader moved the recommendations, proposing the allocation of seats to the political groups as identified in the report, with the individual nominees circulated at Appendix 1. Cllr S Davies seconded the motion.

One Member highlighted a correction in the report to identify the non-aligned Member as 'Labour and Cooperative'.

RESOLVED:

That the Council:-

1. Having considered the allocation of seats to committees and panels in accordance with the principles set out in the report, agrees to maintain the Council's current position set out in the table at paragraph 13 of the report;
2. Appoints councillors to individual committees and panels, as identified in Appendix 1, for the remainder of the four year period ending May 2027; and
3. Notes that a further review of the allocation of seats will be undertaken following the by-election for the Barton and Becton ward.

26 QUESTIONS

Questions were put and answered under Standing Order 22, as follows:-

- From Cllr Clark to the Portfolio Holder for Planning and Economy, Cllr Tipp, on Fawley Waterside.
- From Cllr J Davies to the Portfolio Holder for Planning and Economy, Cllr Tipp, on Section 106 monies.
- From Cllr Harrison to the Portfolio Holder for Finance and Corporate, Cllr Heron, on unpaid Council tax bills.
- From Cllr Rackham to the Portfolio Holder for Environment and Sustainability, Cllr Blunden, on flood and erosion plans for the East of the District.
- From Cllr Millar to the Portfolio Holder for Planning and Economy, Cllr Tipp, on planning reforms.
- From Cllr Brand to the Portfolio Holder for Planning and Economy, Cllr Tipp, on phosphate mitigation and affordable housing.
- From Cllr A Wade to the Portfolio Holder for Community, Safety and Wellbeing, Cllr Poole, on Community Wardens.
- From Cllr Clark to the Portfolio Holder for Finance and Corporate, Cllr Heron, on changes to local government settlements and funding formulas.

Note: A copy of the full questions and replies are attached to these minutes.

27 MEETING DATES 2025/2026**RESOLVED:**

That the following meeting dates for the 2025/26 municipal year, be agreed (Mondays, 6.30 pm):-

2025

- 12 May AGM (already agreed)
- 14 July
- 15 September
- 13 October
- 15 December

2026

- 23 February
- 13 April
- 18 May AGM

CHAIRMAN

Full Council – 16 September 2024 – Questions Under Standing Order 22

First Questions

Question 1

From Cllr Mark Clark to the Portfolio Holder for Planning and Economy, Cllr Derek Tipp

Can the Portfolio Holder advise the Council on the current state of play regarding the Fawley Waterside development, and provide an update we can share with our Residents who have been concerned by recent developments?

Reply:

As officers explained at the all member briefing on planning, on 3rd September, where topic of the Fawley Scheme was discussed, the planning application for the scheme was withdrawn in June, and the documented reasons for that related to development viability have been well publicised.

Only last week, senior officers from the Place, Operations and Sustainability Directorate met with the investor team, who remain committed to bringing forward the redevelopment of that site. What form that development will take, and over what timescale is to be determined, and will need to go through the planning process.

The investors are aware that the site has a local plan allocation for housing and commercial use, and that there is currently a review of the council local plan. In the meantime, the land remains an allocated brownfield site with potential for development.

Both the Council and the investors confirmed their desire to maintain a positive dialogue around the site, given its development designation and freeport status.

Note – this question was dealt within in writing in the absence of Cllr Clark.

Question 2

From Cllr Jack Davies to the Portfolio Holder for Planning and Economy, Cllr Derek Tipp

How much section 106 money is currently being held by NFDC? How much of those funds are time limited and, within the last year, have any monies been handed back to developers as time ran out for it to be spent? In addition, can the Portfolio Holder advise the Council from which developments the funds are currently being held and how much?

Reply:

The Council publishes an annual statement on its website called the 'Infrastructure Funding Statement'. This provides information on the amount of section 106 monies collected, spent and retained and information on the source and amount retained of individual S106 funds. The most recent version covers the financial year 2022-23.

Officers are currently preparing the 2023-24 version and expect to publish this within the next few weeks. As soon as it is available, all Members will be informed of this.

I can confirm that no S106 monies have been returned to developers and none of it is time limited.

A link to the published statement can be found here: ([Infrastructure Funding Statement - New Forest District Council](#)).

Question 3

From Cllr David Harrison to the Portfolio Holder for Finance and Corporate, Cllr Jeremy Heron

What level of debt remains from unpaid Council Tax bills? How many individuals are in default for over three months and six months and has this Council any outstanding legal actions against householders for unpaid bills?

Reply:

For all years prior to 1 April 2024, we currently have £4.3m in arrears for unpaid Council Tax which we continue to pursue to maximise collection. Not all of this Council Tax arrears relates to that owed to NFDC, but is accounted by us in our role as collection authority.

It is regular practice within the Tax and Benefits department to issue reminder notices, summons and liability orders in accordance with legislation to those that fall behind with their payments. We currently have 5,103 active liability orders with outstanding council tax due and we will work with these customers to pay the council tax outstanding.

Whenever anyone is unable to pay their council tax we always encourage them to contact us to discuss their circumstances so we can agree a way forward.

If any residents do have issues, we need to talk to them so please encourage your residents to contact our tax and benefits department.

Note – in response to a supplementary question on the level of debt, the Portfolio Holder highlighted the Council's collection rate as being one of the best in the country at over 98%. He also reiterated how the NFDC figure within the overall total was a small proportion, in view of the Council's role as collection authority for all council tax (County Council, PCC, Fire and Rescue, Town and Parish).

Question 4

From Cllr Caroline Rackham to the Portfolio Holder for Environment and Sustainability, Cllr Geoffrey Blunden

I understand that moves are taking place to encourage the Environment Agency to develop a flood and erosion plan for the East of the District. This is welcome news for those in Totton and Waterside who already experience flooding. However, having been told previously this would take 8-10 years (more than the timeline the Environment Agency stated previously). What can you report that this Council is doing in the meantime to show Totton and Waterside residents that it is taking this 40 year issue seriously?

Reply:

The responsibility for the delivery of a Flood & Coastal Erosion Risk Management (FCERM) Strategy for the eastern side of the district lies with the Environment Agency (EA), as the prime risk is through tidal flooding.

At our request, an officer of the Environment Agency will be attending the Place & Sustainability Overview and Scrutiny Panel in the new year to outline any proposals for the future development of a FCERM Strategy for the Waterside area.

It should be noted however, that there is no statutory duty for NFDC or the EA to deliver flood and coast protection measures, nor is there any guaranteed funding to deliver any such measures.

NFDC will continue to engage with the EA to consider a strategy that may follow on from the completion of the Hurst Spit to Lymington Strategy, late 2026.

Note – in response to a supplementary question on the options to help residents on the waterside who were experiencing flooding, the Leader would ask the Portfolio Holder to write to Cllr Rackham on his return.

Question 5

From Cllr David Millar to the Portfolio Holder for Planning and Economy, Cllr Derek Tipp

With the Government's proposed planning reforms, does the Portfolio Holder agree that Members and Residents need to feel they are being listened to and not have planning decisions made for them by those without an understanding of our District? And will he make this point in the Council's response to the proposals?

Reply:

The Council's draft response to the consultation on proposed revisions to the National Planning Policy Framework has been the subject of an all Member briefing on 3 September, before subsequently being considered in detail by Members of the Local Plan Members Working Group on 9 September and scrutinised at the Place and Sustainability Overview and Scrutiny Panel on 12 September.

I am very grateful for the input of those Members able to feed into this process and I consider that our draft response, due by 24 September, has incorporated the concerns and suggestions of Members very well, and I thank Tim Guymer and his officer team for their hard work for producing such a detailed response in such a short space of time.

Alongside our response to the questions posed, I intend to prepare a letter to the Secretary of State seeking clarity on a number of wider related matters, including the Government's commitment to infrastructure investment in the New Forest, and whether the proposed planning reforms do enough to recognise the unique attributes and opportunities across the District, in areas such as economic growth and supporting and increasing natural capital.

Question 6

From Cllr Hilary Brand to the Portfolio Holder for Planning and Economy, Cllr Derek Tipp

With the need for developers to purchase credits to mitigate phosphates at a ridiculous cost (For example, the Land off, Moortown Lane, Ringwood (Application 21/11723) costed at circa 5 million for 443 houses). What is the Council doing to find better and more economical solutions that enable developers to spend less and therefore deliver more affordable housing?

Reply:

At present there is only one provider of credits for the Avon catchment (a decommissioned fish farm at Bicton, near Fordingbridge).

Currently, the Council is undertaking joint work for the Avon catchment with the Avon Working Group (this includes other authorities, Natural England, Environment Agency, and Wessex Water). The Avon catchment is now in successful receipt of government funding (£9.8m) to deliver mitigation schemes.

A number of mitigation projects are being worked up to look to introduce new schemes to the open market, additional to the existing one at Bicton. It is anticipated that as further credit schemes are brought forward this will introduce competition into the market and hopefully lower costs.

Note – in response to a supplementary question on the timeframes involved, the Portfolio Holder confirmed this was currently being looked at.

Question 7

From Cllr Alex Wade to the Portfolio Holder for Community, Safety and Wellbeing, Cllr Dan Poole

The Hants and IOW PCC recently announced £750k worth of funding for Community Wardens to assist in challenging a spike in ASB over the summer period, shared between local areas within the County and on the IOW. Can I ask why NFDC were one of the few areas not granted any portion of the allocated funds? And, did we actually engage with this initiative, and bid for any funding for this worthwhile project?

Reply:

In March of this year, the Council's Community Safety Team attended a briefing held by the OPCC where the eligibility criteria for accessing the funds were outlined. The eligibility criteria was defined by the Home Office as to what constituted an area hotspot, evidenced by Police using the Scanning Analysis Response Assessment or (SARA model for short). 20 locations across Hampshire were identified as eligible due to the high level of crime and ASB recorded, of which I am pleased to advise none were in the New Forest.

Note – in response to a supplementary question on pursuing possible funding, the Portfolio Holder highlighted £35,000 had been secured for community projects, which included:-

- *NFDC District wide Weapons Prevention programme – £10,000.*
- *Joint bid with Fawley Parish Council and NFDC, supported by Police and HIOWFRS (Fire Service) to deliver Drug and Alcohol awareness training district wide, and localised youth work on the waterside – £7,400.*
- *Community and Social Housing bid of £17,100 for localised ASB issues to deliver targeted outreach work, Tidy Neighbourhood project, CCTV and specialist parenting support.*

Second Questions

Question 8

From Cllr Mark Clark to the Portfolio Holder for Finance and Corporate, Cllr Jeremy Heron

As councillors will have recently seen in the broadsheet newspapers, some movement is due on the old relative needs formula that was abandoned in 2013 towards Government local funding settlements. What contingencies therefore is the Council preparing if any, in anticipation of potential Government-led redistribution of funds, especially given the increasing likelihood that wealthier local authorities like ours may face reductions in funding to support more deprived areas elsewhere in the country. Moreover, what specific measures are being considered to maintain key public services, manage financial pressures and ensure long-term resilience in the face of such reforms?

Reply:

The Medium Term Financial Plan assumes that a fair funding review will take effect from 2027/28, and so everything we are doing in terms of making sensible decisions on things like benchmarking and adjusting our

Fees and Charges is gearing up for long term financial sustainability, on the basis that further funding reductions over time are likely. The Council also has a Budget Equalisation reserve, which is there to provide short-term financial assistance if any one particular finance settlement is more drastic in terms of funding reductions than our forecasts.

Interestingly this being a reserve that would have been spent multiple times over had the liberal democrat alternative budget been agreed for the last few years, removing the council's ultimate contingency for the event your question eludes to. Cllr Clark I'm sure will also have noted the investment that the administration proposes to make in council transformation on a spend-to-save basis over the next 3 years, creating more efficient and effective services for our residents, and maximising the potential from our assets, such as Appletree Court, through new and additional income generation.

Note – this question was dealt with in writing in the absence of Cllr Clark.

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Council – 14 October 2024

Report of Cabinet – [2 October 2024](#)

Part I – Items Resolved by Cabinet

1. Waste Programme Update

Portfolio – Environment and Sustainability

Cabinet Resolution:

1. That the waste programme timeline, attached at Appendix A be approved; and
2. That authority be delegated to the Strategic Director for Place, Operations and Sustainability, in consultation with the Portfolio Holder for Environment and Sustainability and the Waste Management Programme Board, to keep the roadmap at Appendix B under review and agree any minor variations to the waste programme.

Cabinet Discussion:

The Portfolio Holder for Environment and Sustainability introduced the report and reported that the new waste and recycling collection service would go live next year. The introduction of the new service would help to address the environmental and climate change objective by increasing recycling, reducing emissions and reducing littering from sacks. The timeline for the service roll out had been updated and would be carried out in three phases. The Portfolio Holder praised the hard work of officers in developing the programme. It was recognised that this was a critical service to the Council and it would be a big change for residents. For the first time residents would be able to separate their food waste out to be collected weekly, with fortnightly collections for residual waste and recycling. The Portfolio Holder looked forward to seeing the roll out of the first phase in June 2025.

The Waste Programme Director highlighted that the three phases of service roll out was detailed in Appendix A. The Lymington area would be the first area to roll out the new collection service, commencing in June 2025, this would be followed by the Ringwood area in October 2025 and the Waterside and Hardley area in March 2026. Appendix B provided more detail of the road map over an 18 month period to explain the work involved in each phase of the roll out.

The Portfolio Holder for Finance and Corporate was delighted to see the roll out timetable of the new service, recognising it would be a major change to the way the service would be delivered. It would see an improvement to the recycling rate as well as environmental improvements. He highlighted that the roll out of the garden waste collection service with wheeled bins had been well received with residents and he was confident that the wider service would be equally popular. He requested that information be readily available to residents in relation the collection day and what waste / recycling was due to be collected.

A non Cabinet member asked about the appeal process residents would have, should they feel their property was unsuitable to have wheeled bins, recognising that surveys had been carried out by Keep Britain Tidy to consider the suitability of properties in the District. In response, the Waste Programme Director reported that the survey work would consider the suitability of properties and that operational staff would be involved in determining the suitability of properties for wheeled bins. It was recognised that an appeals process would need to be set up.

The issue of communication with local residents was raised by a non Cabinet member, and assurance was sought that clear information would be provided to residents on this major change. There was a discussion about using the wheeled bins in advance of the official roll out, as residents might experience storage issues for multiple bins as well as the continued problem of bag strikes causing littering. The Portfolio Holder responded and confirmed that communication would be at the heart of the process and the changes would be clearly communicated. The Waste Programme Director clarified that the wheeled bins could not be used in advance of the official roll out of the service and that this would be incorporated into the communication strategy.

2. Revised Local Development Scheme

Portfolio – Planning and Economy

Cabinet Resolution:

That Cabinet:

1. Agreed the revised timescales for the Local Plan;
2. Agreed to the revised version of the Local Development Scheme and for this to be published on the Council's website; and

3. Agreed to a call for sites to be held during 2024 for potential sites.

Cabinet Discussion:

The Portfolio Holder for Planning and Economy presented the report recognising that the Local Development Scheme set out a programme to produce documents to form the Local Plan over the next three to four years. It would be necessary to keep the timetable under review as a result of any changes to Government policy. There would be a call for potential development sites as part of the process to consider the land available to be included in the Local Plan.

The Planning Policy Team Leader clarified that paragraph 12 of the report, detailed the request for submission for sites for specific land uses and that this would be the start of the process. As part of the call for sites, officers would welcome sites to be submitted for consideration and that these would be reviewed and assessed.

3. Update to the Statement of Community Involvement

Portfolio – Planning and Economy

Cabinet Resolution:

That a 6-week consultation be agreed on the proposed amendments to the Statement of Community Involvement (changes set out in Appendix 1, shown in red) to inform a future Cabinet decision on whether to adopt the revised document.

Cabinet Discussion:

The Portfolio Holder for Planning and Economy introduced the report recognising that the Statement of Community Involvement had last been revised in 2020 and needed amending to provide up to date hyperlinks and to reflect changes to the National Planning Policy Framework. It detailed how the council would consult on the development of the Local Plan, on planning applications and how the Council would liaise with others over the allocation of the Community Infrastructure Levy. The document set out the minimum consultation to be carried out, at the various stages of the planning process.

The Planning Officer further emphasised that the revised Statement of Community Involvement set out the minimum level of consultation but that officers would carry out additional engagement and consultation, if considered necessary.

4. Nationally Significant Infrastructure Projects – Approach, Governance, and Resourcing

Portfolio – Planning and Economy

Cabinet Resolution:

That Cabinet:

1. noted the provisions of the Planning Act 2008 in relation to the process by which Nationally Significant Infrastructure Projects are determined and agrees for the council to be involved in future projects in its role as a host authority;
2. delegated authority to the Strategic Director of Place Operations and Sustainability to manage the District Council's involvement in Nationally Significant Infrastructure Projects in consultation with the Portfolio Holder for Planning and Economy and, depending on the scale and nature of the project, the Leader of the Council as appropriate; and
3. Agreed that Planning Performance Agreements be sought from promoters and applicants for each project at the earliest stage to cover the District Council's costs involved in accordance with the key principles set out in para 37.

Cabinet Discussion:

The Portfolio Holder for Planning and Economy introduced the report reporting that the Nationally Significant Infrastructure Projects (NSIPs) were planning applications which would be determined by the Secretary of State rather than the local planning authority. In order for them to be considered as NSIPs, the developer would need to apply for a Development Consent Order with the Planning Inspectorate. It was anticipated that two of these infrastructure projects would be forthcoming within the district. There would be various stages involved in the consultation process and it was important for the council to actively participate in order to get the best outcome for local residents. Delegated authority was sought to the Strategic Director of Place Operations and Sustainability to manage involvement. Members would be consulted wherever possible, and the Portfolio Holder would be involved in this. It was important for the council to agree to enter into planning performance agreements in order to cover reasonable costs from the applicant.

The Planning Implementation and Monitoring Team Leader reported that NSIP projects would take a minimum of 2.5 years to complete,

but could take up to 4. It was highlighted that the recent consultation on the CO2 pipeline did not form part of the formal NSIP process and that the two projects detailed within paragraph 20 of the report were not formal NSIP projects at this stage.

A concern was raised by a non Cabinet member regarding consultation on these projects, recognising that the council needed to be properly resourced in order to respond to any consultation, and that these projects would have a significant impact on the local community. In particular, it was felt there was a need to involve of the local towns and parish councils affected by these infrastructure projects.

The Strategic Director of Place Operations and Sustainability agreed that it was important for the council to form a view and respond to the proposals, which would need to be appropriately resourced. A mechanism was proposed to be put in place to resource the consultation responses, through Planning Performance Agreements which would be funded by the developer. It was expected that the District Council would work closely with the Town and Parish Councils in understanding their views, as part of any response. The first step, however, would be to meet with the developers to set out the expectations around the need for Planning Performance Agreements and the resources required.

5. Community Infrastructure Levy Expenditure Framework and the use of Strategic CIL

Portfolio – Planning and Economy

Cabinet Resolution:

1. That the revised CIL Expenditure Framework and communication strategy attached at Appendix 2 and 3 be adopted;
2. That the allocations and approach to strategic element of CIL be approved; and
3. That the progression of the five identified projects be approved, noting that formal decision making in respect of projects as they progress will be in accordance with the Council's Constitution and Financial Regulations.

Cabinet Discussion:

The Portfolio Holder for Planning and Economy introduced the report reporting that the Community Infrastructure Levy (CIL) was an important source of funding for local infrastructure projects. The

report explained the process in which decisions would be made to allocate CIL funding and provide infrastructure in line with the priorities of the Corporate Plan.

The identification process to fund of five major projects, addressing local need was set out and covered a wide geographical spread. £4.5m was proposed to be allocated to progress these projects, leaving around £4.5m of CIL funds for future consideration. To support cultural development, it was proposed to allocate £150k to this sector as well as a further 2% of future CIL receipts for the life of the current Corporate Plan. Finally, a further £1m was proposed to be made available to be made available to fund bids to local small scale infrastructure projects, following a similar process to that of the previous year.

The Planning Implementation and Monitoring Team Leader reported that work would be carried out to inform the Town and Parish Councils of the funding opportunity and a briefing would be held with them on how to submit bids.

A non cabinet member sought that the application process available to towns and parishes be made as simple as possible, to aid the submission of their applications. Other members spoke in support of the proposed funding becoming available in order to support the local community.

6. Climate Change and Nature Emergency Annual Update 2023/24

Portfolio – Environment and Sustainability

Cabinet Resolution:

That Cabinet:

1. Acknowledged activities undertaken and efforts made by NFDC and its partners between 1 January 2023 and 31st March 2024 in response to the declared Climate Change and Nature Emergency;
2. Noted that as local leaders of place, NFDC, through its corporate plan, transformation programme and ongoing approaches to service delivery has made a clear commitment to the climate and nature emergency agenda, recognising UK Government's legally binding net zero targets;
3. Supported the ongoing delivery of the approved Climate Change and Nature Emergency Action Plan (Appendix 2), and by continuing to

work with partners and the public, the Council will continue to play a key role; and

4. Supported the continuing development of the longer-term Climate Change and Nature Emergency Strategy and Action Plan supported by the Members Climate Change and Nature Emergency Task and Finish Group.

Cabinet Discussion:

The Portfolio Holder for Environment and Sustainability reported he was pleased to present the report on the progress to address the climate change and nature emergency, which the council had declared in 2021. A commitment had been made to publish an annual report providing an update on the progress. The report highlighted the delivery of projects across all council services, with the list of activities growing year on year and how this was being embedded into day to day operations. Examples of work included, the new public conveniences at Barton on Sea beach where the design specification had included use of sustainable materials and the retrofitting of 70 council properties using external funding to improve the energy efficiency, reducing carbon emissions, the energy bills for tenants as well as improving biodiversity in the community. It was positive to see how these tangible projects made a difference in the community.

The data within the report demonstrated that it was necessary to increase the scale and pace of action significantly in order to meet local and national climate commitments. The new Corporate Plan prioritised climate actions across four areas; carbon reduction, carbon adaption, national recovery and programme management.

The strategic direction of the council would be guided over the next 12 months with a new member Task and Finish Group. The Portfolio Holder reported he was optimistic that the drive to reduce carbon emissions would continue with positive outcomes to support services for residents, businesses and those visiting the forest.

The Climate and Sustainability Manager reported that the timing of the report had been realigned to the financial year and therefore the report included two years worth of carbon emission data. This showed a small decrease in both the council operations data and the wider environment, which was positive step. The forthcoming Task and Finish Group would help to inform the development of the longer term strategy and action plan.

A Cabinet Member highlighted how the emission data by sector showed that the largest contributor was transport being responsible

for 47% of emissions and the public sector was 1%. He felt that it was important to look both inwardly at the council activities and the resulting carbon emissions, but that it was important to look outwardly to try and influence others in reducing their carbon impact.

A number of non Cabinet Members spoke in support of the report and recognised that working with partners was necessary in order to reduce carbon emissions. Engagement work should be carried out in the local community. Clarity was sought in relation to how partnership working with other organisations would be carried out.

Part II – Recommendations to Council

7. Medium Term Financial Plan – Scene Setting

Portfolio – Finance and Corporate

Recommended:

1. That the revised MTFP forecasts, as outlined within the report and appendices be adopted;
2. That the options identified to close the budget gap for 2025/26 and through to 2028/29 are developed further;
3. That the reporting timeline as set out in paragraph 74 be agreed;
4. That the proposed car parking fees and charges from 1 January 2025 as referenced in paragraph 48 and detailed in appendix 5 be approved;
5. That the proposed Keyhaven river fees and charges from 1 January 2025, as amended by Cabinet, and as detailed in a revised Appendix 6 for consideration by Full Council, are approved; and
6. That the decision to enter into an agreement with other Hampshire authorities regarding the pooling of business rates is delegated to the s151 officer in consultation with the portfolio holder for Finance & Corporate.

Cabinet Discussion:

The Portfolio Holder for Finance and Corporate introduced the report, explaining that it covered the period through to 2028/29. It focused both on the medium term, and on the budget for next year and how it could be delivered. Information was awaited on the local Government settlement. The report included baseline assumptions of funding, and the additional funding support streams which might not be received in next financial year. The balancing of the budget was a challenge.

The Portfolio Holder highlighted the cumulative deficit detailed in paragraph 34 of the report at that work was being carried out in order to address this year on year. It was necessary to maximise income and prioritise expenditure as well as continuing to deliver quality services to residents. The fees and charges section of the report was highlighted and that the income generated from these would be used to help to

deliver council services. He reported that there was a considerable way to go to balance the budget over the length of the financial plan.

The Portfolio Holder proposed an amendment to recommendation no 5, relating to the Keyhaven river fees and that the proposed figures be amended to round them up to make the fees clearer and simpler. It was noted that the amended proposed charges would be presented as part of the report to the next Full Council meeting for approval.

The Assistant Director Finance reported that the report provided an initial view of the Medium Term Financial Plan, explaining the timeline of working towards a balanced budget for 2025/26. A number of assumptions were detailed in paragraph 11, noting the difficulties to plan with only a one-year settlement. An assumption had been made around council tax increase and maintaining a £5 increase each year, in line with pre-referendum government parameters.

Paragraph 20 showed the negative impact likely from the Fair Funding Review forecast for 2027/28 due to the reduced retention of business rates likely to be received and therefore a potential £1.7m budget pressure. It was highlighted that the estimated cumulative budget deficit for 2025/26 was £628k and that this deficit increased to £2.4m in 2028/29. The proposed fees and charges would provide additional income to the council to help to address the budget deficit and that additional income was expected from commercial investment, as well in the longer term, the benefits expected from the transformation programme. The Council had reserves which could be used for a one off mitigation, if necessary.

The HRA had similar budgetary pressures, including the pay award and inflation. Significant investment was required on the greener housing strategy, safety works for high rise buildings, as well as improving the housing stock to EPC rating of a C.

The Financial Strategy Task and Finish Group had been reviewing the financial plan and an update would be provided to the Resources and Transformation Overview and Scrutiny Panel in November. It was the intention to carry out further work and develop assumptions further in order to deliver a balanced budget in February 2025.

A number of non Cabinet Members spoke in relation to the proposed car parking fee increases, particularly in relation to the car parking clocks. Concern was raised in relation to the conflict with priorities in the Corporate Plan to support local businesses in the district, recognising that there were vacant shops in the high streets. It was noted that there was a proposed 12.5% increase to the short stay parking clock and that the previous year had also seen a significant increase. It was

also highlighted how the district had poor public transport links making it more difficult to travel without a car, and that lower paid workers would be disadvantaged. It was suggested that the parking clocks be raised in line with inflation rather than the proposed fees within the report.

The Cabinet Members for Finance and Corporate and Environment and Sustainability responded to the points raised. It was felt that the car parking clocks with the proposed increase would still provide excellent value for money for car parking. A short stay clock would cost 86p a week and this could be used across the district. Comparison was made with other neighbouring authorities recognising that the proposed car parking charges were still lower than in other local authority areas. The car parking fee increase would impact those users of the district car parks.

Appendix 1 – Background Report to Cabinet

***Note** – the revised table of charges for Keyhaven River, as amended by Cabinet, is enclosed at Appendix 6 of the background report.*

8. Updates to Contract Standing Orders

Portfolio – Finance and Corporate

Recommended:

That Council approves the Contract Standing Orders as set out in Appendices 1 and 2.

Cabinet Discussion:

The Portfolio Holder for Finance and Corporate introduced the report recognising that there was a need to update the contract standing orders. The report had been considered by the Resources and Transformation Overview and Scrutiny Panel. The contract standing orders would continue to be support to local businesses when going out to tender to include at least one local supplier wherever possible.

The Strategic Procurement Manager reported members had noted the report and provided feedback through the scrutiny panel. One member felt that further governance was required over contract modifications to reduce the risk of the contract value rising exponentially. As a result, changes had been made to the report in paragraphs 25 and 26 and in Appendix 2, section 19.5, to set out that if the modification were to result in the total contract value reaching the next threshold, authorisation would be required by the relevant

officer, as per the Financial Regulations. Contract modifications were minimal, but when they do occur, they were recorded, justified and authorised, and reported to EMT and members, as appropriate.

A non Cabinet member questioned the fact that a formal risk assessment was deemed not to be required as set out in paragraph 32 of the report and whether there should be some recognition that with the greater amounts involved, the potential risks would increase. The Strategic Procurement Manager reported that a risk register was maintained as part of the developing service plan to assess the risks and controls, however one had not been raised in relation to this specific change. Although the financial limits were being raised, they were in line with that for the signing of contracts.

Appendix 2 – Background Report to Cabinet

Cabinet – 2 October 2024**Medium Term Financial Plan - Scene setting**

Purpose	For Decision
Classification	Public
Executive Summary	<p>This report</p> <ul style="list-style-type: none"> • Presents the latest medium-term financial plan (MTFP) of the council. • Considers the initial development of the MTFP for the General Fund and Housing Revenue Account (HRA) including the factors that will influence its delivery and that of the annual budget strategy 2025/26. • Proposes a financial strategy to support the delivery of a legally balanced budget for 2025/26. • Proposes a budget planning process and timeline for key financial reports.
Recommendation(s)	<p>Cabinet are asked to recommend to Council that the:</p> <ol style="list-style-type: none"> 1. revised MTFP forecasts, as outlined within the report and appendices be adopted. 2. options identified to close the budget gap for 2025/26 and through to 2028/29 are developed further. 3. reporting timeline as set out in paragraph 74 be agreed. 4. proposed car parking fees and charges from 1 January 2025 as referenced in paragraph 48 and detailed in appendix 5 are approved. 5. proposed Keyhaven river fees and charges from 1 January 2025 as referenced in paragraph 49 and detailed in appendix 6 are approved. 6. decision to enter into an agreement with other Hampshire authorities regarding the pooling of business

	rates is delegated to the s151 officer in consultation with the portfolio holder for Finance & Corporate.
Reasons for recommendation(s)	<p>To comply with accounting codes of practice and best practice which requires councils to have a rolling multi-year MTFP.</p> <p>To provide Cabinet with the latest high-level overview of the MTFP.</p> <p>To present a proposed financial strategy to support the delivery of a balanced budget for 2025/26.</p> <p>To ensure fees and charges decisions are taken in line with the Council policy.</p>
Ward(s)	All
Portfolio Holder(s)	Councillor Jeremy Heron - Finance & Corporate
Strategic Director(s)	Alan Bethune – Strategic Director Corporate Resources & Transformation (Section 151 Officer)
Officer Contact	<p>Paul Whittles</p> <p>Assistant Director - Finance</p> <p>02380 285766</p> <p>paul.whittles@nfdc.gov.uk</p>

Introduction and background

1. The Council's financial strategy seeks to achieve a balanced budget through the crystallisation of efficiencies driven through Council Transformation, supported with the targeting of new and additional income generation and align available financial resources, and create additional financial resources, to deliver on corporate priorities. Financial stability over the medium-to-long term has underpinned the Council's financial strategy, with due consideration being given to the potential implications that the Fair Funding Review, Business Rate Reset, and national rent setting policy will have on this Council. The Council has understood the need to consider its overall organisational business model in order to ensure the future protection of its services and seeks to align the financial plan to ensure delivery of key priorities as outlined in the Corporate Plan.
2. Actions need to commence on the development of future years' budgets. To support this work, it is necessary that an assessment is

made of the likely financial scenario based upon latest available information. To help support the important work of Portfolio Holders and officers in developing future plans, the future outlook and the current uncertainties are set out within this report and a prudent forecast set out through the appendices.

3. The announcement of yet another 1-year General Fund funding settlement for 2024/25 did not come as a surprise considering the norm from the previous few years. Initial suggestions from the (recently rebranded) Ministry of Housing, Communities and Local Government are that 2025/26 will be a 1-year funding settlement, with a target to issue a multi-year settlement (potentially 2 years) thereafter. With the formation of the new government in July 2024, it is highly unlikely that the long-awaited Fair Funding Review will come into effect from 2025/26. The Business Rate Retention Scheme is still under potential review within the context of the Fair Funding Review. The expectation is that this will still be based on a hard reset with partial redistribution of the national surplus, and a revised retention scheme (currently a 50% retention scheme, with the District Council retaining 40% of Business Rate growth).

Economic Commentary

4. After a period of frequent changes to the Bank of England's base rate, increasing the rate from the historic low of 0.1% in March 2020 to 5.25%, the Bank of England's base rate for the first time in over 4 years was reduced in August 2024 by 0.25% to its current 5% rate. Changes to the base rate can impact our investment returns and borrowing rates of interest.
5. Many mortgages at low fixed rates are continuing to be systematically re-set at higher rates at the end of their fixed rate period. Consequently, there remains increased pressures on households' ability to afford mortgages payments and reduces disposable income which may impact some of the council's support costs and revenue streams respectively.
6. The National Employers Pay Award offer for 2024/25 is still to be resolved (except for 'Chief Officers', which has been finalised). The 2024/25 approved budget (both for GF and HRA) includes adequate provision for the 'full and final' national employers offer, but as this has yet to be agreed by the unions, it is not known whether ultimately the level of budget will be sufficient.
7. The General Fund Medium Term Financial Plan has been populated using the most up to date information currently available covering the period to 2028/29. The effect of the Fair Funding Review and final design of the Business Rate Retention Scheme as outlined in paragraph 3, including the timing of the initial reset, and frequency thereafter of partial or full resets, and the ultimate proportion of

rates to be retained by the District Council, has the potential to significantly amend the funding figures currently forecast.

8. The Housing Revenue Account section of the report sets out the specific and unique challenges faced by this ring-fenced account, and begins to introduce some of the key considerations, including rent levels, that need to be factored into the production of a balanced budget for 2025/26, and over the medium-long term.
9. The Council's overall financial planning needs to take into account inflation and the current cost of living faced by its residents and tenants when making difficult decisions on proposed Council Tax, Rent and Fees and Charges.
10. The report hereafter is split into 2 distinct sections before concluding as a single item. The first considers the General Fund (paragraphs 11 to 52), and paragraphs 53 to 72 considers the Housing Revenue Account.

The General Fund

Funding Assumptions over the Medium Term (Appendix 1)

11. Ongoing annual funding support from Central Government is still uncertain. The 2024/25 final settlement included a services grant (£28,000) and a 4% funding guarantee grant (£1.233 million). The Council also received New Homes Bonus (NHB; £22,000) in 2024/25, although the future of this funding stream is also uncertain. No further funding from NHB or services grants is currently included within the MTFP forecast. The forecast does however assume a continuation of the funding guarantee grant but at a slightly reduced amount; £1 million compared to £1.233 million in 2024/25 with further reductions thereafter.
12. At present, the base scenario for retained business rates has been prepared on the basis that a hard baseline reset will take place in 2027/28 with the loss of c£3.5 million of accumulated growth, partially offset by an assumed damping redistribution following the reset of 60% in 2027/28 totalling £2.1 million, reducing to 40% in 2028/29 and thereafter (£1.4 million). In planning for this hard reset, and in recognition of how the Business Rate collection fund can fluctuate year-on-year, the Council established a Budget Equalisation Reserve and has utilised this reserve in addressing budget fluctuations since 2017/18. Although changes to the business rate system could be implemented in isolation of the spending review, this is considered unlikely.
13. The Hampshire and Isle of Wight s151 group have been consulting on the potential to pool business rates across Hampshire for 2025/26. This would mean that Hampshire retains a greater share

of the business rates generated in the county for distribution amongst its partners. Work is ongoing to determine the impact on NFDC and consequently whether we would want to be a part of this arrangement. A recommendation to delegate this decision to the s151 officer in consultation with the portfolio holder for Finance & Corporate is included above.

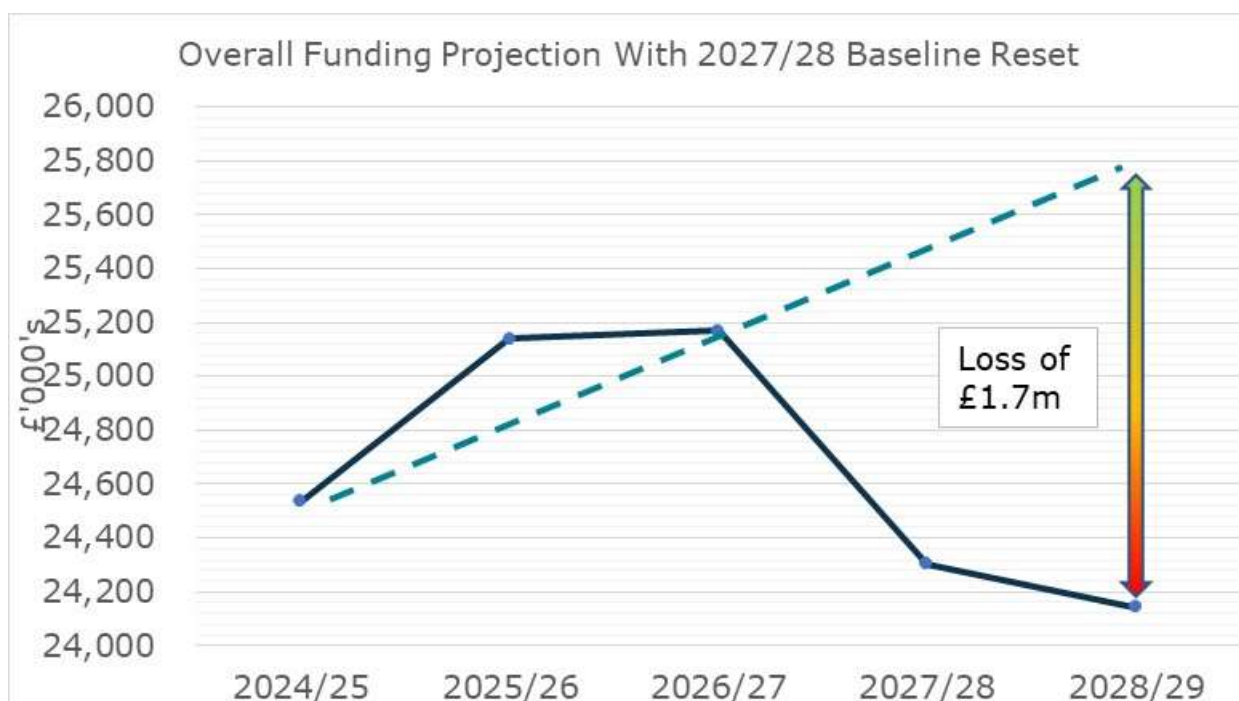
14. The results from the 2021 census is also likely to have an impact to future Settlement Funding Assessments (SFA) for the Council. The SFA essentially determines funding assumptions on a per head basis and is used within the core funding formulae used by the Treasury and MHCLG in determining finance settlements. The district saw a reduction in population of 0.38% in comparison to 2011. Whilst this might not appear significant, the overall increase in England was 6.56%. Whilst other areas then will see an increased funding need reflected in their SFA, the SFA for the district will decrease.
15. The 2021 census outcome was not reflected in the SFA for 2024/25 and considering the assumption of a continuation of funding support for 2025/26, this pushes the impact back a further year, to 2026/27.
16. Any form of continued funding from services grant and/or NHB built into the next funding settlement would be very welcome, although unlikely, and in any case, has the effect of reducing the % funding guarantee grant by an equivalent value.
17. The Council's base budget for 2024/25 also includes Flexible Homelessness Support Grant and specific other homelessness prevention grants, totalling £1.051 million. For the time being, the base scenario assumes the grants will be static over the period, and in any case, at the point grants are reduced, fixed term resource positions would need to end (unless the Council takes the decision to continue and fund accordingly). Any reduction in resource in this area would be subject to evidence-based decisions based on costs of preventative measures, as against cost of statutory duty of care reactionary responsibilities.
18. In recent years, the Council has followed the central government directive that local tax should be used to support local services. As the cost of services increases, so must local taxation. The Council has no say on the setting of business rates but does have the statutory responsibility to set a level of Council Tax for the oncoming financial year. The current allowable government parameter (albeit set by the previous government) for an increase, before a referendum is necessary, is for annual Band D equivalent Council tax to increase by the greater of 2% or £5 for 2025/26 and thereafter. Each year currently assumes a £5 increase. This updated MTFP follows on from the previously established position, assuming

that the Council makes use of the allowable pre-referendum increases;

19. **Table 1 – Council Tax**

	2025/26	2026/27	2027/28	2028/29
£ Annual level	204.79	209.79	214.79	219.79
%age increase	2.50%	2.44%	2.38%	2.32%
£ Increase	5.00	5.00	5.00	5.00
£ Value of increase	363,667	365,485	367,312	369,149

20. The following graph demonstrates the base funding scenario:



Budget Requirements over the Medium Term (Appendix 2)

Pay & Price Increases

- 21. Increases in costs are expected to total £2.920 million over the next 4-year period.
- 22. The assumptions include the following areas of pay and price increases;

- a. Annual Pay Award of between 2.00% - 2.5% per annum
- b. Incremental progression
- c. Insurance, Utilities, Fuel and Maintenance cost increases

Budget Adjustments Relating to one-off Items

23. The £1 million increase to homelessness budget in 2023/24 was reduced by a third in 2024/25 and is being forecast to reduce by a further third in each of the next 2 years (subject to close monitoring considering paragraph 5).
24. Additional removals of one-off investments in strategies and the Local Plan (funded hereafter through the reserve and increased planning income yield) total £522,000.
25. This gives a combined favourable MTFP contribution of £855,000 in 2025/26.

Waste Collection

26. Discussions have been ongoing with the County Council and the Councils across Hampshire. The County Council are proposing changes to long-standing arrangements, above the loss of recycling credit income that the Council lost (to the County) from April 2021. The proposals being outlined by the County would further reduce the Council's recycling income. The Council is still engaging in discussions with the County Council. A financial impact of £400,000 has been allowed for within the MTFP for 2026/27 with further financial implications likely after the implementation of the new Materials Recycling Facility. Updated forecasts will be presented within future MTFP updates pending ongoing discussions with the County Council.
27. The newly adopted Waste Strategy included some key financial assumptions around new burdens funding, the Extended Producer Responsibility (EPR) scheme and the Deposit Return Scheme, all of which will play a part in absorbing additional forecast costs, and potentially current costs of waste and recycling collection. The implementation of the EPR scheme has been delayed, and as of yet, no confirmation has been received on new burdens funding as a result of the introduction of the new national waste strategy. The working assumption within the MTFP is that new costs will be offset through new burdens funding from 1 April 2026. Transitional funding has been provided to cover the initial costs of vehicles and bins for the new food waste service, but nothing has been provided to contribute towards necessary changes to depot infrastructure to support the additional fleet and crews. To re-confirm the expected key expenditure forecasts, as included within the Waste Strategy;

- a. The additional annual cost of separate food waste collection is forecast at £1.612 million
 - b. The reduced collection cost as a result of changing to an alternate weekly collection cycle is forecast at £342,000.
28. Resourcing within the Waste Collection service has been fairly settled to date in 2024. It is envisaged that the new service aligned to the new waste strategy will help further, as the manual loading requirement reduces.
29. Further work is required to re-base the estimates on the phased food waste collection system roll-out, and updated assumptions will be included in future Medium Term Financial Planning, following key decisions required on the programme delivery timeline.

New Budget Requirements, Alignment of Budget to Priorities and Other Matters Arising

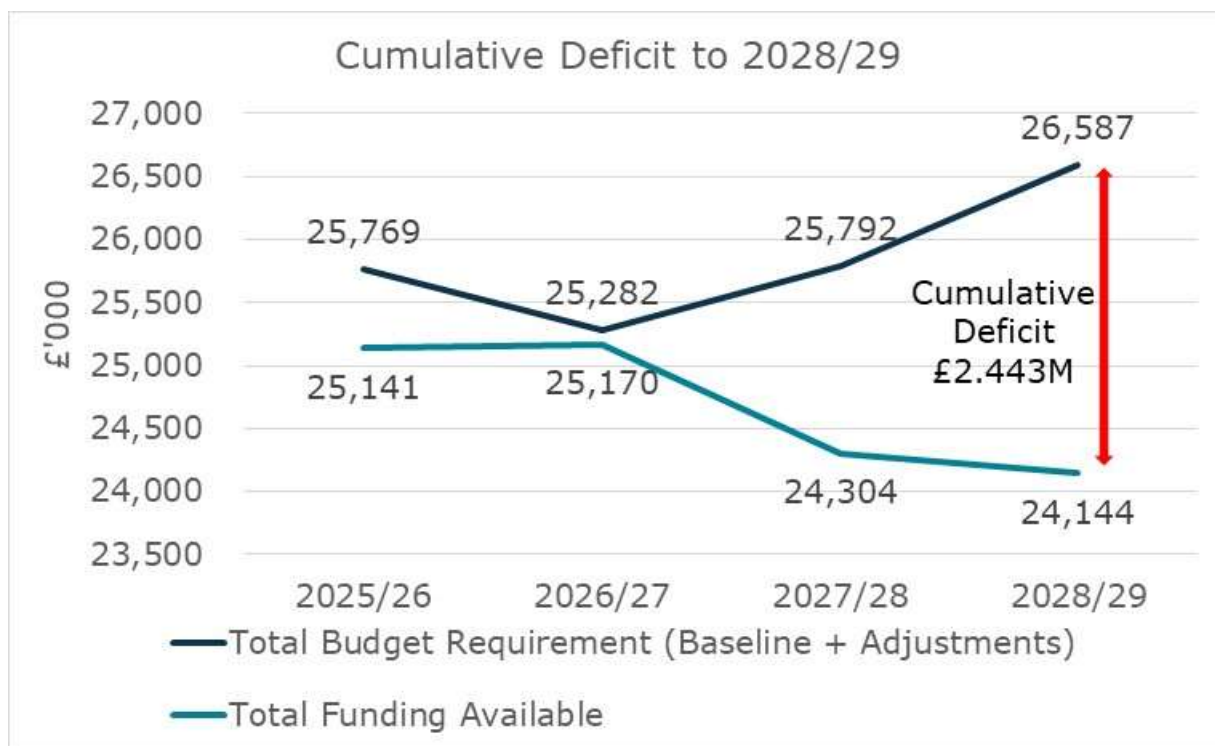
30. The 2024/25 budget included a one-off £25,000 to fund a resident insight survey. The survey is likely to be conducted in 2025/26 and so result in a saving to 2024/25, and a continued base budget requirement for 2025/26. The MTFP thereafter reflects the 2-year nature of the survey.
31. As announced by the Leader of the Council in February 2024, an additional £40,000 has been included to support the annual Community Grant Fund activity, resulting in an overall fund balance of £350,000 for 2025/26.
32. The Council must also be extremely mindful of the budget pressures faced by the Council County, as decisions by the County in order to address their budget deficit are very likely to have a direct effect on the district. The District Council must maintain a strong position in terms of statutory responsibilities and remain mindful that the District Council has its own budget deficit and corporate plan priorities to address.

Bringing together the Funding Assumptions and Budget Requirements

33. The overall forecast deficit taking into the account the funding assumptions and necessary budget movements totals £628,000 for 2025/26, increasing to a cumulative £2.443 million by 2028/29. For valuable context, the General Fund budget set for 2024/25 was £24.536 million, so the deficit represents a gap equivalent to 10%. It is vitally important that the Council continues to pro-actively address this funding deficit and create valuable headroom for resources to be directed towards the delivery of corporate plan priorities, which will undoubtedly include difficult decisions on

service delivery, Council Tax and Fees and Charges yield over the period.

34. **Figure 1 – Cumulative Deficit to 2028/29**



35. **Table 2 – Cumulative Budget Deficit**

	2025/26	2026/27	2027/28	2028/29
Estimated Cumulative Budget Deficit - £	628,000	112,000	1,488,000	2,443,000

Financial Strategy and Options Identified to Address the Budget Deficit (Appendix 3)

36. In order to address the forecast deficit to 2028/29, the Council’s financial strategy over the medium-term period extends to:
- a. The development and delivery of a structured approach to Council wide Transformation. Delivering a more customer centred and cost-efficient Council, focussing on digital capability, consistency and a skilled and motivated workforce. This will include, for example;

- i. digital and cost-effective corporate back-office solutions to our customers, whilst maintaining customer choice in how services are accessed
 - ii. Developing a programme of business and function reviews aligned to our strategic priorities and transformation design principles that will maximise outcomes, streamline processes and ensure the most appropriate, efficient and effective delivery model
 - iii. Providing capacity across the organisation by streamlining and joining up activities to enable the adjustment of resources to meet corporate plan priorities
 - iv. Identifying commercial opportunities to improve income
 - v. Getting best value from Council assets and considering the impact of new ways of working in refreshed people and accommodation strategies.
- b. The release of accrued short-term reserve balances to assist in the damping of the Fair Funding Review (and impact this has specifically to retained business rates) as necessary,
 - c. The utilisation of reserve balances (and when necessary external borrowing) to invest in assets and assist in supporting a vibrant and robust New Forest Economy, whilst targeting valuable additional income,
 - d. Ensuring strategies developed through the corporate framework appropriately feed into the Council's financial strategy; and
 - e. Investment in an approach to financial planning and spending that reflects the Council's declaration of a Climate and Nature Emergency.

37. The options identified to close the forecast deficit include:

- a. The Generation of additional investment income through the delivery of the enhanced treasury returns and Property Strategies. As well as having significant economic and social benefits, the Commercial and Residential Property Strategies combined with improved interest received are forecast to generate further net income of £350,000 by the commencement of 2028/29.
- b. The Transformation Programme making a net fiscal contribution of £1.25 million towards the MTFP deficit; £1

million from process efficiencies and £250,000 from the rationalisation of the council's accommodation.

- c. A pro-active fees and charges yield programme, targeted at £1.05 million over the MTFP period.

- 38. It will be a significant challenge to deliver the sum of options currently identified at £2.650 million. There is plenty to be done, and difficult choices to be made to crystallise the options that will ultimately support the delivery of a balanced budget over the Medium Term.
- 39. The Budget Equalisation Reserve balance of £2.699 million is available to plug short term budget gaps. Use of this reserve is only a short-term fix however, as reserves can only be used once, they do not represent a long-term fix to the deficit over the period.

Council Tax Assumptions and the Application of Premiums

- 40. The base assumption in the MTFP is that the Council continues to apply maximum allowable discretion on Band D Council Tax increase, before the referendum limits set in. These increases over the period have the potential to generate an additional annual income of £1.466 million by 2028/29.
- 41. Council in February 2024 approved the formal determination as required by the Levelling up and Regeneration Act 2023, to apply Council Tax premiums to dwellings occupied periodically and long-term empty dwellings, for implementation from 1 April 2025; consequently, the MTFP includes an additional £293,000 in 2025/26. Guidance remains outstanding regarding putting these premiums into effect, but it is anticipated they will be forthcoming for April 25 implementation.
- 42. The MTFP assumes that the Council will look favourably on revenue raising powers made available to it by Central Government and will seek to include the positive financial impact of any legislative changes within future iterations.

Fees and Charges

- 43. Fees and Charges have a significant role to play in assisting the Council achieve a balanced budget, and in providing the necessary finance for service delivery and enhancements. The Council aspires to continually develop and improve front line service delivery and continues to offer more to the residents and visitors of the New Forest.
- 44. The Fees and Charges policy agreed February 2024 to support the MTFP assumed that growth in Fees and Charges over the period

2024/25 to 2026/27 will amount to 20% (broadly equating to 6.3% per year if annualised). Specific requirements were placed on Portfolio Holders to:

- a. review their discretionary fees and charges to ensure they remain competitive, to ensure they account for increased costs in running and delivering services, and to ensure that the fee increases in 2024/25 have improved income levels as intended and will provide income growth to the Council over the 2 next financial years (2025/26 and 2026/27) equivalent to 20% across the 3 year period.
 - b. review their fees and charges which are the subject of cost recovery regulations, to ensure that proposed charges meet the increased costs of running services and provide for full cost recovery.
45. Fee decisions for 2025/26 for implementation from 1 April 2025 will be included within the February 2024 Budget setting report, with a decision on charges being made by the Council.
 46. Fee decisions for 2025/26 for implementation after 1 April 2025 (an in-year decision), up to a cumulative 20% on the 2023/24 baseline fee will be taken as a Portfolio Holder Decision. Any proposals outside of this rate will be referred to the Council for a decision. The decisions taken by Portfolio Holder will be reported to the Council at the earliest opportunity.
 47. In support of the MTFP (including matters arising) and the desire to create short-term fiscal headroom for investment in service delivery and enhancements, it is in the best interest of the Council for some increases to be frontloaded. Early action is required, and fees must look to keep abreast of inflation, and local benchmarks.
 48. A recommendation to increase car parking fees and charges from 1 January 2025 is included in this report with full details contained in appendix 5. The revised fees and charges are anticipated to generate around £380,000 of additional income which will support the current in-year variation and the overall yield target included in the MTFP. The proposed prices have been determined following a benchmarking exercise against other comparable authorities.
 49. A recommendation to increase Keyhaven river fees and charges from 1 January 2025 is included in this report with full details contained in appendix 6. The proposed fees for implementation from 1 January 2025 are forecast to deliver £25,000 of additional income to the 2025/26 financial year. This additional income is expected to ensure the council meets its budgeted income target for 2025/26 resolving the underlying forecasted in year pressure.

Budget Consultation

50. The Resources and Transformation Overview and Scrutiny Panel established a Financial Strategy Task and Finish group when the panel met 25 June 2024. The group is set to run between September and November. Feedback from the Group will be given to the Overview and Scrutiny panel at its meeting in November.
51. In keeping with prior years, prior to the adoption of the budget by Council in February, the panel will also receive an overview of a few specific and key variable elements within the budget, namely the asset maintenance and replacement programme, and Capital programme.
52. The Council is required to run an annual budget consultation with business rate payers. A consultation is planned take place during November / December 2024.

The Housing Revenue Account (HRA)

Budget Requirements over the Medium and Long Term (Appendix 4)

Pay & Price Increases (Medium Term)

53. Increases in costs are expected to total £2.670 million over the next 4-year period.
54. The assumptions include the following areas of pay and price increases;
 - a. Annual Pay Award of between 2.00% - 2.5% per annum
 - b. Incremental progression.
 - c. Fuel and Energy Cost increases
 - d. An increase in materials and hired services

Greener Housing (Long Term)

55. The Greener Housing Strategy 2022-2032 was adopted by the Council on 11 July 2022. While final costs are still uncertain, assuming an average £25,000 cost per property the total bill could be upwards of £125 million through to 2050. Funding for this programme of works has been factored into the forthcoming 30-year HRA Business Plan.

Housing Delivery Plan (Medium - Long Term)

56. The Council has a target to deliver 600 new affordable homes by March 2026, which represented an expectation of District Council ownership of around 50% of affordable homes supply brought forward by developers from the local plan sites. 339 NFDC owned

homes have been delivered to date. External / Internal financing of this programme has been factored into the medium-term forecast, with the rent income largely offset through property maintenance and management requirements.

Other New Budget Requirements (Medium Term)

57. In 2022/23 the Housing Service was allocated £5.5 million over 3 years to fund fire safety works on high-risk buildings. This was supplemented by an additional £500,000 for 2023/24. Approaching the end of year 3 of this programme indications are that a further £1.0 million is required to complete known works in 25/26 with an expectation that a similar level of funding will be required in subsequent years for the medium-term. The original allocated amount was an estimated cost, and the additional financial requirement represents known expenditure to date.
58. To meet the medium-term Government target of all Council owned housing properties having an energy performance certificate rating of C by 2030, the projected cost is an additional £9.3 million on top of existing capital programmes. The programme timeline is being worked on in more detail and will be reflected in the updated 30-year HRA Business Plan, and in future Medium Term Financial planning.
59. An internal review is underway to understand increased expenditure on the turnaround of empty (void) council properties for re-letting. The outcome of this review may have medium term implications on existing budgets.

Income Assumptions over the Medium Term and their Longer-Term impact

60. Current guidelines to March 2025 allowed for rent increases of CPI (September) + 1%. This was re-introduced in 2020/21, following 4 years of annual 1% rent reductions. However, the Government stepped in for 2023/24, capping increases at 7%, as opposed to sticking to the previous policy which would have seen allowable increases of 11.1% (based on 10.1% CPI + 1%). Early indications are that CPI +1% increases will continue under the new Government and therefore increases of 3% per year have been built into the MTFP.
61. The level of proposed rent for the 2025/26 financial year will ultimately be a Council decision in February 2025, to take effect from 6th April 2025.
62. As the budget preparation cycle progresses, factors such as the number of tenants in receipt of Housing Benefits and Universal Credit, which ultimately seek to cover the cost of accommodation,

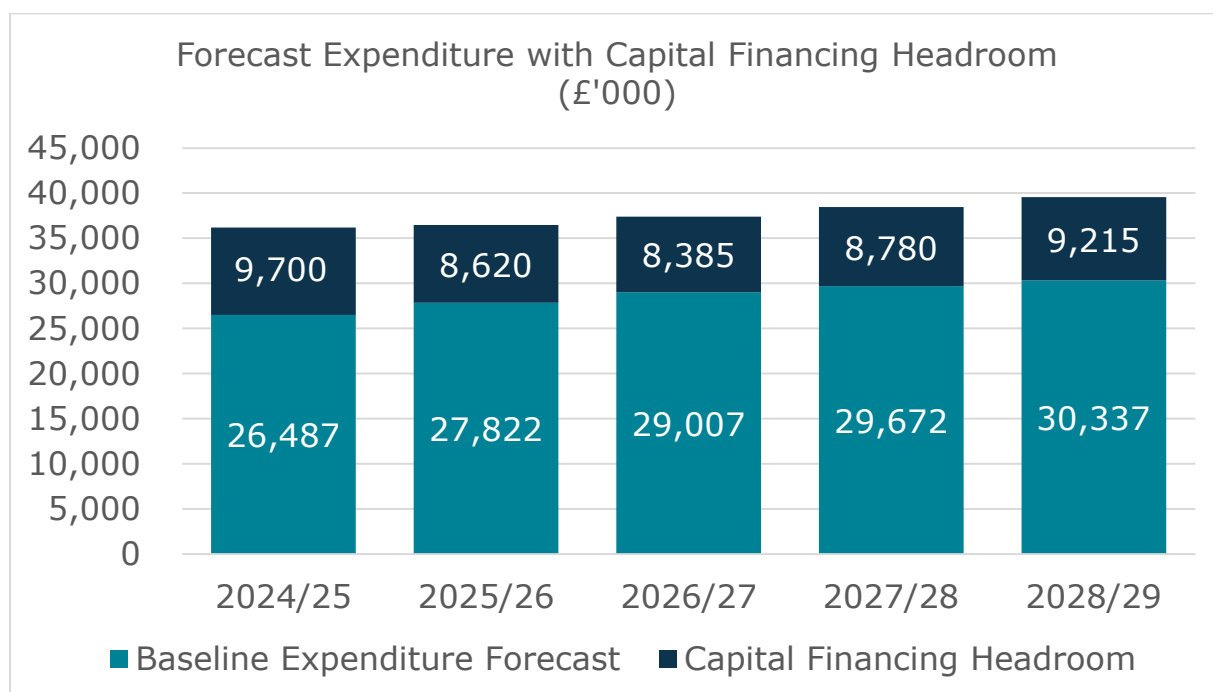
as against tenant numbers who do not, will be carefully considered. At present, approximately 68% of all housing tenants receive index linked state support.

- 63. External factors, such as rent levels currently applied across the district within the private rental market will also be considered as social and affordable rent should fundamentally be set in the context of the wider housing market.
- 64. Energy and other communal costs incurred within the HRA are generally largely recovered by service charges to individual tenants.

Overall Summary and the 30 Year Business Plan

65. The forecast budget adjustments and expenditure priorities as outlined above create a potential for reduced Capital Financing Headroom within the HRA (how much the HRA revenue budget can support the financing of the Capital Development Programme), equivalent to circa £1,315,000 by 2026/27 compared with 2024/25 available resources. This will necessitate a review of the overall capital programme even before building in the impact of the greener housing programme requirements to 2050.

66. Figure 2 – Forecast Expenditure with Capital Financing Headroom



67. The Council engages with an external consultant to assist with the preparation of its 30-year HRA business plan. The 30-year business plan was summarised as part of the budget setting for 2024/25 but is under further review now that clarity has been gained on long - term major repairs, replacement programmes and decarbonisation

costs. The Plan itself will come forward separately but it continues to help shape the forecasts as we look forward over the longer-term.

68. The Greener Housing Budget will need to take account of projected additional spend of over £9 million required to upgrade homes by 2030, and an additional circa. £125 million to decarbonise the stock ahead of 2050. Following recent structural changes in the housing maintenance service this decarbonisation work is being amalgamated with replacement programmes (kitchens, bathroom etc.) to gain maximum efficiencies in property upgrades. Whilst there is scope to offset some of these additional costs with grant funding there has been no announcements of future Government funding schemes beyond 2025. The Council continues to lobby the government to make significant grant funding available.
69. There are clearly significant competing demands on HRA resources at this time, whether that be regulated maintenance quality standards, health and safety compliance standards, the projected required spend of over £9 million to meet the EPC C 2030 target, the net zero carbon 2050 target, or the continued priority to deliver additional Council owned homes. In light of the significant external factors placed on the HRA, including an interest rate that has steeply risen from a 13-year average of less than 0.5% to a new level in the region of 5% and high inflation, internal discussions are ongoing to ensure the Council correctly align financial resources available and decisions taken through the Council's decision making process, working towards the achievement of a sound budget for 2025/26 in February 2025, with the 30-year HRA Business Plan to follow.

Budget Consultation

70. New legislation regarding social housing reform is not likely to significantly impact budgets for 2025/26, although there will be a requirement to increase the training budget due to the requirement to have qualified managers and staff in key roles. However, future years spending and budgeting for the HRA will need wider review, scrutiny and consultation with tenants as part of our commitments in the Tenant Engagement Strategy.
71. The Housing and Communities Overview and Scrutiny Panel will consider the HRA Medium Term Financial Plan and the detailed 2025/26 HRA budget in January 2025.
72. The Tenant Involvement Group will consider the HRA Medium Term Financial Plan in the Autumn and the detailed 2025/26 HRA budget in January 2025.

REPORTING TIMELINE

73. It is important that the Medium-Term Financial Planning of both the General Fund and HRA supports the ambition of the Council and remains driven by the objectives set out in the Corporate Plan. The organisation must be able to support both and must remain vigilant and susceptible to change. A timeline is set out in Table 3, paragraph 74, for Overview and Scrutiny and Cabinet which supports the development of the MTFP, through to the final setting of the 2025/26 budget.

74. Table 3 – Reporting Timeline

Item	Date	Meeting	Report
1	21 November 2024	Resources and Transformation Overview and Scrutiny	<ul style="list-style-type: none"> Financial Strategy Task and Finish Group feedback
2	26 November	Housing portfolio holder briefing	<ul style="list-style-type: none"> Budget update
3	4 December 2024	Cabinet	<ul style="list-style-type: none"> Medium Term Financial Plan (MTFP) Update
4	16 January 2025	Tenant Involvement Group (TIG)	<ul style="list-style-type: none"> Budget update
5	22 January 2025	Housing and Communities Overview and Scrutiny	<ul style="list-style-type: none"> Proposed Housing Revenue Account (HRA) Budget 2025/26
6	23 January 2025	Resources and Transformation Overview and Scrutiny	<ul style="list-style-type: none"> Asset Maintenance and Replacement Programme (AMR) and Capital Programme 2025/26 Capital Strategy 2025/26 Budget update
7	24 January 2025	Audit Committee	<ul style="list-style-type: none"> Investment Strategy Treasury Management Strategy
8	5 February 2025	Cabinet	<ul style="list-style-type: none"> Capital Strategy 2025/26 Community Grants 2025/26
9	24 February 2025	Cabinet	<ul style="list-style-type: none"> AMR and General Fund Capital Programme 2025/26 MTFP and Budget 2025/26 HRA Budget and the housing sector capital expenditure budget

Corporate plan priorities

75. The Council's Medium Term Financial Plan sets out to align the financial resources available to meet and deliver on Corporate Plan Priorities. More will be done on this as the budget preparation process evolves, heading towards the February 2025 adoption date.

Options appraisal

76. The Council's Medium Term Financial Plan sets out to provide options in the ultimate achievement of a balanced budget. As noted, some options will be more or less palatable than others as the process evolves, but key to a sound MTFP is that decisions are taken in the context of the medium-long term, not the short-term.

Consultation undertaken

77. Internal consultation between finance officers, service managers and budget holders has informed the latest assumptions included in the report and will continue throughout this process.
78. Additional consultation with the Financial Strategy Task and Finish Group and portfolio holders will occur during September through to November 2024.

Financial and resource implications

79. This is a financial report; therefore, all financial and resource implications are contained within the body of the report.

Legal implications

80. The council has a fiduciary duty to its taxpayers to be prudent in the administration of the funds on their behalf and an equal duty to consider the interests of the community which benefit from the services it provides.
81. It is the responsibility of councillors to ensure the council sets a balanced budget for the forthcoming year. In setting, such a budget councillors and officers of the council have a legal requirement to ensure it is balanced in a manner which reflects the needs of both current and future taxpayers in discharging these responsibilities. In essence, this is a direct reference to ensure that Council sets a financially sustainable budget which is mindful of the long-term consequences of any short-term decisions.
82. As a billing authority, failure to set a legal budget by 11 March each year may lead to intervention from the Secretary of State under section 15 of the Local Government Act 1999. It should however be noted that the deadline is, in reality, the 1 March each year to allow

sufficient time for the council tax direct debit process to be adhered to.

Risk assessment

83. None at this stage.

Environmental / Climate and nature implications

84. None at this stage, although it is worthy to note that the Council's Medium-Term Financial Planning will need to seek to support the delivery of the Council's Climate and Nature Action Plan.

Equalities implications

85. None at this stage.

Crime and disorder implications

86. There are no direct implications regarding crime and disorder as a result of this report.

Data protection / Information governance / ICT implications

87. There are no direct implications regarding data protection, information governance or ICT as a result of this report.

Appendices

Appendix 1 – Medium Term Financial Plan 2025-2029 - Summary of Resources

Appendix 2 – Medium Term Financial Plan 2025-2029 - Summary of Budget Requirement

Appendix 3 – Medium Term Financial Plan 2025-2029 – Options Identified to Close Budget Shortfall

Appendix 4 – Housing Revenue Account Medium Term Financial Plan 2025-2029 - Summary of Budget Requirement 2025/26-2028/29

Appendix 5 – Car Parking Proposed Fees and Charges from 1 January 2025

Appendix 6 – Keyhaven River Proposed Fees and Charges from 1 January 2025

Background Papers:

Cabinet 21 February 2024 – Budget Reports 2024/25

[Housing Revenue Account Budget and the Housing Public Sector Capital Expenditure Programme 2024/25](#)

[Medium Term Financial Plan and Annual Budget 2024/25](#)

MEDIUM TERM FINANCIAL PLAN 2025 - 2029

SUMMARY OF RESOURCES

	2024/25	2025/26	2026/27	2027/28	2028/29
Original					
Budget	Forecast	Forecast	Forecast	Forecast	Forecast
£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Total Government Determined Resources	9,898	9,753	9,341	8,031	7,423
Total Council Tax (Tax Base growth only)	14,459	15,188	15,629	16,073	16,521
Total Collection Funds	179	200	200	200	200
TOTAL FUNDING	24,536	25,141	25,170	24,304	24,144
Cumulative Change from Original 2024/25		605	634	-232	-392
%age change		2.5%	2.6%	-0.9%	-1.6%

MEDIUM TERM FINANCIAL PLAN 2025 - 2029

SUMMARY OF BUDGET REQUIREMENT

Baseline Funding 2024/25

Budget Adjustments 2025/26 - 2028/29

Pay & Price Increases

Budget adjustments relating to one-off items

Waste Service Changes

Ongoing Savings and Income Generation

New Budget Requirements and Alignment of Budget to Priorities

Cumulative effect of Known Budget Adjustments

Total Budget Requirement (Baseline + Adjustments)

Total Funding Available (as Appendix 1)

Estimated Cumulative Surplus / Shortfall (-)

2025/26	2026/27	2027/28	2028/29
Forecast	Forecast	Forecast	Forecast
£'000's	£'000's	£'000's	£'000's
24,536	24,536	24,536	24,536
760	720	720	720
-855	-333	0	0
1,079	-1,255	-60	0
0	200	100	50
249	181	-250	25
1,233	746	1,256	2,051
25,769	25,282	25,792	26,587
25,141	25,170	24,304	24,144
-628	-112	-1,488	-2,443

MEDIUM TERM FINANCIAL PLAN 2025 - 2029

OPTIONS IDENTIFIED TO CLOSE BUDGET SHORTFALL

Cumulative Property Investment Income
 Cumulative Targeted Transformation Programme
 Cumulative Targeted Fees and Charges Growth

MTFP 26/27 Potential Impacts....

Impact OR Mitigation: Business Rate Changes
 Impact OR Mitigation: Fair Funding Review
 Mitigation: EPR Income from HMT
 Mitigation: Tax Raising Flexibilities
 Mitigation: Reduce RCCO

Total of the Options Identified

Use of Equalisation Reserves (-) / Headroom +

2025/26	2026/27	2027/28	2028/29
Forecast	Forecast	Forecast	Forecast
£'000's	£'000's	£'000's	£'000's
100	350	350	350
0	458	916	1,250
500	750	900	1,050
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
- ?	- ?	- ?	- ?
	- ?	- ?	- ?
- ?	- ?	- ?	- ?
600	1,558	2,166	2,650
-28	1,446	678	207

Reserves Supporting the MTFP

General Fund Balance
 Budget Equalisation Reserve

3,000	3,000	3,000	3,000	3,000
2,699	2,699	2,699	2,699	2,699

HOUSING REVENUE ACCOUNT MEDIUM TERM FINANCIAL PLAN 2025 - 2029

	2025/26	2026/27	2027/28	2028/29
SUMMARY OF BUDGET REQUIREMENT 2025/26 - 2028/29	Forecast	Forecast	Forecast	Forecast
	£'000's	£'000's	£'000's	£'000's
Pay & Price Increases				
Pay Award (assumed 2%-2.5%)	160	150	150	150
Increments	65	65	65	65
Prices (third party contracts, utilities etc)	450	450	450	450
Total Pay & Price Increases	675	665	665	665
Other Budget adjustments				
Internal/External Financing Costs of Capital Programme	660	520	0	0
Total Other Budget adjustments	660	520	0	0
Cumulative Impact of Expenditure Increases and Adjustments	1,335	2,520	3,185	3,850
Ongoing Savings and Income Generation				
Rent Increases @ CPI +1%	-1,000	-1,030	-1,060	-1,100
Adjustment for 53 week rent year in 23/24	585			
Interest Receivable	160	80		
Total Ongoing Savings and Income Generation	-255	-950	-1,060	-1,100
Cumulative effect of Savings and Income Generation	-255	-1,205	-2,265	-3,365
Additional(-)/Reduced Resources to support Capital Programme	1,080	1,315	920	485

APPENDIX 5 – CAR PARKING FEES AND CHARGES

NOTICE OF VARIATION OF CHARGES: OFF STREET CAR PARKING PLACES

**NEW FOREST DISTRICT COUNCIL
DISTRICT OF NEW FOREST (OFF-STREET PARKING PLACES) ORDER 2005, AS
AMENDED
NOTICE OF VARIATION**

VARIATION OF CHARGES: OFF-STREET CAR PARKING PLACES

This Notice is given under Section 35C of the Road Traffic Regulation Act 1984, and varies the charges in off-street amenity parking places.

The varied charges will come into effect on 1st **JANUARY 2025** as indicated below.

1. AMENITY PARKING PLACES – NEW OFF-SEASON TARIFF CHARGES AND PERIOD SITUATION OF PARKING PLACES		CURRENT CHARGE FOR PERIOD 1 JANUARY TO 31 MARCH/ 1 OCTOBER TO 31 DECEMBER		PROPOSED CHARGE FOR PERIOD 1 JANUARY TO 31 MARCH/ 1 OCTOBER TO 31 DECEMBER	
Lymington Keyhaven	Town Quay (short stay)	Up to 1 hour	£1.00	Up to 1 hour	£1.50
	Keyhaven (short stay), Ancient Highway	Up to 2 hours	£3.00	Up to 2 hours	£3.10
		Up to 3 hours	£5.00	Up to 3 hours	£5.20
Lymington	Bath Road	Up to 1 hour	£1.00	Up to 1 hour	£1.50
		Up to 2 hours	£3.00	Up to 2 hours	£3.10
		Up to 4 hours	£5.00	Up to 4 hours	£5.20
		Up to 6 hours	£7.00	Up to 6 hours	£7.30
		Up to 24 hours	£11.00	Up to 24 hours	£11.40
		Up to 48 hours	£17.00	Up to 48 hours	£17.60
Keyhaven Lymington	Keyhaven Road Town Quay (long stay)	Up to 1 hour	£1.00	Up to 1 hour	£1.50
		Up to 2 hours	£3.00	Up to 2 hours	£3.10
		Up to 4 hours	£5.00	Up to 4 hours	£5.20
		Up to 6 hours	£7.00	Up to 6 hours	£7.30
		Up to 20 hours	£11.00	Up to 20 hours	£11.40
Barton-on-Sea Calshot Milford-on-Sea	Marine Drive (East), Marine Drive (West), Marine Drive 3 Areas north of Jack Maynard Road on either side of B3053, Areas adjoining south side of Jack Maynard Road, Areas adjoining north side of Jack Maynard Road to the west of Calshot Activities Centre Hordle Cliff (East), (known as “Paddy’s Gap”), Hordle Cliff (West), Area of land on the north-east side of Hurst Road (known as “Sturt Pond”), Hurst Road (East), Hurst Road (West), Taddiford Gap	Up to 1 hour	£1.00	Up to 1 hour	£1.50
		Up to 2 hours	£3.00	Up to 2 hours	£3.10
		Up to 4 hours	£4.00	Up to 4 hours	£4.20
		Up to 6 hours	£5.50	Up to 6 hours	£5.80
		Up to 20 hours	£9.00	Up to 20 hours	£9.30

2. AMENITY PARKING PLACES – NEW ON-SEASON TARIFF CHARGES AND PERIOD SITUATION OF PARKING PLACES		CURRENT CHARGE FOR PERIOD 1 APRIL TO 30 SEPTEMBER		PROPOSED CHARGE FOR PERIOD 1 APRIL TO 30 SEPTEMBER	
Lymington Keyhaven	Town Quay (short stay) Keyhaven (short stay), Ancient Highway	Up to 1 hour £1.00 Up to 2 hours £4.00 Up to 3 hours £6.00	Up to 1 hour £1.50 Up to 2 hours £4.20 Up to 3 hours £6.30		
Lymington	Bath Road	Up to 1 hour £1.00 Up to 2 hours £4.00 Up to 4 hours £6.00 Up to 6 hours £8.00 Up to 24 hours £12.00 Up to 48 hours £18.00 Up to 72 hours £24.00	Up to 1 hour £1.50 Up to 2 hours £4.20 Up to 4 hours £6.30 Up to 6 hours £8.30 Up to 24 hours £12.40 Up to 48 hours £18.60 Up to 72 hours £24.80		
Keyhaven Lymington	Keyhaven Road Town Quay (long stay)	Up to 1 hour £1.00 Up to 2 hours £4.00 Up to 4 hours £6.00 Up to 6 hours £8.00 Up to 20 hours £12.00	Up to 1 hour £1.50 Up to 2 hours £ 4.20 Up to 4 hours £6.30 Up to 6 hours £8.30 Up to 20 hours £12.40		
Barton-on-Sea Calshot Milford-on-Sea	Marine Drive (East), Marine Drive (West), Marine Drive 3 Areas north of Jack Maynard Road on either side of B3053, Areas adjoining south side of Jack Maynard Road, Areas adjoining north side of Jack Maynard Road to the west of Calshot Activities Centre Hordle Cliff (East), (known as “Paddy’s Gap”), Hordle Cliff (West), Area of land on the north-east side of Hurst Road (known as “Sturt Pond”), Hurst Road (East), Hurst Road (West), Taddiford Gap	Up to 1 hour £1.00 Up to 2 hours £4.00 Up to 4 hours £5.00 Up to 6 hours £6.50 Up to 20 hours £10.00	Up to 1 hour £1.50 Up to 2 hours £4.20 Up to 4 hours £5.20 Up to 6 hours £6.70 Up to 20 hours £10.40		

3. TOWN AND VILLAGE PARKING PLACES – NEW TARIFF CHARGES AND PERIOD SITUATION OF PARKING PLACES		CURRENT CHARGE FOR PERIOD 1 JANUARY TO 31 DECEMBER		PROPOSED CHARGE FOR PERIOD 1 JANUARY TO 31 DECEMBER	
Beaulieu Burley Fordingbridge Hythe Lymington Lyndhurst New Milton Ringwood Totton	Village Centre	Up to 1 hour	£1.00	Up to 1 hour	£1.50
	Village centre	Up to 2 hours	£3.00	Up to 2 hours	£3.10
	Roundhill	Up to 3 hours	£3.50	Up to 3 hours	£3.70
	A338 Slip Road	Up to 4 hours	£4.00	Up to 4 hours	£4.20
	Jones Lane	Up to 5 hours	£5.00	Up to 5 hours	£5.20
	New Road	Up to 20 hours	£8.00	Up to 20 hours	£8.30
	Barfields				
	Cannon Street East				
	Cannon Street West				
	Emsworth Road				
	Gosport Street				
	Southampton Road				
	St Thomas Street				
	Town Hall				
High Street					
Crossmead Avenue					
Elm Avenue					
Spencer Road North					
Spencer Road South					
Blynckbonnie					
Furlong					
Civic Centre					
Elingfield					
Rumbridge Street					
Westfield Road					
Winsor Road					
Brockenhurst	Brookley Road	Up to 1 hour	£1.00	Up to 1 hour	£1.50
		Up to 2 hours	£3.00	Up to 2 hours	£3.10
		Up to 3 hours	£3.50	Up to 3 hours	£3.70
		Up to 4 hours	£4.00	Up to 4 hours	£4.20
		Up to 5 hours	£5.00	Up to 5 hours	£5.20
		Up to 8 hours	£6.00	Up to 8 hours	£6.30
Milford on Sea	Sea Road	Up to 1 hour	£1.00	Up to 1 hour	£1.50
		Up to 2 hours	£3.00	Up to 2 hours	£3.10
		Up to 3 hours	£3.50	Up to 3 hours	£3.70
		Up to 4 hours	£4.00	Up to 4 hours	£4.20
		Up to 5 hours	£5.00	Up to 5 hours	£5.20
		Up to 6 hours	£5.70	Up to 6 hours	£5.90
		Up to 7 hours	£6.40	Up to 7 hours	£6.60
		Up to 8 hours	£6.50	Up to 8 hours	£6.70
		Up to 9 hours	£7.00	Up to 9 hours	£7.30
		Up to 20 hours	£10.40	Up to 20 hours	£10.80
New Milton	Osborne Road	Up to 1 hour	£1.00	Up to 1 hour	£1.50
		Up to 2 hours	£3.00	Up to 2 hours	£3.10
		Up to 3 hours	£3.50	Up to 3 hours	£3.70
		Up to 4 hours	£4.00	Up to 4 hours	£4.20
		Up to 5 hours	£5.00	Up to 5 hours	£5.20
		Up to 6 hours	£6.00	Up to 6 hours	£6.30

NEW FOREST DISTRICT COUNCIL

**DISTRICT OF NEW FOREST (OFF-STREET PARKING PLACES) ORDER 2005, AS AMENDED
NOTICE OF VARIATION**

**VARIATION OF CHARGES: OFF-STREET CAR PARKING PLACES
PARKING CLOCKS**

This Notice is given under Section 35C of the Road Traffic Regulation Act 1984, and varies the charges for parking clocks.

The varied charges will come into effect on **1 JANUARY 2025**.

TYPE OF CLOCK		CURRENT CHARGE £	NEW CHARGE £
District-wide Parking Clock (long stay) – annual (valid in parking places listed at both A and B below)	1 January to 31 December or part thereof	220.00	230.00
District-wide Parking Clock (long stay) – three-monthly (valid in parking places listed at both A and B below)	1 January to 31 March or part thereof; 1 April to 30 June or part thereof; 1 July to 30 September or part thereof; 1 October to 31 December or part thereof	65.00	70.00
Shoppers' Parking Clock – annual (valid in parking places listed at A below)	1 January to 31 December or part thereof	40.00	45.00

PARKING PLACES TO WHICH THIS NOTICE RELATES

- A. **Beaulieu; Brockenhurst** Brookley Road (short stay), Brookley Road (long stay); **Burley; Fordingbridge** Round Hill (short stay), Round Hill (long stay) and A338 Slip Road); **Hythe** Jones Lane (short stay), Jones Lane (long stay), New Road (short stay), New Road (long stay), **Lymington** Barfields, Cannon Street East (short stay), Cannon Street East (long stay), Cannon Street (West), Emsworth Road, Gosport Street (short stay), Gosport Street (long stay), Southampton Road, St Thomas Street (short stay), St Thomas Street (long stay), Town Hall (area allocated for seven day public parking), Town Hall (area allocated for Weekends and Bank/Public holiday public parking); **Lyndhurst** High Street (short stay), High Street (long stay); **Milford-on-Sea** Sea Road (short stay), Sea Road (long stay); **New Milton** Crossmead Avenue, Elm Avenue (short stay), Elm Avenue (long stay), Osborne Road (short stay), Osborne Road (long stay), Spencer Road North, Spencer Road South); **Ringwood** Furlong (South), Furlong (North West), Furlong (North East), Blynkbonnie (short stay), Blynkbonnie (long stay); **Totton**, Civic centre, Elingfield, Westfield Road (short stay), Westfield Road (long stay), Winsor Road, Rumbridge Street (Mon to Fri only)
- B. **Barton-on-Sea** Marine Drive (East), Marine Drive (West), Marine Drive 3); **Calshot** Areas North of Jack Maynard Road on either side of B3053, Areas adjoining South side of Jack Maynard Road, Area adjoining North side of Jack Maynard Road to the west of Calshot Activities Centre); **Keyhaven** (Keyhaven Road), Keyhaven Ancient Highway (short stay); **Lymington** Bath Road, Town Quay (short stay), Town Quay (long stay); **Milford-on-Sea** Hordle Cliff (East) ("Paddy's Gap"), Hordle Cliff (West), Area of land on North-East side of Hurst Road ("Sturt Pond"), Hurst Road (East), Hurst Road (West), Taddiford Gap).

All parking clocks are valid subject to the terms and conditions contained in the District of New Forest (Off-Street Parking Places) Order 2005 (as amended).

The conditions on which parking is permitted are set out in the District of New Forest (Off-Street Parking Places) Order 2005 (as amended).

All charges are subject to the maximum waiting times advertised in individual car parks.

The hours during which charging applies will not change.

The amounts for Penalty Charges, Discounted Penalty Charges (if paid within 14 days), and Penalty Charges not paid, will not change.

ENVIRONMENT & SUSTAINABILITY PORTFOLIO
KEYHAVEN RIVER PROPOSED SCALE OF FEES AND CHARGES FOR 2025

		NFDC Council Tax Payers				Non NFDC Council Tax Payers (50% Surcharge)			
		Current Charge inc VAT 2024 £	Proposed Charge inc VAT 2025 £	Increase £	%	Current Charge inc VAT 2024 £	Proposed Charge inc VAT 2025 £	Increase £	%
With effect from 1 January until 31 December 2025									
KEYHAVEN RIVER									
Waiting List Fee									
Moorings		59.40	62.40	3.00	5.1	89.10	93.60	4.50	5.1
Dinghy Park		59.40	62.40	3.00	5.1	89.10	93.60	4.50	5.1
Annual Admin Fee		11.88	12.50	0.62	5.2	17.82	18.75	0.93	5.2
Note: Waiting list fee will be discounted off first years mooring fees once offer of annual mooring accepted.									
Licence Fees - Private Moorings (12 months)		178.20	187.20	9.00	5.1	← Same as NFDC Council Tax Payer			
Mooring Fees (including licence fee and river dues)									
Small (M2)		534.60	561.40	26.80	5.0	801.90	842.10	40.20	5.0
Medium (M3)		594.00	623.70	29.70	5.0	891.00	935.55	44.55	5.0
Medium + (M4)		712.80	748.50	35.70	5.0	1,069.20	1,122.75	53.55	5.0
Large (M5)		1,069.20	1,122.70	53.50	5.0	1,603.80	1,684.05	80.25	5.0
Large + (M6)		1,306.80	1,372.20	65.40	5.0	1,960.20	2,058.30	98.10	5.0
Wall Moorings									
Suitable for less than 12 feet and/or less than 15 hp (M1)		415.80	436.60	20.80	5.0	623.70	654.90	31.20	5.0
Suitable for 12 feet or more and/or 15 hp or more (M3)		594.00	623.70	29.70	5.0	891.00	935.55	44.55	5.0
Dinghy Park									
Dinghy Park	Per space per annum	356.40	374.30	17.90	5.0	534.60	561.45	26.85	5.0
Seasonal Let									
	Per week (October to March)	17.82	18.80	0.98	5.5	← Same as NFDC Council Tax Payer			
	Per week (April, May & Sep)	29.70	31.20	1.50	5.1	← Same as NFDC Council Tax Payer			
	Per week (June, July & August)	47.52	49.90	2.38	5.0	← Same as NFDC Council Tax Payer			
Dinghy winter storage in dinghy park	Sub-let spaces only (Nov to Mar)	N/A	100.00	N/A	N/A	← Same as NFDC Council Tax Payer			
Grass Bank	Per annum	237.60	249.50	11.90	5.0	356.40	374.25	17.85	5.0
Specific Groups									
Fisherman Association	Wall mooring	59.40	62.40	3.00	5.1	← Same as NFDC Council Tax Payer			
Keyhaven Sea Scouts	Seasons launching	0.00	0.00	0.00	0.0	← Same as NFDC Council Tax Payer			

ENVIRONMENT & SUSTAINABILITY PORTFOLIO
KEYHAVEN RIVER PROPOSED SCALE OF FEES AND CHARGES FOR 2025

With effect from 1 January until 31 December 2025

River Dues (includes launching fees)

Single launch

Kayaks Canoes and paddleboards
Sailing vessels and/or engine size 5hp or less
Boats with engine size over 5hp to 10 hp
Boats with engine size over 10hp to 50 hp
Boats with engine size over 50 hp
Personal water craft (Jet Skis)

Season launch

Kayaks Canoes and paddleboards
Sail boats and/or engine 5hp or less
Boats with engine size over 5hp to 10 hp
Boats with engine size over 10hp to 50 hp
Boats with engine size over 50 hp

Moving boat to allow for mooring maintenance

Anchorage/Visitor Moorings

Anchorage Per night
Large Mooring (for over 27ft) Per night
Medium/small Mooring (up to 27ft) Per night
Quayside Per night

Anchorage Per week
Large Mooring (for over 27ft) Per week
Medium/small Mooring (up to 27ft) Per week
Quayside Per week

Note: Only in exceptional circumstances - speak to river warden first

Short stay (less than 4 hours)

Anchorage
Moorings
Quayside

NOTE: VAT inclusive figures are shown using the current VAT rate of 20% as at September 2024. Actual charge will use the prevailing rate of VAT.

Charges which are zero rated or not subject to VAT are marked * either individually or by service.

KEYHAVEN – FULL AND PRO RATA RATES

January to December As per tables above
July to December 25% off
October to December 50% off

	NFDC Council Tax Payers				Non NFDC Council Tax Payers (50% Surcharge)			
	Current Charge inc VAT 2024 £	Proposed Charge inc VAT 2025 £	Increase £ %		Current Charge inc VAT 2024 £	Proposed Charge inc VAT 2025 £	Increase £ %	
	11.88	12.50	0.62	5.2	← Same as NFDC Council Tax Payer			
	11.88	12.50	0.62	5.2	← Same as NFDC Council Tax Payer			
	17.82	18.80	0.98	5.5	← Same as NFDC Council Tax Payer			
	29.70	31.20	1.50	5.1	← Same as NFDC Council Tax Payer			
	59.40	62.40	3.00	5.1	← Same as NFDC Council Tax Payer			
	109.99	115.50	5.51	5.0	← Same as NFDC Council Tax Payer			
	35.64	37.50	1.86	5.2	← Same as NFDC Council Tax Payer			
	35.64	37.50	1.86	5.2	← Same as NFDC Council Tax Payer			
	59.40	62.40	3.00	5.1	← Same as NFDC Council Tax Payer			
	118.80	124.80	6.00	5.1	← Same as NFDC Council Tax Payer			
	237.60	249.50	11.90	5.0	← Same as NFDC Council Tax Payer			
	47.52	49.90	2.38	5.0	← Same as NFDC Council Tax Payer			
	11.88	12.50	0.62	5.2	← Same as NFDC Council Tax Payer			
	23.76	25.00	1.24	5.2	← Same as NFDC Council Tax Payer			
	17.82	18.80	0.98	5.5	← Same as NFDC Council Tax Payer			
	35.64	37.50	1.86	5.2	← Same as NFDC Council Tax Payer			
	59.40	62.40	3.00	5.1	← Same as NFDC Council Tax Payer			
	95.04	99.80	4.76	5.0	← Same as NFDC Council Tax Payer			
	83.16	87.40	4.24	5.1	← Same as NFDC Council Tax Payer			
	See note	See note	N/A	N/A	← Same as NFDC Council Tax Payer			
	7.13	7.50	0.37	5.2	← Same as NFDC Council Tax Payer			
	11.88	12.50	0.62	5.2	← Same as NFDC Council Tax Payer			
	14.26	15.00	0.74	5.2	← Same as NFDC Council Tax Payer			

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Cabinet – 2 October 2024

Updates to Contract Standing Orders

Purpose	For Review
Classification	Public
Executive Summary	<p>The Council's Contract Standing Orders have been reviewed. The review included consideration of the upcoming changes to procurement regulations, a benchmarking exercise with other similar Councils, and a feedback session with the Senior Leadership Team.</p> <p>This report sets out the proposed changes. The key proposed changes are:</p> <ol style="list-style-type: none"> 1. Increasing the transparency threshold (at which we advertise contracts openly to the market) from £50k to £100k. 2. Requiring all requests for quotations to include at least 1 supplier from the local and surrounding areas, where possible. 3. Increased scrutiny through a Breaches order, in which all known or discovered breaches of the Contract Standing Orders are reported to the Statutory Officers Group and the Audit Committee. <p>The proposed Contract Standing Orders for adoption from 28 October 2024 are set out in Appendix 1.</p> <p>Furthermore, the proposed Contract Standing Orders for adoption when the new regulations come into force (currently planned for 24 February 2025) are set out in Appendix 2 and include the legislative changes.</p>
Recommendation	The Cabinet is asked to recommend that Council approve the Contract Standing Orders as set out in Appendices 1 and 2.
Reasons for recommendation	The Council's current Contract Standing Orders document was introduced in March 2018 and has not been subject to major scrutiny or review since then.

	<p>Furthermore, the UK's public procurement regulations are being replaced with one set of regulations under the Procurement Act 2023. This was due to come into force on 28 October 2024 and it was planned to introduce all changes at the same time, but the current working date for go-live has now been postponed by the Cabinet Office to 24 February 2025.</p>
Wards	All
Portfolio Holder	Councillor Jeremy Heron – Finance & Corporate
Strategic Director	Alan Bethune – Strategic Director Corporate Resources & Transformation
Officer Contact	<p>Josie West Strategic Procurement Manager 02380 285741 Josie.west@nfdc.gov.uk</p>

Introduction and background

1. The Council is required under the Local Government Act 1972 to draw up a set of Contract Standing Orders. These orders provide a set of rules that must be followed in relation to the procurement of all goods, services and works by the Council. Procurement rules for the Council are also mandated by the public procurement regulations, currently legislated under the Public Contract Regulations 2015.
2. The UK's public procurement regime is being reformed, in which the four existing sets of regulations (including the Public Contract Regulations 2015) are being replaced with one set of regulations under the Procurement Act 2023. The new regime was due to come into force on 28 October 2024 and this review was originally aligned with that date. However, the Cabinet Office advised on 12 September 2024 that the go-live date had been postponed until 24 February 2025.
3. The current version of the Council's Contract Standing Orders was introduced in March 2018 and has only had minor amendments and additions made since then. In keeping with the introduction of the new regulations, the Strategic Procurement Manager has undertaken a full review of the Contract Standing Orders and proposed some changes as outlined within this report.
4. This review has included consideration of the following:
 - i. New regulatory requirements as set out in the Procurement Act 2023.
 - ii. A benchmarking exercise against ten comparable Councils in the South (2 x City Councils, 4 x District Councils, 3 x Borough Councils and 1 x Unitary Council), with similar annual expenditure and population size.
 - iii. Feedback from the Senior Leadership team and their nominated Contract Administrators and Purchasing Coordinators, obtained as part of a Masterclass training session and via questionnaires.
 - iv. Assessment of the Council's procurement data for 2023/24.

Key outcome sought

5. The key outcome sought is to recommend the proposed changes to Contract Standing Orders for approval by Council. The Contract Standing Orders proposed for adoption on 28 October 2024 are set out in Appendix 1. The Contract Standing Orders in Appendix 2 also incorporate the changes set out in the Procurement Act 2023 and

are proposed for adoption when the new regulations come into force (currently planned for 24 February 2025).

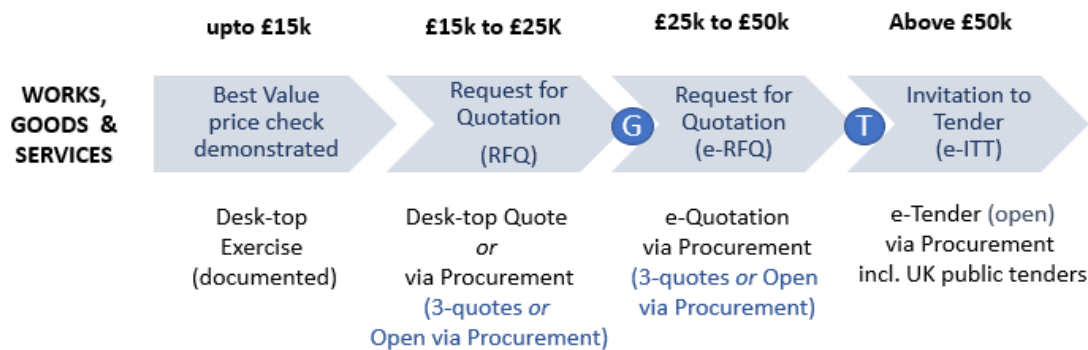
General and formatting changes

6. The format of the document has been changed for ease of use, with the document being split into three parts:
 - i. Part 1 – Introduction & Compliance
 - ii. Part 2 – Orders
 - iii. Part 3 – Appendices
7. A contents page has been added, with links to each section for convenience.
8. The previous Contract Standing Orders referred to 'Service Managers' which does not correlate to the Council's current organisational structure. This has been modified throughout the document to 'Senior/Service Managers', with a definition added to clarify that these persons must be a member of the Senior Leadership Team.
9. The Scheme of Delegation at Annex B of the Contract Standing Orders has been updated to reflect the current organisational structure at the Council. It additionally aligns the authorisation levels for raising purchase orders and payment of invoices, with the authorisation levels for signing of contracts, thereby providing a more consistent and clearer approach.
10. It is recommended that the Contract Standing Orders are henceforth reviewed every 4 years.

Thresholds

11. Other than those thresholds set out by law, the current contract thresholds have not been amended since the introduction of this version in 2018, despite inflationary rises during this time.
12. The thresholds set out by law, at which the Council is legally required to openly advertise on the UK-wide Central Digital Platform are £214,904 for goods and services and £5,372,609 for works.
13. The current and proposed thresholds as set out in the Council's Contract Standing Orders are set out below.

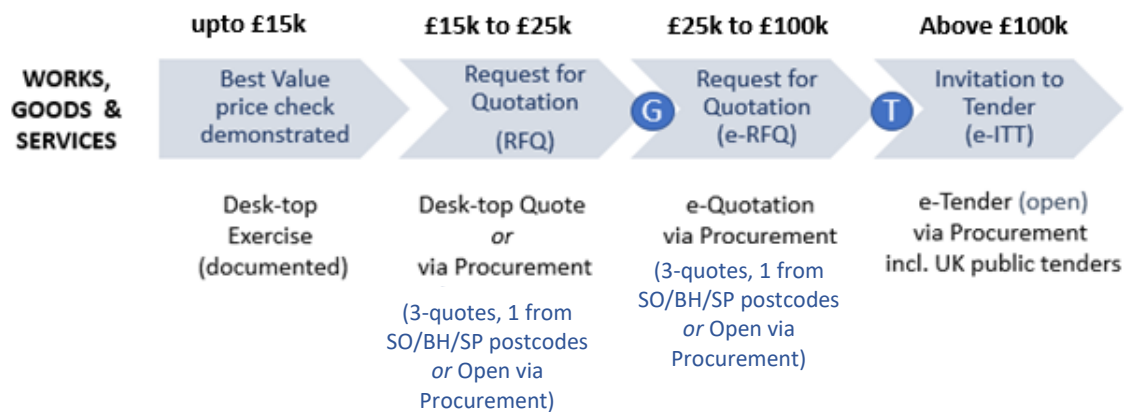
Current thresholds:



Key: **G** = Gateway Review required for any Contract exceeding £25,000

T = Transparency – All contracts £50k+ must be openly advertised via Procurement

Proposed thresholds:



Key: **G** = Gateway Review required for any Contract exceeding £25,000

T = Transparency – All contracts £100k+ must be openly advertised via Procurement

12. It is proposed that the minimum threshold for Gateway Review remains unchanged at £25,000 (excluding VAT). This aligns with the legislative requirement to consider any contracts over £30,000 (including VAT) as a 'regulated below-threshold contract'. For these contracts, the Council is required to publish a 'contract details notice' on the central digital platform.
13. It is proposed that the minimum threshold for an Open Tender is raised from £50,000 to £100,000 (excluding VAT). Benchmarking found that 80% of the Councils reviewed had an 'open tender' threshold of £100,000 or higher. Increasing the threshold for an open tender to £100,000 will provide the following benefits:

- a. It will result in work being appropriately employed regarding the level of risk. For example, in many cases the service teams will only need to evaluate and score 3 quotations, instead of an open number of quotations which can sometimes be up to 15.
 - b. It will allow the Procurement team to focus resource on the high-value and high-risk contracts, in a timely manner, that are above the legislated thresholds and therefore attract increased obligations.
- 14. For contracts valued between £25k - £100k, the Procurement team will advise and agree, in conjunction with the service team, the most appropriate procurement route depending on the contract and the market. Nevertheless, the minimum requirement will be to request three quotations, one of which must be from a local supplier (where possible). A local supplier is defined, for this purpose, as operating within the SO, BH and SP postcode regions. This will support the Council's Procurement Strategy and align with its guiding principles:
 - i. 'Value' – A minimum of three quotations will ensure a competitive exercise takes place to achieve value for money.
 - ii. 'Fairness' – Stipulating that at least one quotation must be requested from a local supplier promotes engagement with local businesses and encourages them to bring forward solutions to help the Council deliver better services.

Exemptions

- 15. Under the current Contract Standing Orders, orders placed through a Framework Agreement are listed as exempt from the Contract Standing Orders. This has caused some confusion with service teams, as they should only be exempt from the Tendering Thresholds, and still subject to other provisions of the Orders, such as the Gateway Review Process. The Contract Standing Orders have therefore been updated to clarify this position.

Breaches and waivers

- 16. The Waivers order has been updated to reflect the new legislation and current organisational structure at the Council. It has also been strengthened by stating that alternative procurement options should be firstly explored and exhausted prior to seeking a waiver.
- 17. To enhance our internal processes and governance, the Strategic Procurement Manager proposes implementing a Breaches order, to assign responsibilities for reporting all known or discovered breaches of the Contract Standing Orders to the Statutory Officers

Group, made up of the Chief Executive, Section 151 Officer and Monitoring Officer, and subsequently to the Audit Committee. This increased scrutiny will improve compliance with the Contract Standing Orders, as well as reduce the risk to the Council of litigation due to non-compliance with the Public Procurement Regulations.

Evaluation of bids

18. Feedback from the leadership team was that their teams would benefit from further guidance in respect of the evaluation process. It is therefore proposed to set out the roles and responsibilities in respect of the evaluation of quotations/tenders.
19. The requirements have been established based on value, to align with the thresholds, and should be considered a minimum requirement. Please refer to table below:

Tendering Threshold (Excluding VAT)	Evaluation Panel	Moderator
Up to £15k	Officer	None
£15k - £25k	Officer and Line Manager	None
£25k - £100k	Officer and Line Manager	None (Procurement Team if open tender)
£100k – UK Threshold	Officer and Line Manager (including Senior/Service Manager)	Procurement Team
UK Threshold +	Officer and Line Manager (including Senior/Service Manager)	Procurement Team

20. Irrespective of whichever tendering threshold, the placing of orders and approval of invoices must adhere to the Council’s Financial Regulations.

Climate & sustainability

21. The Council is committed to its responsibilities regarding climate change and sustainability and aims to embed consideration of these issues within the procurement process.

22. It is therefore proposed that, for all contracts valued at £100,000 or above, a minimum of 5% of the evaluation weighting must be allocated to climate change and sustainability actions.
23. This proposal was supported by the leadership team at a recent feedback session and aligns with the improvement goals for the Environment objectives as set out in the Procurement Strategy 2024, as well as the Climate Change and Nature Emergency Action Plan.

Contract modifications

24. The new Procurement regulations will allow more flexibility to modify contracts. Previously, modifications were permitted up to a maximum percentage value (10% for goods/services, 15% for works, or up to 50% in the event of unforeseen circumstances) of the **original** contract value. Under the new regulations, modifications will be permitted up to the same percentage values of the **current** contract value. Therefore, modifications may be made successively, allowing for multiple separate modifications, incrementally, increasing the contract value to the maximum percentage of the immediately preceding value of the contract each time. The Contract Standing Orders in Appendix 2 have been updated to reflect this.
25. All contract modifications are recorded and authorised by Senior/Service Managers. When a modification results in the total contract value reaching the next threshold, authorisation of the modification will be required by the relevant officer, as per section 11.1.1 of the Council's Financial Regulations.
26. Contract modifications will be reported to the Executive Management Team twice yearly and brought to Members attention as appropriate.

Corporate plan priorities

25. The Contract Standing Orders apply to all officers and provide a framework to enable all service teams to procure goods, services and works to support the activities of their service. It therefore supports all the priorities within the corporate plan.
26. It provides particular support to the Prosperity priority; changes to our request for quotation process proposed in this report will require officers to obtain quotes from suppliers within the district and neighbouring areas, which supports the business base and economic centres in and around the District and champions the local economy.

Options appraisal

27. An alternative option would be to only make the changes required from the new regulations coming into force. However, a holistic approach was preferred, and a review was undertaken which took into account benchmarking from other Councils as well as feedback from the service teams.

Consultation undertaken

28. Consultations were undertaken with the Senior Leadership team, Contract Administrators and Purchasing Coordinators, as well as the Finance and Legal teams. This report has also been scrutinised by the September Resources & Transformation Overview & Scrutiny Panel.

Financial and resource implications

29. There are no direct financial implications as a result of this report. The revisions do however empower managers across the Council to make more procurement decisions in their service areas due to the increase in threshold for those contracts requiring an open tender. All expenditure incurred as part of these procurement processes will require an approved budget. Any approved budget will have gone through its own authorisation process in line with the financial regulations.

Legal implications

30. The new legislation will result in changes to procurement processes at the Council and these changes have been captured within this review. The Procurement team are preparing briefing sessions for Senior Managers at the Council, ahead of the changes going live.
31. The changes outlined within this report will ensure that the Council continues to comply with legal requirements. Although a review will take place as a matter of routine every 4 years, any changes in the legal framework will also prompt a review to ensure ongoing compliance. The breach reporting process will help mitigate the risk of non-compliance with the requirements.

Risk assessment

32. A formal risk assessment is not deemed to be required. The key risk associated with the proposals in this report is that Senior/Service Managers authorisation limits for raising purchase orders and authorising invoice payment are increasing. However, the new authorisation limits align with their current authorisation limits for signing contracts.

Environmental / Climate and nature implications

33. Environmental factors will be considered as part of the evaluation of bids for all contracts valued at £100,000 or above. This will result in increased obligations for suppliers and contractors to deliver environmental innovations and improvements throughout the contract lifecycle.

Equalities implications

34. None.

Crime and disorder implications

35. None.

Data protection / Information governance / ICT implications

36. The Council's 'invitation to tender' templates will be updated in line with the Procurement Act 2023, to ensure that all bidders are aware of the increased information that will be published under the new transparency requirements.

Conclusion

37. Up-to-date Contract Standing Orders ensure the appropriate processes are followed in relation to the procurement and management of contracts within the Council. They are a central point of reference for managers and form a mandatory framework for procurement within the Council.

Appendices

Appendix 1 – NFDC Contract
Standing Orders October 2024

Appendix 2 – NFDC Contract
Standing Orders February 2025

Background Papers:

Procurement Act 2023
(legislation.gov.uk)



CONTRACT STANDING ORDERS RELATING TO PROCUREMENT

APPLICABLE FOR PROCUREMENTS AFTER 28 OCTOBER 2024

Part 1 Introduction & Compliance

1. Introduction
2. Compliance
3. Exemptions
4. Conflicts of Interest, Bribery and Corruption

Part 2- Orders

5. Budgetary Provisions and Gateway Review Process
6. Estimate of total contract value (TCV)
7. Tendering thresholds
8. Content of Invitations to Quote or Tender
9. Climate Change and Sustainability
10. Collaborative Procurement
11. Submission and Opening of Tenders and Quotations
12. Evaluating Tenders and Quotations
13. Award Notifications and Entering into Contracts
14. Form and Contents of Legal Terms and Conditions (Contracts)
15. Performance Bond / Parent Company Guarantee
16. Contracts Register
17. Breaches of Contract Standing Orders

- 18. Waivers of Contract Standing Orders
- 19. Contract Modifications
- 20. Contract Mobilisation and Monitoring
- 21. References and Testimonials

Part 3 – Appendices

- 22. Annex A – Threshold & Sourcing Quick Guide
- 23. Procurement Contract Definitions
- 24. Contract Value Calculation
- 25. Annex B – Scheme of Delegation vs Contract Value

Version Control:	Amendment record:	Date
V1	New CSOs	28 October 2024

Part 1 – Introduction & Compliance

1. Introduction

- 1.1. Procurement operates in a complex legal framework set by the UK Government under the Public Contract Regulations (2015). All local authorities are required by law under the Local Government Act 1972 to draw up a set of Contract Standing Orders (CSO's) for the procurement of goods, services and works. Contract Standing Orders are part of the Councils Constitution (section 4/10).
- 1.2. By following these Contracts Standing Orders in dealing with the Councils procurement, officers can be sure that they have acted in an appropriate manner and are protected from any accusation of corruption, fraud, illegality or misuse of public funds.
- 1.3. These Contract Standing Orders provide the framework for the procurement of all works, goods and services and must be complied with by all Members, Officers, Consultants and other external Agents appointed to act on behalf of the Council in procurement matters.
- 1.4. The Procurement Team will provide advice to Officers on CSO considerations as well as best practice procurement relative to the specific project being planned.
- 1.5. All monetary values referred to in these rules are total contract values, not annual values, and exclude VAT unless otherwise stated. They cover expenditure contracts and income generating contracts.
- 1.6. Governance of Contract Standing Orders: The Functions and Responsibility Regulations 2000 set out that Contract Standing Orders as to contracts are expressly excluded as matters that the Executive Management Team can decide upon, therefore any changes will be presented to full Council for ultimate decision.

2. Compliance

- 2.1. Every Member of the Council and every officer and employee of the Council must comply with these Contract Standing Orders.
- 2.2. Any other person who is engaged in the letting, management or supervision of a contract on behalf of the Council must comply with these Rules as if s/he were an officer of the Council.
- 2.3. These Rules apply to all procurement decisions, regardless of the source of funding, or the status of the contractor (i.e. they apply equally to selection of both main contractors and nominated sub-contractors or suppliers).

- 2.4. Every contract must be let in compliance with The Public Contracts Regulations 2015 (PCR2015) and domestic legal requirements.
- 2.5. Where the Council has established in-house expertise in a function with suitable capacity, whether it be direct works (engineering, building, grounds maintenance, etc.) or professional services (accountancy, legal, surveying, etc.) all relevant works and services shall normally be delivered by that service.
- 2.6. These Rules are supplemented by a quick guide to the Councils Procurement Thresholds and Sourcing Matrix (See Annex A).

3. Exemptions

3.1. The following contracts are exempt from the requirements of these Rules:

- 3.1.1. Employment contracts
- 3.1.2. Contracts for the disposal or acquisition of an interest in land, existing buildings or other immovable property
- 3.1.3. Legal advice sought by the Legal Services Manager, connected with the business of the Council.
- 3.1.4. Arbitration or conciliation services.
- 3.1.5. Financial advice sought by the section 151 officer in connection with council business.
- 3.1.6. Central bank services
- 3.1.7. Public contracts between entities within the public sector
- 3.1.8. Grants to external organisations

4. Conflicts of Interest, Bribery and Corruption

- 4.1. All officers involved with the award of contracts must comply with the Council's Anti-Fraud, Bribery and Corruption Strategy.
- 4.2. No gifts or hospitality, other than simple refreshments, shall be accepted by Officers or members from any tenderers to any contract being let by the Council until the time that the contract has been awarded.
- 4.3. No contract can be wholly awarded or managed by an officer who has other interests in the arrangement.

- 4.4. If it comes to the knowledge of a member or officer of the Council that a contract in which s/he has a pecuniary interest has been or is proposed to be entered into by the Council, s/he shall immediately inform the Monitoring Officer.

Part 2 – Orders

5. Budgetary Provision and Gateway Review

- 5.1. No quotation or tender shall be invited or order placed unless there is sufficient approved budgetary provision.
- 5.2. A **Gateway Review** shall be conducted on all procurement contracts with an estimated value **in excess of £25,000**. The Gateway Review is carried out at two key stages of the Procurement Sourcing Process. Gateway Review forms can be found on the ForestNet Procurement Pages.
- 5.3. **Gateway 1 – Project Outline & Procurement Planning.** The Gateway 1 sets out the project scope, aims and objectives, confirms budget provision, describes the procurement procedure to be used and requires relevant Senior/Service Manager and Accountancy approval in order to proceed to formal tendering. Note: Invitations to quote or tender will not proceed without a Senior/Service Manager signed off Gateway 1.
- 5.4. **Gateway 2 – Contract Award Proposal & Approval.** The Gateway 2 reports on the outcome of the tendering activity, proposes way forward including how the contract will be monitored and confirms Senior/Service Manager and Accountancy approval to award contract. Note: Formal contract award letters will not be issued without a Service Manager signed off Gateway 2.



6. Contract Value (Estimation of)

- 6.1. All monetary values referred to in these Rules relating to estimation of contract value are total lifetime contract values, not annual values and applies to all expenditure contracts and income generating contracts.
- 6.2. Estimation of “below UK Threshold” (See [7.1-7.4](#) herein) contract values should be calculated exclusive of VAT.

- 6.3. Estimation of “above UK Threshold” (See 7.5 herein) contract values should be calculated inclusive of VAT.
- 6.4. Advertising of Contracts. Where applicable, under the Councils transparency rules (See 7: Tendering Thresholds herein) PPN 10/21 also states that for the purposes of advertising, the estimated contract value will continue to be provided exclusive of VAT. Similarly contract award notices will continue to be published exclusive of VAT.
- 6.5. Guidance on how to calculate the value of a contract can be found in the CSO Thresholds and Sourcing Matrix set out in Annex A herein.
- 6.6. Contracts must be packaged appropriately to achieve maximum value for the Council. They should not be split in order to avoid quotation or tendering limits in these Rules or UK public procurement thresholds or packaged in a way to reduce the potential for fair and open competition.

7. Tendering Thresholds

Different procedures apply based on the estimated contract value:

7.1. Contracts valued below £15,000

Where the estimated contract value is less than £15,000, Service teams will adopt the procedure that is most appropriate to provide best value to the Council. Details of the method used to obtain price checks, benchmark the market or any quotations received will be documented and retained electronically for 12 months (or length of supply agreement plus additional 12 months) to support and justify the ordering decision. Senior/Service Manager approval to award contract is required. NFDC terms and conditions should be used unless otherwise agreed with Legal Services.

7.2. Contracts valued between £15,000 and £25,000

Where the estimated value of a contract is between £15,000 and £25,000 a minimum of three quotations must be invited (via desk-top quotation) for a works, goods or services contract. NFDC terms and conditions should be used unless otherwise agreed with Legal Services. Alternatively, an electronic quotation issued via the Procurement team can be requested to save officer time and make use of our e-procurement system.

7.3. Contracts valued between £25,000 and £100,000

Where the estimated value of a works, goods or services contract is between £25,000 and £100,000, the Procurement team will advise and agree, in conjunction with the service team, the most appropriate procurement route depending on the contract and the market. Nevertheless, the minimum requirement will be to request three quotations, at least one of which must be from a local supplier (where possible). A local supplier is defined, for this

purpose, as operating within the SO, BH and SP postcode regions. Procurement will invite quotations via the e-procurement system. However, the option to convert from restricted to open advertising will be used if a wider supplier search would benefit the Council.

7.4. Contracts valued between £100,000 and UK Threshold*

The Councils standing orders require transparent advertising of any contract with an estimated value of £100,000 or more. Procurement will “openly” advertise such contract opportunities on the Council's e-Tendering platform, the South East Business Portal (SEBP) and in addition the Governments Contracts Finder (CF) portal and for above UK threshold (see Annex A) the Find a Tender Service (FTS) to seek expressions of interest and tender responses from suitably qualified suppliers. Note: ALL procurement documentation must be available from date of publication of contract notice (advert).

Advertising of contracts below £100,000 is not required and Officers in conjunction with Procurement will carry out soft market testing to identify local economy, regional and national suppliers prior to the issue of restricted quotations. However, the option to convert from restricted to open advertising will be used if a wider supplier search would benefit the Council.

7.5. Contracts valued in excess of UK Threshold*

Where the estimated contract value (inclusive of VAT) for a works, goods or services contract exceeds the relevant UK public procurement threshold (*see Annex A for UK threshold £ values) any contract must be issued by the Procurement team in compliance with the relevant legal requirements, in particular the Public Contracts Regulations 2015 and these Rules.

Procurement will arrange for the issue of a Contract Notice (advert) in the UK FTS (Find a Tender Service) to be followed by an invitation to tender using one of the mandated procedures set out in the Public Contract Regulations 2015 (namely; open; restricted; competitive dialogue; competitive procedure with negotiation; or innovation partnership). Procurement will advise on the most appropriate procedure to be followed. Where there is a conflict between legislation and these Rules, the legislation will prevail.

8. Content of Invitations to Quote or Tender

8.1. Procurement will oversee the contents of all invitation to tender or requests for quotation to ensure they include:

- A description of the works, goods or services being procured
- A specification indicating the outcomes required
- Terms and conditions of contract
- The evaluation criteria including any weightings
- The Cost (pricing) mechanism and instructions for completing the tender sum response
- The Quality and Service requirements and associated response form
- Where there is a potential transfer of employees, the Council's view on whether TUPE will apply

- The form and content of any method statements to be provided

9. Climate Change and Sustainability

- 9.1. On 6 October 2021 NFDC declared a climate change and nature emergency for the district. As such for every procurement, the environmental impact must be considered.
- 9.2. For all contracts above £100,000, a minimum of 5% of the evaluation weighting must be allocated to climate change and sustainability actions.

10. Collaborative Procurement

- 10.1. Where procurement is undertaken in collaboration with one or more other public authorities the Contract Standing Orders of one of the other authorities may be used in place of these Rules.
- 10.2. An invitation to tender or to submit quotations may be made for supply to other authorities (including New Forest Town and Parish Councils) in addition to New Forest District Council on similar terms.

11. Submission and Opening of Tenders and Quotations

- 11.1. All invitations to tender or submit a quotation must specify requirements for their submission. Such requirements shall include a time by which tenders or quotations must be received by the Council.
- 11.2. All quotations with an estimated value below £25,000 must be opened, recorded and retained by the nominated officer of relevant Service Team (who is independent of the quotation process). Quotation instructions shall clearly state that the quotations must be returned to the nominated officer only. This can be by email or by post. Returned quotations must be held securely and unopened by the nominated officer until the specified return date. The Contract Administrator must supply the details of the suppliers that have been invited to quotation to the nominated officer prior to the quotations being received.
- 11.3. All quotations and tenders with an estimated value in excess of £25,000 (or any issued by Procurement via the Councils e-procurement system) must be opened by Procurement. Audit history of the opening process will be maintained by the e-procurement system.
- 11.4. Any quotations / tenders received after the specified opening date whether by post or email should not be opened or included in the evaluation.

- 11.5. In the case of quotations / tenders received via the e-procurement system Procurement and Legal Services can agree to accept a late quotation / tender response received via the e-Procurement system in exceptional cases.
- 11.6. If a Quotation or Tender exercise fails to return more than 1 bid response, then the Contract Administrator and Procurement should decide whether the bid represents value for money and delivers the specification in full. A decision to proceed to award based on single bid OR suspension of the procurement exercise should be agreed, documented and approved via the Gateway 2 review. If the procurement exercise is suspended a decision to a) revise the project and re-tender OR b) abandon the whole project should be set out in the Gateway 2 review.

12. Evaluating Quotations and Tenders

- 12.1. Tenders and quotations will be evaluated as per the agreed evaluation criteria set out in the quotation or tender documentation. Procurement provides an evaluation matrix (spreadsheet) for this purpose.
- 12.2. The Contract Administrator must ensure that evaluation of tenders takes place involving suitably experienced officers to form “the evaluation panel”. The results of the evaluation must reflect the consensus of the panel and be approved by the appropriate Senior/Service Manager by sign off **Gateway Stage 2**. When forming the panel, please refer to the following table as a minimum requirement:

Tendering Threshold (Excluding VAT)	Evaluation Panel	Moderator
Up to £15k	Officer	None
£15k - £25k	Officer and Line Manager	None
£25k - £100k	Officer and Line Manager	None (Procurement Team if Open Tender)
£100k – UK Threshold	Officer and Line Manager (including Senior/Service Manager)	Procurement Team
UK Threshold +	Officer and Line Manager (including Senior/Service Manager)	Procurement Team

- 12.3. It is permissible to use consultants to assist with tender evaluation, but the final decision must be made by an NFDC officer with delegated authority.
- 12.4. If during the evaluation of tenders, the panel requires post-tender clarifications from any or all of the tenderers, this must be communicated via the e-procurement system messaging function by the Procurement team).

- 12.5. The results of the evaluation must be retained for the period of SLP from the end of the contract. A copy of the approved evaluation matrix will be provided to Procurement to store electronically in the e-procurement system (along with the award decision letters and final contract documents).

13. Award Notifications and Entering into Contracts

- 13.1. Signing and entering into contracts must be strictly in accordance with the Councils scheme of delegations set out in **Annex B**
- 13.2. The notification of the outcome of a desk-top quotation for contracts below £25,000 will be administered by the relevant Contract Administrator. Senior/Service Manager approval to award contract is required. All tenderers (successful and unsuccessful) will be notified on the same date along with details of their evaluation scores. Template letters are available from Procurement.
- 13.3. The notification of the outcome of a quotation or tender for contracts issued and received via the e-procurement system will be administered by Procurement. All tenderers (successful and unsuccessful) will be notified along with details of their evaluation scores. **Note:** Senior/Service Manager approval of **Gateway Stage 2** is required prior to formal award of contract.
- 13.4. Suppliers / Contractors are required to hold and maintain appropriate levels of insurance during the period of any contract awarded by the Council. Evidence of the insurance cover held must be confirmed prior to the award of contract. See [Insurance Cover Guidance](#) in ForestNet Procurement for advice and guidance.
- 13.5. An official purchase order will be issued (unless otherwise agreed with Procurement) to awarded supplier(s) to call-off goods or services, cross referencing the Councils contract number and awarded suppliers quotation number (if available). Works orders will be instructed as set out in the works contract documents, with payment certificates used to authorise payments. The terms and conditions of contract will be as set out in the quotation / tender pack.

14. Form and contents of Legal Terms and Conditions (contracts)

- 14.1. The choice of contract terms applicable for a Procurement project should be decided at the start of the process by seeking advice from Procurement and/or Legal Services. A range of standard contract type templates are available from ForestNet, others can be provided by Legal Services to suit need.
- 14.2. The decision whether a contract for Works, Goods or Services (with a value below the UK threshold for Goods / Services (**See Annex A**)) should be signed under hand or sealed as a deed, should be discussed and agreed with Legal / Procurement. The decision will depend upon the use of Statutory Limitation Period (SLP). A contract

signed under hand provides 6 years SLP from end of contract term. A contract executed as a deed and sealed provides 12 years SLP from end of contract term.

- 14.3. Contracts for Works, Goods or Services with a value exceeding the UK threshold for Goods / Services (**See Annex A**) must be sent to Legal Services to determine if they need to be sealed.
- 14.4. Contracts for Works, Goods and Services with a value NOT exceeding the UK threshold for Goods / Services (See **Annex A**) may be signed under hand and must be signed by an officer nominated with that level of responsibility as set out in **Annex B**.

15. Performance Bond / Parent Company Guarantee

- 15.1. As part of the evaluation of short-listed tender responses the Contract Administrator will request from Procurement an independent financial appraisal report.
- 15.2. The financial appraisal provides the Council with an overall financial risk score (referred to as failure score) used to assess the applicant's financial standing. The failure score ratings (0 poor to 100 good) are matched to a pass/fail result as detailed below:
 - Score of 0 to 10 will mean automatic **"FAIL"** and the suppliers will be excluded from the procurement process.
 - Score of 11 to 50 will be a **"PASS – SUBJECT TO"** provision of a performance bond or parent company guarantee if/when deemed appropriate.
 - Score of 51 and over is a **"PASS"** meaning the Council will not request a performance bond or parent company guarantee (although this can be overruled on a case-by-case basis).
- 15.3. A performance bond (PB) or parent company guarantee (PCG) provides the Council with a financial guarantee, typically limited to 10% of the contract price to protect against losses and/or damages as result of the Contractor failing to perform its contractual obligations up to practical completion. A performance bond is a tripartite agreement between the Contractor, its surety (a bank / insurer) and the Council. Likewise, a parent company guarantee is a tripartite agreement between the Contractor, its Parent Company and the Council.
- 15.4. The decision to seek the assurance of a performance bond (PB) or parent company guarantee (PCG) will depend on the risk factors related to the specific contractor and proportionate to the contract value and cost to the Council of the assurance. Advice from Procurement, Accountancy and Legal should be sought by the Contract Administrator where a contractor's financial appraisal highlights concerns. Please see ForestNet for an NFDC template performance bond or parent company guarantee.

16.Maintenance of the Contracts Register

- 16.1. Under Government Transparency Law the Council must publish and maintain details of ALL “live” contracts. To achieve this requirement, Procurement will add details of all contracts to the e-procurement systems contract register accessible via a link on the Councils website for enquiries.
- 16.2. The e-procurement systems contract register allows for “private” documents to be stored. Procurement will add an electronic copy of the final signed / sealed contract and any relevant documents. This will be accessible to Council officers linked to the procurement.
- 16.3. All original sealed deed contract documents must be held centrally by Legal Services for the term of the contract (including any agreed extension periods), plus the statutory limitation period (12 years for sealed deeds). They must be referenced back to the Central Register.
- 16.4. All original signed under hand contracts must be held by the relevant Service unit for the term of the contract (including any agreed extension periods), plus the statutory limitation period (6 years for contracts under hand). They must be referenced back to a Service based register.
- 16.5. Senior/Service Managers are responsible for ensuring that:
 - The original signed/sealed copies of the contract and any subsequent signed variations have been stored as set out in 16.3 and 16.4.
 - Summary details of any contract that has been entered into, that binds the Council to the terms and conditions of the contract plus a .pdf copy of the signed / sealed contract is provided to Procurement to be entered on the Contracts Register administered by Procurement.
 - An electronic copy of the contract and any subsequent variations to the contract that are entered into during its lifetime are stored in their service filing areas (working copy);Procurement will maintain the online Contracts Register (via the electronic procurement system) to ensure the Council complies with the obligations of the Local Government Transparency Code (2015).

17. Breaches of Contract Standing Orders

- 17.1. Breaches of these Contract Standing Orders are extremely serious matters and will be fully investigated and reported on following referral or discovery. Any breach of these Orders could lead to disciplinary action being taken against the individual(s) concerned.

- 17.2. Strategic Directors, Assistant Directors, Service Managers and Senior Managers are responsible for reporting all known or discovered breaches of these Orders to the Statutory Officers Group as soon as they become aware of such instances.
- 17.3. Any breaches reported to the Statutory Officers Group will be reported to the Audit Committee on an annual basis.

18. Waivers of Contract Standing Orders

- 18.1. A waiver is the process to follow where circumstances mean that Contract Standing Orders cannot be adhered to, in accordance with the following rules:
- 18.2. A waiver must not result in a breach of UK Public Procurement Regulations for contracts within the UK tendering thresholds or of procurement law below UK public procurement thresholds.
- 18.3. An officer may request a waiver by completing the waiver eForm which can be found on the procurement pages on ForestNet.
- 18.4. All waiver requests will be presented to the Monitoring Officer. The arbiter of a waiver decision shall be the Section 151 Officer.
- 18.5. Alternative options should have firstly been explored and exhausted with Procurement by Senior/Service Managers prior to seeking a waiver. This should be documented as part of the waiver request.
- 18.6. All approved waivers where a contract award is sanctioned shall be added to the Contracts Register by Procurement to ensure compliance with the Local Government Transparency Code.
- 18.7. All approved waivers will be subject to scrutiny of the Audit Committee on an annual basis.

19. Contract Modifications

- 19.1. Under Public Contracts Regulations 2015 (Reg 72), a modification to an existing pre-tendered contract may be possible, without the need to re-advertise or re-tender, under the following circumstances.
- 19.2. The Contract Administrator, following legal advice, has included a modification (or review) clause in the original contract Terms & Conditions at tender stage providing the possible options for a modification (or variation) to the contract (if required) based on quantity, time or monetary value. Any such modification clause must be clear, precise and unequivocal and must not alter the overall nature of the contract. Legal approval is required to invoke any modification clause.

- 19.3. Where no modification clause was added at tender stage, a modification to the contract may be undertaken providing that:
- the additional costs incurred are below 15% (if Works) or 10% (if Goods / Services) of the original contract value; or
 - Where there are “unforeseen circumstances”, and the increase is not greater than 50%; or
 - Where additional works have become necessary and to change suppliers would not be practical and would cause significant inconvenience or duplication of costs, and the increase is not greater than 50%.
- 19.4. Certain other factors may also permit contract modifications, such as for minor changes or as a result of corporate restructuring. Please seek advice from Legal Services. In any event, any contract modifications must be in adherence to the Financial Regulations.
- 19.5. Gaining approval for modification of a contract: Any modification to an existing pre-tendered contract must be documented by amendment of the original Gateway Review 2 form. The Contract Administrator will document the reason for the modification. The Gateway 2 amendment must be approved and signed by the appropriate Senior/Service Manager to confirm the budget increase, confirm the extension does not exceed that allowed for in this clause and provide formal approval to proceed. The signed Gateway 2 amended form should be scanned and sent to Procurement to store alongside the original documents in the Contract Register. The contract variation between the Council and the supplier / contractor can then be arranged by the Contract Administrator.
- 19.6. Contract modifications will be tracked by the Procurement team and reported to the Executive Management Team twice yearly.

20. Contract Mobilisation and Monitoring

- 20.1. The Contract Administrator should establish regular reviews with the awarded supplier(s) to monitor the performance of the contract and ensure the cost, service and quality elements of the supplier offer meet (or improve upon) the tendered specification. The contract monitoring regime should be commensurate and proportionate to the contract and should include the use of simple and effective performance measurement. The proposed arrangement to mobilise and monitor the contract throughout its lifetime should be set out in **Gateway Review Stage 2** (contract award proposal & approval).
- 20.2. Senior/Service Managers are accountable for ensuring the performance monitoring regime for awarded contracts is maintained in line with the contract documents and the Gateway Review Stage 2.

21. References and Testimonials

- 21.1. The Council officers may be asked to provide a reference or testimonial for an organisation with which the Council is in a contractual relationship or partnership. As public entities, district councils are expected to follow certain principles of transparency, fairness, and accountability.
- 21.2. A **reference** is considered a business-to-business communication and should be kept confidential by both parties. It is reasonable to accept requests for references, especially if the supplier has performed well and/or has exceeded expectations. Any opinions offered must be accurate and backed by contemporaneous records. For example, if commenting on supplier performance, such evidence might include performance against KPIs. Subjective assessments should be avoided, and officers should avoid providing “open” references (i.e., a general statement about a supplier not related to any specific contract). Officers need to exercise great care when a request for a reference may result in negative comments about a contractor. It may be appropriate to decline to give a reference in such situations. If in doubt, take advice from the council’s procurement team.
- 21.3. A **testimonial** is considered a communication that may be advertised to the public. The general rule is that officers should not be providing testimonials for marketing purposes to contractors or suppliers. There may be occasions when you are asked to supply a logo or agree to a sign having information such as ‘working with / for New Forest District Council’ which may be appropriate to agree to for a pre-defined period, after which it should be removed.
- 21.4. If you are in any doubt, please contact your Senior/Service Manager and/or the procurement contract relationship officer.

Part 3 – Appendices

22. Annex A – Contract Standing Orders (Thresholds & Sourcing Matrix)

CONTRACT STANDING ORDER (QUICK GUIDE)

Estimated Contract Value (Excl VAT)	Type of Procurement	Advert Required	Sourcing Method to be Used
Less than £15,000	Best Value Price Check (BV) <i>via desk-top</i>	NO	<ul style="list-style-type: none"> Use a National / Regional Framework, <i>or</i> Use an existing NFDC Corporate contract, <i>or</i> Undertake price checks to demonstrate best value for the Council. Document and retain price checks. Senior/Service Manager Approval required.
£15,000 - £25,000	Request for Quotation (RFQ) <i>via desk-top OR via Procurement</i>	NO	<ul style="list-style-type: none"> Use a National / Regional Framework. Use an existing NFDC Corporate contract. Invite a minimum of 3 written Quotations via your desk-top (eMail), inviting a minimum of 1 Local supplier, using templates available from Procurement if required. OR contact Procurement who will run a “restricted” Quotation via the South East Business Portal.
£25,000 - £100,000	Request for Quotation (RFQ) <i>via Procurement Team</i>	NO <i>(with Yes option)</i>	<ul style="list-style-type: none"> Gateway Review to be approved by Senior/Service Manager. Discuss with Procurement (Add to Procurement Pipeline). <p>Procurement options are;</p> <ul style="list-style-type: none"> Use a National / Regional Framework. Use an existing NFDC Corporate contract. Work with Procurement who will advise and agree the appropriate procurement route. The minimum requirement is to run a “restricted” Quotation exercise inviting nominated suppliers via the South East Business Portal, inviting a minimum of 1 Local supplier. <i>Note: the use of an “open” Quotation is optional where potential tenderers are unknown.</i>
£100,000 upto *UK Threshold	Invitation to Tender (ITT) <i>via Procurement Team</i>	YES (SEBP & CF)	<ul style="list-style-type: none"> Gateway Review to be approved by Senior/Service Manager. Discuss with Procurement (Add to Procurement Pipeline). <p>Procurement Options are;</p> <ul style="list-style-type: none"> Use a National / Regional Framework. Contact Procurement who will fully manage an “open” Tender process via the South East Business Portal (SEBP) and Contracts Finder (CF).
*ABOVE UK Threshold & above	Invitation to Tender (ITT) <i>via Procurement Team</i>	YES (SEBP, CF & FTS)	<ul style="list-style-type: none"> Estimate contract value inclusive of VAT Gateway Review to be approved by Senior/Service Manager. Discuss with Procurement (Add to Procurement Pipeline). <p>Procurement Options are;</p> <ul style="list-style-type: none"> Use a National / Regional Framework. Contact Procurement who will fully manage a “UK compliant” Tender process via the “Find a Tender Service” (FTS), Contracts Finder (CF) and the South East Business Portal (SEBP).

Please see [The Public Contracts Regulations 2015](#)

*UK Thresholds @ 18/07/24 = Goods/Services £214,904; Works £5,372,609 (inc VAT)

Please refer to Procurement Rules, Regulations & Contract Standing Orders on Forestnet >>

<http://forestnet/article/2591/NFDC-Procurement-Documents>

23. Procurement Contract Definitions

- 23.1. **Works:** These contracts relate to construction, demolition, building and civil engineering work and completion work such as joinery, plastering and decoration. It includes major repairs or complete refurbishment. (e.g. building affordable housing, repairing building structures, resurfacing a car park, repairing a roof, installing a heating system.)
- 23.2. **Goods / Supplies:** These contracts relate to the purchase, hire, siting or installation of goods, but not their maintenance. (e.g. equipment, clothing, vehicles & spare parts, office stationery, consumables, gas, electricity, IT Hardware/Software)
- 23.3. **Services:** These contracts relate to the provision by a person or other entity to provide services. (e.g. Provision of maintenance services, professional services (consultancy), financial services, cleaning services, servicing an installed product or system)
- 23.4. **Senior/Service Manager:** Member of the Senior Leadership Team as agreed from time to time by the Chief Executive.

24. Contract Value Calculation

- 24.1. The contract value should be the summation of the whole life costs of the contract on offer. e.g. the complete life cycle from start to finish.
- 24.2. **Contract Value = Initial non-recurring elements** (e.g. capital items, materials, supplies, training, refurbishments & labour, set-up costs, etc.) **+ recurring costs over the contract duration** (e.g. materials, parts, maintenance, labour, annual licences, upgrading and ultimate decommissioning / disposal, etc.) for the term duration (e.g. 3 / 4 years). **Note: All estimates for "Above UK Threshold" contracts should include VAT at applicable rate.**
- 24.3. If the contract is a one-off purchase, then the total value will be quite easy to estimate, based on "should cost" or benchmarked comparisons.
- 24.4. If the contract is spread over a number of years (i.e., 3 years + 2 years optional extension), the contract value is the total whole life cost value over the maximum contract duration.
- 24.5. If you intend to buy similar goods or services year-on-year but you do not know the length of the contract or it is indefinite, you will need to estimate the total value of your purchasing over the next 48 months (4 years) to arrive at a Contract value.
- 24.6. Contracts over 5 years duration should be approved by Legal Services in conjunction with Procurement. Single supplier / multi supplier Framework Agreements cannot exceed 4 years duration. Provision should be made for long term agreements

whereby an extension period beyond the initial term may be beneficial to the Council in the future.

- 24.7. Contracts must be packaged appropriately to achieve maximum value for the Council. They should not be split in order to avoid quotation or tendering limits in Contract Standing Orders or UK public procurement thresholds, or be packaged in a way to reduce the potential for fair and open competition.

25. Annex B - NFDC Scheme of Delegations Vs. Procurement Contracts

Process	Covers	Strategic Procurement Manager	Budget Responsible Officer (BRO)	Senior/Service Manager	Assistant Director (AD)	Chief Exec, Strategic Directors (& Statutory Officers)*
Awarding a Contract	Award a contract following a quotation or tender exercise to a supplier with whom orders can be placed (in accordance with procurement rules). Select the winning tender from a procurement exercise.	Up to £50k	Up to £50k	Up to £1M	Up to £3M	Unlimited
Signing a Contract	Sign under hand a contract awarded under a request for quotation or tender process. Sign up to an agreement which ties the council into expenditure (e.g. maintenance agreement). Sign up to an agreement which ties the council into a set of terms and conditions (e.g. grant agreement, IT facility agreement).	Up to £50k	Up to £50k	Up to £1M	Up to £3M	Unlimited
Sealing a Deed	All contracts estimated over the value of £213,477 (the UK Threshold effective from 01 Jan 2022 for Goods/Services) must be referred to Legal Services to confirm whether they require sealing.	N/A	N/A	Up to £1M (Legal Services)	Up to £3M (Legal Services)	Unlimited
Purchase Order Approval	Purchases Orders (PO) are mandatory for the supply of works, goods or services. Use Finance Mgt System to create PO once contract is signed / sealed.	N/A	BR Officer = Up to £50k BR Admin = Up to £10k	Up to £1M	Up to £3M	Unlimited
Invoice payment	All works, goods and services invoices must be checked and approved for payment (via GRN process) being processed for payment by Accounts Payable. Supplier Invoice must quote a valid NFDC PO number.	N/A	BR Officer = Up to £50k BR Admin = Up to £10k	Up to £1M	Up to £3M	Unlimited

*Statutory Officers are S151 Officer and Monitoring Officer.

** Values are excluding VAT



CONTRACT STANDING ORDERS RELATING TO PROCUREMENT

APPLICABLE FOR PROCUREMENTS AFTER 24 FEBRUARY 2025 (TBC)

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V1	New CSOs	28 October 2024
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Part 1 – Introduction & Compliance

1. Introduction

- 1.1. Procurement operates in a complex legal framework set by the UK Government under the Procurement Act 2023. All local authorities are required by law under the Local Government Act 1972 to draw up a set of Contract Standing Orders (CSO's) for the procurement of goods, services and works. Contract Standing Orders are part of the Councils Constitution (section 4/10).
- 1.2. By following these Contracts Standing Orders in dealing with the Councils procurement, officers can be sure that they have acted in an appropriate manner and are protected from any accusation of corruption, fraud, illegality or misuse of public funds.
- 1.3. These Contract Standing Orders provide the framework for the procurement of all works, goods and services and must be complied with by all Members, Officers, Consultants and other external Agents appointed to act on behalf of the Council in procurement matters.
- 1.4. The Procurement Team will provide advice to Officers on CSO considerations as well as best practice procurement relative to the specific project being planned.
- 1.5. All monetary values referred to in these rules are total contract values, not annual values, and exclude VAT unless otherwise stated. They cover expenditure contracts and income generating contracts.
- 1.6. Governance of Contract Standing Orders: The Functions and Responsibility Regulations 2000 set out that Contract Standing Orders as to contracts are expressly excluded as matters that the Executive Management Team can decide upon, therefore any changes will be presented to full Council for ultimate decision.

2. Compliance

- 2.1. Every Member of the Council and every officer and employee of the Council must comply with these Contract Standing Orders.
- 2.2. Any other person who is engaged in the letting, management or supervision of a contract on behalf of the Council must comply with these Rules as if s/he were an officer of the Council.
- 2.3. These Rules apply to all procurement decisions, regardless of the source of funding, or the status of the contractor (i.e. they apply equally to selection of both main contractors and nominated sub-contractors or suppliers).

- 2.4. Every contract must be let in compliance with the Procurement Act 2023 and domestic legal requirements.
- 2.5. Where the Council has established in-house expertise in a function with suitable capacity, whether it be direct works (engineering, building, grounds maintenance, etc.) or professional services (accountancy, legal, surveying, etc.) all relevant works and services shall normally be delivered by that service.
- 2.6. These Rules are supplemented by a quick guide to the Councils Procurement Thresholds and Sourcing Matrix (See Annex A).

3. Exemptions

- 3.1. The following contracts are exempt from the requirements of these Rules:
 - 3.1.1. Employment contracts
 - 3.1.2. Contracts for the disposal or acquisition of an interest in land, existing buildings or other immovable property
 - 3.1.3. Legal advice sought by the Legal Services Manager, connected with the business of the Council.
 - 3.1.4. Arbitration or conciliation services.
 - 3.1.5. Financial advice sought by the section 151 officer in connection with council business.
 - 3.1.6. Central bank services
 - 3.1.7. Public contracts between entities within the public sector
 - 3.1.8. Grants to external organisations

4. Conflicts of Interest, Bribery and Corruption

- 4.1. All officers involved with the award of contracts must comply with the Council's Anti-Fraud, Bribery and Corruption Strategy.
- 4.2. No gifts or hospitality, other than simple refreshments, shall be accepted by Officers or members from any tenderers to any contract being let by the Council until the time that the contract has been awarded.

- 4.3. No contract can be wholly awarded or managed by an officer who has other interests in the arrangement.
- 4.4. If it comes to the knowledge of a member or officer of the Council that a contract in which s/he has a pecuniary interest has been or is proposed to be entered into by the Council, s/he shall immediately inform the Monitoring Officer.

Part 2 – Orders

5. Budgetary Provision and Gateway Review

- 5.1. No quotation or tender shall be invited or order placed unless there is sufficient approved budgetary provision.
- 5.2. A **Gateway Review** shall be conducted on all procurement contracts with an estimated value **in excess of £25,000**. The Gateway Review is carried out at two key stages of the Procurement Sourcing Process. Gateway Review forms can be found on the ForestNet Procurement Pages.
- 5.3. **Gateway 1 – Project Outline & Procurement Planning.** The Gateway 1 sets out the project scope, aims and objectives, confirms budget provision, describes the procurement procedure to be used and requires relevant Senior/Service Manager and Accountancy approval in order to proceed to formal tendering. Note: Invitations to quote or tender will not proceed without a Senior/Service Manager signed off Gateway 1.
- 5.4. **Gateway 2 – Contract Award Proposal & Approval.** The Gateway 2 reports on the outcome of the tendering activity, proposes way forward including how the contract will be monitored and confirms Senior/Service Manager and Accountancy approval to award contract. Note: Formal contract award letters will not be issued without a Service Manager signed off Gateway 2.



6. Contract Value (Estimation of)

- 6.1. All monetary values referred to in these Rules relating to estimation of contract value are total lifetime contract values, not annual values and applies to all expenditure contracts and income generating contracts.

- 6.2. Estimation of “below UK Threshold” (See 7.1-7.4 herein) contract values should be calculated exclusive of VAT.
- 6.3. Estimation of “above UK Threshold” (See 7.5 herein) contract values should be calculated inclusive of VAT.
- 6.4. Advertising of Contracts. Where applicable, under the Councils transparency rules (See 7: Tendering Thresholds herein) PPN 10/21 also states that for the purposes of advertising, the estimated contract value will continue to be provided exclusive of VAT. Similarly contract award notices will continue to be published exclusive of VAT.
- 6.5. Guidance on how to calculate the value of a contract can be found in the CSO Thresholds and Sourcing Matrix set out in Annex A herein.
- 6.6. Contracts must be packaged appropriately to achieve maximum value for the Council. They should not be split in order to avoid quotation or tendering limits in these Rules or UK public procurement thresholds or packaged in a way to reduce the potential for fair and open competition.

7. Tendering Thresholds

Different procedures apply based on the estimated contract value:

7.1. Contracts valued below £15,000

Where the estimated contract value is less than £15,000, Service teams will adopt the procedure that is most appropriate to provide best value to the Council. Details of the method used to obtain price checks, benchmark the market or any quotations received will be documented and retained electronically for 12 months (or length of supply agreement plus additional 12 months) to support and justify the ordering decision. Senior/Service Manager approval to award contract is required. NFDC terms and conditions should be used unless otherwise agreed with Legal Services.

7.2. Contracts valued between £15,000 and £25,000

Where the estimated value of a contract is between £15,000 and £25,000 a minimum of three quotations must be invited (via desk-top quotation) for a works, goods or services contract. NFDC terms and conditions should be used unless otherwise agreed with Legal Services. Alternatively, an electronic quotation issued via the Procurement team can be requested to save officer time and make use of our e-procurement system.

7.3. Contracts valued between £25,000 and £100,000

Where the estimated value of a works, goods or services contract is between £25,000 and £100,000, the Procurement team will advise and agree, in conjunction with the service team,

the most appropriate procurement route depending on the contract and the market. Nevertheless, the minimum requirement will be to request three quotations,, at least one of which must be from a local supplier (where possible). A local supplier is defined, for this purpose, as operating within the SO, BH and SP postcode regions. Procurement will invite quotations via the e-procurement system. However, the option to convert from restricted to open advertising will be used if a wider supplier search would benefit the Council.

7.4. Contracts valued between £100,000 and UK Threshold*

The Councils standing orders require transparent advertising of any contract with an estimated value of £100,000 or more. Procurement will “openly” advertise such contract opportunities on the Council's e-Tendering platform, the South East Business Portal (SEBP) and in addition the Governments Contracts Finder (CF) portal and for above UK threshold (see Annex A) the Find a Tender Service (FTS) to seek expressions of interest and tender responses from suitably qualified suppliers. Note: ALL procurement documentation must be available from date of publication of contract notice (advert).

Advertising of contracts below £100,000 is not required and Officers in conjunction with Procurement will carry out soft market testing to identify local economy, regional and national suppliers prior to the issue of restricted quotations. However, the option to convert from restricted to open advertising will be used if a wider supplier search would benefit the Council.

7.5. Contracts valued in excess of UK Threshold*

Where the estimated contract value (inclusive of VAT) for a works, goods or services contract exceeds the relevant UK public procurement threshold (*see Annex A for UK threshold £ values) any contract must be issued by the Procurement team in compliance with the relevant legal requirements, in particular the Procurement Act 2023 and these Rules.

Procurement will arrange for the issue of a Contract Notice (advert) in the UK FTS (Find a Tender Service) to be followed by an invitation to tender using one of the mandated procedures set out in the Procurement Act 2023 (namely; open; or competitive flexible). Procurement will advise on the most appropriate procedure to be followed. Where there is a conflict between legislation and these Rules, the legislation will prevail.

8. Content of Invitations to Quote or Tender

8.1. Procurement will oversee the contents of all invitation to tender or requests for quotation to ensure they include:

- A description of the works, goods or services being procured
- A specification indicating the outcomes required
- Terms and conditions of contract
- The evaluation criteria including any weightings
- The Cost (pricing) mechanism and instructions for completing the tender sum response
- The Quality and Service requirements and associated response form

- Where there is a potential transfer of employees, the Council's view on whether TUPE will apply
- The form and content of any method statements to be provided

9. Climate Change and Sustainability

9.1. On 6 October 2021 NFDC declared a climate change and nature emergency for the district. As such for every procurement, the environmental impact must be considered.

9.2. For all contracts above £100,000, a minimum of 5% of the evaluation weighting must be allocated to climate change and sustainability actions.

10. Collaborative Procurement

10.1. Where procurement is undertaken in collaboration with one or more other public authorities the Contract Standing Orders of one of the other authorities may be used in place of these Rules.

10.2. An invitation to tender or to submit quotations may be made for supply to other authorities (including New Forest Town and Parish Councils) in addition to New Forest District Council on similar terms.

11. Submission and Opening of Tenders and Quotations

11.1. All invitations to tender or submit a quotation must specify requirements for their submission. Such requirements shall include a time by which tenders or quotations must be received by the Council.

11.2. All quotations with an estimated value below £25,000 must be opened, recorded and retained by the nominated officer of relevant Service Team (who is independent of the quotation process). Quotation instructions shall clearly state that the quotations must be returned to the nominated officer only. This can be by email or by post. Returned quotations must be held securely and unopened by the nominated officer until the specified return date. The Contract Administrator must supply the details of the suppliers that have been invited to quotation to the nominated officer prior to the quotations being received.

11.3. All quotations and tenders with an estimated value in excess of £25,000 (or any issued by Procurement via the Councils e-procurement system) must be opened by Procurement. Audit history of the opening process will be maintained by the e-procurement system.

11.4. Any quotations / tenders received after the specified opening date whether by post or email should not be opened or included in the evaluation.

- 11.5. In the case of quotations / tenders received via the e-procurement system Procurement and Legal Services can agree to accept a late quotation / tender response received via the e-Procurement system in exceptional cases.
- 11.6. If a Quotation or Tender exercise fails to return more than 1 bid response, then the Contract Administrator and Procurement should decide whether the bid represents value for money and delivers the specification in full. A decision to proceed to award based on single bid OR suspension of the procurement exercise should be agreed, documented and approved via the Gateway 2 review. If the procurement exercise is suspended a decision to a) revise the project and re-tender OR b) abandon the whole project should be set out in the Gateway 2 review.

12. Evaluating Quotations and Tenders

- 12.1. Tenders and quotations will be evaluated as per the agreed evaluation criteria set out in the quotation or tender documentation. Procurement provides an evaluation matrix (spreadsheet) for this purpose.
- 12.2. The Contract Administrator must ensure that evaluation of tenders takes place involving suitably experienced officers to form “the evaluation panel”. The results of the evaluation must reflect the consensus of the panel and be approved by the appropriate Senior/Service Manager by sign off Gateway Stage 2. When forming the panel, please refer to the following table as a minimum requirement:

Tendering Threshold (Excluding VAT)	Evaluation Panel	Moderator
Up to £15k	Officer	None
£15k - £25k	Officer and Line Manager	None
£25k - £100k	Officer and Line Manager	None (Procurement Team if Open Tender)
£100k – UK Threshold	Officer and Line Manager (including Senior/Service Manager)	Procurement Team
UK Threshold +	Officer and Line Manager (including Senior/Service Manager)	Procurement Team

- 12.3. It is permissible to use consultants to assist with tender evaluation, but the final decision must be made by an NFDC officer with delegated authority.

- 12.4. If during the evaluation of tenders, the panel requires post-tender clarifications from any or all of the tenderers, this must be communicated via the e-procurement system messaging function by the Procurement team).
- 12.5. The results of the evaluation must be retained for the period of SLP from the end of the contract. A copy of the approved evaluation matrix will be provided to Procurement to store electronically in the e-procurement system (along with the award decision letters and final contract documents).

13. Award Notifications and Entering into Contracts

- 13.1. Signing and entering into contracts must be strictly in accordance with the Councils scheme of delegations set out in **Annex B**
- 13.2. The notification of the outcome of a desk-top quotation for contracts below £25,000 will be administered by the relevant Contract Administrator. Senior/Service Manager approval to award contract is required. All tenderers (successful and unsuccessful) will be notified on the same date along with details of their evaluation scores. Template letters are available from Procurement.
- 13.3. The notification of the outcome of a quotation or tender for contracts issued and received via the e-procurement system will be administered by Procurement. All tenderers (successful and unsuccessful) will be notified along with details of their evaluation scores. **Note:** Senior/Service Manager approval of **Gateway Stage 2** is required prior to formal award of contract.
- 13.4. Suppliers / Contractors are required to hold and maintain appropriate levels of insurance during the period of any contract awarded by the Council. Evidence of the insurance cover held must be confirmed prior to the award of contract. See [Insurance Cover Guidance](#) in ForestNet Procurement for advice and guidance.
- 13.5. An official purchase order will be issued (unless otherwise agreed with Procurement) to awarded supplier(s) to call-off goods or services, cross referencing the Councils contract number and awarded suppliers quotation number (if available). Works orders will be instructed as set out in the works contract documents, with payment certificates used to authorise payments. The terms and conditions of contract will be as set out in the quotation / tender pack.

14. Form and contents of Legal Terms and Conditions (contracts)

- 14.1. The choice of contract terms applicable for a Procurement project should be decided at the start of the process by seeking advice from Procurement and/or Legal Services. A range of standard contract type templates are available from ForestNet, others can be provided by Legal Services to suit need.

- 14.2. The decision whether a contract for Works, Goods or Services (with a value below the UK threshold for Goods / Services (See Annex A)) should be signed under hand or sealed as a deed, should be discussed and agreed with Legal / Procurement. The decision will depend upon the use of Statutory Limitation Period (SLP). A contract signed under hand provides 6 years SLP from end of contract term. A contract executed as a deed and sealed provides 12 years SLP from end of contract term.
- 14.3. Contracts for Works, Goods or Services with a value exceeding the UK threshold for Goods / Services (See Annex A) must be sent to Legal Services to determine if they need to be sealed.
- 14.4. Contracts for Works, Goods and Services with a value NOT exceeding the UK threshold for Goods / Services (See Annex A) may be signed under hand and must be signed by an officer nominated with that level of responsibility as set out in Annex B.

15. Performance Bond / Parent Company Guarantee

- 15.1. As part of the evaluation of short-listed tender responses the Contract Administrator will request from Procurement an independent financial appraisal report.
- 15.2. The financial appraisal provides the Council with an overall financial risk score (referred to as failure score) used to assess the applicant's financial standing. The failure score ratings (0 poor to 100 good) are matched to a pass/fail result as detailed below:
- Score of 0 to 10 will mean automatic **"FAIL"** and the suppliers will be excluded from the procurement process.
 - Score of 11 to 50 will be a **"PASS – SUBJECT TO"** provision of a performance bond or parent company guarantee if/when deemed appropriate.
 - Score of 51 and over is a **"PASS"** meaning the Council will not request a performance bond or parent company guarantee (although this can be overruled on a case-by-case basis).
- 15.3. A performance bond (PB) or parent company guarantee (PCG) provides the Council with a financial guarantee, typically limited to 10% of the contract price to protect against losses and/or damages as result of the Contractor failing to perform its contractual obligations up to practical completion. A performance bond is a tripartite agreement between the Contractor, its surety (a bank / insurer) and the Council. Likewise, a parent company guarantee is a tripartite agreement between the Contractor, its Parent Company and the Council.
- 15.4. The decision to seek the assurance of a performance bond (PB) or parent company guarantee (PCG) will depend on the risk factors related to the specific contractor and proportionate to the contract value and cost to the Council of the assurance. Advice

from Procurement, Accountancy and Legal should be sought by the Contract Administrator where a contractor's financial appraisal highlights concerns. Please see ForestNet for an NFDC template performance bond or parent company guarantee.

16. Maintenance of the Contracts Register

- 16.1. Under Government Transparency Law the Council must publish and maintain details of ALL "live" contracts. To achieve this requirement, Procurement will add details of all contracts to the e-procurement systems contract register accessible via a link on the Council's website for enquiries.
- 16.2. The e-procurement systems contract register allows for "private" documents to be stored. Procurement will add an electronic copy of the final signed / sealed contract and any relevant documents. This will be accessible to Council officers linked to the procurement.
- 16.3. All original sealed deed contract documents must be held centrally by Legal Services for the term of the contract (including any agreed extension periods), plus the statutory limitation period (12 years for sealed deeds). They must be referenced back to the Central Register.
- 16.4. All original signed under hand contracts must be held by the relevant Service unit for the term of the contract (including any agreed extension periods), plus the statutory limitation period (6 years for contracts under hand). They must be referenced back to a Service based register.
- 16.5. Senior/Service Managers are responsible for ensuring that:
 - The original signed/sealed copies of the contract and any subsequent signed variations have been stored as set out in 16.3 and 16.4.
 - Summary details of any contract that has been entered into, that binds the Council to the terms and conditions of the contract plus a .pdf copy of the signed / sealed contract is provided to Procurement to be entered on the Contracts Register administered by Procurement.
 - An electronic copy of the contract and any subsequent variations to the contract that are entered into during its lifetime are stored in their service filing areas (working copy);

Procurement will maintain the online Contracts Register (via the electronic procurement system) to ensure the Council complies with the obligations of the Local Government Transparency Code (2015).

17. Breaches of Contract Standing Orders

- 17.1. Breaches of these Contract Standing Orders are extremely serious matters and will be fully investigated and reported on following referral or discovery. Any breach of these Orders could lead to disciplinary action being taken against the individual(s) concerned.
- 17.2. Strategic Directors, Assistant Directors, Service Managers and Senior Managers are responsible for reporting all known or discovered breaches of these Orders to the Statutory Officers Group as soon as they become aware of such instances.
- 17.3. Any breaches reported to the Statutory Officers Group will be reported to the Audit Committee on an annual basis.

18. Waivers of Contract Standing Orders

- 18.1. A waiver is the process to follow where circumstances mean that Contract Standing Orders cannot be adhered to, in accordance with the following rules:
- 18.2. A waiver must not result in a breach of UK Public Procurement Regulations for contracts within the UK tendering thresholds or of procurement law below UK public procurement thresholds.
- 18.3. An officer may request a waiver by completing the waiver eForm which can be found on the procurement pages on ForestNet.
- 18.4. All waiver requests will be presented to the Monitoring Officer. The arbiter of a waiver decision shall be the Section 151 Officer.
- 18.5. Alternative options should have firstly been explored and exhausted with Procurement by Senior/Service Managers prior to seeking a waiver. This should be documented as part of the waiver request.
- 18.6. All approved waivers where a contract award is sanctioned shall be added to the Contracts Register by Procurement to ensure compliance with the Local Government Transparency Code.
- 18.7. All approved waivers will be subject to scrutiny of the Audit Committee on an annual basis.

19. Contract Modifications

- 19.1. Under the Procurement Act 2023 (Reg 74 and section 8), a modification to an existing pre-tendered contract may be possible, without the need to re-advertise or re-tender, under the following circumstances.

- 19.2. The Contract Administrator, following legal advice, has included a modification (or review) clause in the original contract Terms & Conditions at tender stage providing the possible options for a modification (or variation) to the contract (if required) based on quantity, time or monetary value. Any such modification clause must be clear, precise and unequivocal and must not alter the overall nature of the contract. Legal approval is required to invoke any modification clause.
- 19.3. Where no modification clause was added at tender stage, a modification to the contract may be undertaken providing that:
- the additional costs incurred are below 15% (if Works) or 10% (if Goods / Services) of the current contract value; or
 - Where there are “unforeseen circumstances”, and the increase is not greater than 50%; or
 - Where additional works have become necessary and to change suppliers would not be practical and would cause significant inconvenience or duplication of costs, and the increase is not greater than 50%.
- 19.4. Certain other factors may also permit contract modifications, such as for minor changes or as a result of corporate restructuring. Please seek advice from Legal Services. In any event, any contract modifications must be in adherence to the Financial Regulations.
- 19.5. Gaining approval for modification of a contract: Any modification to an existing pre-tendered contract must be documented by amendment of the original Gateway Review 2 form. The Contract Administrator will document the reason for the modification. The Gateway 2 amendment must be approved and signed by the appropriate Senior/Service Manager to confirm the budget increase, confirm the extension does not exceed that allowed for in this clause and provide formal approval to proceed. If the modification results in the total contract value reaching the next threshold of the Scheme of Delegation, authorisation will also be required by the relevant officer as per section 11.1.1 of the Council’s Financial Regulations. The signed Gateway 2 amended form should be scanned and sent to Procurement to store alongside the original documents in the Contract Register. The contract variation between the Council and the supplier / contractor can then be arranged by the Contract Administrator.
- 19.6. Contract modifications will be tracked by the Procurement team and reported to the Executive Management Team twice yearly.

20. Contract Mobilisation and Monitoring

- 20.1. The Contract Administrator should establish regular reviews with the awarded supplier(s) to monitor the performance of the contract and ensure the cost, service and quality elements of the supplier offer meet (or improve upon) the tendered specification. The contract monitoring regime should be commensurate and

proportionate to the contract and should include the use of simple and effective performance measurement. The proposed arrangement to mobilise and monitor the contract throughout its lifetime should be set out in Gateway Review Stage 2 (contract award proposal & approval).

- 20.2. Senior/Service Managers are accountable for ensuring the performance monitoring regime for awarded contracts is maintained in line with the contract documents and the Gateway Review Stage 2.

21. References and Testimonials

- 21.1. The Council officers may be asked to provide a reference or testimonial for an organisation with which the Council is in a contractual relationship or partnership. As public entities, district councils are expected to follow certain principles of transparency, fairness, and accountability.
- 21.2. A **reference** is considered a business-to-business communication and should be kept confidential by both parties. It is reasonable to accept requests for references, especially if the supplier has performed well and/or has exceeded expectations. Any opinions offered must be accurate and backed by contemporaneous records. For example, if commenting on supplier performance, such evidence might include performance against KPIs. Subjective assessments should be avoided, and officers should avoid providing “open” references (i.e., a general statement about a supplier not related to any specific contract). Officers need to exercise great care when a request for a reference may result in negative comments about a contractor. It may be appropriate to decline to give a reference in such situations. If in doubt, take advice from the council’s procurement team.
- 21.3. A **testimonial** is considered a communication that may be advertised to the public. The general rule is that officers should not be providing testimonials for marketing purposes to contractors or suppliers. There may be occasions when you are asked to supply a logo or agree to a sign having information such as ‘working with / for New Forest District Council’ which may be appropriate to agree to for a pre-defined period, after which it should be removed.
- 21.4. If you are in any doubt, please contact your Senior/Service Manager and/or the procurement contract relationship officer.

Part 3 – Appendices

22. Annex A – Contract Standing Orders (Thresholds & Sourcing Matrix)

CONTRACT STANDING ORDER (QUICK GUIDE)

Estimated Contract Value (Excl VAT)	Type of Procurement	Advert Required	Sourcing Method to be Used
Less than £15,000	Best Value Price Check (BV) <i>via desk-top</i>	NO	<ul style="list-style-type: none"> Use a National / Regional Framework, <i>or</i> Use an existing NFDC Corporate contract, <i>or</i> Undertake price checks to demonstrate best value for the Council. Document and retain price checks. Senior/Service Manager Approval required.
£15,000 - £25,000	Request for Quotation (RFQ) <i>via desk-top OR via Procurement</i>	NO	<ul style="list-style-type: none"> Use a National / Regional Framework. Use an existing NFDC Corporate contract. Invite a minimum of 3 written Quotations via your desk-top (eMail), inviting a minimum of 1 Local supplier, using templates available from Procurement if required. OR contact Procurement who will run a “restricted” Quotation via the South East Business Portal.
£25,000 - £100,000	Request for Quotation (RFQ) <i>via Procurement Team</i>	NO <i>(with Yes option)</i>	<ul style="list-style-type: none"> Gateway Review to be approved by Senior/Service Manager. Discuss with Procurement (Add to Procurement Pipeline). <p>Procurement options are;</p> <ul style="list-style-type: none"> Use a National / Regional Framework. Use an existing NFDC Corporate contract. Work with Procurement who will advise and agree the appropriate procurement route. The minimum requirement is to run a “restricted” Quotation exercise inviting nominated suppliers via the South East Business Portal, inviting a minimum of 1 Local supplier. <i>Note: the use of an “open” Quotation is optional where potential tenderers are unknown.</i>
£100,000 upto *UK Threshold	Invitation to Tender (ITT) <i>via Procurement Team</i>	YES (SEBP & CF)	<ul style="list-style-type: none"> Gateway Review to be approved by Senior/Service Manager. Discuss with Procurement (Add to Procurement Pipeline). <p>Procurement Options are;</p> <ul style="list-style-type: none"> Use a National / Regional Framework. Contact Procurement who will fully manage an “open” Tender process via the South East Business Portal (SEBP) and Contracts Finder (CF).
*ABOVE UK Threshold & above	Invitation to Tender (ITT) <i>via Procurement Team</i>	YES (SEBP, CF & FTS)	<ul style="list-style-type: none"> Estimate contract value inclusive of VAT Gateway Review to be approved by Senior/Service Manager. Discuss with Procurement (Add to Procurement Pipeline). <p>Procurement Options are;</p> <ul style="list-style-type: none"> Use a National / Regional Framework. Contact Procurement who will fully manage a “UK compliant” Tender process via the “Find a Tender Service” (FTS), Contracts Finder (CF) and the South East Business Portal (SEBP).

Please see The Procurement Act 2023 <https://www.legislation.gov.uk/ukpga/2023/54/contents>

*UK Thresholds @ 10/09/24 = Goods/Services £214,904; Works £5,372,609 (inc VAT)

Please refer to Procurement Rules, Regulations & Contract Standing Orders on Forestnet >>

<http://forestnet/article/2591/NFDC-Procurement-Documents>

23. Procurement Contract Definitions

- 23.1. **Works:** These contracts relate to construction, demolition, building and civil engineering work and completion work such as joinery, plastering and decoration. It includes major repairs or complete refurbishment. (e.g. building affordable housing, repairing building structures, resurfacing a car park, repairing a roof, installing a heating system.)
- 23.2. **Goods / Supplies:** These contracts relate to the purchase, hire, siting or installation of goods, but not their maintenance. (e.g. equipment, clothing, vehicles & spare parts, office stationery, consumables, gas, electricity, IT Hardware/Software)
- 23.3. **Services:** These contracts relate to the provision by a person or other entity to provide services. (e.g. Provision of maintenance services, professional services (consultancy), financial services, cleaning services, servicing an installed product or system)
- 23.4. **Senior/Service Manager:** Member of the Senior Leadership Team as agreed from time to time by the Chief Executive.

24. Contract Value Calculation

- 24.1. The contract value should be the summation of the whole life costs of the contract on offer. e.g. the complete life cycle from start to finish.
- 24.2. **Contract Value = Initial non-recurring elements** (e.g. capital items, materials, supplies, training, refurbishments & labour, set-up costs, etc.) **+ recurring costs over the contract duration** (e.g. materials, parts, maintenance, labour, annual licences, upgrading and ultimate decommissioning / disposal, etc.) for the term duration (e.g. 3 / 4 years). **Note: All estimates for "Above UK Threshold" contracts should include VAT at applicable rate.**
- 24.3. If the contract is a one-off purchase, then the total value will be quite easy to estimate, based on "should cost" or benchmarked comparisons.
- 24.4. If the contract is spread over a number of years (i.e., 3 years + 2 years optional extension), the contract value is the total whole life cost value over the maximum contract duration.
- 24.5. If you intend to buy similar goods or services year-on-year but you do not know the length of the contract or it is indefinite, you will need to estimate the total value of your purchasing over the next 48 months (4 years) to arrive at a Contract value.
- 24.6. Contracts over 5 years duration should be approved by Legal Services in conjunction with Procurement. Single supplier / multi supplier Framework Agreements cannot exceed 4 years duration. Provision should be made for long term agreements

whereby an extension period beyond the initial term may be beneficial to the Council in the future.

- 24.7. Contracts must be packaged appropriately to achieve maximum value for the Council. They should not be split in order to avoid quotation or tendering limits in Contract Standing Orders or UK public procurement thresholds, or be packaged in a way to reduce the potential for fair and open competition.

25. Annex B - NFDC Scheme of Delegations Vs. Procurement Contracts

Process	Covers	Strategic Procurement Manager	Budget Responsible Officer (BRO)	Senior/Service Manager	Assistant Director (AD)	Chief Exec & Strategic Directors (& Statutory Officers)*
Awarding a Contract	Award a contract following a quotation or tender exercise to a supplier with whom orders can be placed (in accordance with procurement rules). Select the winning tender from a procurement exercise.	Up to £50k	Up to £50k	Up to £1M	Up to £3M	Unlimited
Signing a Contract	Sign under hand a contract awarded under a request for quotation or tender process. Sign up to an agreement which ties the council into expenditure (e.g. maintenance agreement). Sign up to an agreement which ties the council into a set of terms and conditions (e.g. grant agreement, IT facility agreement).	Up to £50k	Up to £50k	Up to £1M	Up to £3M	Unlimited
Sealing a Deed	All contracts estimated over the value of £213,477 (the UK Threshold effective from 01 Jan 2022 for Goods/Services) must be referred to Legal Services to confirm whether they require sealing.	N/A	N/A	Up to £1M (Legal Services)	Up to £3M (Legal Services)	Unlimited
Purchase Order Approval	Purchases Orders (PO) are mandatory for the supply of works, goods or services. Use Finance Mgt System to create PO once contract is signed / sealed.	N/A	BR Officer = Up to £50k BR Admin = Up to £10k	Up to £1M	Up to £3M	Unlimited
Invoice payment	All works, goods and services invoices must be checked and approved for payment (via GRN process) being processed for payment by Accounts Payable. Supplier Invoice must quote a valid NFDC PO number.	N/A	BR Officer = Up to £50k BR Admin = Up to £10k	Up to £1M	Up to £3M	Unlimited

*Statutory Officers are S151 Officer and Monitoring Officer.

** Values are excluding VAT