

Borough Council of
**King's Lynn &
West Norfolk**



Corporate Performance Panel

Agenda

Tuesday, 7th January, 2025
at 4.30 pm

in the

**Council Chamber, Town Hall, Saturday
Market Place, King's Lynn**

and available for the public to view on You Tube



King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX
Telephone: 01553 616200

Monday 23rd December 2024

Dear Member

Corporate Performance Panel

You are invited to attend a meeting of the above-mentioned Panel which will be held on **Tuesday, 7th January, 2025 at 4.30 pm** in the **Council Chamber, Town Hall, Saturday Market Place, King's Lynn PE30 5DQ** to discuss the business shown below.

Yours sincerely

Chief Executive

AGENDA

1. Apologies

2. Minutes (Pages 5 - 15)

To approve the minutes from the Corporate Performance Panel held on

3. Declarations of Interest (Page 16)

Please indicate if there are any interests which should be declared. A declaration of an interest should indicate the nature of the interest (if not already declared on the Register of Interests) and the agenda item to which it relates. If a disclosable pecuniary interest is declared, the Member should withdraw from the room whilst the matter is discussed.

These declarations apply to all Members present, whether the Member is part of the meeting, attending to speak as a local Member on any item or simply observing the meeting from the public seating area.

4. Urgent Business Under Standing Order 7

To consider any business which, by reason of special circumstances, the Chairman proposed to accept as urgent under Section 100(b)(4)(b) of the Local Government Act 1972.

5. Members Present Pursuant to Standing Order 34

Members wishing to speak pursuant to Standing Order 34 should inform the Chairman of their intention to do so and on what items they wish to be heard before the meeting commences. Any Member attending the meeting under Standing Order 34 will only be permitted to speak on those items which have been previously notified to the Chairman.

6. Chair's Correspondence (if any)

7. Call Ins (if any)

8. Cabinet Report - Transformation Programme (Pages 17 - 26)

9. Cabinet Report - Procurement Strategy and Contract Standing Orders (Pages 27 - 91)

10. Cabinet Report - Social Value Policy (Pages 92 - 109)

11. Cabinet Report - Capital and Revenue Budget Monitoring Report (Pages 110 - 123)

12. Cabinet Report - Council Tax Discounts and Premiums for Empty Properties and Second Homes Resolution (Pages 124 - 165)

13. Cabinet Report - Members Allowances 2024/2025 (Pages 166 - 170)

14. Panel Work Programme (Pages 171 - 176)

15. Cabinet Forward Decisions List (Pages 177 - 181)

16. Shareholder Committee Work Programme (Pages 182 - 185)

17. Date of Next Meeting

To note that the next meeting of the Corporate Performance Panel is scheduled to take place on 28th January 2025 at **5.00pm** in the Town Hall, Saturday Market Place, King's Lynn.

To:

Corporate Performance Panel: J Bhondi, R Blunt (Vice-Chair), Mrs J Collingham, B Jones, B Long (Chair), S Nash, J Osborne, C Rose, A Ryves, S Sandell, D Sayers and Mrs V Spikings

Portfolio Holders:

Councillor Beales – Leader of the Council – Agenda Items 8 and 13

Councillor Morley – Portfolio Holder for Finance – Agenda Items 9, 10, 11 and 12

Officers:

Becky Box – Assistant Director

Kate Blakemore – Chief Executive

Alexa Baker – Monitoring Officer

Michelle Drewery – Assistant Director

BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK

CORPORATE PERFORMANCE PANEL

Minutes from the Meeting of the Corporate Performance Panel held on Wednesday, 27th November, 2024 at 4.30 pm in the Council Chamber, Town Hall, Saturday Market Place, King's Lynn PE30 5DQ

PRESENT: Councillors Long (Chair), Bhondi, Blunt, Collingham, B Jones, Nash, Osborne, Rose, Ryves, Sayers and Spikings.

PORTFOLIO HOLDERS:

Councillor Morley – Portfolio Holder for Finance

Councillor Moriarty – Portfolio Holder for Planning and Licensing

PRESENT UNDER STANDING ORDER 34: Councillor Lintern.

OFFICERS:

Stuart Ashworth – Assistant Director, Environment and Planning

Alexa Baker – Monitoring Officer

Kate Blakemore – Chief Executive

Becky Box – Assistant Director, Central Services

Martin Chisholm – Assistant Director, Operations and Commercial

Michelle Drewery – Assistant Director, Resources

Tommy Goode – Director of Business Development, Alive West Norfolk

Matthew Henry – Assistant Director, Property and Projects

Debbie Ess – Corporate Performance Officer

Honor Howell – Corporate Governance Manager

Jane Mitchell – Procurement and Contracts Manager

Mark Whitmore – Assistant Director, Health, Wellbeing and Public Protection.

CP66 **APOLOGIES**

Apologies for absence were received from Councillors Beales and Sandell.

CP67 **MINUTES**

RESOLVED: The Minutes from the previous meetings were agreed as a correct record and signed by the Chair.

CP68 **DECLARATIONS OF INTEREST**

There was none.

CP69 **URGENT BUSINESS UNDER STANDING ORDER 7**

There was none.

CP70 MEMBERS PRESENT PURSUANT TO STANDING ORDER 34

Councillor Lintern for item CP75 as she was a Member of the Informal Working Group.

CP71 CHAIR'S CORRESPONDENCE (IF ANY)

There were none.

CP72 CALL INS (IF ANY)

There were none.

CP73 UPDATE ON CYCLING DEVELOPMENT AND CYCLE HIRE SCHEME

[Click here to view the recording of this item on You Tube.](#)

The Panel were provided with an update on Cycling Development and the Cycle Hire Centre at Lynnsport which had been funded through the UK Shared Prosperity Fund. It was noted that funding had been awarded for cycle hire and cycling development and an outline of the schemes progressed had been set out in the report, which included learn to ride sessions and a Halloween event. It was noted that development work had been positive, but the cycle hire take up had been poor.

The Chair thanked the Director of Business Development at Alive West Norfolk for their report and invited questions and comments from the Panel, as summarised below.

Councillor Spikings commented that ensuring that cyclists were safe, especially at night and over the winter, was important and she asked if some of the remaining funding could be used to promote cycle safety, including purchase of high-vis and lights. Councillor Spikings also commented that the provision should be rolled out into communities and not limited to Lynnsport. The Director of Business Development, Alive West Norfolk acknowledged that Lynnsport was perhaps not the right place for the hire scheme and other areas would be explored to increase take up as the scheme was not sustainable in its current form. In relation to promoting cycle safety and the provision of safety equipment, it was explained that this was not prescribed as part of the current funding arrangement, but could be investigated.

Councillor Sayers promoted the importance of active travel and safety. He noted that investigations were ongoing into procuring a disabled cycle and he asked officers to be mindful of the turning circle on some disabled bikes and how some narrow streets and cycle paths were currently unable to accommodate them. Councillor Sayers commented

that infrastructure to support the types of cycles being used was required. The Director of Business Development explained that a variety of models of cycles were being looked at.

Councillor Collingham commented that the cycle hire scheme was a good scheme to support, however other locations needed to be considered to increase take up and she suggested Hunstanton and Sandringham.

The Portfolio Holder for Finance, Councillor Morley commented that he had concerns about the use of the funding and advised the Panel to have a wider look at the scheme and see if it could be provided elsewhere.

Councillor Spikings felt that the scheme had potential and would like to see other options explored. In response to a question from Councillor Spikings it was confirmed that there had been no loss of cycles.

Councillor Ryves commented that alternative locations needed to be explored to enhance the tourism offer of the area.

RESOLVED: 1. The Corporate Performance Panel noted the report.
2. Officers to explore alternative venues for the cycle hire scheme and keep the Panel updated as required.
3. Officers to investigate if the remaining funding could be used to promote cycle safety, and the Panel to be kept updated as required.

CP74

CABINET REPORT - QUARTER 2 CORPORATE PERFORMANCE MANAGEMENT REPORT

[Click here to view the recording of this item on You Tube.](#)

The Corporate Performance Officer presented the report which updated on progress against the Council's Corporate Strategy and key performance indicators up to the period 30 September 2024. Information was provided on the actions which had been completed and the indicators for which ratings had changed.

Members of the Senior Leadership Team were present at the meeting to provide detail on their indicators which were currently not meeting target and the Chair invited each Assistant Director to present their update.

The Assistant Director for Environment and Planning provided the following update in relation to the indicators which were not meeting target:

- % of new enforcement cases actioned within 12 weeks of receipt (red). It was noted that a new target had been proposed by the previous Government as a way of measuring enforcement performance. Although just below the target work was ongoing to

improve in this area, and performance this quarter was currently above target.

- Number of new homes delivered in the Borough to meet the housing need target (red). It was explained that the Council had a limited amount of influence over this although the council was building homes, but it was also dependent on private developers delivering.
- % of non-major planning applications provided with an extension of time (amber). It was explained that this was not formally a national target but had been brought in by the organisation to try and speed up processes. Although just below target in Quarter 2, in the current quarter the target was being met.

In response to questions from Councillor Spikings, The Assistant Director for Environment and Planning explained that the target relating to determination of non major planning applications within eight weeks referred to mainly delegated decisions. About 92% of those decisions were estimated as being delegated, with the remainder of decisions made by Planning Committee.

Councillor Spikings praised the staff in the Planning Department and noted that vacancies and issues recruiting staff meant that officers were working hard and she was impressed with the Team. The Chair reiterated the positive comments made by Councillor Spikings. He also referred to the targets relating to enforcement action and commented that it was important that the public knew that the Council were taking action and he looked forward to seeing the target improve.

The Assistant Director for Health, Wellbeing and Public Protection provided the following update:

- % of housing adaptations completed within time (red). It was explained that the team were still working through the backlog due to the Covid Pandemic, but the waiting list had been halved during the last year, so significant progress had been made. It was noted that urgent cases were still being prioritised. The Assistant Director commented that he did not feel the target would be met by the end of year, but it was moving in the right direction.

The Chair acknowledged that it was important that urgent adaptations were prioritised to assist with discharges from Hospital. In response to a question from the Chair relating to the use of AI, the Assistant Director explained that it was not used at this time, but work was ongoing with Norfolk County Council on how it could be used in the future.

The Assistant Director for Operations and Commercial provided the following update:

- Establish EV Charging points at Austin Street East Car Park (amber). It was explained that these were now in place and would be marked as complete in the Quarter 3 Monitoring Report.
- Continue work on the Tree Strategy, Management system and associated actions (amber). The Assistant Director explained that the

system was now going through the procurement process, however this had no impact on the work and maintenance relating to trees and was purely an electronic management system which would be used to modernise the record keeping system and provide information to the public.

- % and total tonnage of food waste collected and treated (red) and % and total tonnage of mixed recycling collected and treated (red). The Assistant Director explained that there could be many reasons for the reduction in the amount of recycling collected including that producers were using less packaging. A campaign on food waste had recently been carried out including promoting the service, offering caddies and food waste bags to increase take up. Work had also taken place in schools.

Councillor Spikings asked if the Council would be providing Christmas Tree disposal as it had previously and the Assistant Director explained that this was being investigated. It was also noted that they could be chopped up and put in the garden waste bins for collection.

Councillor Sayers referred to the target relating to converting street lighting to LED and it was explained that work was ongoing to tie this into the maintenance programme so that units could be upgraded at the same time repairs were required. The Assistant Director, Property and Projects offered to provide an update to one of the Panels on the maintenance scheme as required.

Councillor Collingham referred to the percentage of waste enforcement cases referred to the Community Safety and Neighbourhood Nuisance (CSNN) Team and it was explained that there were two elements to this, one was domestic cases carried out by the clean up team, and more complex commercial cases relating to fly tipping cases were referred to CSNN.

It was highlighted that the reduction could be because teams were being more proactive and gathering intelligence, and some of the big perpetrators had had action taken against them.

Councillor Collingham asked if the introduction of the booking system at the recycling centres was likely to have an impact on fly tipping and it was explained that this would be monitored.

Councillor Ryves referred to the amount of reports of fly tipping, which had increased and it was explained that this was a monitor only target. The increase could have been because of the summer period.

In response to a further question from Councillor Ryves it was clarified that from an enforcement point of view, action could be taken on private land, however it was not the responsibility of the council to clear fly tipping from private land.

Councillor Jones thanked all involved for keeping the alleyways in North Lynn clean and tidy and this comment was reiterated by the Chair.

The Assistant Director for Resources provided the following update:

- Agree arrangements for approved 100% premium on second homes for implementation from 1 April 2025 (amber). It was explained that this was being progressed and checks and monitoring systems were being looked at. Parish Clerk briefing sessions relating to precepts had also been held. Negotiations were also ongoing with Norfolk County Council on how the additional funds would be distributed.
- Review and determine impact of government changes to Internal Drainage Board funding (amber). The Council were part of the Special Interest Group relating to levy payments. It was explained that these were currently collected through Council Tax and one off Government settlements had been received in the past, but the change of Government had paused this scheme and it was currently unknown what support would be offered going forward. Meetings with IDB's to discuss future risks and challenges were also being held.
- Develop a digital Strategy (amber). This tied in with the Transformation Programme and work was ongoing to produce the Digital Strategy.
- Refresh our financial assistance programme with review of existing and new service level agreements and associated funding. The Assistant Director confirmed that this work had now been completed and would deliver a saving.
- Reduce revenue expenditure by 5%. This work was ongoing and efficiency proposals were being looked at. The Assistant Director was confident that savings would be achieved, but were not likely to impact achievement of the target until the end of the year. The Assistant Director explained that the 2023-2024 figure had been updated to reflect changes to the calculation and instead of being recorded as 2.15% it should have read 6.3%.
- Number of days to process housing benefit and council tax support changes of circumstances. The Assistant Director explained that there had been issues with the system, which had impacted the number of days. A partial fix had now been implemented which it was hoped would allow a catch up on cases. It was noted that Housing Benefit changes were prioritised as these had a direct financial impact on customers. It was also noted that any changes were backdated to the claim submission date.
- % of supplier invoices paid within 30 days (amber) and % of local supplier invoices paid within 10 days (amber). The Assistant Director explained that a review of procedures would take place to try and make the process more efficient.

Councillor Ryves asked if Internal Audit had a role in overseeing processes and the Assistant Director explained that they did Audit financial processes and had recently carried out an Audit on Accounts Payable. If concerns were raised an Audit could be scheduled.

The Monitoring Officer provided the following update:

- Develop and deploy a climate change assessment tool for council policies and projects (amber). The Monitoring Officer explained that this was soon to be considered by the Senior Leadership Team as part of an overall decision impact tool which would bring together all the factors that needed to be considered as part of the decision making process such as social value, the environment and equalities.
- Create a Community Orchard at South Lynn (amber). Funding options were currently being looked at and the Planning Application would be submitted soon. It was anticipated that the planting window for 2025 would be achievable.

The Assistant Director for Property and Projects provided an update as follows:

- Progress the Building Conditions Survey to review property assets and valuations which will inform a new Asset Management Strategy and Plan (amber). This target had not been met due to loss of resources within the team and would be looked at as soon as possible. Restructuring of the Team was also taking place.

The Assistant Director for Central Services provided the following update:

- % of calls answered within 90 seconds (amber). The Assistant Director explained that there were many factors that could impact the ability to answer calls within the target time, including the complexity of the calls, resources available and council activity which could generate additional calls, for example election time and council tax billing. The Chair commented that 90 seconds was a hard target to hit and commended the work of the team in dealing with calls promptly.
- % of meeting minutes produced within 3 working days of meeting (amber). The Assistant Director commented that this target was only slightly off target and changes had been made within the team to address resource issues. The Chair reminded officers and other Chairs of the importance of providing comments on draft minutes in a timely manner.

Councillor Spikings referred to the minute taking target and commented that there were so many different types and lengths of meetings which could impact the target and she felt that the team worked very well. The Chair reiterated the comments made by Councillor Spikings.

The Chair thanked officers for their updates and invited further questions and comments from the Panel, as summarised below.

Councillor Spikings referred to the food premises ratings and the target to achieve three or above. She commented that standards needed to be high and that the target should be to achieve four or above. The Assistant Director agreed to see if this could be considered and explained that the role of the Council was to work with businesses to help them improve and take action if there were concerns relating to food safety. In response to a further question from Councillor Spikings it was confirmed that it was not compulsory for premises to display

ratings and he encouraged customers to check the ratings online. There was a link to the FSA register on the Borough Council's website.

Councillor Jones asked about numbers of people attending Food for Thought, which was run by Lily and the number of customers using the Help Hub and asked if a breakdown of the amount of users, by Ward, could be provided. The Assistant Director explained that data relating to individuals could not be shared, but the number of customers helped could be provided if required.

The Portfolio Holder for Planning and Licensing, Councillor Moriarty, referred to the planning targets relating to the extension of time and commented that individual circumstances also needed to be considered. He also commented that staff recruitment and retention was a national issue and he endorsed the comments made earlier by Panel Members on how well the team worked.

Councillor Spikings referred to the amount of staff on long term sick leave and asked what the Council did to support employees. The Assistant Director, Central Services explained that each case was looked at individually in terms of support required and each situation managed and addressed appropriately. It was acknowledged that sometimes recovery periods were required, but the Council maintained contact and provided support as required. The Assistant Director informed the Panel of the Employee Assistance Programme, prevention work and that the sickness absence Policy was in the process of being refreshed. The Assistant Director also reported that the Council had recently rolled out an online GP Appointment System for staff. Councillor Spikings commented that she was pleased to see that staff were being supported.

RESOLVED: 1. That the Corporate Performance Panel support the recommendations to Cabinet as set out below.

That Cabinet reviews the Performance Management Report and comments on the delivery against the Corporate Strategy.

2. That Assistant Directors not present at the meeting are requested to provide a written update to the Panel on targets which were underperforming.

CP75

REPORT OF THE TAXI TESTING INFORMAL WORKING GROUP

[Click here to view the recording of this item on You Tube.](#)

Councillor Ryves, Chair of the Informal Working Group provided an overview of the work of the Group, including the meetings held, issues found and support provided by officers. He provided information on the

recommendations which the Corporate Performance Panel were asked to consider for onward recommendation to Cabinet.

Councillor Ryves and Councillor Long thanked the officers for supporting the Informal Working Group.

Councillor Lintern, Member of the Informal Working Group, addressed the Panel under Standing Order 34 and commented that the Group had reviewed systems and processes and hoped that their recommendations would provide for a robust mechanism for awarding the next contract.

Councillor Nash thanked the Procurement and Contracts Manager and Executive Director for supporting the group and felt that the Informal Working Group had provided common sense recommendations that would improve accountability. He also hoped that the recommendations from the Group would be considered during other contract processes.

RESOLVED: The Corporate Performance Panel support the recommendations from the Informal Working Group for onward recommendation to Cabinet in terms of preparation for the next tax testing contract:

1. The Informal Working Group make the following recommendations to the Corporate Performance Panel (“CPP”) for onwards recommendation to Cabinet in terms of preparation for the next tax testing contract:

- a. The new tender to be advertised on Delta E-Sourcing and Find-A-Tender, and the Council’s own website. Any contractor wishing to apply shall be advised to register on Delta. Direct invitations from the Delta tender box shall not be sent.
- b. All correspondence after the competition is opened to be sent through the Delta portal. All enquiries received outside the portal are to be redirected through Delta.
- c. To consider and discuss with the legal team, including in the Contract Standing Orders, the ability to invite bidders to tender.
- d. In line with the new Procurement Act 2023 for under threshold procurements, checks would be put in place to ensure that businesses were bona fide businesses. Financial information could be requested, but businesses showing a loss in accounts would not be excluded from then being awarded a contract. The reason for requiring financial information was purely to evidence that the business was legitimate.
- e. Questions and criteria to be included in the tender process would need to be agreed with officers, in consultation with the Portfolio Holder for Planning and Licensing.
- f. It would not be left to the discretion of one officer if additional stations were brought forward to become testing stations after the initial contract was awarded. Consultation with the Portfolio Holder for Planning and Licensing would be required.

Whilst not strictly falling within the terms of reference of the IWG, this additional recommendation was made for CPP’s consideration:

- g. Should an external review of Council processes be required, it should be instructed in writing by an officer independent of the originating matter and not involved in any previous internal review.

2. The Taxi Testing Informal Working Group has now concluded its work and is disbanded.

CP76 **JANUARY 2023 TO DECEMBER 2023 REPORT ON USE, OR NON-USE OF RIPA POWERS**

[Click here to view the recording of this item on You Tube.](#)

The Assistant Director presented the report which provided information on the Council's use, or non-use of its powers under the Regulation of Investigatory Powers Act (RIPA) 2000. It was noted that there had been confirmation from the Commissioners Officer that the Councils procedures were robust and appropriate.

In response to a question from the Chair, it was explained that CCTV was not covert and therefore not included in the powers, however other agencies did make use of the Councils resources and this was monitored by the Council to ensure it was appropriate.

The Chair was reassured that the Council had received confirmation from the Commissioner that the processes used were acceptable.

RESOLVED: The Panel considered the details of the report and noted the effectiveness of the RIPA Policy.

CP77 **PANEL WORK PROGRAMME**

The Panel noted that written responses from Assistant Directors who were not present to provide detail of Corporate Performance Monitoring would be sought and circulated to the Panel.

RESOLVED: The Panel's Work Programme was noted.

CP78 **CABINET FORWARD DECISIONS LIST**

RESOLVED: The Cabinet Forward Decisions List was noted.

CP79 **SHAREHOLDER COMMITTEE WORK PROGRAMME**

RESOLVED: The Shareholder Committee Work Programme was noted.

CP80 **DATE OF NEXT MEETING**

The next meeting of the Panel was scheduled to take place on 7th January 2025 at 4.30pm in the Town Hall, King's Lynn.

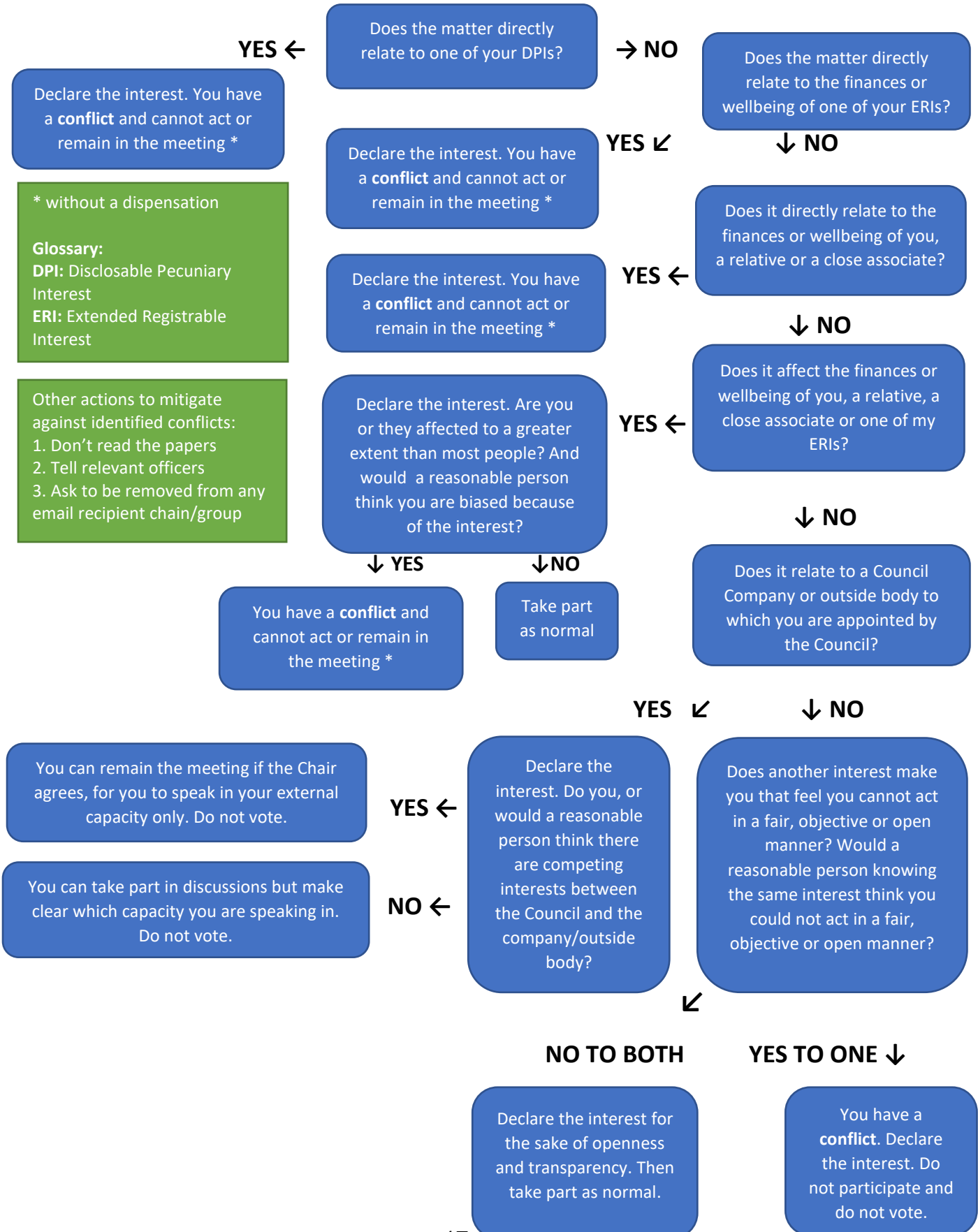
A Joint Panel meeting was also scheduled to take place on 3rd December 2024 at 4.30pm in the Town Hall, King's Lynn.

The meeting closed at 6.24 pm

DECLARING AN INTEREST AND MANAGING ANY CONFLICTS FLOWCHART



START



POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	Corporate Performance Panel		
DATE:	7 th January 2025		
TITLE:	Transformation Programme		
TYPE OF REPORT:	Cabinet Report		
PORTFOLIO(S):	Leader of the Council		
REPORT AUTHOR:	Kate Blakemore, Chief Executive		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	Yes

REPORT SUMMARY/COVER PAGE

PURPOSE OF REPORT/SUMMARY:
This report is produced to provide an update on the proposals for implementing a structured framework and clear purpose for transformation, along with clearly defined outcomes.
KEY ISSUES:
Members are directed to the attached Cabinet report for full details of the key issues.
OPTIONS CONSIDERED:
Members are directed to the attached Cabinet report for full details of the options.
RECOMMENDATIONS:
The Panel are requested to consider the report and make any appropriate recommendations to Cabinet.
REASONS FOR RECOMMENDATIONS:
To scrutinise recommendations being made for an executive decision.

REPORT TO CABINET

Open		Would any decisions proposed :			
Any especially affected Wards	Operational	Be entirely within Cabinet's powers to decide		YES/NO	
		Need to be recommendations to Council		YES/NO	
		Is it a Key Decision		YES/NO	
Lead Member: Cllr Alistair Beales, Leader E-mail: cllr.alistair.beales@west-norfolk.gov.uk		Other Cabinet Members consulted:			
		Other Members consulted: Corporate Performance Panel			
Lead Officer: Kate Blakemore, Chief Executive Officer E-mail: kate.blakemore@west-norfolk.gov.uk Direct Dial:		Other Officers consulted: Management Team Transformation Board			
Financial Implications YES/NO	Policy/ Personnel Implications YES/NO	Statutory Implications YES/NO	Equal Impact Assessment YES/NO If YES: Pre-screening/ Full Assessment	Risk Management Implications YES/NO	Environmental Considerations YES/NO
If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is (are) paragraph(s)					

Date of meeting: 14th January 2025

TRANSFORMATION PROGRAMME

Summary

The council currently has a collection of programmes of work, projects and specific actions which have been mapped under the definition of transformation. A review has been undertaken to provide clarity and a clear purpose for transformation going forwards. This report is to update Cabinet with the proposals for implementing a structured framework and clear purpose for transformation, along with clearly defined outcomes.

Recommendation

Cabinet Resolves:

- To note the contents of the report and the emerging Transformation Programme
- To establish a politically balanced member representation on the Transformation Programme Board to be chaired by the Chief Executive

Reason for Decision

To establish a formal governance framework for the delivery of the Transformation Programme, delivering defined outcomes through effective management and oversight.

1 Background

- 1.1 Over the last 18 months the council has had to respond to multiple priorities and pressures, including supporting a new administration and creation of a strategic plan, moving forwards with the recommendations made as part of the LGA peer review in 2023, addressing significant financial pressures outlined within the council's Medium Term Financial Plan (MTFP) and more recently respond to feedback from much improved internal and external engagement.
- 1.2 As a result, there is a collection of programmes of work, projects and specific actions that have been developed and mapped under the definition of a Transformation Programme. More recently a review has been undertaken with the aim of providing clarity about the council's Transformation Programme.

2 Introduction

- 2.1 This paper, therefore, seeks to clarify the council's Transformation Programme, including its purpose and emerging work programme. It also outlines proposals of how this Transformation Programme should be governed moving forwards.
- 2.2 The programme itself has been established to enable the council to be the best possible council it can be, ensuring that the council is effective and operates efficiently so that it can deliver the council's strategic ambitions.
- 2.3 The programme will ensure we are a modern workforce, one which is agile and focussed on achieving all that we can for our residents and communities.
- 2.4 The aims of this programme are to:
 - **Empower** the workforce, by allowing officers to have autonomy about how they do their jobs. This requires an organisational culture that fosters trust, open communication and a shared commitment to the council's vision and corporate plan.
 - **Modernise** the council, from how we support the work we do through improving our digital infrastructure to the way we operationally do our jobs, there is a huge opportunity to learn from what others are doing well (or not so well).
 - Improve the way we **engage** with officers and Members, residents, partners and stakeholders to ensure we better hear feedback about how we are doing and what we could do to continuously improve the way we operate.
 - Become an **agile** workforce, where we can respond quickly to challenges or opportunities without destabilising our day-to-day delivery of services.

- Make sure we are **efficient** in all that we do, ensuring we deliver best value for our residents alongside ongoing financial sustainability for the council.
- That we **deliver**, whether it's getting spades in the ground for our capital projects or delivering a project supporting our most vulnerable residents, we have a good track record of delivery but there are opportunities to accelerate what we already do for the benefit of our residents.

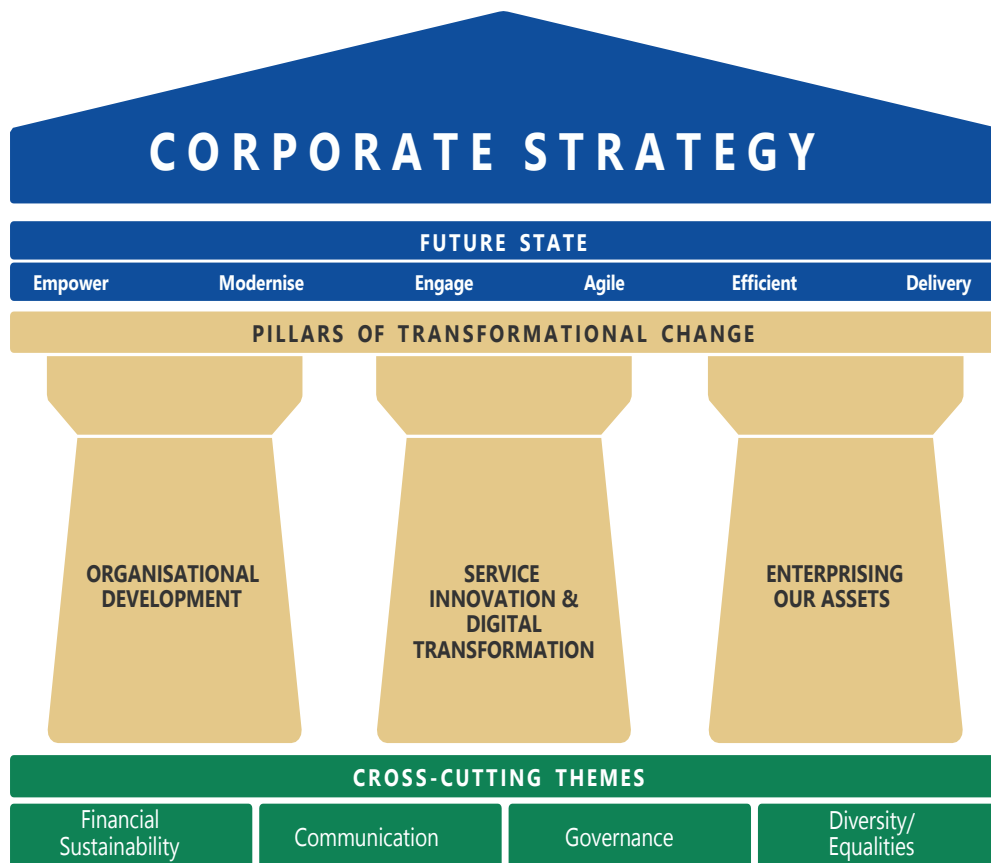
3 Programmes of Work

- 3.1 The Transformation Programme is made up of three key pillars of activity. The first pillar focusses on organisational development and looks to move forwards with developing our workforce strategy, organisational behaviours, and values. It will see the development of how we use data to enable more informed decision making. It will also ensure that our procedures and processes are streamlined and enable the organisation to better focus on delivery.
- 3.2 The second pillar is focused on service innovation and digital transformation. This pillar will look at how we use technology to deliver efficient and effective services for our residents, e.g. Artificial Intelligence (AI), digital technology and business process re-engineering. It will consider the outcomes from our Marmot Place work and how we can innovate better to improve the life chances of our disadvantaged communities.
- 3.3 The final pillar considers how we enterprise our assets. It will focus on delivering against our emerging asset management strategy, but much wider than this, it will consider future investments, maximising the utilisation of our asset base with the aim of contributing financially to support the council and its residents into the future.

4 Cross Cutting Themes

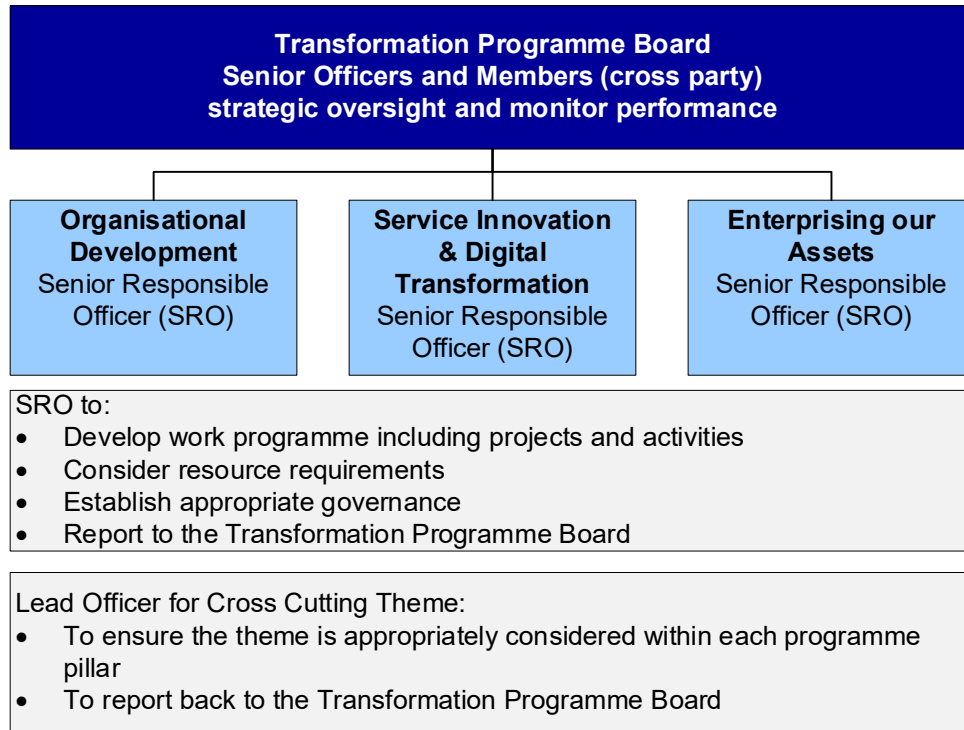
- 4.1 In addition to these three key programmes of work there are four cross cutting themes. These themes will need to be considered within each programme of work, and each theme will be led by a member of Management Team. The first theme, and arguably the most important one, is financial sustainability - without ongoing financial stability the council will not be able to deliver its strategic priorities. Each programme of work will need to consider the impact of any activity within that programme in line with the council's MTFP.
- 4.2 The second theme is communication and engagement. It is essential we continue to build on how we communicate both internally and externally by actively engaging, listening, and responding to feedback from staff, stakeholders, and partners.

- 4.3 The third theme is governance. In delivering this Transformation Programme, effective governance will enable clear and concise accountability and responsibility for the delivery of the programme, giving assurance to Members and Management Team.
- 4.4 The final theme is diversity, equalities, and inclusion. We are fully committed to equality, diversity, and inclusion in all that we do and therefore, the impact of any activity within our Transformation Programme must be considered.
- 4.5 The diagram below outlines how these programmes of work and themes come together under the council's Transformation Programme. It should be noted that the overarching Corporate Strategy underpins the entire transformation programme. The councils four key priorities are:
- Promote growth and prosperity to benefit West Norfolk
 - Protect our Environment
 - Efficient and effective delivery of our services
 - Support our communities



5 Governance Framework

- 5.1 Good governance is essential to ensure the Transformation Programme will deliver on the clear objectives and outcomes we have identified. Oversight of the programme will be through the Transformation Programme Board, which will include members and senior officers.



- 5.2 It is suggested that a workshop will be held in February with the programme board to finalise the boards terms of reference and allow the board to explore the Transformation Programme in more detail.
- 5.3 A Senior Responsible Officer (and deputy) will have overall responsibility for the delivery of the projects identified under each pillar and will co-ordinate their own team in line with their priorities. They will also update the Board with progress. The Senior Responsible Officer and deputy will be a member of the council's senior leadership team.
- 5.4 A lead officer will be allocated to each cross-cutting theme, they will be responsible for ensuring that theme is considered within each pillar, and for the delivery of any specific projects that sit specifically within their theme.
- 5.5 The Transformation Programme will be co-ordinated by the Project Management Office which will oversee the delivery of these projects within recognised standards, bringing together robust monitoring, oversight and reporting frameworks.

- 5.6 It should be noted that any projects or programmes of work requiring specific decisions such as funding, will be dealt with in the normal way such as going to Cabinet and or Council if required. This programme simply aligns several projects and programmes to a clearly defined Transformation programme.

6 Conclusions and Next Steps

- 6.1 The council has undergone a period of substantial change over the past few years, for the council to move forward and deliver against its priorities, it must continue to grow and evolve, work efficiently, meeting our residents needs as well as focusing on growth and a thriving economy. To do this, we need to modernise our workforce to accelerate change, invest in our staff, and harness technology to ensure we continue to deliver the service our residents need and deserve. This Transformation Programme aims to deliver exactly this.
- 6.2 A communication plan will be established to communicate the Transformation Programme to all staff. It is essential that staff have buy-in to the process. The plan will build on staff engagement sessions held earlier in the year.
- 6.3 It is envisioned that this Transformation Programme will span over the next two years, formally commencing from the 1st April 2025. Work needs to take place to further finalise where various programmes and projects will sit in terms of each pillar and or cross cutting theme.

7 Options Considered

- 7.1 The organisation faces significant challenges in producing a balanced budget in future years. It is, therefore, not an option to continue as we are without implementing significant changes which will result in cost savings. This Transformation Programme will address and facilitate the ongoing work to reduce spend across the organisation.

8 Policy Implications

- 8.1 There are no direct policy implications associated with this report.

9 Financial Implications

- 9.1 There are no initial financial implications. However, to deliver on transformation, there will be significant investment required on an invest to save basis. Business cases will be prepared when required.

10 Personnel Implications

- 10.1 The Project Management Office (PMO) is currently being reviewed to create resource capacity to oversee the Transformation Programme.

11 Environmental Considerations

11.1 There are no environmental considerations.

12 Statutory Considerations

12.1 There are no statutory considerations.

13 Equality Impact Assessment (EqIA)

(Pre-screening report template attached)

14 Risk Management Implications

14.1 No risks identified arising from this report. All projects will be the subject of business cases, project plans and associated risk assessment and management.

15 Declarations of Interest / Dispensations Granted

15.1 None.

16 Background Papers

16.1 None.

Stage 1 - Pre-Screening Equality Impact Assessment

For equalities profile information please visit [Norfolk Insight - Demographics and Statistics - Data Observatory](#)

Name of policy/service/function	Transformation Programme				
Is this a new or existing policy/service/function? (tick as appropriate)	New	X	Existing		
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service is rigidly constrained by statutory obligations, and identify relevant legislation.	<p>Formal programme of service transformation across the council with a focus on organisational development, innovation and Asset Management.</p> <p>Some services are statutory services.</p>				
Who has been consulted as part of the development of the policy/service/function? – new only (identify stakeholders consulted with)	Transformation Board, Members and all council staff through consultation in early 2024.				
Question	Answer				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p> <p><i>If potential adverse impacts are identified, then a full Equality Impact Assessment (Stage 2) will be required.</i></p>		Positive	Negative	Neutral	Unsure
	Age			X	
	Disability			X	
	Sex			X	
	Gender Re-assignment			X	
	Marriage/civil partnership			X	
	Pregnancy & maternity			X	
	Race			X	
	Religion or belief			X	
	Sexual orientation			X	
	Armed forces community			X	
	Care leavers			X	
Other (eg low income, caring responsibilities)			X		

Question	Answer	Comments
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	Yes / No	
3. Could this policy/service be perceived as impacting on communities differently?	Yes / No	
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	Yes/ No	
5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section	Yes / No	Actions: Actions agreed by EWG member:
If 'yes' to questions 2 - 4 a full impact assessment will be required unless comments are provided to explain why this is not felt necessary: Decision agreed by EWG member:		
Assessment completed by: Name	Honor Howell	
Job title	Corporate Governance Manager	
Date completed	13.11.24	
Reviewed by EWG member		Date

Please tick to confirm completed EIA Pre-screening Form has been shared with Corporate Policy (corporate.policy@west-norfolk.gov.uk)

POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	Corporate Performance Panel		
DATE:	7 th January 2025		
TITLE:	Adoption of new Contract Standing Orders and Procurement Strategy		
TYPE OF REPORT:	Cabinet Report		
PORTFOLIO(S):	Portfolio Holder for Finance		
REPORT AUTHOR:	Alexa Baker, Monitoring Officer		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	Yes

REPORT SUMMARY/COVER PAGE

PURPOSE OF REPORT/SUMMARY:
The report proposes that Cabinet recommend to Full Council the adoption of revised Contract Standing Orders which will capture the recommendations from the ongoing Procurement Transformation Project and the changes introduced by the Procurement Act 2023 and asks Cabinet to approve a revised Procurement Strategy.
KEY ISSUES:
Members are directed to the attached Cabinet report for full details of the key issues.
OPTIONS CONSIDERED:
Members are directed to the attached Cabinet report for full details of the options.
RECOMMENDATIONS:
The Panel are requested to consider the report and make any appropriate recommendations to Cabinet.
REASONS FOR RECOMMENDATIONS:
To scrutinise recommendations being made for an executive decision.

REPORT TO CABINET

Open/Exempt		Would any decisions proposed:			
Any especially affected Wards	Mandatory/ Discretionary/ Operational	Be entirely within Cabinet's powers to decide		YES/NO	
		Need to be recommendations to Council		YES/ NO	
		Is it a Key Decision		YES/NO	
Lead Member: Chris Morley, Portfolio Holder for Finance E-mail: clr.chris.morley@west-norfolk.gov.uk		Other Cabinet Members consulted: Portfolio Holder for Finance			
		Other Members consulted:			
Lead Officer: Alexa Baker, Monitoring Officer E-mail: alexa.baker@west-norfolk.gov.uk Direct Dial: 01553 616270		Other Officers consulted: Procurement and Contracts Manager			
Financial Implications YES/NO	Policy/ Personnel Implications YES/NO	Statutory Implications YES/NO	Equal Impact Assessment YES/NO If YES: Pre-screening/ Full Assessment	Risk Management Implications YES/NO	Environmental Considerations YES/NO
If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is (are) paragraph(s)					

Date of meeting: 14 January 2025

Subject: Adoption of new Contract Standing Orders and Procurement and Contract Management Strategy

Summary

This report introduces a new set of Contract Standing Orders (CSOs) for Cabinet's approval to recommend to Full Council for adoption into the Constitution. The CSOs capture the recommendations from the ongoing Procurement Transformation project and changes introduced by the Procurement Act 2023 which comes into effect on 24 February 2025. A new Procurement and Contract Management Strategy is also attached for approval within Cabinet's powers, which sets out the strategic direction for the delivery of the Procurement and Contract Management function between 2025-2027.

These two documents are brought for consideration together as they compliment one another and each capture the objectives and principles required by the new procurement regime.

Recommendation

Cabinet recommends to Full Council:

1. The adoption of the Contract Standing Orders attached as Appendix 1 into the Constitution from and including 24 February 2025 as a replacement to the current Contract Standing Orders.

Cabinet resolves:

2. To approve the Procurement and Contract Management Strategy attached as Appendix 2.
3. Authority be delegated to the Monitoring Officer in consultation with the Portfolio Holder for Finance to make revisions to the Procurement and Contract Management Strategy to reflect relevant changes within the revised National Procurement Policy Statement issued under section 13(3)(c) of the Procurement Act 2023

Reason for Decision

To modernise the Council's processes for procuring and entering contracts, to update the Council's strategic approach to procurement to ensure alignment with corporate priorities and to ensure compliance with the new statutory regime.

1. Executive Summary of Changes

- 1.1 *Increasing use of technology and modernising system processes* for example through the introduction of a web based 'Quick-call' system to conduct a multiple quotes process, the introduction of an electronic signature provider to complete contracts and raising the sealing threshold to £500,000.
- 1.2 *Updating Thresholds* for below threshold procurements to bring them into line with standard practice in local government.
- 1.3 *Introduction of Proportionate Procedures* to promote a flexible, relevant and proportionate approach to procurement requirements, removing unnecessary checks and delays and removing barriers to SMEs and micro businesses.
- 1.4 *Separating Regulatory, Strategic and Operational content*, so that the CSOs set out the higher level regulatory and legislative content whilst stripping out operational detail. The CSOs will be supplemented by an operational 'Procurement Officer Handbook' which will be extrapolated into the new Intranet for access by officers and Members. The Procurement and Contract Management Strategy sets out the strategic approach to delivering against the CSOs, in particular the principles and objectives.
- 1.5 *Increased profile of Contract Management*. It has been routinely observed amongst commentators that the Procurement Act 2023 could have been called the 'Procurement and Contract Management Act 2023', such is the direction of the legislative content. Procurement under the new legislation is now defined to include the whole lifecycle

of the contract. KPIs and performance against them will now need to be published for contracts over £5m and notices must be published where contracts are modified. Operational content for contract management is a key theme of delivery for the Procurement Transformation Project.

- 1.6 *Introduction of a Central Digital Platform* will replace the Find a Tender Service and Contracts Finder. Suppliers will be able to register and upload core information which can be drawn on by contracting authorities automatically so that suppliers do not have to continually upload the same information.
- 1.7 *Notices* to improve transparency and understanding of contract and procurement processes. There are around 8 new notices that will need to be administered by the Procurement and Contract Management team, including Contract Performance Notices and Contract Termination Notices.
- 1.8 *Increased focus on exclusion and debarment* of unsuitable suppliers to include a centralised 'Debarment List' maintained by central Government to prevent a contractor being able to perform extremely poorly on a public contract and then cross the border to win a new contract where the new contracting authority has no way of knowing or being able to take the previous poor performance into account.
- 1.9 *Increased focus on social value and sustainable procurement* via the National Procurement Policy Statement which we must have regard to. A new Social Value policy is proposed to be introduced by the Council to address this increased focus.
- 1.10 *Building local supplier contract and SME spend* via the approach set out in the Procurement Strategy to support the Corporate Strategy.

2. Background

- 2.1 Under section 135 of the Local Government Act 1972 a local authority is required to make standing orders for contracting of goods, works and services.
- 2.2 The procurement regulatory regime can be described as two tiered. Contract Standing Orders apply to both tiers.
- 2.3 The first tier is for those contracts that are above the statutory contract value thresholds. In these cases, the full statutory regime must be applied. That statutory regime is about to change with the commencement of the Procurement Act 2023 and associated secondary legislation on 24 February 2025.
- 2.4 The second tier is for those contracts below statutory contract value thresholds. In these cases, the Council has far more discretion as to how competition should be secured and which methods for procurement are adopted.

- 2.5 There is an ongoing Procurement Transformation project underway within the Council, which builds on the 'healthcheck' work undertaken by the East of England Local Government Association since 2023 in conjunction with the Procurement and Contract Management team.
- 2.6 There have been a number of workshops involving procuring officers over the last 18 months, and presentations have been delivered internally to the Senior Leadership Team, Cabinet and a pre-Council briefing was held in July 2024 to share information on the upcoming changes, to include the adoption of a new set of Contract Standing Orders.
- 2.7 The purpose of the revised set of Contract Standing Orders and Procurement and Contract Management Strategy is to capture the requirements of the incoming legislation, but also to implement the recommendations identified within the Procurement Transformation project.
- 2.8 The new Government is still considering revisions to the proposed National Procurement Policy Statement which we are required to have regard to under the Procurement Act 2023 hence the delegation included in the recommendations to update the Procurement and Contract Management Strategy once the revised content of the National Procurement Policy Statement is known.

3. Key Issues

- 3.1 Appendix 1 is the proposed new set of Contract Standing Orders.
- 3.2 Appendix 2 is the proposed new Procurement and Contract Management Strategy.
- 3.3 Appendix 3 provides an overview of the significant changes brought about by new statutory regime.
- 3.4 Appendix 4 sets out a list of 'key issues' that draws out the significant changes to proposed new Contract Standing Orders from the current version within the Council's Constitution.
- 3.5 Appendix 5 sets out Norfolk District authority benchmarking on procurement thresholds (below statutory thresholds).

4 Options Considered

- 4.1 It is a statutory requirement for the Council to adopt Contract Standing Orders. There are elements of the Contract Standing Orders that are required in compliance with the statutory regime and there are elements that are at the Council's discretion to determine.

4.2 There is no statutory requirement to have a Procurement and Contract Management Strategy, but given the significant governance and compliance role played by the Procurement and Contract Management function for protecting public funds, it is recommended that a Procurement and Contract Management Strategy be approved by Cabinet.

4.3 The Procurement and Contract Management Strategy is also the vehicle through which some of the themes, principles and objectives of the new procurement regime are captured, furthering our commitment to compliance with the legislative framework.

4.4 Options available are:

No	Option	Impact
1.	Do nothing	<p>We have already been awaiting the new statutory regime before updating the Council's Contract Standing Orders and Procurement and Contract Management Strategy which are out of date. This has been identified by an internal audit and Audit Committee has been keeping a watching brief on the statutory developments. Doing nothing would perpetuate the non-compliance with audit recommendations and reportable to our external auditors and to Full Council by the Monitoring Officer.</p> <p>Doing nothing would also perpetuate the very out of step processes we have around thresholds and contract completion, whereas the drive is to transform and modernise processes to support efficiencies and effectiveness for officers and the Council's contractors.</p>
2.	Change only the legislative requirements and not update the 'healthcheck' transformation recommendations	<p>As above.</p> <p>The diagnostics and workshops undertaken in conjunction with the EELGA have demonstrated a dire need for the Council's systems and processes to be modernised to support officers delivering the Council's services.</p>
3.	Introduce legislative requirements and 'healthcheck' transformation recommendations to progress and deliver the Procurement Transformation	Recommended option

	project	
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5 Policy Implications

The revised Contract Standing Orders and Procurement and Contract Management Strategy align procurement processes with corporate priorities and statutory requirements.

Key policy links include:

Corporate Strategy: Efficient and effective delivery of Services
Social Value Policy
Climate Change Strategy and Action Plan
West Norfolk Economic Strategy

6 Financial Implications

There are no direct financial implications as a result of adopting the attached Contract Standing Orders. There will be short term financial implications in terms of cost of training for officers and Members on the new procurement regime.

The wider strategic aim of the Contract Standing Orders and Procurement and Contract Management Strategy is to provide value for money for the public pound spent by the Council and driving efficiencies within the Council.

7 Personnel Implications

Officer training will be essential to ensure successful implementation of the new procurement regime. This includes:

- Workshops to scenario model with officers with revised processes.
- Updated e-learning
- Deep dive training into identified areas of interest, for example contract management.
- One on one support from the Procurement and Contract Management team to support the transition period.

The tender caseload of the Procurement and Contract Management team will change by increasing the thresholds, meaning that the team's resource can be more strategically applied to supporting the high-value/high-risk tenders and contracts and providing a more personal 'business partner' approach to supporting service areas across the Council.

8 Environmental Considerations

The new procurement regime will have a refined focus on aligning with strategic policy objectives around climate change and using the procurement regime as the means to support the Council's net zero ambition.

9 Statutory Considerations

- 9.1 The regulatory regime currently governing local government procurements is largely set out in the Public Contracts Regulations 2015 (PCR 2015).
- 9.2 The Procurement Act 2023 and supporting regulations comes into effect on 24 February 2025. Once implemented, the Act will replace the current Public Contracts Regulations 2015, the Concessions Contracts Regulations 2016 and the Utilities Contracts Regulations 2016 to become the applicable regulatory regime for local government procurements.
- 9.3 There will be a transition period where some tenders, contracts and frameworks are still caught by the PCR 2015 after 24 February 2025. The Procurement and Contracts Management team will monitor these transitional tenders and contracts to ensure the correct regulatory regime is applied.

10 Equality Impact Assessment (EIA)

(Pre-screening report template attached)

No direct impact.

11 Risk Management Implications

- 11.1 The Council's corporate risk register includes several related risks. Firstly, "Risk 11 – Statutory compliance" which concerns the failure to implement and maintain statutory compliance management systems and secondly, "Risk 13 – Contract/Supply failure" which concerns the failure to manage contracts with key suppliers. The proposed adoption of revised Contract Standing Orders and a new Procurement and Contract Management Strategy mitigate against the occurrence of Risks 11 and 13.
- 11.2 The new procurement arrangements will also support activities that reduce the Council's carbon emissions arising from the procurement of goods and services. Such activities will be a valuable mitigation for "Risk 10 – Climate change mitigation and adaptation" given the contribution to reducing the council's scope 3 emissions and its pathway to net zero carbon emissions by 2035.
- 11.3 More specific risks related to the implementation of the revised Contract Standing Orders and Procurement and Contract Management Strategy include:
 - 11.3.1 Non-compliance with statutory requirements: Mitigated through adoption of revised Contract Standing Orders.

- 11.3.2 Implementation challenges: Addressed through ongoing Procurement Transformation project, effective communication, training and phased rollout.
- 11.3.2 Resistance to change: Overcome through engagement with officers and stakeholders.

12 Declarations of Interest / Dispensations Granted

None

13 Background Papers

None

Borough Council of
**King's Lynn &
West Norfolk**



CONTRACT STANDING ORDERS

Under Section 135, Local Government Act 1972

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Part 1 - Application

Interpretation

1. Cross reference should be made to the definitions table at Schedule 1 where required.
2. These Contract Standing Orders (“CSOs”) have been purposefully drafted so that detailed content is set out in the Schedules rather than the main body of the CSOs. Cross reference should therefore be made to the Schedules where directed.
3. References to “the Council” means the Borough Council of King’s Lynn and West Norfolk.
4. Reference is made throughout these CSOs to Above Threshold and Below Threshold procurements. This denotes above or below the WTO GPA Thresholds set out in Schedule 5. Above Threshold procurements require adherence with the full legislative regime and these CSOs. Below Threshold procurements are not so heavily regulated by the legislation but must be undertaken in accordance with these CSOs.

Purpose

5. The purpose of these CSOs is to set out the framework which applies to the carrying out of a procurement process and then subsequently awarding and managing a within scope contract for the supply of goods, services or for the execution of works.
6. These CSOs apply and must be complied with whenever the Council intends to spend money (or provide other benefits in kind) under contracts that are within scope for the supply of goods or services or for the execution of works.
7. These CSOs also satisfy section 135 of the Local Government Act 1972 which requires the Council to make standing orders in respect of contracts for the supply of goods, services and for the execution of works to secure competition and regulate the manner in which tenders are invited.
8. The Council must follow the relevant procurement legislation when undertaking a procurement process and subsequently awarding a contract for the supply of goods, services or for the execution of works. Most of the Council’s procurement and contract management activity will fall under either the PCR2015 or, from the Commencement Date, the PA23.
9. Procurements that commence (i.e. via the issue of a tender notice in Schedule 10) after the entry into force of the PA23 on the Commencement Date must be conducted by reference to the PA23 only, whilst those that were commenced under PCR2015 must continue to be procured and managed under those regulations. Any contracts awarded under the PCR2015 will continue to be managed under the PCR2015 until such a time as the contract or commercial tool (i.e. Framework, DPS) ceases to exist.

Governance Framework

10. These CSOs are part of the Council's Constitution and form an essential part of the Council's Governance Framework. They are an internal control which serve to support the Council's Best Value duty, the protection of public funds, compliance with relevant legislation and delivery of Social Value. Schedule 2 sets out a list of other parts of the Governance Framework relevant to these CSOs.

Procurement General Principles and Objectives

11. PCR 2015 procurements – principles

For all Above Threshold procurements and contracts (awarded under a Framework or DPS) commenced under and subject to the PCR2015, the Council must continue to comply with the procurement principles that underpin that legislation until such time as the contract, or commercial tool (i.e. Framework, DPS) ceases to exist, in particular the principles of equal treatment, non-discrimination, transparency, and proportionality. This includes for any modifications and requirements for subsequent notices to be published on the relevant platform.

12. PA 23 procurements – objectives

For all Above Threshold procurements and contracts (under a Framework or DM) that commence on or after the Commencement Date, the Council must:

- 12.1 not discriminate against suppliers and shall treat suppliers the same unless a difference between the suppliers justifies different treatment (in which case the Council must take all reasonable steps to ensure it does not put a supplier at an unfair advantage or disadvantage);
- 12.2 have regard to the fact that small and medium-sized enterprises may face particular barriers to participation and consider whether such barriers can be removed or reduced;
- 12.3 have regard to the National Procurement Policy Statement;
- 12.4 have regard to the importance of:
 - 12.4.1 delivering value for money;
 - 12.4.2 maximising public benefit;
 - 12.4.3 sharing information for the purpose of allowing suppliers and others to understand the Council's procurement policies and decisions; and
 - 12.4.4 acting, and being seen to act, with integrity.

13. General Principles and Objectives

Whilst the statutory principles and objectives set out at CSOs 11 & 12 apply to Above Threshold procurements only, the Council will seek to apply relevant and proportionate objectives and principles via its Procurement and Contract Management Strategy to Below

Threshold procurements as well. For all procurements and contracts irrespective of their value, the Council will also ensure they:

- 13.1 support the Council's Best Value duty;
 - 13.2 support the delivery of the Corporate Strategy;
 - 13.3 comply with all legal requirements;
 - 13.4 where relevant and proportionate, deliver Social Value.
14. These CSOs should be read in conjunction with the Council's Procurement and Contract Management Strategy for additional information on how the Council will seek to meet these principles and objectives.

Part 2 - Procurements

Contract Types

15. The contract types the Council usually procures are for goods, services or works.
16. Different procedures apply under the PA23 for the following types of contract and the P&CMT must always be consulted in relation to these prior to commencing a procurement:
- 16.1 Light-touch contracts – i.e. a contract for the supply of certain social, health, education and other public services and subject to more flexible rules under the PA23 and associated regulations.
 - 16.2 Concession contracts – i.e. a contract where the supplier receives at least part of their remuneration from users of the works or services they are providing and the contract complies with the other legal aspects of being a public concession contract.
17. Those contracts that fall within the Out of Scope Arrangements at Schedule 3 will not be covered by these CSOs but such contracts must still support the Council's Best Value duty, support the delivery of the Corporate Strategy and comply with all legal requirements.

Estimating the Contract Value and Lots

18. The contract value must be estimated before commencing a procurement to determine whether the contract is Above Threshold or Below Threshold and in turn determine which procurement method in Schedule 7 to follow. If the contract value is underestimated there is a risk of non-compliance with these CSOs and the legislative regime.
19. The contract value must be estimated in accordance with this CSO, Schedule 4 and Schedule 5. Where the estimated contract value is within 10% of a threshold set out in Schedule 5, the P&CMT must be consulted prior to commencing a procurement to determine the most appropriate procurement method.

20. If one or more quotes are returned after following the Multiple Quotes Procurement Method that exceed the relevant Internal Control Thresholds, the P&CMT must be consulted before any quote is accepted.
21. Where a contract value is unknown or cannot be estimated then the contract is to be treated as being Above Threshold and the applicable rules under these CSOs and the legislative regime must be followed.
22. The Council must not provide an unfair advantage to potential suppliers when estimating the contract value. Preliminary market engagement must be considered where the estimated contract value is not readily identifiable.
23. Once a contract value has been estimated it is necessary to determine which threshold and rules apply in accordance with WTO GPA Thresholds set out in Schedule 5 and the Internal Control Thresholds set out in Schedule 6.

Preliminary Market Engagement

24. Where relevant and proportionate to do so, preliminary market engagement is permitted and encouraged with the intention of informing the procurement process and potential suppliers.
25. Preliminary market engagement brings the contract opportunity to the attention of the market prior to the commencement of a formal procurement process and can help:
 - 25.1 develop the Council's requirements and approach to the procurement;
 - 25.2 design a procedure, conditions of participation or award criteria;
 - 25.3 prepare the tender documents;
 - 25.4 identify suppliers that may be able to supply the goods, services or works required;
 - 25.5 identify likely contractual terms; and
 - 25.6 build capacity among suppliers in relation to the contract being awarded
26. When carrying out preliminary market engagement, the Council must take steps to ensure that suppliers participating are not put an unfair advantage or disadvantage and competition in relation to the award of the contract is not otherwise distorted.
27. Preliminary market engagement must be undertaken in conjunction with the P&CMT.
28. Prior to any preliminary market engagement for an Above Threshold procurement, a pre-market engagement notice must be published.
29. Preliminary market engagement may include, events, consultations with suppliers and other forms of market research, but must not:
 - 29.1 use this phase to shortlist or pre-qualify suppliers; it is only an engagement exercise;
 - 29.2 base any specification on one supplier's capability or offering such as to distort competition;
 - 29.3 make any indication or commitment to suppliers that their capability or offering may be preferred by the Council;
 - 29.4 provide any of the Council's information to one supplier that is not available to every other supplier; or
 - 29.5 enter into negotiations about any form of delivery or price where a competitive procurement process has yet to take place.

30. Any preliminary market engagement carried out, including discussions with the market, is to be undertaken in accordance with the relevant principles and objectives set out in CSOs 11-13 above and be fully documented on file and relevant information shared as appropriate.

Authorisation

31. The appropriate authorisation and approved budget to commence the procurement, enter into a contract or extend or vary a contract must be in place under the Governance Framework.

Procurement Method

32. Different procurement methods apply depending on the estimated contract value. The different methods are as follows: Minimum Quote Process, Multiple Quote Process, Below Threshold Tender and Above Threshold Tender.
33. Full details of each procurement method are set out in Schedule 7.
34. A procurement method can be used that would apply to a higher estimated contract value where this is preferred.

Frameworks

35. Frameworks can be used to procure the supply of goods, services or for the execution of works, particularly where the Council anticipates need over a period of time but has no certainty as to the extent it may require.
36. The Council may set up its own Framework in accordance with the relevant procurement legislation.
37. Contracts based on Frameworks established under the PCR2015 need to be awarded in accordance with the rules in the PCR 2015 and the specific requirements of the relevant Framework.
38. Contracts based on Frameworks established under the PA23 need to be awarded in accordance with the rules in the PA23 and the specific requirements of the relevant Framework. The PA23 provides for both:
 - 38.1 public sector closed frameworks with a standard maximum period of 4 years; and
 - 38.2 open frameworks with a maximum period 8 years which can be opened for new suppliers to join at defined points in time.
39. The use of a Framework set up by a third party may be used where the Council is permitted to use the third party Framework and where the use of the third party Framework has been approved by the P&CMT.
40. All call-offs from a Framework must be in accordance with the terms of that Framework, and must be properly completed and recorded on the Contracts Register.

Dynamic Markets

41. DMs have been introduced under the PA23. A DM functions as a standalone qualification tool, which creates a pre-qualified pool of suppliers, that meet the specified conditions for membership for that particular DM (or part of it).
42. The Council is permitted to award an Above Threshold contract by reference to suppliers' participation in an appropriate DM when using the competitive flexible procedure. By doing so, the Council limits participation in the procurement procedure to members of that specific DM. As a DM is only relevant when awarding a contract using a competitive flexible procedure, the contract must be awarded by way of competitive tender. A DM can only be used for the award of an Above Threshold contract.
43. The P&CMT must be consulted prior to setting up a DM or seeking to procure a contract by reference to a DM.

Dynamic Purchasing Systems

44. DPSs were introduced by the PCR2015. Any DPS established under the PCR2015 must come to an end as set out when they were established, or by 23 February 2029 whichever is earlier.
45. A DPS is a procedure available for contracts for works, services and goods commonly available on the market. As a procurement tool, it has some aspects that are similar to an electronic framework agreement, but where new suppliers can join at any time. It is to be run as a completely electronic process and must be set up using the restricted procedure and some other conditions (as set out in Regulation 34, PCR 2015).
46. From the Commencement Date, a DPS cannot be used but current contracts awarded under them will continue until their expiry. The P&CMT must be consulted prior to using a DPS.

Direct Award (Exemptions)

47. Direct awards to a single supplier means there has been an absence of competition. Accordingly, they must only occur in accordance with these CSOs and where applicable, as permitted under the relevant legislative regime.
48. Direct awards can only be made in accordance with Schedule 8 (Direct Awards for Above Threshold Contracts) or Schedule 9 (Direct Awards for Below Threshold Contracts).
49. All Direct Awards must be approved by the Procurement and Contracts Manager, the relevant non-statutory Chief Officer, the Monitoring Officer and the Chief Finance Officer.

TUPE

50. The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) may apply when an employee of the Council or of a supplier providing a service to the Council may be affected because of a change in the service provider. Where TUPE may apply, the Monitoring Officer must be consulted with a response provided before the procurement is commenced.

Specification

51. Every Multiple Quote Process and tender must have a written specification setting out a comprehensive description of the requirements of the contract including the timings of when deliverables must be met.
52. The Council must ensure the specification for contracts in Above Threshold tenders, including all references to standards and qualifications, complies with the relevant legislation on technical specifications.

Award Criteria

53. Every Multiple Quote Process and Tender will be evaluated in accordance with the award criteria set out in the procurement documents.
54. The contract award criteria may include a price-quality ratio, assessed on the basis of qualitative, environmental and/or social value aspects, linked to the subject matter of the contract in question.
55. The key requirements of the award criteria are that they:
 - 55.1 relate to the subject-matter of the contract;
 - 55.2 are sufficiently clear, measurable and specific;
 - 55.3 link with the statutory rules on technical specifications where relevant; and
 - 55.4 are a proportionate means of assessing quotes/tenders having regard to the nature, complexity and cost of the contract.
56. The P&CMT will provide recommendations on inclusion of Social Value award criteria in tenders, where this is relevant and proportionate to the nature of the contract.

Evaluating Bids and Contract Award

57. Above Threshold contracts must be awarded as follows:
 - 57.1 if procured under the PA23, then on the basis of the most advantageous tender;
 - 57.2 if procured under the PCR2015, then on the basis of the most economically advantageous tender; and
 - 57.3 if procured under the PSR23, then in consultation with the P&CMT who will advise on the legislative basis for award.
58. Below Threshold contracts and Multiple Quotes Process contracts shall be awarded on the basis of the most advantageous tender.
59. The Council will follow the framework set out in section 19 of the Procurement Act 2023 with regards to disregarding any quote or tender.
60. Any due diligence checks must be undertaken in accordance with Part 3 – Due Diligence before awarding the contract.
61. Decisions on evaluating tender bids shall be recorded, to include the identity of the decision-maker, the scores and rationale of how the evaluation criteria was applied, the reasons for the decision and any declared conflicts of interest.

62. The Council is not obliged to accept any quote or tender and may terminate any procurement process it has commenced at its own discretion and at any time before a contract is entered.
63. If a tender is submitted after the deadline for receiving tenders has passed, the Council must not accept this tender unless it can justify why it should provide different treatment to that bidder and this is approved by the Procurement and Contracts Manger, the relevant non-statutory Chief Officer and the Monitoring Officer. Any decision to accept a late tender can only be made before evaluation of the other tenders has commenced and cannot be taken where any prejudice has been caused to the other bidders over and above the additional time permitted.
64. If it is considered that a bidder has made a genuine typographical error in their tender, the Council may afford that bidder an opportunity to correct their error. However, this decision must be approved by the Procurement and Contracts Manger, the relevant non-statutory Chief Officer and the Monitoring Officer and in accordance with the principles and objectives at CSOs 11-13.

Part 3 – Due Diligence

Conflicts of Interest

65. The Council must ensure that duties relating to Conflicts of Interest under the applicable procurement legislation are met for all procurements. Specifically, for Above Threshold procurements subject to the PA23, the Council must:
 - 65.1 take all reasonable steps to identify, and keep under review any actual or potential conflicts of interest;
 - 65.2 take all reasonable steps to ensure that a conflict of interest does not put a supplier at an unfair advantage or disadvantage in relation to the procurement;
 - 65.3 where any such unfair advantage cannot be avoided or the supplier will not take steps that the Council considers are necessary in order to ensure it is not put at an unfair advantage, exclude the supplier from the procurement; and
 - 65.4 before publishing a tender notice or transparency notice for the procurement, prepare a conflicts assessment in relation to the procurement and keep this under review and revise the assessment as necessary.
66. For Above Threshold procurements and contracts subject to the PA23, the Council must also comply with the requirements in relation to conflicts assessments, namely:
 - 66.1 a conflicts assessment must be prepared prior to publishing a tender or transparency notice;
 - 66.2 a conflicts assessment must include details of the actual or potential conflict identified and any steps the Council has or will take to mitigate that conflict;
 - 66.3 where the Council is aware of circumstances that it considers are likely to cause a reasonable person to wrongly believe there to be a conflict or potential conflict, the conflicts assessment must include details of any steps the Council has taken or will take to demonstrate no such conflict or potential conflict exists;
 - 66.4 the Council must keep any conflict assessments under review and revise as necessary; and
 - 66.5 the Council must when publishing any Relevant Notice confirm that a conflicts assessment has been prepared and revised in accordance with section 83 of the PA23.

Exclusion and Debarment

67. Bidders invited to participate or those bidders that have submitted bids for tenders will be reviewed against the Debarment List after the Commencement Date.
68. An individual assessment will be made on whether the bidder must be excluded on a mandatory basis or could be excluded on a discretionary basis.
69. All decisions made in relation to exclusion & debarment are to be taken by an officer in the P&CMT.
70. If the Council decides to exclude a supplier from a procurement in accordance with the PA23, this will be notified to the appropriate authority which could result in the supplier's name being included on the publicly available Debarment List.

Due Diligence Checks

71. It is a requirement that for Above Threshold procurements, a contract award is made subject to the supplier satisfying a Financial Due Diligence Assessment. The Chief Finance Officer determines whether the supplier has satisfied the Financial Due Diligence Assessment. The Financial Due Diligence Assessment will include an appraisal of the supplier's financial capacity to perform the contract and whether appropriate risk mitigations can be put in place to address any identified issues with suppliers' financial capacity.
72. As part of due diligence checks for Above Threshold procurements, the Council may set conditions of participation but in doing so must ensure they:
 - 72.1 only relate to the supplier's legal and financial capacity and/or technical ability to perform the contract;
 - 72.2 are a relevant and proportionate means of ensuring the supplier's relevant capacity or ability, having regard to the nature, complexity and cost of the contract to be delivered; and
 - 72.3 for Above Threshold contracts, they comply with section 22 of the PA23 or regulation 58 of the PCR2015.
73. Consideration must be taken as to the necessity or otherwise around seeking a bond or parent company guarantee based on strategic risk where the estimated contract value is over £1m. If one of these forms of security is deemed a requirement then this must be specified in the published procurement documents.
74. Insurance requirements shall be proportionate to the contract value but in no case shall provide cover of less than £500,000 for a single claim event unless authorised by the Chief Finance Officer. The Council is not permitted to require insurance relating to the performance of the contract to be in place before the award of the contract.
75. Other relevant and proportionate forms of due diligence can form part of the requirements for Below Threshold procurements before contract award so long as these are specified in the published procurement documents. These requirements will not serve to restrict the submission of tenders or quotes but will be taken into account on contract award.

76. In setting due diligence requirements regard must be had to the barriers SMEs may face to participation and the Council must consider if those barriers can be removed or reduced.

Part 4 - Contracts

Contract Completion

77. Contracts shall be completed in accordance with Schedule 7.

78. Contracts can be completed using an electronic signature but only through the Council's contracted e-signature provider and certificates of completion must be retained with the contract documents.

79. All contract formalities must be concluded before the supply of goods or services or the carrying out of works begin, bar in exceptional circumstances with the written approval of the Monitoring Officer. All related parent company guarantees and/or bonds must be completed and received before the contract commences bar in exceptional circumstances with the written approval of the Monitoring Officer.

80. The officer responsible for securing signature of the contract must ensure that the person signing for the other contracting party has authority to bind it. Cases where this is uncertain must be referred to the Monitoring Officer.

Contract Extensions and Variations

81. Above Threshold contracts can only be extended or modified in accordance with the relevant procurement legislation and Schedule 8. A request to extend, vary or modify must be referred to the Monitoring Officer and the P&CMT to be authorised.

82. Below Threshold contracts can only be extended if the original contract includes an option to extend the initial term or in accordance with category 4 of Schedule 9. Authorisation must also be in place under the Governance Framework. Confirmation of the extension must be kept with the contract documents. A written variation to the contract to enable the extension must be retained with the contract documents.

83. Below Threshold contracts can only be modified where this does not substantially alter the nature of the contract. Authorisation must also be in place under the Governance Framework. A written variation to the contract must be retained with the contract documents.

Contract Management Notices

84. The Council must ensure that all notices at Schedule 10 in relation to contract management under the PA23 are complied with.

Contract Management Procedures

85. Service areas of the Council are responsible for effective contract management of all contracts in their area and shall ensure that at least one officer is designated as the

officer responsible for the management of each ongoing contract.

86. Where a contract is a corporate contract, i.e. relates to more than one service area of the Council, then the P&CMT will confirm which service area shall take primary responsibility for the management of the contract in consultation with the Monitoring Officer and relevant non-statutory chief officer.

87. Contract management involves:

- 87.1 monitoring performance against the procurement documents (including specification and the bid/quote) plus the contract, to include monitoring KPIs where included in the contract
- 87.2 production and retention of performance data where relevant and proportionate
- 87.3 addressing poor performance where identified
- 87.4 monitoring spend and forecast spend against the contract price and/or approved budget
- 87.5 assessing and monitoring risks
- 87.6 ensuring Social Value is delivered where this forms part of the contract
- 87.7 repeating due diligence checks where necessary
- 87.8 monitoring for grounds of debarment and exclusion
- 87.9 developing, and maintaining an effective relationship with the supplier by way of regular minuted meetings, communication and provision of feedback
- 87.10 consideration of any other stakeholder engagement where relevant to managing the contract
- 87.11 ensuring the effective ongoing administration of the contract to ensure the required outputs/outcomes are achieved to maximise benefit for the Council
- 87.12 seeking to achieve Best Value throughout the term of the contract, including by way of agreed modifications to the contract
- 87.13 to escalate disputes at the appropriate stage to the P&CMT and the Monitoring Officer
- 87.14 compliance with these CSOs and the relevant legislation in relation to any extensions and/or variations to a contract, which must only be undertaken in consultation with the P&CMT for contracts over £25,000.

88. The Council will require adherence to a contract management plan by suppliers where relevant and proportionate.

Review and Amendment

89. These CSOs will be reviewed annually in January by the Monitoring Officer.

90. The Monitoring Officer may make technical amendments from time to time to make these CSOs consistent with changes to the legislative frameworks or the Governance Framework, after consulting with the Chief Finance Officer and the P&CMT.

SCHEDULE 1 – DEFINITIONS

<p>“Above Threshold”</p>	<p>means, as the context requires: procurements, tenders, contracts, procedures, methods and/or processes that apply where the procurement or contract in question is at or above the WTO GPA Threshold</p>
<p>“Above Threshold Tender”</p>	<p>means the procurement process of securing competition via a tender for Above Threshold contracts in accordance with Schedule 6 and 7 of these CSOs</p>
<p>“Advertised”</p>	<p>means:</p> <p>for Below Threshold tenders:</p> <ul style="list-style-type: none"> • Under PCR2015 tenders will be advertised on the Contracts Finder and the Council’s website • Under PA23 tenders will be advertised on the Central Digital Platform and the Council’s website <p>for Above Threshold tenders:</p> <ul style="list-style-type: none"> • Under PCR2015 tenders will be advertised on the Find a Tender Service, GOV.UK Contracts Finder and the Council’s website • Under PA23 tenders will be advertised on the Central Digital Platform and the Council’s website
<p>“Below Threshold”</p>	<p>means, as the context requires: procurements, contracts, procedures, methods and/or processes that apply where the procurement or contract in question is below the WTO GPA Threshold</p>
<p>“Below Threshold Tender”</p>	<p>means the procurement process of securing competition via a tender for Below Threshold contracts in accordance with Schedule 6 and 7 of these CSOs</p>
<p>“Best Value”</p>	<p>means the duty on the Council under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness</p>
<p>“Central Digital Platform”</p>	<p>The online system established by the UK Government Cabinet Office where tender opportunities are advertised, Notices are published and suppliers can submit core information for procurements and contracts that fall under the PA23.</p>
<p>“Chief Finance Officer”</p>	<p>Means the officer appointed by the Council under section</p>

	151 of the Local Government Act 1972 or their deputy
“Commencement Date”	means the commencement date for the new Procurement Act 2023; this being 24 February 2025 or such other extended date that central government sets;
“Conflicts of Interest”	means a situation where there is a conflict between the interests of a person acting in relation to a procurement and those of the procurement itself including the circumstances set out in Part 5 PA23;
“Constitution”	means the Council’s current constitution adopted under section 9P of the Local Government Act 2000
“Contracts Finder”	A publicly accessible online platform for the publication of procurement opportunities and awarded contracts over £25,000 established by the UK Government under PCR2015 (being replaced by the Central Digital Platform for procurements and contracts under the PA23)
“Contracts Register”	means the centralised record maintained by the Council of all contracts entered into over £5,000
“Debarment List”	means the list created by a Minister of the Crown providing details of suppliers which, following an investigation, are considered excluded or excludable suppliers;
“DM”	means a dynamic market as referred to in Part 2 of these CSOs
“DPS”	means a dynamic purchasing system as referred to in Part 2 of these CSOs
“Financial Due Diligence Assessment”	means the processes and tools used by the Council for objectively assessing evidence it requires for verifying conditions of participation for the financial capacity to perform the contract
“Find a Tender Service”	A publicly accessible online platform for the publication of Above Threshold procurement opportunities and awarded contracts established by the UK Government under PCR2015 (being replaced by the Central Digital Platform for procurements and contracts under the PA23)
“Framework”	means a contract between a contracting authority and one or more suppliers that provides for the future award of contracts by a contracting authority to the supplier or suppliers
Governance Framework	means, as the context requires, the parts of the Constitution

	and Council policies referred to at Schedule 2
“Internal Control Thresholds”	means the Council’s thresholds as set out in Schedule 6 of these CSOs
“Minimum Quote Process”	means the procurement process of obtaining at least one written quote in accordance with Schedule 6 and 7 of these CSOs
“Monitoring Officer”	means the officer appointed under section 5 of the Local Government and Housing Act 1989 or their deputy
“Multiple Quotes Process”	means the procurement process of obtaining quotes from multiple suppliers in accordance with Schedule 6 and 7 of these CSOs
“Notice(s)”	means the notices listed at Schedule 10
“P&CMT”	means the Council’s procurement and contract management team
“PA23”	means the Procurement Act 2023
“PCR2015”	means the Public Contracts Regulations 2015
“Procurement Method”	means the methods of procurement set out in Schedule 7
“PSR23”	means the Health Care Services (Provider Selection Regime) Regulations 2023
“Relevant Notice”	means the notices set out in section 83 of the PA 23 in which the Council must confirm that a conflicts assessment has been prepared and revised, namely: (a) a tender notice, (b) a transparency notice, (c) a DM notice in relation to the establishment of a DM, (d) a contract details notice relating to an Above Threshold contract, or (e) a contract change notice;
“Social Value”	means the duty under the Public Services (Social Value) Act 2012 and as set out in the Council’s Social Value Policy
“WTO GPA Threshold”	means the World Trade Organisation Government Procurement Agreement which governs the statutory thresholds for an Above Threshold contract as set out in

	Schedule 5
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SCHEDULE 2 – GOVERNANCE FRAMEWORK

These CSOs link with the following parts of the Council's published Governance Framework:

1. The approved budget
2. The Council's Annual Governance Statement issued under the Accounts and Audit Regulations 2015
3. Procurement and Contract Management Strategy
4. Financial regulations in the Constitution
5. Standing orders in the Constitution
6. Corporate Strategy
7. Anti-fraud and Corruption Strategy
8. Anti-Money Laundering Policy
9. Whistleblowing Policy
10. Risk Management Policy and Risk Management Strategy
11. Councillor's Code of Conduct
12. Officer Code of Conduct
13. Scheme of Delegation in the Constitution
14. Social Value Policy
15. Equality Policy

SCHEDULE 3 – OUT OF SCOPE ARRANGEMENTS

The following arrangements are exempted contracts and out of scope for the purposes of these CSOs except where specified:

Counterparty exempted contracts

- 1.1 Horizontal Arrangements (e.g. contracts between contracting authorities where the arrangement is intended to achieve common goals in connection with the exercise of their public functions, the arrangement is solely in the public interest and no more than 20% of the activities envisaged by the arrangement are intended to be carried out for reasons other than for the purpose of their public functions);
- 1.2 Vertical Arrangements (e.g. a contract between a contracting authority (or two or more contracting authorities acting together) with a person over which the contracting authority owner has a form of control);

Subject matter exempted contracts

- 1.3 acquisitions and disposals of land or buildings unless related to a contract for works, services or supplies;
- 1.4 a contract for the lending of money in any currency to the Council and for the provision or carrying out of an investment service or activity, or of an ancillary service, in relation to a financial instrument by an investment firm or a qualifying credit institution;
- 1.5 where the Council instructs external legal representatives to represent, advise or act on its behalf in relation to litigation, including alternative dispute resolution;
- 1.6 contracts for the purpose of research & development only;
- 1.7 contracts of employment; and
- 1.8 other exemptions referred to in Schedule 2 of the PA23 or Regulation 10 of the PCR2015.

Other contracts

In addition, the following arrangements are out of scope from these CSOs:

- 1.9 delegation of functions to another local authority under section 101 of the Local Government Act 1972
- 1.10 where the Council is providing a financial support payment to a resident or service user
- 1.11 grants the Council has awarded to third parties
- 1.12 where the Council is participating in a multi-authority procurement and another local authority is the lead partner

SCHEDULE 4 – ESTIMATING CONTRACT VALUE

These factors are to be taken into account when estimating the value of a contract:

- a. where estimating the value of two or more contracts and the goods, services or works to be supplied under those contracts could reasonably be supplied under a single contract then the Council must estimate the value of each of the contracts as including the value of all of the contracts, unless the Council has good reasons not to do so (also referred to as 'aggregation');
- b. estimate the maximum amount the Council could expect to pay under the contract including where applicable amounts already paid and which could be paid for the same nature and category of work over the foreseeable future. This could include:
 - i. the value of any goods, services or works provided by the Council under the contract other than for payment;
 - ii. amounts that would be payable if an option in the contract to supply additional goods, services or works were exercised;
 - iii. amounts that would be payable if an option in the contract to extend or renew the term of the contract were exercised;
 - iv. amounts representing premiums, fees, commissions or interest that could be payable under the contract;
 - v. amounts representing prizes or payments that could be payable to participants in the procurement.
- c. the P&CMT is to be consulted to assist in estimating future contract need in the same nature and category of the contract being valued where this is a factor in the calculation of the value of the contract (also referred to as aggregation);
- d. take into account all of the facts which are material to the estimate and available to the Council at the time it makes the estimate;
- e. treat the contract as being Above Threshold where it is not possible to estimate a contract value;
- f. calculations are to be exclusive of VAT save for contracts where the estimated value is above the WTO GPA Threshold which shall be inclusive of VAT;
- g. where the contract is one where no payment is made by the Council (e.g. a concession), estimate the value of a concession contract as the maximum amount the supplier could expect to receive under or in connection with the contract, including where applicable, amounts already received;
- h. where establishing a Framework, the Council must estimate the value of a Framework as the sum of the estimated values of all the contracts that have or may be awarded in accordance with that Framework;
- i. where the Council is the lead authority for a joint Procurement, the total value of the opportunity must also include the amount which relates to other participants;
- j. not calculate the estimated contract value in a way that is designed to avoid exceeding the WTO GPA Thresholds or Internal Control Thresholds;

Note, no contract can be 'rolling', i.e. no end date. The total length of a contract cannot exceed 10 years.

SCHEDULE 5 – WTO GPA THRESHOLDS

1. This Schedule contains the applicable WTO GPA Thresholds as of 1 January 2024. The WTO GPA Thresholds are updated every two years.
2. If VAT does not apply or a lower rate of VAT applies to the contract then this must be verified with the Chief Finance Officer before commencing the procurement.
3. WTO GPA Thresholds:

Category	Threshold Including VAT	Threshold Excluding VAT
Supplies and Services	£213,477	£177,897.50
Works Contract	£5,336,937	£4,447,447.50
Light Touch Regime	£663,540	£552,950.00
Concession Contracts	£5,336,937	£4,447,447.50
Health Care Services – PSR23	£0	£0

4. The WTO GPA Thresholds will be updated by the Monitoring Officer when there are statutory updates.

SCHEDULE 6 – INTERNAL CONTROL THRESHOLDS

ALL FIGURES ARE EXCLUDING VAT	Minimum Quote Process £	Multiple Quote Process £	Below Threshold Tender £	Above Threshold Tender £
Goods and Services	0.00 – 20,000	20,001-75,000	75,001 – up to Statutory Threshold	Statutory Threshold and above
Works Contract	0.00 - 35,000	35,001-250,000	250,001 – up to Statutory Threshold	Statutory Threshold and above
Light Touch Regime	0.00 - 35,000	35,001 – 100,000	100,001 – up to Statutory Threshold	Statutory Threshold and above
Concession Contracts	0.00 - 35,000	35,001-250,000	250,001 – up to Statutory Threshold	Statutory Threshold and above
Health Care Services - Provider Selection Regime	0.00 – 20,000	20,001-75,000	75,001 – up to 177,897.50	177,897.50 and above

SCHEDULE 7 – PROCUREMENT AND CONTRACT METHODS

	Procurement Method	Who carries out the Procurement	Who evaluates and takes decision	Record decision	Contract Options	Contract Completion	Contract Retention	Transparency
Minimum Quote Process 59	<p>1. A minimum of one written quote</p> <p>Received digitally or in hardcopy (to be electronically recorded)</p> <p>2 A Framework or DPS (latter for old regime only)</p>	Procuring officer	Procuring officer	Procuring Officer choice	<p>Purchase order</p> <p>OR</p> <p>Council standard contract</p> <p>OR</p> <p>Professional contract (e.g. JCT, NEC)</p> <p>OR</p> <p>Supplier contract with Monitoring Officer approval</p> <p>OR</p> <p>Bespoke contract with Monitoring Officer approval</p> <p>OR</p> <p>If Framework used then a call-off contract under the Framework agreement</p>	<p>(where purchase order not used)</p> <p>Signed by Assistant Director (can be delegated for contracts £25,000 or below)</p> <p>Hardcopy or e-signature</p> <p>OR</p> <p>If a deed then by sealing through Legal services</p>	<p>In service area shared area</p> <p>AND</p> <p>By P&CMT and Legal services (procuring officer responsibility to send a copy of written contract)</p>	<p>Spend over £500 published online</p> <p>No Notices</p> <p>Contracts Register over £5,000</p>

	Procurement Method	Who carries out the Procurement	Who evaluates and takes decision	Record decision	Contract Options	Contract Completion	Contract Retention	Transparency
09	<p>Multiple Quote Process</p> <p>1. Request for Quotation (RFQ) At least 3 quotes sought</p> <p>RFQ to be issued by email or via the e-Procurement platform *</p> <p>2. A Framework or DPS (latter for old regime only)</p> <p>3. A Direct Award where expressly permitted under Schedule 9 of these CSOs</p>	Procuring officer with approval from a P&CMT officer of RFQ before issue where contract value over £25,001	Procuring officer with approval from a P&CMT officer before decision on successful bidder where contract value over £25,001 or where 3 quotes were not received (P&CMT may require further quotes to be obtained)	Yes	<p>Council standard contract</p> <p>OR</p> <p>Professional contract (e.g. JCT, NEC)</p> <p>OR</p> <p>Supplier contract with Monitoring Officer approval</p> <p>OR</p> <p>Bespoke contract with Monitoring Officer approval</p> <p>OR</p> <p>If Framework used then a call-off contract under the Framework agreement</p>	<p>Signed by Assistant Director (not to be delegated over £25,000)</p> <p>Hardcopy or e-signature</p> <p>OR</p> <p>If a deed then by sealing through Legal Services</p>	<p>In Service area shared area</p> <p>AND</p> <p>By P&CMT and Legal services (procuring officer responsibility to send a copy of written contract)</p>	<p>Spend over £500 published online</p> <p>Contracts Register</p> <p>No Notices</p>
	<p>Below Threshold Tender</p> <p>1. Advertised Tender through a competitive tendering procedure via the e-procurement</p>	A P&CMT officer in consultation with procuring officer	A P&CMT officer in consultation with procuring officer	Yes	<p>Council standard contract</p> <p>OR</p> <p>Professional contract</p>	<p>Signed by Executive Director <u>up to</u> £500,000 (can be delegated to</p>	<p>In Service area shared area</p> <p>AND</p> <p>By P&CMT and</p>	<p>Spend over £500 published online</p> <p>Contracts Register</p>

	Procurement Method	Who carries out the Procurement	Who evaluates and takes decision	Record decision	Contract Options	Contract Completion	Contract Retention	Transparency
61	<p>platform</p> <p>2. A Framework or DPS (latter for old regime only)</p> <p>3. A Direct Award where expressly permitted under Schedule 9 of these CSO</p>				<p>(e.g. JCT, NEC)</p> <p>OR</p> <p>Supplier contract with Monitoring Officer approval</p> <p>OR</p> <p>Bespoke contract with Monitoring Officer approval</p> <p>OR</p> <p>If Framework used then a Call-off Contract under the Framework agreement</p>	<p>an Assistant Director below £250,000)</p> <p>Hardcopy or e-signature</p> <p>OR</p> <p>Sealed if £500,000 or above through Legal Services</p> <p>OR</p> <p>If under £500,000 but a Deed then by sealing through Legal</p>	Legal services	Notices
Above Threshold Tender	<p>1. Advertised Tender through a competitive tendering procedure via the e-procurement platform</p> <p>2. A Framework, DM (new regime) or DPS (old regime)</p>	P&CMT officer in consultation with procuring officer	P&CMT officer in consultation with procuring officer and relevant Portfolio Holders	Yes	<p>Council Standard Contract</p> <p>OR</p> <p>Professional contract (e.g. JCT, NEC)</p> <p>OR</p> <p>Supplier contract with Monitoring Officer</p>	<p>Signed by Executive Director <u>up to</u> £500,000 (can be delegated to an Assistant Director below £250,000)</p> <p>Hardcopy or e-signature</p>	<p>In Service area shared area</p> <p>AND</p> <p>By P&CMT and Legal services</p>	<p>Spend over £500 published online</p> <p>Contracts Register</p> <p>Notices</p>

	Procurement Method	Who carries out the Procurement	Who evaluates and takes decision	Record decision	Contract Options	Contract Completion	Contract Retention	Transparency
62	3. A Direct Award where permitted under the PA23 and Schedule 8				approval OR Bespoke contract with Monitoring Officer approval OR If Framework used then a Call-off Contract under the Framework agreement	OR Sealed if £500,000 or above through Legal services OR If under £500,000 but a Deed then by sealing through Legal services		

* P&CMT will provide written certification to a service area that they are approved to use the e-Procurement platform without P&CMT's oversight. If any officer is unsure whether their service area is certified, contact P&CMT for confirmation

SCHEDULE 8 – DIRECT AWARD FOR ABOVE THRESHOLD CONTRACTS

1. Where a direct award is necessary and expressly permitted by the relevant legislation, the procurement and contract award may be undertaken without a competitive tendering procedure and must be undertaken with approval from the relevant non-statutory chief officer, Monitoring Officer, Chief Finance Officer and Procurement and Contracts Manager via an Exemption Form.
2. Under the PA23, unless otherwise stated that these notices are not required, the Council must publish the following mandatory notices when directly awarding a contract to a supplier, namely:
 - a **transparency notice** before a contract is directly awarded to inform the market that the Council intends to directly award a contract and ensure that there is transparency relating to this decision;
 - a **contract award notice** which initiates any mandatory or voluntary standstill period and must be published before the Council enters into contract; and
 - a **contract details notice** once the contract has been entered into.

No	Direct Award
1	Where a Minister of the Crown has issued published Regulations specifying identified public contracts that are to protect human, animal or plant life or health, or to protect public order or public safety.
2	The creation or acquisition of a unique work of art or artistic performance
3	Only one supplier can supply the goods, works or services due to the absence of competition for technical reasons and there are no reasonable alternatives
4	The extension or partial replacement of existing goods, services or works by the existing supplier where a change in supplier would result in receiving different or incompatible goods or services, resulting in disproportionate technical difficulties in operation or maintenance
5	Only one supplier can supply the goods, works or services because of intellectual property or other exclusive rights and there are no reasonable alternatives
6	The supply of similar goods, services or works by an existing supplier where the existing contract was awarded competitively to the existing supplier in the last five years and the tender notice for the award specifically mentioned the contracting authority's intention to use this direct award justification
7	A contract on particularly advantageous terms because the supplier is undergoing insolvency proceedings
8	The goods, services or works are strictly necessary because of extreme and unavoidable urgency and cannot be awarded in a competitive tendering procedure
9	Goods purchased on a commodity market
10	Where the contract is for the supply of user choice services, as designated by regulations and supplied for the benefit of the individual.
11	The supply of prototypes or the testing, viability research or development of other novel services
12	Switching to direct award where a competitive tendering procedure has been undertaken and no suitable tenders were received.

SCHEDULE 9 – DIRECT AWARD FOR BELOW THRESHOLD CONTRACTS

1. Direct awards for Below Threshold contracts can only be made with the approval of the relevant non-statutory chief officer, Monitoring Officer, Chief Finance Officer and Procurement and Contracts Manager via an Exemption Form.
2. The following categories of direct award apply to Below Threshold contracts:

No	Direct Award
1	<p>Where there is an immediate need to:</p> <ul style="list-style-type: none"> • protect human, animal or plant life or health • to protect public order or public safety • to protect property • to maintain the immediate functioning of a public service for which the Council is responsible. <p>In such cases the contract must only last as long as is reasonably necessary to deal with the specific immediate need</p>
2	The creation or acquisition of a unique work of art or artistic performance
3	Only one supplier can supply the goods, works or services due to the absence of competition for technical reasons and there are no reasonable alternatives
4	The extension or partial replacement of existing goods, services or works by the existing supplier where a change in supplier would result in receiving different or incompatible goods or services, resulting in disproportionate technical difficulties in operation or maintenance provided that the total estimated value of such an extension does not exceed the relevant WTO GPA Thresholds
5	Only one supplier can supply the goods, works or services because of intellectual property or other exclusive rights and there are no reasonable alternatives
6	The supply of similar goods, services or works by an existing supplier where the existing contract was awarded competitively to the existing supplier in the last five years and the tender notice for the award specifically mentioned the contracting authority's intention to use this direct award justification
7	A contract on particularly advantageous terms because the supplier is undergoing insolvency proceedings
8	The goods, services or works are strictly necessary because of extreme and unavoidable urgency and cannot be awarded in a competitive tendering procedure
9	Goods purchased on a commodity market
10	Where the contract is for the supply of user choice services, as designated by regulations and supplied for the benefit of the individual.
11	The supply of prototypes or the testing, viability research or development of other novel services
12	Switching to Direct Award where a competitive tendering procedure has been undertaken and no suitable tenders were received

Schedule 10	Notices under the PA23
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13	Special and evidenced circumstances exist that make it appropriate and beneficial to negotiate with a single firm or that a single tender be invited, for example quantifiable and significant cost and efficiency savings can be achieved through seeking an alternative route, which outweigh the legal risk of the waiver.
14	The Council would otherwise be exposed to immediate and significant financial, legal, or reputational risk that has been identified in the relevant risk register and is considered to outweigh the risk of the waiver. This must be evidenced.

Notice	Commentary
Pipeline Notice	<p>Purpose: This notice is compulsory if the Council considers it will pay more than £100 million (inclusive of VAT) under relevant contracts in the coming financial year. This notice sets out specified information about any Above Threshold contract with an estimated value of more than £2 million (inclusive of VAT), in respect of which the Council intends to publish a tender notice or transparency notice during the reporting period (18 months from the start of the financial year).</p> <p>Publication: Must be published on the Central Digital Platform.</p> <p>Timing: Within 56 days of the start of the new financial year.</p>
Preliminary Market Engagement Notice	<p>Purpose: This notice must set out that you intend to engage in or already have engaged in preliminary market engagement. Where preliminary market engagement is undertaken, this notice is compulsory for an Above Threshold contract unless the Council provides a reason for not doing so in the tender Notice. It is optional for Below Threshold tendered contracts.</p> <p>Publication: Must be published on the Central Digital Platform.</p> <p>Timing: Prior to or during preliminary market engagement.</p>
Planned Procurement Notice	<p>Purpose: May be published to advertise intention of publishing a Tender Notice. This notice will constitute a “qualifying planned procurement notice” (for the purposes of reduced tendering periods) where the notice is published in accordance with the timescales below.</p> <p>Publication: Must be published on the Central Digital Platform.</p> <p>Timing: At least 40 days but not more than 12 months before the day on which the tender Notice is published.</p>
Tender Notice	<p>Purpose: This Notice is compulsory where an Above Threshold contract is advertised as part of a competitive tendering exercise, “associated tender documents” must be provided alongside the tender Notice.</p> <p>Publication: Must be published on the Central Digital Platform.</p> <p>Timing: On commencement of the procurement – i.e. publishing a request to participate or, in the case of any competitive flexible procedure where there is no request to participate, when tenderers are invited to submit their first tender.</p>
Transparency Notice	<p>Purpose: A notice setting out that the Council intends to award an Above Threshold contract directly to a supplier.</p> <p>Publication: Must be published on the Central Digital Platform.</p> <p>Timing: Before directly awarding a contract.</p>
Procurement Termination Notice	<p>Purpose: If, following a Tender Notice or Transparency Notice, the Council decides not to award the contract, the Council must publish a Procurement Termination Notice.</p> <p>Publication: Must be published on the Central Digital Platform.</p>

	<p>Timing: As soon as reasonably practicable after deciding not to award the contract.</p>
Contract Award Notice	<p>Purpose: Sets out the Council's intention to enter into an Above Threshold or Below Threshold tendered contract.</p> <p>Publication: Must be published on the Central Digital Platform.</p> <p>Timing: Before entering into an Above Threshold contract but after providing each supplier that submitted an assessed tender their "assessment summary".</p>
Contract Details Notice	<p>Purpose: Sets out that the Council has entered into an Above Threshold contract.</p> <p>Publication: Must be published on the Central Digital Platform.</p> <p>Timing: Within 30 days of entering into the contract (or within 120 days if entering into a light touch contract).</p>
Contract Change Notice	<p>Purpose: Sets out that an Above Threshold contract (or a contract which is now become an Above Threshold contract because of the modification – known as a convertible contract) has been modified.</p> <p>This notice is not required if (1) the modification increases/decreases the value by 10% or less for a goods or services contract or 15% or less for a works contract or (2) the modification increases/decreases the term of the contract by 10% or less of the maximum period provided for on award. This exception does not apply in the case of modifications relating to novation or assignment on corporate restructuring.</p> <p>Does not apply to light touch contracts.</p> <p>Publication: Must be published on the Central Digital Platform.</p> <p>Timing: Before modifying an Above Threshold or convertible contract. May contain a voluntary standstill period.</p>
Contract Performance Notice	<p>For contracts over £5million.</p> <p>Purpose: This notice applies in three scenarios:</p> <ul style="list-style-type: none"> • where the Council has set KPIs in accordance with section 52 of the PA 23. Notice will contain information assessing performance against the KPIs and certain other information specified in regulations; • where the supplier is in breach of an Above Threshold contract resulting in total/partial termination, award of damages or a settlement agreement; or • where the Council considers the supplier is not performing the Above Threshold contract to the Council's satisfaction, has been given proper opportunity to improve performance and has failed to do so. <p>In the latter two scenarios (which do not apply to light touch contracts),</p>

	<p>a Contract Performance Notice must be published stating that the relevant provision of the PA23 applies, the circumstances giving rise to it applying and other specified information.</p> <p>Publication: Must be published on the Central Digital Platform.</p> <p>Timing: Scenario 1 - at least once in every period of twelve months during the lifecycle of the contract and on termination. Scenarios 2 and 3 – before the end of the period of 30 days beginning with the day the relevant PA23 ground first applies.</p>
Payment Compliance Notice	<p>Purpose: This notice must be published if a payment has been made under a current Above Threshold contract, or that a sum owed under a Above Threshold becomes payable. This sets out specified information about the Council’s compliance with the payment obligations (i.e. to pay within 30 days) and other specified information.</p> <p>Publication: Must be published on the central digital platform.</p> <p>Timing: Within 30 days of the last reporting period (every six months ending 31 March and 30 September).</p> <p>Note in addition to the Payment Compliance Notice, the PA23 requires that specified information on any payment of more than £30,000 (inclusive of VAT) within 30 days of the end of the quarter in which the payment was made. This does not apply to concession contracts.</p> <p>Payment Compliance Notices and the additional information requirements above do not apply to concession contracts.</p>
Contract Termination Notice	<p>Purpose: This notice must be published when an Above Threshold or Below Threshold tendered contract is terminated (this includes discharge, expiry, termination by any party, rescission or being set aside).</p> <p>Publication: Must be published on the Central Digital Platform.</p> <p>Timing: Within 30 days of the contract’s termination.</p>
Below Threshold Tender Notice	<p>Purpose: This notice sets out that the Council intends to award a notifiable Below Threshold contract (i.e. a contract with an estimated value of not less than £30,000 (inclusive of VAT)). Note, this notice is not required if the opportunity is only advertised to particular or pre-selected suppliers (i.e. quotation process).</p> <p>Publication: Must be published on the Central Digital Platform.</p> <p>Timing: Before the Council advertises to invite tenders for a notifiable below-threshold contract.</p>
Below Threshold Contract Details Notice	<p>Purpose: Sets out that the Council has entered into a notifiable below-threshold contract.</p> <p>Publication: Must be published on the Central Digital Platform.</p> <p>Timing: As soon as reasonably practicable after entering into a notifiable below-threshold contract.</p>



Procurement Strategy 2025 -2027

Introduction – why we need a Procurement Strategy

- A. Successful procurement is a key factor in allowing the Council to deliver its services to local residents in an efficient and effective manner. The works, goods and services we purchase can have a real and lasting effect on people and businesses of the Borough.
- B. We must act in accordance with the statutory best value duty which requires the Council to make arrangements to secure “*continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness*”.
- C. In addition, purchases are made against a background of pressures on budgets and often increasing demands on our services, and therefore the need to find more innovative ways of doing more with less remains ever present and ever pressing.
- D. The Council’s total third-party expenditure for 2023-2024 was nearly £64m, and of this 16% was spent within the Borough on revenue and 4% on capital (see Appendix 2), which is relatively low. This strategy is needed to set the direction for how the procurement function can increase local spend and thereby contribute to the overall financial wellbeing for the Council and the Borough.

- E. The legal landscape in which our procurement operates is changing with the introduction of the Procurement Act 2023 and Procurement Regulations 2024 (the “new Procurement regime”), which is intended to bring benefits of increased flexibility within our procurements, while also increasing transparency in the entire procurement cycle, from preliminary market engagement through to contract expiry.
- F. This strategy supports the Council’s Contract Sanding Orders, seeks to align our functions with the new Procurement regime and allows us to make the most of the opportunities offered within them. This Procurement Strategy supports the delivery of the Council’s Corporate Strategy, and will support its key priorities by increasing efficiencies, environmental awareness and introducing greater emphasis on supporting our local communities and businesses.

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We will create a modern and sustainable procurement function that makes optimum use of our officers’ expertise, working hand in hand with service areas throughout the entire procurement and contract lifecycle, to deliver best value and continuous improvement whilst supporting the Council’s Corporate Strategy.

Our Procurement and Contract Management Vision

Our Procurement and Contract Management Strategy

The table below sets out our main themes, giving the plans of how this vision can be achieved and how success can be measured:

Theme	How we will achieve this	What success will look like and will be measured
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<p>Upskilling officers by providing quality training in specification writing, contract and relationship management, supporting them to achieve ongoing value for money throughout the lives of all our contracts</p>	<ul style="list-style-type: none"> • Ensure training is provided for all new officers, to make them aware of Contract Standing Orders and the Procurement regime • Create an accessible live list of all public sector frameworks and dynamic markets available and creating understanding of when to use of these where they represent the most expedient route to market • Build on existing relationships to promote an approach to the Procurement and Contract Management team immediately when a need is identified, to allow for seamless and well-planned procurement exercises from beginning to end • Continue to empower client departments with training in specification writing and contract management including the introduction of contract management templates and a formal post-contract review process • Maximise the most of the Procurement and Contract Management team through on-going training and re-directing resource to support delivery and maximise value for money. • Ensuring all officers who are involved in purchasing have completed an internal training course on governance procedures, making them aware of the required procedures for all values of purchases. 	<ul style="list-style-type: none"> • A new e-learning module to be included in the Induction pack for all new officers and rolled out for current officers. • All officers involved in procurement, commissioning and contract management to be provided with enhanced training with numbers to be monitored and officers to be surveyed for their views on the training and how they benefitted. • Contract spend to be monitored against original contract value to show value for money obtained from all contracts.
<p>Modernising our governance procedures, ensuring our processes are robust yet proportionate, allowing for transparency and probity in all procurements, large or</p>	<ul style="list-style-type: none"> • Monitor all spend through the Council's payments system to highlight non-compliant spend and work with clients to reduce this • All procurement decisions to be evidence-based, tenders will be scored by a team of suitably qualified officers, reasons for award decisions recorded and detailed feedback given to unsuccessful bidders • Maintain accurate records to allow for Notices to be published and to be accountable for decisions and open to 	<ul style="list-style-type: none"> • Marked reductions in non-compliant spend will increase our best value and our ability to evidence this. • Regular and timely spending reports published on our website will continue to meet our transparency obligations • Reduction in the number of

small	<p>scrutiny and challenge</p> <ul style="list-style-type: none"> • Manage risk proactively by proportionate and relevant due diligence on suppliers before contract award • Consider potential conflicts of interest at the very start of all procurements and throughout the procurement cycle • Preserve the highest ethical standards at all times, in line with the Chartered Institute of Procurement and Supply Code of Ethics 	<p>procurements based on Exemptions from Contract Standing Orders will improve best practice</p> <ul style="list-style-type: none"> • Progress can be monitored from the starting point set by reports of current spend profile.
<p>Making the most of the resources and expertise within the Procurement and Contract Management team, working closely with service areas to form productive relationships which enable close communication and lead to optimum solutions.</p>	<ul style="list-style-type: none"> • Deploy a 'Business Partner' approach, to be piloted and rolled out as resource and demands permit • Seeking where possible the most advantageous procurement route with an aim for a streamlined process and delivery of the most effective solution • Make the most of the new flexible procedures to design procurements that attract suitable bidders and result in best fit solutions • Ensure all departments are upskilled on commencing tenders with preliminary market engagement, with the Procurement and Contract Management team on board from the outset to support consistency and provide expertise • Work with client departments, allowing them to use their expert knowledge, making sure this knowledge is reflected in carefully constructed specifications which will lead to most advantageous outcomes and solutions 	<ul style="list-style-type: none"> • Records of purchases and contracts set up without Procurement and Contract Management team's involvement can be a baseline for monitoring improvement in this area. • Feedback from service areas on their views on the 'Business Partner' approach • Data and feedback on preliminary market engagements
<p>Support the life of the Borough, local economy and social value by understanding our</p>	<ul style="list-style-type: none"> • Enhance social value within the Borough, including where appropriate questions on social value, sustainability, and support for the local economy within the tender criteria • Have regard for the needs of local and SME suppliers in all 	<ul style="list-style-type: none"> • With new access to spending reports from the finance system the Procurement and Contract Management team can monitor how much of our spend is with

<p>supplier base and encouraging local suppliers to bid for our work</p>	<p>procurements</p> <ul style="list-style-type: none"> • Consider when it might be in the Council's best interests to restrict procurement to the County of Norfolk to ensure local contractors are employed • Ensure we maintain communications with our internal clients, working to base all procurements on the client's requirements, gaining the best outcomes possible for the benefit of the community • Work to become more familiar with local markets, encouraging tender bids from local suppliers and supporting them in delivering optimum solutions • Find new and innovative ways to advertise our opportunities among local suppliers • Work to increase diversity of bids by removing barriers to local SMEs or new entrants to local markets • Develop a 'Selling to/open for business' campaign • Set out in all invitations to tender that we expect bidders to comply with government legislation around swift payments to their supply chain 	<p>local businesses and work with departments to increase this, thus increasing our spend within the Borough.</p> <ul style="list-style-type: none"> • Collect and calculate data on other social value metrics • Introduction of increased advertising options
<p>Maintaining a culture of continuous improvement, hearing all points of view and involving all officers in mutual learning and creative thinking around designing the best possible solutions</p>	<ul style="list-style-type: none"> • Noting where improvements can be made to streamline processes and create efficiency for the benefit of all • Ensure lessons learned from previous procurements are put into place for new tenders • Explore and be open to opportunities to share expertise and take part in collaborative procurements where these will bring better value or improved services • Maintain the Council's reputation as a buyer by treating all tenderers and suppliers with courtesy and respect 	<p>New KPIs to show:</p> <ul style="list-style-type: none"> % of influenceable spend with compliant/non-compliant contracts % contracts awarded to SMEs % of bids from local suppliers % of tenders including social value in scoring criteria % contracts that meet their performance targets
<p>Making best use of modern technology to</p>	<ul style="list-style-type: none"> • Client departments will be empowered to run their own requests for quote by use of a digital platform to be rolled 	<ul style="list-style-type: none"> • Plan to be put in place to ensure all officers in purchasing departments

<p>enable fast and efficient lower-value procurements while allowing officer resource to be directed at more strategic projects</p>	<p>out on a pilot scheme basis</p> <ul style="list-style-type: none"> • Procurement and Contract Management team will have access to all requests for quote on the digital platform to ensure compliance with Contract Standing Orders • Introduce the use of electronic signatures via the Council's digital signature provider • Procurement and Contract Management team will be on hand to support all officers, giving advice to form robust yet proportionate procedures to buy the best possible value while reducing officer time needed for more routine purchases • Modernise contract completion and retention procedures 	<p>have been suitably trained in running their own requests for quotation exercises on the new digital platform</p> <ul style="list-style-type: none"> • Monitor requests for quotations and measure how many are conducted in departments • Measure how many Exemptions from CSOs • Monitor the number of contracts completed via the Council's digital signature provider • Monitor the contract retention procedures being deployed by service areas to ensure centralised access for all relevant officers.
<p>Supporting the Council's Climate Change Strategy and helping all client departments in working towards the Council's Carbon Net Zero target of 2035</p>	<ul style="list-style-type: none"> • Design tenders, where relevant and proportionate, to include quality questions that place sufficient weighting on carbon reduction so as to have an impact on the outcome • Include the Council's Climate Change Strategy and Action Plan in all tender packs to send a clear message to bidders that we expect them to support our aims and objectives • For specific and identified higher value tenders, request bidders submit their own climate change and/or carbon reduction strategies with their bids • Ensure that, where relevant and proportionate, contracts include clauses on carbon reduction and scope 3 emissions • Manage contracts proactively and monitor supplier's performance in this area to ensure they deliver on any promises made in their tender submissions 	<ul style="list-style-type: none"> • Higher value contracts to include quantitative and relevant Key Performance Indicators that will monitor suppliers' performance on environmental issues • Measure how many contracts are let to local suppliers, reducing transport miles within our supply chain • Measure how many tender submissions include plans for carbon reduction within performance of the contract and how many deliver on their promises

Principles and Objectives

The Procurement and Contract Management will be the champion and guardian of promoting and applying the principles and objectives set out within Contract Standing Orders via its strategy set out above:

- The Council does not discriminate against suppliers and shall treat suppliers the same unless a difference between the suppliers justifies different treatment (in which case the Council must take all reasonable steps to ensure it does not put a supplier at an unfair advantage or disadvantage);
- the Council has regard to the fact that small and medium-sized enterprises may face particular barriers to participation and consider whether such barriers can be removed or reduced;
- the Council has regard to the National Procurement Policy Statement;
- delivering value for money;
- maximising public benefit;
- sharing information for the purpose of allowing suppliers and others to understand the Council's procurement policies and decisions;
- acting, and being seen to act, with integrity
- supports the Council's Best Value duty;
- supports the delivery of the Corporate Strategy;
- complies with all legal requirements; and
- where relevant and proportionate, delivers Social Value.

Contract Management

We will not 'let and forget' our contracts but will ensure all are monitored by the use of contract management plans and appropriate KPIs. We will do our best to ensure good supplier relationships are maintained to check that all services promised at tender stage are actually delivered.

To support purchasing officers in this we will offer regular contract management training, giving them the tools to do the job of maximising benefits from all supplier contracts. The Procurement and Contract Management team will be on hand to support with managing contracts when required.

We will comply with legislation in publishing contractor performance for contracts over £5m and ensure all spending transparency is up to date.

Conclusion

The above Strategy is designed for our more modern procurement function that will support delivery of the Council's key priorities. It shows how we can provide a service that is efficient and robust yet considerate of client needs, meets statutory requirements but also those of the Borough, and deliver optimum benefits and innovative solutions for the Borough's residents, businesses and visitors.

Appendix 1 Understanding our place in the macro environment

Appendix 2 Spend for 2023-2024



Appendix 1 – Understanding our place in the macro environment

The two models shown below can be used concurrently to gauge categories and current suppliers, thus being able to prepare for any potential difficulties and make the most of our resources by directing them where needed.

Supplier Positioning Model



Segmenting third party expenditure in the way shown below can help us develop sourcing strategies that identify risks and target resources where they would be most efficiently deployed.

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 Risk	Bottleneck low value specialist shortage of suppliers or market limitations monopoly suppliers or bespoke specifications Critical to ability to deliver services	Strategic high value specialist market more difficult market or restricted market critical to ability to deliver services can include capital purchases and construction contracts
	Routine low value low business exposure low risk no special quality, safety, reliability or environmental implications many alternative suppliers	Leverage high value many suppliers and healthy competition not likely to be critical to delivery of services
	Value 	

Supplier Preferecing Model

Understanding how suppliers view us as buyers will help us identify which contracts need particular attention to avoid potential loss of supply or poor delivery. We will reduce these risks can by creating and maintaining constructive interpersonal relationships with these suppliers.

Attractiveness of our account to the supplier 	<p>Development Good position Attractive to supplier despite low levels of business, but supplier may believe there is potential to develop business and will be willing to 'go the extra mile' to turn account into Core</p>	<p>Core Best position Supplier sees us as core to their business They will provide good service and be responsive to requests, wanting to establish long-term relationship</p>
	<p>Nuisance Least desirable position Account not valued by supplier Will receive little attention Poor service levels and quality, risk of supplier stopping service</p>	<p>Exploitable Undesirable position Many public sector organisations can be in this position, being regulated and lacking flexibility to use some approaches preferred by the commercial sector Supplier will fulfil contract but provide minimum service</p>
Relative value of our business to the supplier 		

Appendix 2 – Spend for 2023-2024

Revenue Total Spend	£30,272,661.12
Revenue Local Spend	£4,844,438.35
Revenue Local Spend (%)	16%

Capital Total Spend	£33,406,118.00
Capital Local Spend	£1,435,010.00
Capital Local Spend (%)	4.30%

(Capital % is low due to the major development focus that that council currently has with c£25m being spent with Lovells Partnership Ltd and Norfolk County Council)

Executive Summary of new Procurement Act 2023

- The regulatory regime currently governing the way public procurements are undertaken is primarily the Public Contracts Regulations 2015 (PCR 2015). These rules are set to change in February 2025 with the implementation of the Procurement Act 2023 with its secondary legislation and statutory guidance.
- The aim of the Procurement Act 2023 is to reduce red tape and to support business by simplifying public sector procurement, encouraging innovation and improving transparency.
- Policy themes such as social value, increasing local supplier spend, removing barriers to SMEs and increasing sustainable procurement are all promoted via the new regime.

Introduction - Procurement Act 2023

- The Procurement Act 2023 will replace the Public Contract Regulations 2015, the Concessions Contracts Regulations 2016 and the Utilities Contracts Regulations 2016 to become the law that regulates public procurement
- The current commencement date is 24 February 2025 which was extended to allow the new Government to reconsider the National Procurement Policy Statement.
- Procurements that commence after the Procurement Act 2023 go live date must be conducted under the new Act
- The impact for the Council will be to conduct far more 'front-loading' when it comes to commencing procurements, including preliminary market engagement, considering impacts on local suppliers, SMEs, sustainably and considering how to deliver social value.

Aims of the Procurement Act 2023

- Transform public procurement
- Introduce flexibility in procurement processes
- Embed transparency throughout the commercial lifecycle so that the spending of taxpayers' money
- Open up public procurement to new entrants such as small businesses and social enterprises so that they can compete for and win more public contracts

Transparency Notices

- A new Central Digital Platform is to be launched by central government, which will replace the Find a Tender Service and Contracts Finder. Suppliers will be able to register and upload core information which can be drawn on by contracting authorities automatically so that suppliers do not have to continually upload the same information.
- There is a requirement for contracting authorities to publish a number of new notices throughout the procurement lifecycle as well as commercial data.

New Notices:

85 Plan –early notification of upcoming contract over £2million	Market Engagement notices	Procurement phase notices	Contract Management phase notices
<ul style="list-style-type: none">• Pipeline notices	<ul style="list-style-type: none">• Planned procurement notice• Preliminary market engagement notices	<ul style="list-style-type: none">• Tender notice• Contract award notice• Contract detail notice• Transparency notice• Procurement termination notice• Below threshold tender notice• Dynamic market notice	<ul style="list-style-type: none">• Contract performance notices• Contract change notices• Contract payment notice• Payment compliance notice• Contract termination notice

Debarment List

Supplier debarment list: The Act introduces the concept of a supplier debarment list requiring contracting authorities to exclude suppliers mentioned on the list. Suppliers are entered on this list by the Minister of the Crown if an investigation has found them to be unfit to tender and be awarded public contracts.

Procurement Procedures

Choice of Procedure: Under the Procurement Act 2023, the current six (6) procedures which authorities can utilise for awarding public contracts have been replaced with three (3) procedures.

SMEs

There will now be a statutory duty that before inviting Below Threshold tenders we must have regard to the fact that small and medium-sized enterprises may face

particular barriers in competing for a contract and then we must consider whether such barriers can be removed or reduced. This can be achieved through implementing proportionality in tender requirements, streamlined procedures with simpler templates and standardized documents, engaging with and understanding the local economy, dividing contracts into lots and regular preliminary market engagements with local SMEs.

Social Value and Sustainable Procurement

The previous iteration of the National Procurement Policy Statement specifically addressed social value and climate change. We await to see the focus on these areas in the revised published version.

Contract Management

The Act sets out a new requirement for all authorities on contract management which includes;

- **KPIs:** At least 3 KPI's must be set for contracts with a total value of over £5m and at least every 12 months performance must be assessed and published (some exemptions apply)
- **Contract Details Notice:** specified details of contracts must be published for all Above Threshold and Below Threshold tendered contracts
- **Contract modification:**
Under the Act there is a requirement to publish a contract change notice before modifying an Above Threshold contract or a Below Threshold contract which becomes Above Threshold as a result of the modification
- **Contract termination notice** within 30 days of expiry (for both below and above threshold)



Appendix 4

LIST OF KEY AREAS ADDRESSING PROCURMENT TRANSFORMATION ACTIONS

No	Issue	Comments
1	<p><u>Use of Technology and Modernising System Processes</u></p> <p>Full adoption and roll out of the Delta e-Tendering system and its QuickCall module to streamline procurement and quotation management.</p> <p>Introduction of electronic signatures, replacing manual "wet" signatures and traditional paper-based processes to modernise in line with industry practice and promote good governance for having centralised and accessible contract record keeping.</p>	<ul style="list-style-type: none"> • The Council is already using the Delta system for tenders, which provides secure audit trails and automatic tender opening. Delta systems electronic quotation module (Quick Call) will now be rolled out for obtaining quotes to encourage departmental self-service, allowing the Procurement and Contract Management team to focus on high-value high-risk contracts. • There will be a transitional process of piloting the Delta Quick Call system with each service area until the Procurement and Contracts Manager signs off on them using it autonomously. In the meantime, RFQ's will continue to be used with RFQs for contracts over £25,000 being approved by the Procurement and Contract Management team before seeking quotes. • Additionally, the adoption of electronic signatures (e.g., DocuSign) will be introduced to support modern industry standard practices. • Raising the sealing threshold to £500,000.00 will streamline contract completion by removing an unnecessary layer from the contract completion process and empower officers to take more ownership and responsibility for the contracts in their service areas.
2	<p><u>Updating Thresholds</u></p> <p>The thresholds for procurement have been brought more into line with sector standard thresholds.</p>	<ul style="list-style-type: none"> • As can be seen from the benchmarking at Appendix 5, the Council is significantly out of step with all other Norfolk Districts. • The thresholds provide a framework for where competition needs to be escalated in order to achieve best value. It is widely recognised that applying significant officer time to securing extensive competition on lower value contracts is not best value – i.e. generally



06

	<p>Norfolk Districts Benchmarking table is attached as Appendix 5 to the Cabinet report</p> <p>Introducing separate thresholds for Goods and Services, Works, Light-touch contracts and concession contracts reflects the legislative approach.</p>	<p>more cost is spent on officer time and Council resources in conducting the extensive competition than the contract cost savings that can be achieved - hence the escalating threshold system.</p> <ul style="list-style-type: none"> • The current thresholds create additional complexity without generating commensurate value and cause discord and frustration for officers when delivering services, which contributes to more instances of non-compliance. • Separate, higher thresholds for Works contracts have been introduced to reflect the higher legislative thresholds.
<p>3</p>	<p><u>Proportionate Procedures</u></p> <p>The CSOs promote a flexible, relevant and proportionate approach to procurement requirements, removing unnecessary checks and delays and removing barriers to SMEs and micro businesses.</p>	<p>The new CSOs adopt a more flexible approach which result in reserving detailed checks (e.g., Health & Safety, Equalities, Insurance) for high-value or high-risk contracts. Simplifying procedures will reduce delays, avoid wasting officer time, and encourage smaller businesses to participate in council contracts. This approach will ensure that checks are proportionate to the value and risk of the procurement.</p>
<p>4</p>	<p><u>Regulatory, Strategic and Operational Approach</u></p> <p>The current CSOs are lengthy and include redundant processes. The new CSOs have been streamlined to include the higher level regulatory and legislative content whilst stripping out operational detail.</p>	<p>There is a balance to be struck between the coverage of CSOs and their length and accessibility.</p> <p>The 'Procurement Officer Handbook' will be replicated out into the new Intranet content to improve accessibility and will be available for officers and Members to upskill and improve understanding of the operational approach to delivering effective procurement and contract management.</p> <p>The Procurement and Contract Management strategy sets out how the Procurement and</p>



	The CSOs will be supplemented by an operational 'Procurement Officer Handbook'	Contract Management team intends to deliver against the new Contract Standing Orders, in particular the principles and objectives
5	<p><u>Contract Management</u></p> <p>Procurement under the new legislation is now defined to include the whole lifecycle of the contract.</p> <p>Contract Management forms its own Part of the CSOs and the more operational content in the current CSOs will be retained and extrapolated into the new Procurement Officer Handbook.</p>	Effective contract management is crucial for ensuring that contracts deliver the intended outcomes. The Procurement Officer Handbook will contain detailed guidance on contract management practices, including the introduction of contract management templates and a formal post-contract review process. This will help capture the outcomes and learning from high-profile, multi-year contracts, ensuring continuous improvement.

NORFOLK DISTRICT PROCUREMENT THRESHOLD LEVELS

Norfolk				
Breckland	Up to £5,000 one quotation	Up to £25,000 three quotations	Up to £75,000 five quotations	Over £75,000 open tender, must include a Social Value clause
Broadland	Up to £20,000 one quotation		Up to £75,000 three quotations	Over £75,000 tender to min three suppliers or open tender
Great Yarmouth	Up to £25,000 one quotation		Up to £75,000 three quotations	Over £75,000 tender to min three suppliers or open tender
King's Lynn & West Norfolk	Up to £5,000 one quotation		Up to £25,000 three quotations	Over £25,000 full tender
North Norfolk	Up to £5,000 one quotation		Up to £75,000 three quotations	Over £75,000 three tenders
Norwich	Up to £25,000 direct award		Up to £100,000 three quotations or framework	Over £100,000 quotations or tenders (ideally open), at least three to be sought from preferred suppliers, or framework
South Norfolk	Up to £20,000 one quotation		Up to £75,000 three quotations	Over £75,000 tender to min three suppliers or open tender

POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	Corporate Performance Panel		
DATE:	7 th January 2025		
TITLE:	Adoption of a Social Value Policy		
TYPE OF REPORT:	Cabinet Report		
PORTFOLIO(S):	Portfolio Holder for Finance		
REPORT AUTHOR:	Alexa Baker, Monitoring Officer		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	Yes

REPORT SUMMARY/COVER PAGE

PURPOSE OF REPORT/SUMMARY:
The report proposes the adoption of a Social Value Policy to codify the Council’s approach to meeting legislative requirements under the Public Services (Social Value) Act 2012 and the Procurement Act 2023.
KEY ISSUES:
Members are directed to the attached Cabinet report for full details of the key issues.
OPTIONS CONSIDERED:
Members are directed to the attached Cabinet report for full details of the options.
RECOMMENDATIONS:
The Panel are requested to consider the report and make any appropriate recommendations to Cabinet.
REASONS FOR RECOMMENDATIONS:
To scrutinise recommendations being made for an executive decision.

REPORT TO CABINET

Open/Exempt		Would any decisions proposed:			
Any especially affected Wards	Mandatory/ Discretionary/ Operational	Be entirely within Cabinet's powers to decide		YES/NO	
		Need to be recommendations to Council		YES/NO	
		Is it a Key Decision		YES/NO	
Lead Member: Chris Morley, Portfolio Holder for Finance E-mail: cllr.chris.morley@west-norfolk.gov.uk		Other Cabinet Members consulted:			
		Other Members consulted:			
Lead Officer: Alexa Baker, Monitoring Officer E-mail: alexa.baker@west-norfolk.gov.uk Direct Dial: 01553 616270		Other Officers consulted:			
		Procurement and Contracts Manager Assistant Director Regeneration, Housing & Place Assistant Director Health, Wellbeing & Public Protection Head of Leisure, Alive West Norfolk			
Financial Implications YES/NO	Policy/ Personnel Implications YES/NO	Statutory Implications YES/NO	Equal Impact Assessment YES/NO If YES: Pre-screening/ Full Assessment	Risk Management Implications YES/NO	Environmental Considerations YES/NO
If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is (are) paragraph(s)					

Date of meeting: 14 January 2025

Subject: Adoption of a Social Value Policy

Summary

This report proposes the adoption of a Social Value Policy, attached as Appendix 1, to codify the Council's approach to meeting legislative requirements under the Public Services (Social Value) Act 2012 and the Procurement Act 2023 and commence the journey towards the introduction of a 'Social Value and Sustainability Outcomes and Implementation Framework', to support strategic decision-making on social value considerations within procurement processes and other Council functions.

Recommendation

Cabinet recommends to Full Council:

1. The adoption of the Social Value Policy attached as Appendix 1.
2. Authority be delegated to the Monitoring Officer in consultation with the Portfolio Holder for Finance to make revisions to the Social Value Policy to reflect updates within the National Procurement Policy Statement issued under section 13(3)(c) of the Procurement Act 2023.

Reason for Decision

Adopting the Social Value Policy supports compliance with current legislative requirements while establishing a foundation to embed social value into the Council strategic decision-making. This approach positions the Council to develop a broader framework in 2025/26, integrating social value into procurement and other functions to drive economic, social, and environmental benefits for the community.

1 Background

- 1.1 The concept of social value focuses on maximising public expenditure to achieve broader economic, social, and environmental outcomes. There is no statutory definition of what 'social value' is, but it can be distilled down to the following question: "*In delivering our functions, can the public funds used to deliver those functions also produce a wider benefit to the community?*"
- 1.2 The concept of social value was first brought into the legislative arena via the Public Services (Social Value) Act 2012, which requires local authorities to consider how the services procured in 'above threshold' procurements (i.e. above statutory contract value thresholds) might improve the economic, social and environmental wellbeing of the area and to consider the way that the procurement process might secure these benefits.
- 1.3 The Council's practice is to consider social value as part of *all* above threshold procurements; not just services. But the Council has no strategic framework in which this consideration is undertaken; meaning it takes place on an adhoc basis with no wider joined up corporate approach.
- 1.4 The new procurement regime being introduced by the Procurement Act 2023 will further the profile and prominence of social value, by requiring Councils to have regard to the National Procurement Policy Statement (NPPS) issued by central Government when undertaking procurement activity. The NPPS is a statutory statement which allows the Government to set and communicate wider policy objectives towards which it expects public procurement to contribute.
- 1.5 The draft NPPS was withdrawn by the new Labour Government on the basis that they wished to reconsider the content, the draft having been prepared under the previous Government. A 'stakeholder survey' exercise was undertaken by the Cabinet Office during October and closed on 4 November. The outcome and/or new draft of the NPPS has not yet been shared.
- 1.6 For reference, however, this is what the now withdrawn iteration of the NPPS said on social value and Small and Medium Sized Enterprises which also links into social value:

Social Value

10. All contracting authorities should have regard to the following outcomes in their procurement activities, alongside any additional local priorities, where it is relevant to the subject matter of the contract and proportionate to do so:
 - Creating resilient businesses and opportunities for quality employment and skills development.
 - Improving innovation, supply chain resilience and security of supply.
 - Tackling climate change and reducing waste.
11. There are a number of ways that contracting authorities can implement these outcomes, for example, changes to the way the procurement is structured or the process carried out, the specification of the goods, services or works to be purchased, or the award criteria which will determine the most advantageous tender.
12. Whilst it can be beneficial to consider such additional benefits, achieving them without overburdening suppliers is crucial. Contracting authorities should ensure that they do not place onerous requirements on suppliers, or use disproportionate clauses in tenders and contracts. For example, contracting authorities should not 'gold-plate' the Equality Act 2010 by setting unnecessary diversity reporting or 'equality, diversity and inclusion' requirements for the private and voluntary sectors.

Small and Medium-sized Enterprises

13. Small and medium-sized enterprises (SMEs) are the backbone of our economy. It is vital contracting authorities support businesses to achieve sustainable growth and open up public procurement opportunities to more SMEs, voluntary, community and social enterprises (VCSEs) creating a thriving, competitive marketplace. SMEs not only play a key role in communities by providing a local service and employment but can also offer innovative solutions to public service delivery.
 14. Contracting authorities should ensure that they level the playing field for SMEs, VCSEs and start-ups to compete in public procurement by reducing and removing barriers in the procurement process.
-
- 1.7 Some examples of social value outcomes are attached as Appendix 2 for Members' reference, to illustrate the types of outcomes that can be sought strategically to deliver against the Council's Corporate Strategy.
 - 1.8 Whilst the legislative focus on social value is emanating from the Procurement arena, this is not the only aspect of the Council's work that delivers social value. Services such as Lily, the projects being delivered by Shared Prosperity Funding and the workstreams delivered by Alive West Norfolk are all examples of where the Council is delivering social value outside of procurement.
 - 1.9 The Council does not currently proactively measure the social value of its functions and services, however this can be a very powerful tool in communicating the story of the value for money the Council delivers to its residents and in designing and decision-making on functions and services to be delivered.
 - 1.10 The Council is currently partaking in the 'Collaborative Responsible Procurement Project' with a number of other regional Councils through the East of England Regional Climate Change Forum. The work of this

project is intrinsically linked to social value and sustainable procurement, and it is intended that the outputs from this project can be incorporated into the Council's ongoing workstreams on social value and sustainable procurement.

2. Key Issues

- 2.1 The draft Social Value Policy is attached as Appendix 1.
- 2.2 **Demonstrating commitment to compliance with legislative requirements:** The policy is intended to demonstrate our position on compliance with statutory obligations and to align with the National Procurement Policy Statement under the Procurement Act 2023 once issued. The draft Policy codifies the position that the Council will consider social value on all procurements; not just services contracts. The Framework to be developed will address how social value is considered with regards to 'below threshold' procurements.
- 2.3 **Development of a strategic Framework:** Adoption of the policy marks the first phase of a journey towards the adoption of a Social Value and Sustainability Outcomes and Implementation Framework that will provide parameters within which social value can be driven strategically to achieve corporate priorities set out within the Corporate Strategy. This will be developed in 2025/26 and will focus on procurement and other functions, incorporating a matrix for measuring and reporting social value.
- 2.4 **Integration:** The draft Social Value Policy signposts the need for alignment between other policies of the Council such as the West Norfolk Economic Strategy and the Climate Change Strategy and Action Plan. There is an operational workstream underway to explore a BCKLWN Decision Impact Assessment Tool which enables the impact of decisions to be assessed before they are taken, for example on climate change, biodiversity, equalities, etc., and this Social Value Policy and the resulting Framework will be a key part of such a tool.

3 Options Considered

- 3.1 **Option 1:** Adopt the draft Social Value Policy attached as Appendix 1, with or without proposed amendments. This is recommended as it is timely to introduce this Policy at the same time as the implementation of the new procurement regime in February 2025 and it complements the Procurement Strategy and new Contract Standing Orders. It codifies the Council's approach to social value to demonstrate its approach to legislative requirements, but also sets out the commitment to developing a strategic framework to delivering social value.
- 3.2 **Option 2:** Defer adoption until the Social Value and Sustainability Outcomes and Implementation Framework is developed. This is possible. The statutory requirements will be complied with in any event; however given the direction of the NPPS, it is considered that it would be prudent

to provide a policy framework now within which these decisions can be embedded.

- 3.3 **Option 3:** Take no action. Not recommended, as it would miss the opportunity to promote, develop and embed social value benefits.

4 Policy Implications

The Social Value Policy and resulting Social Value and Sustainability Outcomes and Implementation Framework is intended to be intrinsically linked to supporting the delivery of priorities set out Corporate Strategy and other Council policies and projects, such as the West Norfolk Economic Strategy, the Climate Change Strategy and Action Plan, the 'Marmot Place' project, etc. This promotes good governance in creating strategic link between the Council's policy framework.

5 Financial Implications

- 5.1 Adoption of the Social Value Policy itself does not have any financial implications.
- 5.2 The Social Value policy poses the question: "*In delivering our functions, can the public funds used to deliver those functions also produce a wider benefit to the community?*". In assessing this question, this may result in more public funds being applied towards a decision because of the social value it delivers, for example a higher value tender may be accepted because it has offered to create local apprenticeships in an identified growth area industry. These decisions will be taken on a case-by-case basis using the Social Value Policy and going forwards, the developed Framework.

6 Personnel Implications

- 6.1 The development of the Social Value and Sustainability Outcomes and Implementation Framework will be a cross cutting project bringing in the various service areas directly involved with social value.
- 6.2 The promotion of social value also forms part of the Procurement and Contract Management Transformation Project underway and the development of the Framework will also be supported by this project group.
- 6.3 Upskilling and training of officers responsible for procuring and contract management will be required on social value.
- 6.4 We do not have a dedicated officer qualified or experienced in undertaking social value calculations. There are a plethora of tools available to support this, and part of the Social Value Policy and Transformation project will be to develop a matrix for measuring and reporting on the Social Value that we deliver. The personnel requirement to support this will be assessed once the extent of this workstream is quantified.

7 Environmental Considerations

- 7.1 In line with what we know was included within the previous NPPS, it is fully expected that the Social Value Policy and resulting Framework will actively support addressing the Council's Climate Change Strategy and Action Plan.

8 Statutory Considerations

The Social Value Policy addresses the Council's obligations under the Public Services (Social Value) Act 2012 and the Procurement Act 2023.

9 Equality Impact Assessment (EIA)

(Pre-screening report template attached)

Positive impact as part of social value can be delivering against the Council's Public Sector Equality Duty.

10 Risk Management Implications

[TO COMPLETE – ASKING GED FOR COMMENT]

11 Declarations of Interest / Dispensations Granted

None

12 Background Papers

None



Stage 1 - Pre-Screening Equality Impact Assessment

For equalities profile information please visit [Norfolk Insight - Demographics and Statistics - Data Observatory](#)

Name of policy/service/function	Social Value Policy				
Is this a new or existing policy/service/function? <i>(tick as appropriate)</i>	New	<input checked="" type="checkbox"/>	Existing	<input type="checkbox"/>	
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service is rigidly constrained by statutory obligations, and identify relevant legislation.	<p>Social Value Policy is a key step in fulfilling legislative requirements under the Public Services (Social Value) Act 2012 and the Procurement Act 2023.</p> <p>It also lays the groundwork for the introduction of a 'Social Value and Sustainability Outcomes and Implementation Framework' to support strategic decision-making on social value considerations within procurement processes and other Council functions.</p> <p>There is no statutory definition of what 'social value' is, but the Policy sets out that the question the Council should ask itself is: "In delivering our functions, can the public funds used to deliver those functions also produce a wider benefit to the community?"</p>				
Who has been consulted as part of the development of the policy/service/function? – new only <i>(identify stakeholders consulted with)</i>	<p>Procurement and Contracts Manager Assistant Director Regeneration, Housing & Place Assistant Director Health, Wellbeing & Public Protection Head of Leisure, Alive West Norfolk</p>				
Question	Answer				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group. NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sex	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender Re-assignment	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Marriage/civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Pregnancy & maternity	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



<i>If potential adverse impacts are identified, then a full Equality Impact Assessment (Stage 2) will be required.</i>	Religion or belief			✓	
	Sexual orientation			✓	
	Armed forces community	✓			
	Care leavers	✓			
	Other (eg low income, caring responsibilities)	✓			
Question	Answer	Comments			
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	Yes / No				
3. Could this policy/service be perceived as impacting on communities differently?	Yes / No				
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	Yes / No	Could be if that is a strategic direction of the Council			
5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section	Yes / No	Actions:			
		Actions agreed by EWG member:			
<p>If 'yes' to questions 2 - 4 a full impact assessment will be required unless comments are provided to explain why this is not felt necessary:</p> <p>A further EIA will be conducted on the sustainability outcomes and implementation framework.</p> <p>A requirement for EIAs to be conducted for specific projects and social value outcomes connected with our operational activities will be embedded within our processes.</p> <p>Decision agreed by EWG member: ...C. Marriott</p>					
Assessment completed by: Name					



Job title			
Date completed			
Reviewed by EWG member	C Marriott	Date	10.12.24

✓ **Please tick to confirm completed EIA Pre-screening Form has been shared with Corporate Policy (corporate.policy@west-norfolk.gov.uk)**



Social Value Policy

[DATE ADOPTED]

1. Purpose

- 1.1 This Policy outlines our approach to ensuring that our resources are used strategically in achieving Social Value.

2 What is Social Value?

- 2.1 Social Value is about maximising the impact of public expenditure to get the best possible outcomes. Those outcomes can be set by us, subject to prescribed outcomes set by legislation.
- 2.2 Common examples of Social Value are creation of local jobs and apprenticeships, promoting environmental sustainability, encouraging community engagement and investment and addressing health and wellbeing challenges.
- 2.3 The Public Services (Social Value) Act 2012 requires us to consider how the services we procure in 'above threshold'¹ procurements might improve the economic, social and environmental wellbeing of our Council area and to consider the way that the procurement process might secure these benefits.
- 2.4 The new procurement regime introduced by the Procurement Act 2023 will be bringing in greater focus and obligations in considering Social Value and how it is delivered through procurement processes.
- 2.5 We intend to approach Social Value in a manner that goes wider than the legislative requirement, asking the question:

"In delivering our functions, can the public funds used to deliver those functions also produce a wider benefit to the community?"

3 Delivering Social Value

We shall do as follows:

- 3.1 Consider how all above threshold procurements (i.e. for goods, services and works contracts) undertaken by us might improve the economic, social and

¹ Above threshold has the same meaning as set out in the Council's Contract Standing Orders, meaning the estimated contract values above which the full statutory procurement regime must be applied to the procurement of that contract

environmental wellbeing of our Council area and to consider the way that the procurement process might secure these benefits, having regard to relevance and proportionality;

- 3.2 Integrate the requirements of the National Procurement Policy Statement issued pursuant to section 13(3)(c) of the Procurement Act 2023 into the Council's procurement processes;
- 3.3 Develop and adopt a Social Value and Sustainability Outcomes and Implementation Framework (to be adopted within 2025/2025) which we apply to strategically consider how public funds can be used to deliver our functions in a manner that produce a wider benefit to our community; and
- 3.4 Develop a matrix for measuring and reporting on the Social Value that we deliver.

4 Objectives

Our objectives in delivering Social Value and developing a Social Value and Sustainability Outcomes and Implementation Framework are as follows:

- 4.1 Help support the delivery of the priorities within our Corporate Strategy including promoting economic growth, protecting our environment and supporting our communities;
- 4.2 Interlink with other Council policies, services and projects to drive and support their aims and objectives, including the West Norfolk Economic Strategy, the Climate Change Strategy and Action Plan, the 'Marmot Place' project and our leisure and cultural services;
- 4.3 Involve local people, organisations and beneficiaries in how we meet the needs of communities via the delivery of our functions and the procurement and management of relevant contracts;
- 4.4 Raise the profile and understanding of Social Value within the Council, the marketplace and local communities; and
- 4.5 Take account of the social and economic benefits of buying locally, particularly through local supply chains, such as reducing unemployment and raising the skill level of the local workforce, and the need for positive action in the development of local small and micro businesses, voluntary groups and social enterprises.

NEED TO SORT FORMATTING OUT

DRAFT

5 Principles of the Policy

The following principles underpin our Policy:

Leadership

- 5.1 To ensure key messages are effectively communicated and progress is monitored with strong leadership, guidance and co-ordination, making sure we deliver Social Value in a way that is straightforward and simple to understand.

Creativity

- 5.2 To use Social Value as a platform to encourage innovation, both within and external to the Council. Also to recognise that that anybody, or any organisation, has the potential to add Social Value no matter their size or make up.

Flexibility

- 5.3 To embed flexibility and a 'can do' approach to Social Value to secure the best possible outcomes by opening up the procurement process to a broader range of organisations and businesses.

Collaboration

- 5.4 To develop a shared vision for Social Value between internal stakeholders within the Council and externally between the Council, local communities, external stakeholders and other local organisations and businesses.

Equality

- 5.5 To ensure that groups with protected characteristics participate in shaping, delivering and monitoring our Social Value Policy.

Sustainability

- 5.6 To recognise longer-term sustainability outcomes may prove more advantageous than simply seeking immediate benefits.

6 Reviewing our Social Value Policy

- 6.1 We will review this Social Value Policy when we have developed the Social Value and Sustainability Outcomes and Implementation Framework.

7 Version Control

This table should be included at the end of the policy, on a separate page.

Policy name				
Policy description				
Responsible Officer				
Version number	Date formally approved	Reason for update	Author	Review date

DRAFT



Appendix 2

Examples of Social Value Outcomes

1. Local Employment Opportunities:

Embedding evaluation criteria into Council tenders regarding local job opportunities, leading to increased local employment through targeted procurement practices.

2. Apprenticeships and Training:

Embedding evaluation criteria in Council tenders for creating apprenticeships and training programs, enhancing skills within the community.

3. Environmental Sustainability:

- a. Using the Social Value framework to quantify the impact of environmental conservation projects, promoting sustainability;
- b. Require contractors to deliver active travel outputs as part of the awarded contract.

4. Health and Well-being:

Require bids for Council contracts to propose ideas for enhancing community well-being through strategic initiatives in line with the Council's policies and projects, which will then be assessed and scored as part of the evaluation process for awarding the contract.

5. Equality and Diversity:

Promoting delivery of inclusive practices that support equality and celebrate diversity within the community.

6. Digital Inclusion:

Develop initiatives to bridge the digital divide to inter-weave into Council's services and functions.



7. Volunteerism:

Promoting volunteer opportunities at all relevant junctures to strengthen community bonds.

8. Local Supply Chains:

Work with partner agencies to develop local supply chains to boost the regional economy.

9. Cultural Enrichment:

Focus on deliverables and outcomes for arts and cultural activities that enhance community heritage.

Examples of Social Value TOMS (Themes, Outcomes and Measures) published by the Social Value Portal:

Supply Chain Carbon Certification (Carbon Trust Standard for Supply Chain or equivalent independently verified) - achieved or to achieve for current year

Requirements or support (for Micro or Small enterprises) for suppliers to demonstrate climate change and carbon reduction training for all staff - e.g. SDGs Academy courses (NTs) or (e.g. RE) Supply Chain Sustainability School bronze or higher or equivalent

Innovative measures to promote local skills and employment to be delivered on the contract - these could be e.g. co-designed with stakeholders or communities, or aiming at delivering benefits while minimising carbon footprint from initiatives, etc.

Innovative measures to promote and support responsible business be delivered on the contract - these could be e.g. co-designed with stakeholders or communities, or aiming at delivering benefits while minimising carbon footprint from initiatives, etc.

Innovative measures to enable healthier, safer and more resilient communities to be delivered on the contract - these could be e.g. co-designed with stakeholders or communities, or aiming at delivering benefits while minimising carbon footprint from initiatives, etc.

Innovative measures to safeguard the environment and respond to the climate emergency to be delivered on the contract - these could be e.g. co-designed with stakeholders or communities, or aiming at delivering benefits while minimising carbon footprint from initiatives, etc.

Meaningful work placements that pay Minimum or National Living wage according to eligibility - 6 weeks or more (internships)

Total amount (£) spent with VCSEs within your supply chain

Provision of expert business advice to VCSEs and MSMEs (e.g. financial advice / legal advice / HR advice/HSE)

Equipment or resources donated to VCSEs (£ equivalent value)

Number of voluntary hours donated to support VCSEs (excludes expert business advice)

Total amount (£) spent in LOCAL supply chain through the contract.

Total amount (£) spent through the contract in specified sub-localities (e.g. high deprivation areas) - please refer to list NT18a for the qualifying areas

Total amount (£) spent through contract with LOCAL micro, small and medium enterprises (MSMEs)

POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	Corporate Performance Panel		
DATE:	7 th January 2025		
TITLE:	Budget Monitoring Report – Quarter 2		
TYPE OF REPORT:	Cabinet Report		
PORTFOLIO(S):	Portfolio Holder for Finance		
REPORT AUTHOR:	Michelle Drewery		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	Yes

REPORT SUMMARY/COVER PAGE

PURPOSE OF REPORT/SUMMARY:
This report provides an assessment of the Council’s Financial Performance for the Panel to consider.
KEY ISSUES:
Members are directed to the attached report for full details of the key issues.
OPTIONS CONSIDERED:
Members are directed to the attached report for full details of the options.
RECOMMENDATIONS:
The Panel are requested to consider the report and make any appropriate recommendations to Cabinet.
REASONS FOR RECOMMENDATIONS:
To scrutinise recommendations being made for an executive decision.



The Budget 2024/2025

Monitoring Report

30 September 2024 – Quarter 2

Michelle Drewery
Assistant Director Resources
Section 151 Officer

The Budget Monitoring Report 2024/2025: 30 September 2024 – Quarter 2

1. Introduction and Summary

This report provides an assessment of the council's financial performance against its 2024/2025 approved budget, incorporating key financial risks, issues, and opportunities since 1 April 2024 for revenue and capital items. The year-end forecasts take into consideration emerging data from service managers along with actual income and expenditure from 1 April 2024 to 30 September 2024.

The key sections of the report are laid out as follows:

- General Fund (Revenue) – Section 2 and Appendix A
- Capital – Section 3 and Appendix B
- Reserves – Section 4

Risks and Key Items

Following a change in Government in July, uncertainty continues surrounding the impact this may have on the Council, in terms of funding allocations and direction of financial settlements going forward. The Council continue to monitor briefings from Government and review the impact and opportunities of any announcements.

As of September 2024, inflation is at 1.7%, which is marginally under the target level of 2% set by Government. The lasting effect from inflation on individuals and businesses is being monitored in terms of impacts from increasing revenue costs and demand for the Council's services, risk to recovery of monies collected by the Council and risk that could delay and/or increase the cost of capital projects.

At the end of quarter 2 the Bank of England base rate remained at 5% following a reduction from 5.25% in August 2024. On 7th November, the base rate was reduced by 0.25% to 4.75%.

The Council set its original budget for Revenue and Capital at its meeting of 22 February 2024. The following table shows a summary of the forecast revenue position for the year based on information arising from the period to 30 September 2024:

Revenue

Table 1 below shows a summary of the forecast revenue position for the year based on information arising from the period to 30 September 2024:

Table 1

Revenue	Approved budget 2024/2025	Forecast budget position 2024/2025	Forecast Variance 2024/2025
	£	£	£
Borough Spend	26,930,950	27,525,496	594,546
Financing	(24,731,820)	(25,017,420)	(285,600)
Contributions to/(from) General Fund Reserve	(2,199,130)	(2,508,076)	(308,946)

The council budgeted for a contribution from the General Fund Reserve of £2,199,130 to fund the net budget required this year. However, the current forecast position is estimating that the requirement will be £2,508,076, an adverse movement of £308,946 against the original budget.

The council have also committed to contributing £1,810,000 to the General Fund Reserve, to replenish funds used to pay the Pension Lump Sum. Taking the above into consideration, the estimated balance in the General Fund Reserve, as at 31 March 2025 is £7,899,630.

Capital

The Capital Programme 2023/2028 was approved at Council on 22nd February 2024. Work is being undertaken to review and rephrase the capital programme following the capital outturn report for 2023/2024, which was reported to Cabinet on 30th July 2024. This work is still under review. An update will be provided in Quarter 3 monitoring report.

If further information is required regarding this report, please do not hesitate to contact Michelle Drewery.

2. Revenue Budget 2024/2025

The budget for 2024/2025 was presented to Cabinet on 7th February 2024 and approved by Council on 22nd February 2024 in accordance with the process for approving the Medium-Term Financial Plan 2023/2028.

A summary of the budget position as at 30 September 2024 is shown below in Table 3. Further detail of the movements can be seen in Appendix A.

Table 3

Q2 Forecast Outturn Position	Approved budget 2024/2025	Forecast budget position 2024/2025	Forecast Variance 2024/2025
Service	£	£	£
Central Services	3,713,440	3,748,440	35,000
Chief Executive	55,000	55,000	-
Environment and Planning	2,285,260	2,595,260	310,000
Health Wellbeing and Public Protection	1,120,410	1,126,050	5,640
Legal, Governance and Licensing	978,140	978,140	-
Leisure and Community Facilities	2,428,740	2,449,740	21,000
Operations and Commercial	2,484,690	2,566,980	82,290
Programme and Project Delivery	(195,370)	(191,870)	3,500
Property and Projects	(1,366,970)	(1,366,970)	-
Regeneration Housing & Place	1,501,480	1,452,060	(49,420)
Resources	8,493,860	8,680,396	186,536
Financing Adjustment	1,929,380	1,929,380	-
Internal Drainage Boards	3,502,890	3,502,890	-
Borough Spend	26,930,950	27,525,496	594,546
Contributions to/(from) General Fund Balance	(2,199,130)	(2,508,076)	(308,946)
Borough Requirement	24,731,820	25,017,420	285,600
Revenue Support Grant	(1,015,160)	(1,015,160)	-
Rural Service Delivery Grant	(628,540)	(628,540)	-
New Homes Bonus	(338,620)	(338,620)	-
Other Government Grants	(710,460)	(964,460)	(254,000)
Business Rates	(14,064,600)	(14,064,600)	-
Council Tax	(7,974,440)	(8,006,040)	(31,600)
Total Funding	(24,731,820)	(25,017,420)	(285,600)
Funding Position	0	0	0

The following revenue budget virements have been identified in the period:

Table 4

Service	Amount	Reason for Virement
Health Wellbeing and Public Protection	(74,930)	It was identified that some staffing budgets were not being reflected under the appropriate service area. These virements re-align the staffing budgets to correct these errors.
Legal, Governance and Licensing	129,560	
Environment and Planning	32,460	
Resources	(87,090)	
Total	-	

Turnover savings

The turnover saving target is the savings anticipated from a service's ability to hold a position vacant for a short time following an employee leaving. Savings in some posts cannot be achieved due to the critical need to have that post filled promptly to maintain timely service provision. As a result, savings are offset by cost of temporary/agency staff, overtime, and costs of recruitment.

The budgeted turnover savings for 2024/2025 are £1,000,000. At the date of preparing this report the 2024/2025 cost of Living pay award has been approved, but is still awaiting payment, so an estimate has been built into the turnover savings calculation.

A high-level turnover savings calculation has been prepared and summarised below in table 5. A more detailed calculation will be prepared and presented in the Quarter 3 monitoring report, following the payment of the 2024/2025 cost of living pay award.

Table 5

Direct employee costs	£
Estimated cost for filled posts as at September 2024	22,409,710
Actual cost of recruitment, agency and consultants April to September	674,970
Estimated cost of recruitment, agency and consultants October to March	401,060
Total estimated costs for year	23,485,740
2024/2025 budget	25,323,790
Turnover Savings target	(1,000,000)
Savings over target	838,049

At this stage of the year assumptions for recruitment to vacant posts is estimated for the final half of the year along with the impact for reliance on costs of backfilling those vacant posts.

In consideration of the estimating of those costs, it is anticipated that the Council will meet the turnover savings target and be in a surplus position. As set out above, a more detailed and robust overview of the turnover savings will be provided in the Quarter 3 monitoring report and any surplus achievement of the turnover savings will be reflected in the forecast outturn position.

Opportunities/Risks

With the 2024/2025 Cost of Living award still outstanding for payment, it has proven difficult to accurately calculate the anticipated turnover saving position. The cost of living award has been agreed and payment, backdated from April 2024, will be paid in December. Work is being undertaken to update base salaries, so once this information is received a more accurate savings position can be calculated.

A review of contracts has been undertaken as part of the base budget assumptions for 2025-2029 estimates. Several contract price increases have been identified and further action may be required to contain these increases within current budgets. This will be reviewed closely and reported on accordingly.

During the ongoing estimates 2025-2029 process, various savings proposals have been put forward. Some of these proposals may materialise in the current financial year, generating in year savings against budgets. This will be closely monitored going forward and any savings reported when realised.

3. Reserves

The main reasons the Council holds reserves are to :

- Manage known financial risks.
- Hold funding as one-off contributions to expenditure, allowing ongoing revenue budget reductions.
- Manage timing difference between the receipt of funding and actual spend.
- Hold ring-fenced funds such as specific grants.

As reported to Council in February 2024, the budget set out an estimated contribution from the General Fund Reserve of £2,199,130. Table 6 below shows the estimated impact to the General Fund Reserve balance based on the current forecast position:

Table 6

Projected Movements in General Fund Reserve Balance	2024/2025 £
Revised balance brought forward 1 April 2024 (following 23/24 audit)	8,597,706
Estimated contribution to/(from) General Fund Reserve	(2,508,076)
Pension lump sum replenishment	1,810,000
Projected General Fund Balance 31 March 2025	7,899,630

The General Fund Reserve Balance is used to support the revenue budget as set out in the Medium-Term Financial Plan. However, the council also holds various earmarked reserves which are held for specific purposes. The following table (Table 7) shows the budgeted movements to/(from) earmarked reserves and provides notes in respect of any in year movements against these reserves for the period to 30 September 2024.

Table 7

Reserves	Opening balance 1 April 2024	Budgeted movements To/(From) Revenue	Capital Transfers	In year movements To/(From) Revenue	Note	Forecast Outturn Balance 31 March 2025
Ring Fenced Reserves						
Amenity Areas	(37,740)	-		(12,000)	1	(49,740)
Capital Programme Resources	(811,688)	520		(17,952)	2	(829,120)
Collection Fund Adjustment Reserve	(4,846,972)	-		-		(4,846,972)
Grants Reserves	(1,804,883)	133,860		40,172	3	(1,630,851)
Holding Accounts	(429,097)	-		-		(429,097)
Other	(113,853)	(130,000)		-		(243,853)
Planning Reserves	(377,560)	(41,370)		40,000	4	(378,930)
Repairs and Renewal Reserves	(544,290)	(17,940)		-		(562,230)

Reserves	Opening balance 1 April 2024	Budgeted movements To/(From) Revenue	Capital Transfers	In year movements To/(From) Revenue	Note	Forecast Outturn Balance 31 March 2025
Ring Fenced Reserves	(5,981,802)	(267,310)		63,349	5	(6,185,763)
Educational Skills Attainment	-	80,000		-		80,000
Sub Total	(14,947,885)	(242,240)	-	113,569		(15,076,556)
Risk Management						
Capital Programme	(64,413)	-		-		(64,413)
Holding Accounts	(30,003)	-		-		(30,003)
Insurance	(156,869)	(61,470)		-		(218,339)
Planning Reserves	(22,947)	-		-		(22,947)
Ring Fenced Reserves	(45,155)	-		-		(45,155)
Sub Total	(319,386)	(61,470)	-	-		(380,856)
Service Delivery						
Capital Programme Resources	(3,987,562)	201,430		(713,332)	6	(4,499,465)
Climate Change Strategy	(716,696)	202,000		-		(514,696)
Grants Reserves	(1,827,523)	(42,000)		2,669	7	(1,866,854)
Holding Accounts	(2,348,444)	57,000		5,140	8	(2,286,304)
Planning Reserves	-	36,180		-		36,180
Project Reserves	(4,457,012)	-		22,785	9	(4,434,227)
Repairs and Renewal Reserves	(1,280,074)	(16,640)		(15,704)	10	(1,312,419)
Restructuring Reserve	(270,928)	-		-		(270,928)
Ring Fenced Reserves	(139,908)	100,000		-		(39,908)
Sub Total	(15,028,149)	537,970	-	(698,443)		(15,188,621)
Grand Total	(30,295,420)	234,260	-	(584,874)		(30,646,034)

The above table shows various movements to the reserves in year:

Budgeted Movements to/from reserves total £234,260: Movements to/from reserves which were included within the approved budget

Capital transfers total £nil: This is where funds have been transferred to capital projects in year.

In year movements to/from revenue total £584,874: This balance accounts for other movements to and from reserves which were not included within the approved budget of £58,657 as well as additional transfers to reserves following the presentation and approval of the outturn report for 2023/24 to Cabinet on 30 July 2024 of £643,531. Further detail on these is set out below.

Notes to Reserves movements

Ring Fenced Reserves:

Note 1 – Amenity Areas

(£12,000) additional transfer to reserves following 2023/24 outturn position to fund future maintenance of Play Areas.

Note 2 – Capital Programme Resources

(£17,952) transfer to reserves due to a discrepancy in the historic rent deposits reconciliation – this reserve will be drawn upon if any further discrepancies are identified

Note 3 – Grant Reserves

(£34,140) correction to budgeted reserves transfer for Homes for Ukraine. Excess grant income was advanced at year end into revenue, opposed to being transferred to reserves. Therefore there is no reserve balance to draw down on for 24/25 as the income is already within revenue under the relevant cost centre.

(£18,240) forecast reduction to budgeted transfer from reserves for Housing staff due to Homelessness Prevention Grant being utilised

£50,000 transfer from reserves to cover the 24-25 MARMOT initiative project cost

£42,552 transfer from reserves of remaining COMF funding to cover funded staff posts

Note 4 - Planning Reserves

£40,000 reduction to budgeted transfer to reserves for planning fees (20%), due to fewer/smaller planning applications being submitted.

Note 5 – Ring Fenced Reserves

£47,040 transfer from Tourism reserve to cover the cost of delayed marketing campaigns, due to capacity issues within the department – amounts were set aside in 2023/24 to enable these campaigns to be delivered in 2024/25.

£4,000 transfer from reserve to cover the cost of Your Local Paper Local Heroes Awards.

£12,309 transfer from Pelicans reserve due to credit notes being issued in year for works done, which were previously transferred to reserves

Service Delivery:

Note 6 – Capital Programme

(£186,536) reduction to budgeted transfer to reserves for ICT, following review of cabinet report regarding funding.

(£300,000) additional transfer to reserves following 2023/24 outturn position to fund condition surveys for Councils commercial properties.

(£100,000) additional transfer to reserves following 2023/24 outturn position to cover additional resurfacing costs of the current 3G pitch at Lynnsport.

(£50,000) additional transfer to reserves following 2023/24 outturn position to fund technological, mobile communications and working solutions for non office based staff at the Depot.

(£100,000) additional transfer to reserves following 2023/24 outturn position to increase Disabled Facilities capital fund. This fund will help reduce the waiting list for assessments and keep residents safe within their homes by providing necessary facilities and adaptations.

(£748) transfer to cover debit balance on reserve following Year end 31 March 2024 close down

£23,952 transfer from reserve to cover the cost of Agency staff within Property Services

Note 7 – Grants Reserves

(£6,531) additional transfer to reserves following 2023/24 outturn position to transfer residual Department for Work and Pensions grant funding for future use.

£9,200 transfer from reserve to cover the cost of Ascendant Software renewal

Note 8 – Holding Accounts

£12,000 transfer from reserve to cover additional training costs which were initially planned for 2023/24.

£13,000 transfer from reserve to cover the cost of the Cultural Strategy – amount was put to reserves in 2023/24 to cover cost in 2024/25.

(£30,000) additional transfer to reserves following 2023/24 outturn position to fund planning guidance for waste collection services on new developments.

£4,140 transfer to cover the cost of the Housing Needs Strategy incurred to date

£6,000 transfer from reserves to cover the cost of Hunstanton Bus Station development strategy

Note 9 - Project Reserves

£22,785 transfer from reserve to cover the cost of the Leisure facility review

Note 10 – Repairs and Renewals

(£45,000) additional transfer to reserves following 2023/24 outturn position to fund pathway drainage and cremator repairs at the Crematorium.

(£704) transfer to cover debit balance on Pools repair reserve following Year end 31 March 2024 close down

£30,000 transfer from resort reserve to fund the resurfacing and fencing work required to the hard courts in Hunstanton

4. Age Debt Analysis

The effective management and collection of debt is an essential contributor to the councils' financial resources. Debt recovery levels can be volatile and at risk especially when there is economic financial instability. This was heightened originally under the pandemic but also the inflationary and other wider cost of living impacts that have emerged since then continue to impact livelihoods and businesses. However, current monitoring is not indicating a material impact for the council on debts in arrears.

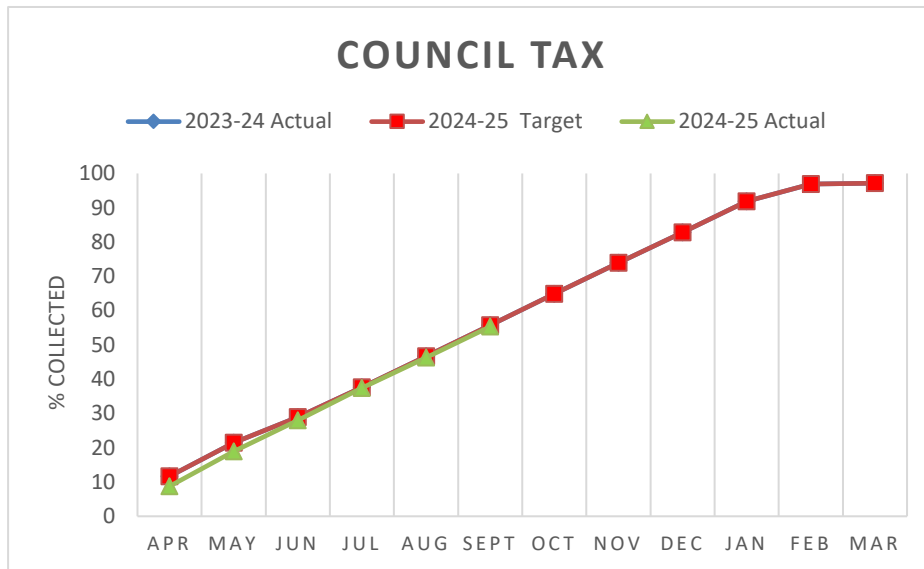
The following information can be found in Appendix C

- Age debt comparison for 2023/2024 to 2024/2025 as at 30 September 2024
- Housing Benefit Recovery Payments

5. Council Tax and Business Rates

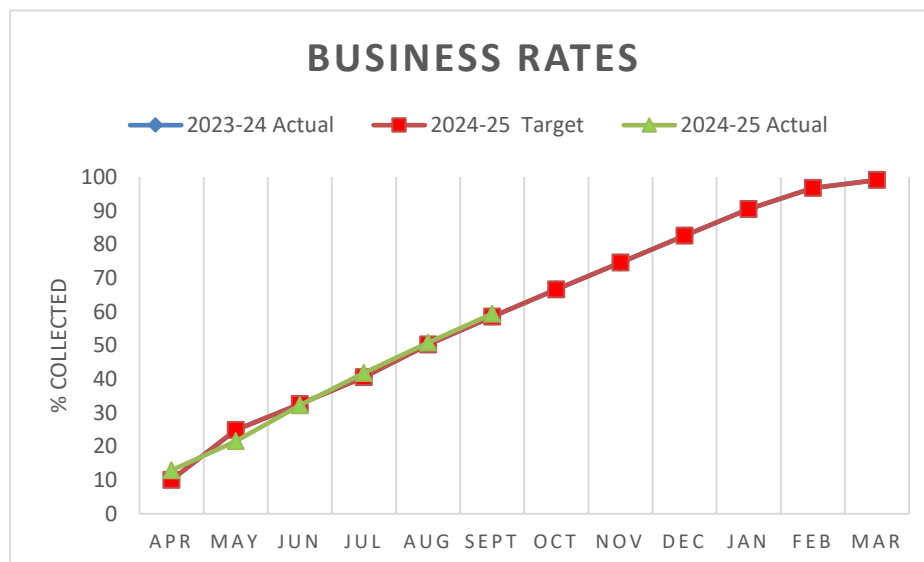
As of 30 September 2024, 55.33% of council tax has been collected against the target of 55.69% which was the percentage the same time last year. See Chart below with comparison.

Table 8



59.39% of business rates has been collected against the target of 58.56%, which was the percentage the same time last year. See chart below with comparison.

Table 9

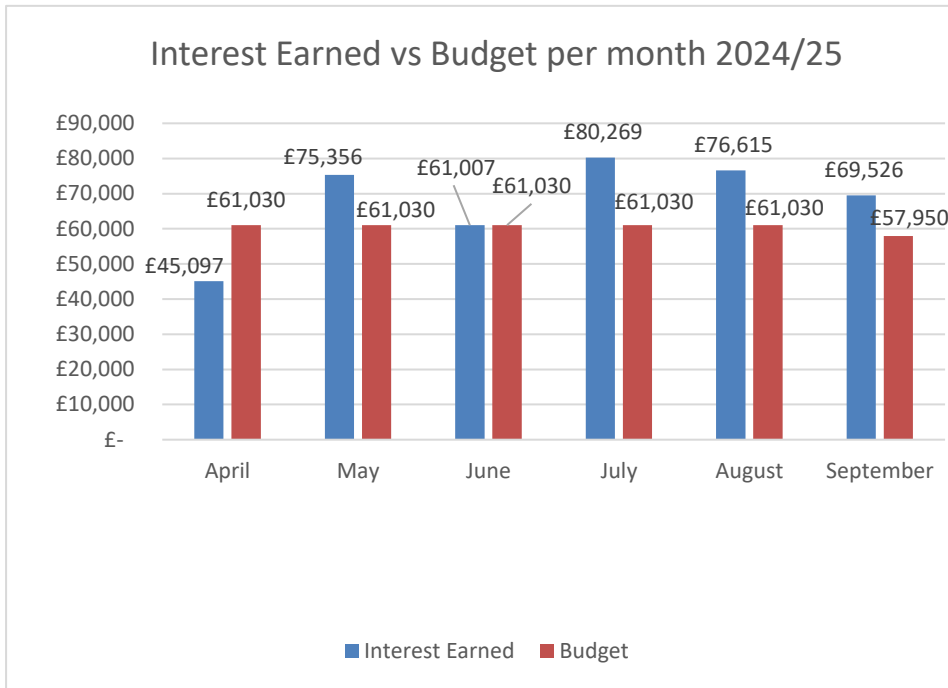


6. Treasury management 2024/2025

The “Treasury Management Strategy Statement and Annual Investment Strategy 2024/2025” was approved by Council on 22 February 2024. The Council’s Treasury Management Strategy will be updated as appropriate for any changes made to the code of practice by CIPFA.

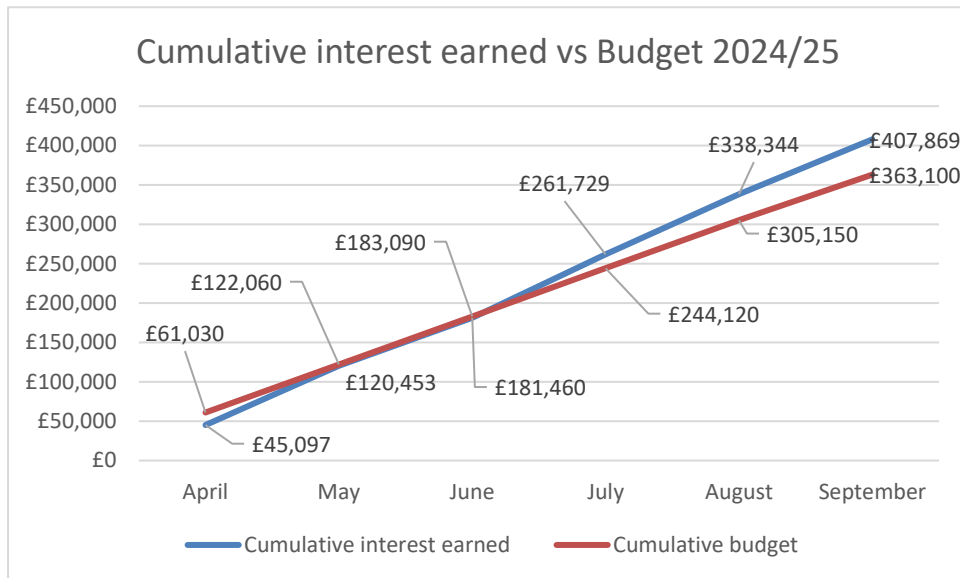
The graph below compares the interest earned each month to the forecasted budget:

Table 10



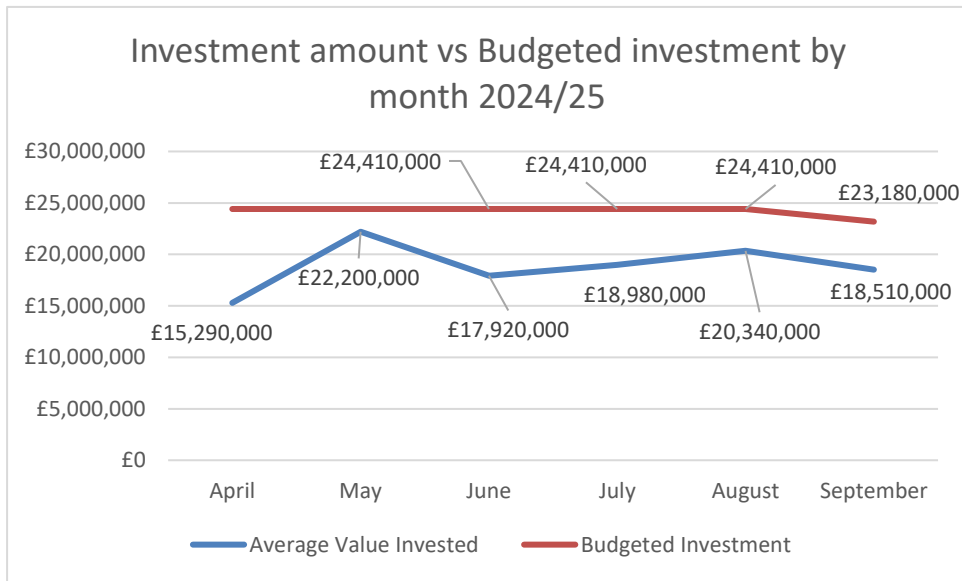
The graph below compares the cumulative interest earned and forecasted budget:

Table 11



The graph below compares the average value invested each month to the forecasted budget:

Table 12



The below tables update on movements in borrowing and investments during the period:

Loans

Table 13

Institution	Principal £	Rate %
Short Term borrowing	0	
Total Short Term	0	
Barclays	5,000,000	3.810%
Barclays	5,000,000	3.810%
Total Long Term	10,000,000	
Total Borrowing	10,000,000	

Investments

Table 14

Institution	Principal £	Rate %
HSBC Liquidity - MMF	2,730,000	4.961%
BNP (Banque Nationale de Paris) – MMF	4,000,000	4.960%
Federated PR – MMF	220,000	4.981%
LGIM - MMF	4,000,000	4.996%
Total Money Market Fund Investment	10,950,000	
South Ayrshire Council	4,000,000	5.650%
Total Other Investments	4,000,000	
Overall Investments	14,950,000	

7. Conclusion

The primary objective of this report is to monitor service area performance against allocated budgets and to consider variances to the budget figure in the light of current circumstances.

Careful budgetary control throughout the year ensures that resources are applied as planned, fulfilling the goal to secure the long-term economic future of the borough. Budgetary control is applied in a consistent manner across all budgets, and individual decisions to be taken during the financial year are reviewed for impact on a case-by-case basis before they are taken, so that any identified impact can be considered and taken into account at the appropriate time.

The content of this budget monitoring report is designed to enable councillors and senior officers to see the financial position of the Council as a whole, as required by the Local Government Act.

POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	Corporate Performance Panel		
DATE:	7 January 2024		
TITLE:	Council Tax Discounts and premiums for Empty Properties and Second Homes: Resolution for 2025/2025		
TYPE OF REPORT:	Policy Update		
PORTFOLIO(S):	Finance		
REPORT AUTHOR:	Jo Stanton, Revenues and Benefits Manager		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	Yes on 14 January 2025

REPORT SUMMARY/COVER PAGE

PURPOSE OF REPORT/SUMMARY:
To agree the Council Tax Discounts and Premiums for Long Term Empty Properties and Second Homes for 2025/2026
KEY ISSUES:
Members are directed to the attached report for full details of the key issues.
OPTIONS CONSIDERED:
Members are directed to the attached report for full details of the options.
RECOMMENDATIONS:
To consider the report and make any appropriate recommendations to Cabinet.
REASONS FOR RECOMMENDATIONS:
To scrutinise recommendations being made for an executive decision.

REPORT TO CABINET

Open		Would any decisions proposed:			
Any especially affected Wards All – Northern Parishes for 2 nd Homes	Discretionary	Be entirely within Cabinet’s powers to decide		NO	
		Need to be recommendations to Council		YES	
		Is it a Key Decision		YES	
Lead Members: cllr.chris.morley@west-norfolk.gov.uk		Other Cabinet Members consulted: Cllr Alistair Beales			
		Other Members consulted: Corporate Performance Panel			
Lead Officer: Jo Stanton, Revenues and Benefits Manager E-mail: joanne.stanton@west-norfolk.gov.uk Direct Dial: 6349		Other Officers consulted: Michelle Drewery, s151 Officer and Assistant Director, Resources Alexa Baker, Assistant Director, Legal, Governance and Licensing			
Financial Implications YES	Policy/ Personnel Implications NO	Statutory Implications NO	Equal Impact Assessment YES If YES: Pre-screening	Risk Management Implications NO	Environmental Considerations NO
If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is (are) paragraph(s): NA					

Date of meeting: 14 January 2025

COUNCIL TAX DISCOUNTS AND PREMIUMS FOR EMPTY PROPERTIES AND SECOND HOMES: RESOLUTION FOR 2025/2026

Summary

Councils have discretionary powers to vary the discounts for empty properties, uninhabitable properties and second homes, and to charge additional premiums (levies) for long-term empty properties and second homes. This report summarises the current position and makes recommendations for the discounts and premiums for these types of property for 2025/2026.

Recommendations

The following discounts and premiums are recommended to Council for 2025/2026:

Class A Second Homes Discount for 2025/2026:

- No reduction, i.e. a 0% discount;

Class B Second Homes Discount for 2025/2026:

- No reduction i.e. a 0% discount, plus
- An additional premium of 100%

Class C Empty / Unfurnished Discount 2025/2026:

- 0% for both the initial and follow on periods

Long-Term Empty Property Premiums (Levy):

- 100% for properties empty between one and five years,
- 200% for properties empty longer than five years, and
- 300% for properties empty longer than ten years.

Class D Uninhabitable Properties:

- 25% for 12 months starting on the day the property becomes uninhabitable; then:
- 0% once the 12 month period has expired;

Cabinet recommends to Council that the Exceptions Policy as summarised below and detailed at Appendix 3 is agreed.

Cabinet and Council to note the government guidance of November 2024 as included at Appendix D.

Reason for Decision

To ensure the discounts, premiums and exceptions policy for Second Homes and Long-Term Empty properties are agreed for 2025/2026.

1. Background

- 1.1. Councils have powers to vary the nationally set council tax discounts for second homes, long-term empty properties and uninhabitable properties, and to charge premiums (levies) for long-term empty properties. From 2025 we are now also able to charge a premium for second homes. These powers are discretionary and decisions in respect of these discounts and premiums must be ratified annually by full Council. The discount levels for all are included at Appendix B.
- 1.2. Allowing councils to vary the discounts and charge premiums for empty homes is intended to allow councils an incentive to bring empty properties back into use by increasing the council tax charge for empty properties. Allowing a higher charge for second homes is aimed at local councils whose income (and ability to deliver services) is affected by the number of second homes in their area.
- 1.3. These powers do not include changing the reduction for any property which is exempt from payment of council tax, for example where a resident has gone into care or where the owner has passed away and probate has not yet been granted. These properties continue to benefit from a full council tax reduction.
- 1.4. Section 2 of this paper sets out the recommended levels of council tax discounts and premiums for 2025/2026. Many of these are continuations of the 2024/2025 levels of discount and premiums. They also ratify the recommendation made by Cabinet on 15 January 2024 and the decision of full Council on 31 January 2024 to charge an additional 100% council tax premium for furnished properties which are only occupied periodically, known as Second Homes, coming into effect from 1 April 2025
- 1.5. The decision to charge a premium for Second Homes for the first time must be made by Council at least a year in advance of it coming into effect. This has meant an extended period of time between the initial decision to charge the premium being made in January 2024, and the Council Tax Resolution for 2025/2026 being agreed.

This requirement only applies the first time the decision is made so in future years it will be possible to present the reports on a much shorter meeting cycle.

- 1.6. In November 2024 the government produced guidance on the implementation of the second homes premium included at Appendix D. This includes details of the statutory exceptions to the premium, but also suggests some factors councils may want to consider when considering the discounts and premiums.
- 1.7. The guidance states councils may want to consider the following when making a decision on the second homes and long-term empty premiums:
 - Numbers and proportion of long-term empty dwellings and second homes in the area,
 - Circumstances which may affect whether the dwelling can be used as a main residence,
 - Potential impact on local economies and the tourism industry,
 - Potential impact on the local community,
 - Potential impact on local services, and
 - Other measures that are available to councils to help bring empty dwellings back into use.
- 1.8. The guidance was only published in November 2024, whilst the decision to charge the second homes premium had to be made before March 2024 in order for it to be implemented from April 2025. The decision to charge the premium and its impact were debated by the Corporate Performance Panel, Cabinet and Council in January 2024.
- 1.9. Section 3 and Appendix C set out the Policy for Exceptions to the premiums for long-term empty properties and second homes.
- 1.10. Section 5 considers the financial implications of charging the premiums and the impact on the council's taxbase.

2. Council Tax Discounts for Second Homes, Long-Term Empty Properties and Uninhabitable Properties

As a council we have powers to vary certain council tax discounts from the nationally set discount level, and to charge a premium for certain types of properties. The Levelling-Up and Regeneration Act 2023 extends these powers. Details of all the discounts and premiums we have the discretion to amend are listed below and a table of the current and historic discount levels is included at Appendix B.

2.1. Furnished Properties which are unoccupied or only occupied periodically (Second Homes)

2.1.1. Definition:

These properties are commonly referred to as second homes, however this category includes any property which is furnished but is unoccupied or only occupied periodically because it is no-one's main home.

There are two classes of property in this category:

Class A Second Homes:

These are properties with occupancy restrictions covering at least 28 days a year, usually due to the risk of flooding. These properties pay the full council tax charge apart from the days when they cannot be occupied, when they are exempt from payment.

Class B Second Homes:

These are properties where there is no occupancy restriction. These properties pay the full council tax charge all year.

This category also includes properties which are a second home because the council tax payer is required to live elsewhere as a condition of their employment and these receive a 50% discount.

2.1.2. Current Position:

There are 311 Class A second homes in the borough, mainly in Heacham, Snettisham and Hunstanton.

There are 3,119 Class B second homes in the borough plus a further 20 job related second homes which receive a 50% discount.

The nationally set discount for second homes is 50%, and we have gradually reduced this since 2004, removing it completely in 2016. Since then second homes pay the full council tax charge.

2.1.3. Proposal:

To continue with the ongoing removal of the discount for Class A and Class B second homes and to implement the premium for all qualifying Class B second homes in our area from 1 April 2025, as agreed by full Council on 31 January 2024.

From 1 April 2025 we can charge an additional premium of up to 100% for Class B second homes in all or part of our area, provided we make the initial decision at least a year in advance.

The decision to charge a second homes premium was considered by the Corporate Performance Panel on 4 January 2024, Cabinet on 15 January 2024 and agreed by Council on 31 January 2024. The premium for Class B second homes applies for all properties in our area from 1 April 2025.

2.1.4. Exceptions:

The full Exceptions Policy is included at section 3 and Appendix C and the following properties will not be charged the premium:

- Those with an occupancy restriction,
- Those where the council tax payer lives elsewhere in Armed Forces accommodation, or in property they have to occupy as a condition of their employment,
- Annexes used as part of a main property which is someone's main home,

- Those actively marketed for sale or let (for 12 months since they are first marketed),
- Those where probate has been granted in the past 12 months (until 12 months after probate has been granted),
- Those which are furnished lets and let for use a someone's main home, but are unoccupied between tenants, and
- Caravan pitches and boat moorings

The decision to charge the premium for a financial year can be revoked at any time before it comes into effect. If the decision of full Council on 31 January 2024 to charge the premium from 2025/2026 is to be reversed this would have to be agreed by full Council by 31 March 2025.

2.1.5. **Recommendations:**

The following discounts and premiums are recommended to Council for 2025/2026:

Class A Second Homes Discount for 2025/2026:

- **No reduction, i.e. a 0% discount;**

Class B Second Homes Discount for 2025/2026:

- **No reduction i.e. a 0% discount, plus**
- **An additional premium of 100%.**

2.2. **Empty and Unfurnished Properties – Class C**

2.2.1. Definition:

These are properties where there is no occupier and no furniture in the property. They exclude any empty property which qualifies for an exemption from payment of council tax, including those where the resident is now in a care home or where the council tax payer has passed away and probate has not yet been granted.

2.2.2. Current Position:

There are 1,256 empty and unfurnished properties in the borough.

The nationally set discount for these properties is 100% for a maximum of six months, followed by a maximum of 50% for an indefinite follow-on period. We have amended these discounts since 2008 and t we do not award a reduction for empty and unfurnished properties.

2.2.3. Proposal:

To continue the ongoing removal of all discounts for empty and unfurnished properties and to note that properties remaining empty for more than 12 months are classed as long-term empty properties.

2.2.4. **Recommendation**

The following discounts and premiums are recommended to Council for 2025/2026:

Class C Empty / Unfurnished Discount 2025/2026:

- **0% for both the initial and follow on periods**

2.3. Long Term Empty Properties

2.3.1. Definition:

These are empty and unfurnished properties which have been empty for more than a year. We can charge an additional premium (levy) of up to 100% for these properties.

2.3.2. Current Position:

There are 610 properties empty for between one and five years paying an extra 100% premium, 69 properties empty for between five and ten years paying an extra 200% premium, and 22 properties empty over ten years paying a 300% premium. A total of 701 properties pay the additional premium.

Following the council meeting on 31 January 2024 start date of the levy was reduced from two years to one year.

2.3.3. Exceptions:

The full Exceptions Policy is included at section 3 and Appendix C and the following properties will not be charged the premium:

- Those where the council taxpayer lives elsewhere in Armed Forces Accommodation,
- Annexes used as part of a main property and as someone's main home,
- Those actively marketed for sale or let (for 12 months since they are first marketed),
- Those where probate has been granted in the past 12 months (until 12 months after probate has been granted), and
- Uninhabitable dwellings (for 12 months since they became uninhabitable).

2.3.4. Proposal:

To continue to charge the maximum levy for long term empty properties.

2.3.5. Recommendation:

The following premium (levy) rates are recommended to Council for 2025/2026:

Long-Term Empty Property Premiums (Levy):

- **100% for properties empty between one and five years,**
- **200% for properties empty longer than five years, and**
- **300% for properties empty longer than ten years.**

2.4. Uninhabitable Properties

2.4.1. Definition:

These are properties which are uninhabitable as they require, or are undergoing, work to their structure such as the roof, walls, floors, ceilings and foundations.

2.4.2. Current Position:

There are 68 properties in the borough receiving the uninhabitable discount.

The nationally set discount is 100% for a maximum of 12 months. We reduced this to 50% from 2009 then to 25% from 2013. Once the 12 months expires these properties are treated as empty and unfurnished properties.

2.4.3. Proposal:

To continue the 12 month, 25% discount for uninhabitable properties and to note that properties remaining for 12 months after the uninhabitable discount ends are classed as long-term empty properties.

2.4.4. Recommendation:

The following discount for uninhabitable properties is recommended to Council for 2025/2026:

Class D Uninhabitable Properties:

- **25% for 12 months starting on the day the property becomes uninhabitable; then:**
- **0% once the 12 month period has expired;**

3. Exceptions Policy

3.1. Government published the regulations, guidance and further information relating the exceptions to the premiums at the start of November 2024. Delegated authority for the Revenues and Benefits Manager, in consultation with the s151 Officer and Council Leader, to agree the technical guidelines for any exceptions to the premiums imposed by central government has already been agreed by Council on 31 January 2024. However, as 2025/2026 is the first year of the Exceptions Policy it is included as part of the recommendations in this report, and any future amendments will be dealt with as a delegated decision.

3.2. The Exceptions Policy is included at Appendix C and comes into force from 1 April 2025. The policy includes the following statutory and local exceptions:

Exception	Details
Second homes with an occupancy restriction:	These do not have to pay the second home premium.
Properties where probate has been granted but the property remains empty:	These properties will benefit from a six month exemption after probate is granted and the second home or long-term empty premium will not apply until 12 months after probate is granted.

Properties for sale or let:	These do not have to pay the second home or long-term empty premium for 12 months from the date they are first marketed for sale or let.
Certain Annexes:	These do not have to pay the second home or long-term empty premium provided they are being used as part of another property which is someone's main home.
Certain Job Related properties including Armed Forces accommodation:	These do not have to pay the second home or long-term empty premium if they are a second home because the council tax payer is living in Armed Forces accommodation. They also do not pay the second home premium if the council tax payer is required to live in another property as a condition of their employment contract.
Uninhabitable properties:	These do not pay the long-term empty premium for 12 months from the date they become uninhabitable.
Furnished properties being let for someone to live in as their main home:	These fall under the definition of a second home, but do not have to pay the second home premium whilst they are unoccupied between tenants.

3.3. Recommendation – Cabinet recommends to Council that the Exceptions Policy as summarised above and detailed at Appendix 3 is agreed.

4. Hardship Applications

4.1. We can consider reducing or remitting a council tax bill on the grounds of hardship and delegated authority already exists to deal with these applications under our existing Council Tax Discretionary Relief Policy:

Delegated authority be given for individual hardship applications made under s13a Local Government Finance Act 1992 be determined by the Revenues and Benefits Manager in consultation with the Council Leader and the relevant Ward Member/s where appropriate.

4.2. Any customer experiencing hardship as a result of our decisions to vary the council tax discounts or charge a premium can make an application for their council tax charge to be reviewed.

5. Other Statutory Requirements:

5.1. The following statutory requirements are also noted as part of the Council Tax Discounts Resolution:

5.1.1. That any period of occupation of fewer than six weeks shall be disregarded when calculating the maximum period of a reduction or the start date of a premium – this is a statutory requirement and prevents a fresh discount being claimed or the premium being removed if a property is only occupied for a short period of time.

5.1.2. In accordance with Section 11A(6) of the Local Government Finance Act 1992, as enacted by Section 75 of the Local Government Act 2003 and the Local Government Finance Act 2012, these determinations shall be published in at least one newspaper circulating in West Norfolk before the end of the period of 21 days beginning with the date of the determinations. This is a statutory requirement for us to publish a Public Notice once the decision is made. The notice for the 2024/2025 Discounts Resolution was published in Your Local Paper on 9 February 2024, and the notice for the 2025/2026 resolution will be published within 21 days of the full Council meeting.

6. Policy Implications

6.1. This is a variation of an existing policy and confirms the existing levels of discount and premiums for second homes and long-term empty properties, and ratifies the decision made by full Council on 31 January 2024 to charge the additional premium for second homes from 1 April 2025.

7. Financial Implications

7.1. Council Tax Base and Budget

7.1.1. The taxbase is a measure of how much council tax can be raised in our area and forms part of the budget setting process. Our taxbase includes the taxbases for the Parish and Town Councils, and forms part of the taxbase for Norfolk County Council and Norfolk Police.

7.1.2. The levels of council tax discounts and premiums affect our taxbase calculation. Any council tax discounts reduce our taxbase, as less council tax is being charged. The premiums increase our taxbase as more council tax is raised. The taxbase cannot be finalised until the discounts and premiums for the coming year, including the Council Tax Support scheme, have been agreed. Changes to the proposed taxbase will impact on the Financial Plan and the certainty of the budget setting process.

7.2. The impact of the Discount Changes

7.2.1. There are no new financial impacts from the decisions to continue with the existing removal and reduction of the discounts for second homes, long-term empty properties and uninhabitable properties. These have been in place for a number of years (as shown at Appendix B) and are already incorporated into the taxbase calculations and Financial Plan estimates.

7.3. The Impact of the Premiums

7.4. Long-term Empty Property Premium:

There are 701 properties liable to pay the long-term empty premium (levy), of which approximately 350 now pay the premium due to the time limit for the start date being reduced to one year from 1 April 2024.

The premium adds 543 band D equivalent properties to the taxbase, 352 of which are due to the reduction in the time limit.

The additional council tax income from the long-term empty levy for 2024/2025 is £1.2m (our share £ 0.08m). £0.48m (our share £0.03m) of this is due to

reducing the time limit before the premium applies. Norfolk County Council are the largest preceptor so they receive the biggest share of the additional income:

01-Nov-24		Total Income from the long-term empty premium	Of which is additional Income due to April 2024 changes;
Norfolk County Council	75.5%	£ 907,398	£ 365,901
Norfolk Police	14.3%	£ 171,428	£ 68,429
BCKLWN	6.7%	£ 80,515	£ 31,600
Parishes	3.6%	£ 43,033	£ 17,693
Total		£ 1,202,376	£ 483,622

7.4.1. Second Homes:

There are 3,119 Second Homes which may be liable to pay the second homes premium from 1 April 2025. This is a maximum figure and does not account for any properties which qualify for an exception (as in Section 3).

A 30% sensitivity reduction has been built into the taxbase calculations to allow for any reductions for the Exceptions, changes in circumstance and changes in customer behaviours due to the second home premium being introduced.

The second homes premium adds an estimated maximum 3,087 Band D properties to the taxbase. This is reduced by 30%, or 926 Band D properties, to allow for the sensitivity reductions as detailed above. This results in a net estimated figure of 2,161 additional Band D properties.

The estimated additional income from the second homes premium after the sensitivity reduction is applied, is £4.8m (our share £0.32m). Again, as Norfolk County Council are the largest preceptor they receive the biggest share of the additional income. Work will progress with other District Councils and the County Council to ensure the maximum amount of the money raised through the second homes premium is returned to those districts whose communities are most affected by second home ownership.

01-Nov-24		Estimated income from the Second Homes Premium
Norfolk County Council	75.5%	£ 3,618,855
Norfolk Police	14.3%	£ 683,685
BCKLWN	6.7%	£ 321,109
Parish / Town Councils	3.6%	£ 171,625
		£ 4,795,273

7.4.2 The impact of the second homes premium and the changes to the taxbase will be monitored closely during 2025/2026. A report will be prepared for Members at the end of the financial year end with an update on the numbers of second homes that were due to pay the premium, the number paid, the number of changes and the additional council tax raised per Preceptor.

8. Personnel Implications

8.1. None

9. Environmental Considerations

9.1. None

10. Statutory Considerations

10.1. The powers to reduce and remove the nationally set discounts for long-term empty properties, second homes and uninhabitable properties are laid out in the Regulations, however any decision is at the discretion of the Council. Any decision to vary these discounts must be ratified annual by full Council.

10.2. The powers are contained in the following Legislation and Regulations:

- Sections 79 and 80 of the Levelling-Up and Regeneration Act 2023,
- The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018,
- The Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003, the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012,
- Sections 11A, 11B, 11C and 11D of the Local Government Finance Act 1992, and
- Section 75 of the Local Government Act 2003

11. Equality Impact Assessment (EIA)

11.1. The Pre screening Equality Impact Assessment is attached at Appendix A.

12. Risk Management Implications

12.1. None

13. Declarations of Interest / Dispensations Granted

13.1. None



14. Background Papers

14.1. None.

Appendix A: Pre-Screening Equality Impact Assessment



Name of policy	Council Tax Discounts and Premiums For Empty Properties And Second Homes: Resolution For 2025/2026				
Is this a new or existing policy/service/function?	Amendment of an Existing Policy				
<p>Brief summary/description of the main aims of the policy/service/function being screened.</p> <p>Please state if this policy/service is rigidly constrained by statutory obligations</p>	<p>The policy sets the level of discounts and premiums (levies) for empty properties and second homes for 2025/2026.</p> <p>The powers to vary the discount are contained in regulations, but the decision to do so is at the discretion of the council.</p>				
Question	Answer				
<p>5. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			√	
	Disability			√	
	Gender			√	
	Gender Re-assignment			√	
	Marriage/civil partnership			√	
	Pregnancy & maternity			√	
	Race			√	
	Religion or belief			√	
	Sexual orientation			√	
	Other (eg low income)			√	
Question	Answer	Comments			
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	No	The policy will not affect equality communities			

3. Could this policy/service be perceived as impacting on communities differently?	Yes	It will apply more to communities where there are higher numbers of empty properties and second homes but will not impact communities because of any equality issues.
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	No	
5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section	Yes	<p>Actions: There is no impact on any equality community or any specific group with a protected characteristic. The council has a Discretionary Relief Policy and can reduce a council tax charge in exceptional circumstances or if a person is suffering financial hardship.</p> <p>Actions agreed by EWG member:</p> <p> Alison Demonty</p>
<p>If 'yes' to questions 2 – 4 a full impact assessment will be required unless comments are provided to explain why this is not felt necessary:</p> <p>The policy is intended to encourage owners to bring empty properties back into use and will affect communities more where there are significant numbers of second home and empty properties.</p> <p>The policy will therefore impact on communities, rather than individuals, and is not linked to any equality issues or protected characteristics.</p> <p>Decision agreed by EWG member:  Alison Demonty</p>		
Assessment completed by: Name	Jo Stanton	
Job title	Revenues and Benefits Manager	
Date	2 December 2024	

Appendix B

Council Tax Discounts where local decisions on discounts apply

Class	Start	End	Discount / (Premium)	Council Tax Charge	Time Limit
Second Homes	Nationally set discount		50%	50%	None
	01/04/1993	31/03/2004	50%	50%	None
	01/04/2004	31/03/2013	10%	90%	None
	01/04/2013	31/03/2016	5%	95%	None
	01/04/2016	31/03/2025	0%	100%	None
	01/04/2025*		(100%)	200%	None
Empty and Unfurnished properties	Initial Empty Period				
	Nationally set discount		100%	0%	6 months
	01/04/1993	31/03/2013	100%	0%	6 months
	01/04/2013	31/03/2017	100%	0%	3 months
	01/04/2017	31/03/2019	100%	0%	1 month
	01/04/2019		0%	100%	None
	Follow On Period				
	Nationally set discount		50%	50%	Ongoing
	01/04/1993	31/03/2008	50%	50%	Ongoing
	01/04/2008	31/03/2009	10%	90%	Ongoing
	01/04/2009	31/03/2013	50%	50%	Ongoing
01/04/2013		0%	100%	Until LT Empty	
Uninhabitable Properties	Nationally set discount		100%	0%	12 months
	01/04/1993	31/03/2013	100%	0%	12 months
	01/04/2013	31/03/2017	50%	50%	12 months
	01/04/2017		25%	75%	12 months
Long Term Empty Properties	Nationally set discount		NA	NA	-
	01/04/2013	31/03/2019	(50%)	150%	After 2 years
	01/04/2019	31/03/2024	(100%)	200%	After 2 years
	01/04/2024		(100%)	200%	After 1 year
	01/04/2020		(200%)	300%	After 5 years
	01/04/2021		(300%)	400%	After 10 years

*Excluding certain classes of property where the premium does not apply



**Policy for Exceptions to the
Council Tax Premiums for
Second Homes and Long-Term
Empty Dwellings
Coming into force 1 April 2025**

1. Executive Summary

The Levelling-Up and Regeneration Act 2023 gives councils powers to charge a council tax premium (or levy) for certain types of property (dwelling) in its area. The properties are those which are furnished but no-one's main home, commonly referred to as Second Homes, and properties which are unfurnished and unoccupied, known as Empty Properties.

The government has also introduced regulations laying out certain circumstances where the premium or levy does not apply. This Policy includes these statutory exceptions along with further locally agreed exceptions.

The exceptions apply from 1 April 2025.

The power to decide the guidelines for the exceptions to the premiums is given under Delegated Authority as below:

CAB89 – Cabinet 15 Jan 2024, Council 31 Jan 2024

Cabinet Report para 4.1.5:

Delegate authority to the Revenues and Benefits Manager, in consultation with the s151 Officer and Council Leader, to agree the technical guidelines for any exceptions to the premiums imposed by central government.

2. Definitions

Dwelling	Residential property which is the subject of the council tax charge
Empty Dwelling	<p>Any dwelling shown in the Council Tax Valuation List which is unfurnished and unoccupied.</p> <p>A Long-Term Empty Dwelling is one which is unfurnished and unoccupied for six months or more.</p> <p>A Long-Term Empty Dwelling will pay the additional Levy once it has been unfurnished and unoccupied for 12 months or more.</p>
Exempt Dwelling	Any dwelling which qualifies for an exemption from payment of council tax under the provisions of the Council Tax (Exempt Dwellings) Order 1992 (as amended)
Liable Person	The person(s) who is responsible for paying the council tax under the council tax regulations; normally the person(s) whose name appears on the council tax bill
Long Term Empty Dwelling Levy	An additional charge of 100%, 200% or 300% of the amount of council tax payable for the period where the property meets the definition of a Long-Term Empty Dwelling and has been unoccupied for 12 months or more. The actual amount of the Levy depends on how long the dwelling has remained empty.
Relevant Transaction	Transfer on sale of the freehold, or of the leasehold for a term of seven years or more
Second Home	Any dwelling shown in the Council Tax Valuation List which is furnished but is unoccupied and no-one's main home
Second Home Premium	An additional charge of 100% of the amount of council tax payable for the period where the dwelling meets the definition of a Second Home.

3. Exceptions to the Council Tax Second Homes Premium and Long-Term Empty Dwelling Levy

The Council Tax (Prescribed Classes of Dwellings and Consequential Amendments) (England) Regulations 2024 include the circumstances in which the second home premium or empty dwelling levy does not apply.

The premium and levy will not apply to any dwelling which is classed as an Exempt Dwelling.

The exceptions are summarised below and the table should be read in conjunction with the detailed criteria in the regulations.

Class	Reason	Premium this Applies To	Period of Exception	Qualifying Conditions	Evidence Required
E	The liable person lives elsewhere in Armed Forces Accommodation	Second Homes Empty Dwellings	Whilst the qualifying conditions are met	The dwelling would be the sole or main residence of the liable person if they did not live elsewhere in Armed Forces accommodation.	Proof of address and residence in Armed Forces Accommodation
F	The dwelling is an annexe which forms part of a single dwelling, and is used by the resident as part of their sole or main residence	Second Homes Empty Dwellings	Whilst the qualifying conditions are met	The dwelling is an annexe which forms part of the liable person's sole or main residence and is being used as part of their main residence. This does not include any annexe used a second home, or where the other part of the property is a second home.	Proof of use and site visit if necessary.
G	The dwelling is being actively marketed for Sale	Second Homes Empty Dwellings	12 months from the date the dwelling is first placed on the market	The dwelling must be marketed for sale at a price that is reasonable for the sale of the dwelling, or an offer has been accepted and the sale is awaiting completion. A further exception will not apply unless there has been a Relevant Transaction.	A current contract with an Estate Agent for the sale of the dwelling. Marketing information, including Sales Particulars and online listings. A current Energy Performance Certificate (or

					<p>proof of a recent application for one).</p> <p>Details of any viewings or offers in respect of the dwelling.</p> <p>Comparable sales prices achieved for similar properties to demonstrate the asking price is reasonable.</p> <p>Information regarding any sale agreed for the dwelling.</p>
H	The dwelling is being actively marketed for Let	Second Homes Empty Dwellings	12 months from the date the dwelling is first marketed for let	<p>The tenancy terms, conditions and rent must be reasonable for the letting of the dwelling, or an offer to rent has been accepted but the tenancy has not yet started.</p> <p>A further exception will not apply unless the dwelling has been let on a tenancy granted for a term of six months or more.</p>	<p>A current contract with a Lettings Agent for arranging the rental of the dwelling.</p> <p>Details of the type of tenancy the dwelling will be let under.</p> <p>Comparable rental prices for similar properties to demonstrate the rent is reasonable.</p> <p>Details of where the dwelling is advertised for</p>

					let. Information regarding any agreed letting to a tenant.
I	Probate has been granted but the dwelling remains empty	Second Homes Empty Dwellings	12 months from the date probate is granted	The dwelling fell into exemption Class F (Empty Awaiting Probate), remains empty after a grant of probate has been made, and the estate remains the liable party for council tax. The dwelling will receive an exemption from payment of council tax for six months after probate is granted. A further exception will not apply unless there has been a Relevant Transaction.	Copy of the grant of Probate. Confirmation that the estate is the liable party for council tax and that the property has not been assented or passed over to another person.
J	The dwelling is a Job-Related Dwelling	Second Homes	Whilst the qualifying conditions are met.	The liable party must also be liable for council tax at the occupied rate for another dwelling, and be required to occupy that property as a condition of their employment.	Address of second property. Contract of employment confirming the requirement to live elsewhere.
K	The dwelling is a Caravan Pitch or a Boat Mooring	Second Homes	Whilst the qualifying conditions are met	The dwelling is a pitch occupied by a caravan, or a mooring occupied by a boat.	Site visit if required
L	The dwelling is subject to a Planning Condition preventing	Second Homes	Whilst the qualifying conditions are met	The dwelling must have an occupancy restriction imposed by a planning condition for one of the following reasons:	Copy of the Planning Permission containing the restriction on occupancy or specifying the dwelling

	occupancy			<ul style="list-style-type: none"> • Preventing occupancy for a continuous period of at least 28 days in one year, • Specifying it may only be used as a holiday let, or • Preventing it being occupied as someone's sole or main residence. 	cannot be used as a main home or must be used as a holiday let.
M	Uninhabitable Dwellings	Empty Dwellings	12 months from the date the property becomes uninhabitable	<p>The dwelling is one which falls in Class D – i.e. it is one which qualifies for a reduction as it is uninhabitable.</p> <p><i>Note – this council currently awards a 25% discount for 12 months to uninhabitable dwellings and they will not be subject to the long-term empty property levy during the qualifying period.</i></p>	Evidence that the dwelling requires or is undergoing work to its structure to render it habitable, including work to the walls, floors, ceilings, foundations or roof.
Z	Unoccupied Furnished Residential Lets	Second Homes	Whilst the qualifying conditions are met	The dwelling is one which is furnished and is let on an assured shorthold tenancy (or equivalent) to occupants who occupy the dwelling as their main home. The exception applies for the days when the property is unoccupied.	Evidence that the former tenant used the property as their main home, and proof that the property is being marketed for let on an assured shorthold tenancy (or equivalent).

- 4. Other Circumstances**

The discretionary powers to reduce or remit council tax liability under s13(a) Local Government Act 1992 still apply and are contained in the council's Council Tax Discretionary Relief Policy.
- 5. Applications**

The liable person may be required to complete an application form to apply for an exception to the premium or levy, unless we decide we are able to apply the exception without one.
- 6. Evidence**

We may ask for any reasonable evidence to support an application for an exception to the premium or levy. Failure to provide this is likely to result in an application being unsuccessful.
- 7. False Information and Fraudulent Applications**

Any attempts to commit fraud through false statements and fraudulent applications for an exception are taken extremely serious and we may take further action against anyone attempting to defraud the council tax system.

Sanctions include a penalty of £70 for first offence, and £280 for each second and subsequent offence, and prosecution under the Fraud Act 2006.
- 8. Appeals**

The decision not to apply an exception can be appealed. In the first instance an appeal should be made in writing or by email to the Revenues and Benefits Manager, clearly stating why the appeal is being made, and providing evidence.
- 9. Equalities Implications**

A Pre-Screening Equalities Impact Assessment is included at Appendix A.
- 10. Reference Documents**

The Levelling-Up and Regeneration Act 2023

The Council Tax (Prescribed Classes of Dwellings and Consequential Amendments)(England) Regulations 2024 (Statutory Instrument 2024/1007)



Cabinet Report of 15 January 2024 and minutes of the Council Meeting 31 January 2024

11. Version Control

Policy name	Second Homes Premiums and Long-Term Empty Levies– Policy for Exceptions			
Policy description	Policy detailing the exceptions to the additional premiums for certain council tax properties			
Responsible Officer	Jo Stanton, Revenues and Benefits Manager			
Version number	Date formally approved	Reason for update	Author	Review date
1.0		Policy Creation	Jo Stanton	1 January 2026

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Pre-Screening Equality Impact Assessment		Borough Council of King's Lynn & West Norfolk			
Name of policy	Policy for Exceptions to the council tax Second Homes Premium and Long-Term Empty Levy				
Is this a new or existing policy/service/function?	New				
Brief summary/description of the main aims of the policy/service/function being screened.	The policy details the circumstances in which the additional council tax charges for long term empty properties and second homes will not apply.				
Please state if this policy/service is rigidly constrained by statutory obligations	This is a new policy and includes the statutory exceptions to the premiums and levies.				
Question	Answer				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			√	
	Disability			√	
	Gender			√	
	Gender Re-assignment			√	
	Marriage/civil partnership			√	
	Pregnancy & maternity			√	
	Race			√	
	Religion or belief			√	
	Sexual orientation			√	
Other (eg low income) – Armed Forces	√				

Question	Answer	Comments
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	No	
3. Could this policy/service be perceived as impacting on communities differently?	No	
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	No	
5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section	N/A	<p>Actions:</p> <hr/> <p>Actions agreed by EWG member:</p>  <p>Alison Demonty</p>
<p>If 'yes' to questions 2 - 4 a full impact assessment will be required unless comments are provided to explain why this is not felt necessary:</p> <p>The policy reflects the statutory exceptions to the second homes premiums and long term empty property levies, meaning those who qualify will not be required to pay the additional council tax charge.</p> <p>There is a positive impact on the Armed Forces community who live elsewhere in accommodation provided by the MOD as they are excepted from paying the additional premiums. This also supports our Armed Forces Covenant.</p> <p>The council has a Council Tax Discretionary Reliefs policy and any individual who is affected by the increased charges but who doesn't qualify for an exception is able to apply for a reduction.</p> <p style="text-align: center;"></p> <p>Decision agreed by EWG member: Alison Demonty</p>		
Assessment completed by: Name	Jo Stanton	
Job title	Revenues and Benefits Manager	

Date	13 November 2024
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Appendix D: Government Guidance on the implementation of the Premiums

(attached as a separate document for Dem Services to insert)



Ministry of Housing,
Communities &
Local Government

Guidance

Guidance on the implementation of the council tax premiums on long-term empty homes and second homes

Published 1 November 2024

Applies to England

Contents

Introduction

1. Implementation of the council tax premiums on long-term empty homes and second homes
2. Exceptions to the council tax premiums for long-term empty homes and second homes
3. Monitoring and appeals



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This publication is available at <https://www.gov.uk/government/publications/long-term-empty-homes-and-second-homes-council-tax-premiums-and-exceptions/guidance-on-the-implementation-of-the-council-tax-premiums-on-long-term-empty-homes-and-second-homes>

Introduction

Since 2013, councils^[footnote 1] in England have had the power to charge additional council tax on long-term empty homes. For the purpose of council tax, long-term empty homes are dwellings which have been unoccupied and substantially unfurnished for a period. In April 2024, the empty homes council tax premium was strengthened so that councils can charge the premium on homes that have been empty for 1 or more years (rather than the previous 2 years).

Additionally, from April 2025, councils will be able to use new powers to charge a premium of up to 100% additional council tax on second homes in their area, or parts of their area. For the purpose of council tax, second homes are dwellings which are substantially furnished but have no resident (i.e. it is not someone's sole or main residence).

The powers to charge the empty homes or second homes premium (or both) is discretionary, and it is for councils to decide whether to charge the premiums in their local area and at what rate, up to the statutory maximum.

This guidance has been published to set out the circumstances where a premium can be charged, the discretion available to councils in doing this, the administration of premiums and the application of the exceptions. This guidance is also intended to enable taxpayers to identify the circumstances where their dwelling may be excepted from a premium.

This guidance is issued under powers in section 11B(1D) and 11C (4) of the Local Government Finance Act 1992 (<https://www.legislation.gov.uk/ukpga/1992/14/contents>) ("the 1992 Act") as inserted by the Levelling-up and Regeneration Act 2023. It applies to all councils in England. This does not apply to councils in Wales, Scotland or Northern Ireland.

This guidance should not be treated as an interpretation of the legislation. Councils should make their decisions based on the legislation and their specific local circumstances.

1. Implementation of the council tax premiums on long-term empty homes and second homes

Legal framework for the council tax premiums

Sections 11B and 11C of the 1992 Act

(<https://www.legislation.gov.uk/ukpga/1992/14/contents>) enables councils in England to disapply the section 11(2)(a) discount which may otherwise apply to long-term empty homes and second homes and apply additional council tax (commonly called a premium).

The 1992 Act was amended through the Levelling-up and Regeneration Act 2023 (“the 2023 Act”) so that councils can apply a premium on homes which have been empty for 1 or more years from 1 April 2024. The 2023 Act also introduced new powers for councils to charge premiums on second homes from 1 April 2025 (provided that the conditions set out in section 11C of the 1992 Act apply).

Councils have the discretion to decide whether to introduce a premium in their local area or parts of the area on long-term empty homes and second homes. They also have the discretion to decide on the level of the premium, up to the maximum statutory threshold.

A council must make its first determination to charge a second homes premium at least 1 year before the financial year to which it will apply. This is to provide owners of these dwellings sufficient notice to make any appropriate changes. Councils may vary or revoke a determination under these same powers but only before the beginning of the financial year to which this will apply. When using these powers, councils can determine the long-term empty homes or second homes to which they will apply a premium. This enables each council to tailor its determination to local circumstances.

Where a determination to charge a premium is made, councils must publish a notice of the determination in at least 1 newspaper circulating in its area within 21 days of the date of the determination^[footnote 2].

The Secretary of State has powers under section 11B(2)-(3) and 11D(1)-(2) of the 1992 Act to prescribe through regulations certain classes of dwelling which may not be made subject to a premium. The Council Tax (Prescribed Classes of Dwellings and Consequential Amendments) (England) Regulations 2024 (<https://www.legislation.gov.uk/uksi/2024/1007/contents/made>) prescribe these exceptions, and these are detailed later in this guidance.

The council tax system already provides a number of specific exemptions from council tax. The exempt classes are set out in the Council Tax (Exempt Dwellings) Order 1992 (<https://www.legislation.gov.uk/uksi/1992/558/contents/made>). There are a number of exemptions in place for unoccupied dwellings, including:

- where the resident has died for up to 6 months after grant of probate or letters of administration)

- where the resident is in long-term residential care or hospital
- where the resident is living elsewhere to provide personal care

A dwelling that is exempt from council tax is not liable for a premium. Where a dwelling is no longer eligible for an exemption but remains no one's sole or main residence, it may become liable for a premium. In the case of an empty home, it may become liable for a premium after it has been empty for a continuous period of 1 year. This time frame begins when the dwelling first becomes empty rather than when an exemption ends. A second home may become liable for the premium as soon as the exemption ends.

Section 11B: Higher amount for long-term empty dwellings

A long-term empty home is defined as a home which is both unoccupied and substantially unfurnished for a continuous period of at least 1 year. The dwelling must be occupied, or substantially furnished, for a continuous period of at least 6 weeks in order for it to reset the length of time it has been empty for, and its liability for a premium.

Where a council makes a determination to charge a premium on long-term empty dwellings, it may specify different percentages for dwellings based on the length of time for which they have been empty. This enables councils to take a stepped approach, with increases over time. These include:

- up to 100% for homes empty between 1 and 5 years
- up to 200% for homes empty between 5 and 10 years
- up to 300% for homes empty for over 10 years

Councils are able to choose the level of the premium, up to the applicable statutory maximum. For example, they may apply a 50% premium for dwellings empty between 1 and 2 years and a premium of 100% of dwellings empty for 2 to 5 years.

Section 11C and 11D: Higher amount for dwellings occupied periodically

Dwellings occupied periodically (commonly referred to as "second homes") are defined as dwellings which are substantially furnished and have no resident (i.e., not a person's sole or main home).

When introducing the premium in the local area or parts of the area for the first time, a council must make its first determination under section 11C at least 1 year before the beginning of the financial year to which the determination to apply the premium relates.

Where individuals own multiple homes, but the homes are let out or occupied by someone as their main home, it will not be considered as a “second home” for the purposes of the premiums and as such will not be liable for the premium. It is for councils to determine whether a dwelling is a “second home” in accordance with the legislation and their local statutory determination to apply the premium.

Making a determination to charge the council tax premiums on long-term empty homes and/or second homes

Councils have the discretion whether to apply the premium in their local areas and will determine how best to use this in combination with other measures to bring dwellings back into use or how the additional flexibilities may be used to improve the sustainability of local services.

The decision to make a determination under section 11B and 11C of the Local Government Finance Act 1992 is for councils to make. However, the government expects councils to have due consideration of local circumstances. Councils can choose to apply either or both of the council tax premiums; they can also choose to apply the premium to parts of the local area rather than to the whole of their local area. This flexibility allows councils to tailor the premiums to best address local concerns or priorities.

Councils should carefully consider whether to charge a premium and make an assessment of possible impacts, including on the local population, its communities, and the local economy. Examples of factors that councils may wish to consider are set out below. Whilst some factors will be specific to either long-term empty dwellings or second homes, others will be common to both. The list is not exhaustive, and councils will want to consider all factors they think are relevant before making a decision.

- numbers and proportion of long-term empty dwellings and/or second homes in the local area
- circumstances which may affect whether the dwelling can be used as a main residence
- potential impact on local economies and the tourism industry
- potential impact on the local community
- potential impact on local services

- other measures that are available to councils to help bring empty dwellings back into use

Councils should consider the reasons why dwellings are unoccupied in deciding whether they want such dwellings to be included in their determination. Examples of issues councils may want to take account of in making their determination include:

- on average, how long dwellings in their area are available for sale or rent before completion/occupation
- the average price/rent in the local area
- whether there are circumstances which make the dwelling unsuitable for use as main residence
- whether there are circumstances which make the dwelling difficult to sell/let
- whether the dwelling is empty so that improvements can be made between sale/let

Any decision to vary or revoke a determination to apply a premium must be made before the beginning of the financial year to which it applies. This enables councils to take any changes into account when calculating their taxbase for the following year as well as giving local taxpayers advance notice of the changes.

Councils should consider how it might engage and consult with key stakeholders, including the local electorate and second homeowners, before taking a decision to charge a premium. If councils decide to introduce or vary a premium, they should consider how this is communicated, particularly to those who might be directly affected. For instance, through publication of press notices, providing information on website pages or direct communication with council taxpayers who are likely to be liable for the premium. Councils should also consider how they advise or inform those who may be affected but may reside outside the local area.

2. Exceptions to the council tax premiums for long-term empty homes and second homes

The government recognises that there may be instances where it may be inappropriate for the council tax premiums to apply. Section 11B and 11D of the 1992 Act enables the government to make regulations to prescribe classes of dwellings in relation to which councils may not make a determination to apply a premium. 159

The government has made regulations to provide exceptions to these premiums, in line with the published [consultation response](https://www.gov.uk/government/consultations/proposals-to-exempt-categories-of-dwellings-from-the-council-tax-premiums/outcome/summary-of-responses-and-governments-response-to-the-consultation-on-proposals-to-exempt-categories-of-dwellings-from-the-council-tax-premiums-in-eng) (<https://www.gov.uk/government/consultations/proposals-to-exempt-categories-of-dwellings-from-the-council-tax-premiums/outcome/summary-of-responses-and-governments-response-to-the-consultation-on-proposals-to-exempt-categories-of-dwellings-from-the-council-tax-premiums-in-eng>). These exceptions to the premium are mandatory and councils may not disapply any exceptions. These exceptions will come into effect from 1 April 2025.

The regulations prescribe 9 classes of dwellings which are excluded from the council tax premiums. Classes E, F, G, H and I apply to both long-term empty homes and second homes. Classes J, K and L only apply to second homes. Class M only applies to long-term empty homes.

The classes of dwelling are outlined in the table below and are detailed further in the guidance. These exceptions only exclude these dwellings from premiums, these do not affect the standard rate of council tax they may be liable for. Exceptions may apply in succession where the dwelling meets the necessary criteria. Councils may add extensions to exceptions as a part of their determination or may provide support through discretionary reductions using powers under [section 13A of the Local Government Finance Act 1992](https://www.legislation.gov.uk/ukpga/1992/14/section/13A) (<https://www.legislation.gov.uk/ukpga/1992/14/section/13A>).

Where a person believes they may meet the criteria for an exception from the premium they may wish to contact their council directly. The council will be best placed to assess whether an exception would apply in these circumstances. Furthermore, councils have discretionary powers to provide additional exceptions from premiums where they consider this appropriate.

Classes of Dwellings	Application	Definition
Class E	Long-term empty homes and second homes	Dwelling which is or would be someone's sole or main residence if they were not residing in job-related armed forces accommodation
Class F	Long-term empty homes and second homes	Annexes forming part of, or being treated as part of, the main dwelling
Class G	Long-term empty homes and second homes	Dwellings being actively marketed for sale (12 months limit)

Classes of Dwellings	Application	Definition
Class H	Long-term empty homes and second homes	Dwellings being actively marketed for let (12 months limit)
Class I	Long-term empty homes and second homes	Unoccupied dwellings which fell within exempt Class F and where probate has recently been granted (12 months from grant of probate/letters of administration)
Class J	Second homes only	Job-related dwellings
Class K	Second homes only	Occupied caravan pitches and boat moorings.
Class L	Second homes only	Seasonal homes where year-round, permanent occupation is prohibited, specified for use as holiday accommodation or planning condition preventing occupancy for more than 28 days continuously
Class M	Long-term empty home only	Empty dwellings requiring or undergoing major repairs or structural alterations (12 months limit)

Annexes and military accommodation (Class E and Class F)

Two mandatory exceptions from the empty home premium already exist:

- a dwelling which is or would be the sole or main residence of a member of the armed services, who has been provided with a dwelling as a result of such service
- a dwelling which forms part of a single property with one or more other dwellings that is being used by a resident of one of the other dwellings as part of their sole or main residence

These exceptions will continue to apply for empty homes and will also be applied in the case of the second homes premium.

Job related dwellings and caravan pitches/boat moorings (Class K and Class L)

The council tax system already contains provisions which ensure that in certain circumstances these dwellings receive a 50% council tax discount. The government does not intend to change the discounts which these dwellings receive. The exceptions mirror the provisions of these discounts to ensure these dwellings continue to receive these discounts.

Generally, a dwelling would be classed as a job-related dwelling where it is a dwelling provided by a person's employer for the purposes of performing their work. The definition of a job-related dwelling for the purposes of this exception is set out in the Schedule to the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 (<https://www.legislation.gov.uk/ukxi/2003/3011/schedule/made>). Examples include headteachers for boarding schools who are required to live in school accommodation, or certain care workers who need to live on site to carry out their role.

Certain households may fall outside the definition of a job-related dwelling; however, the council may determine that it would still not be appropriate for the premium to apply. Councils have the discretionary power to exclude any dwellings from the premium where they consider this appropriate.

Probate (Class I)

There is an existing Class F council tax exemption for dwellings undergoing probate. When a dwelling has been left empty following the death of its owner or occupant, it is exempt from council tax for as long as it remains unoccupied and until probate is granted. Following a grant of probate (or the issue of letters of administration), a further 6 months exemption is possible, so long as the dwelling remains unoccupied and has not been transferred by the executors or administrators to the beneficiaries or sold to anyone else.

Following a grant of probate the owners of the dwelling may require further time to decide how they will manage the home or sell it. The Regulations provide for a 12-month exception to the premium for both second and empty homes. The 12-month period begins from the point probate is granted or letters of administration have been issued. This runs concurrently with the 6-month exemption.

This exception will run for 12 months or until the dwelling has changed owner by being sold. Councils may wish to consider the specific

circumstances of the dwelling's owners at the end of the period and whether to use their discretionary power to extend this exception.

Actively marketed for sale or let (Class G and Class H)

The government has been clear that its intention is not to penalise those who are genuinely trying to bring their dwelling back into use as a sole/main residence.

This exception can apply for up to 12 months from the point from which the dwelling has first been marketed for sale or let. The exception will end either when the 12-month period has ended, when the dwelling has been sold or let or when the dwelling is no longer actively marketed for sale or let. The following conditions will apply to this exception:

- the same owner may only make use of the exception for a particular dwelling marketed for sale once
- the exception may be used again for the same dwelling if it has been sold and has a new owner
- the same owner may make use of the exception for dwellings marketed for let multiple times, however, only after the dwellings has been let for a continuous period of at least 6 months since the exception last applied

There are a number of factors which councils may take into consideration when assessing whether a dwelling is being actively marketed for sale or let. These may include:

- whether the dwelling is clearly advertised for sale or let
- whether the dwelling is being marketed at a fair market value
- whether there are any artificial barriers on the dwelling preventing sale/let
- whether the dwelling has an Energy Performance Certificate (EPC)
[\[footnote 3\]](#)
- whether the owner is taking any other reasonable steps to market the dwelling for sale or let

When considering whether a second or empty home is actively marketed, councils should consider these factors holistically. Whether a home may not meet one of the described factors it may still overall be considered to be actively marketed. Councils may wish to consider further factors in determining whether a dwelling is actively marketed for sale or let.

At the end of the 12-month period, councils may wish to consider the specific circumstances of the owners and whether to use their discretionary powers to extend the exception.

Major repairs (Class M)

The government appreciates in some cases a dwelling may require major repair work before it can be occupied. Where a dwelling requires or is undergoing major repairs or is undergoing structural alteration it may be excepted from the empty home premium for up to 12 months. Where major repairs are completed in less than 12 months, the exception will still apply to the dwelling for up to 6 months or until the end of the 12 months whichever is sooner.

This exception only applies on empty homes. This exception cannot apply again unless the dwelling has been sold. If the dwelling is substantially furnished and becomes a second home without a resident, then this exception will end.

Councils may wish to consider the specific circumstances of the dwelling at the end of this 12 months and whether to use their discretionary power to extend this exception in certain scenarios.

Seasonal homes (Class L)

The government recognises in some cases certain dwellings may have restrictions on them which means that the dwelling could not reasonably be occupied as a permanent residence. The government's position is that it is right that these dwellings should not be subject to a premium when these dwellings could not be used as a permanent residence.

In applying this exception, councils should consider whether there are any planning restrictions which explicitly set out that the dwelling cannot be used as a main residence. For example, where this is purpose-built holiday accommodation which can only be used as holiday accommodation.

In addition, this exception provides for dwellings which have planning restrictions whereby they cannot be occupied for at least 28 continuous days in a year. In some cases, a council may assess a dwelling with this restriction as being a person's sole or main residence. Where this is the case, the dwelling would not be liable for the premium since this cannot apply to a main residence.

Powers to identify and exclude certain dwellings

The government recognises there may be specific local issues relating to second homes and empty homes which are not covered by mandatory exceptions. Councils have discretionary powers to exclude dwellings from the premium in their area through their determination. The government encourages councils to make use of their local expertise to consider which other dwellings should not be charged a premium.

There may be cases where despite best endeavours, an owner may not have the ability to bring an empty or second home back to productive use in a reasonable time. An example of this is where occupation of a dwelling is restricted to a specific group of people and cannot be used in any other way. Where a dwelling has been actively marketed for sale or let but there are mitigating circumstances which mean the dwelling may take longer to sell or let, the council may wish to consider using their discretionary powers.

In some cases, there may be no specific planning restriction preventing dwellings from being used as a main residence but conditions around the dwelling may make it impractical to be used as a main residence. For example, where the dwelling may be located on land which cannot be accessed for significant parts of the year. Councils should consider whether any dwellings in their area could not be used for any purpose other than as a second home when making their determinations.

The scenarios set out above are not exhaustive and there may be specific local circumstances which impact the exceptions a council may apply. Ultimately councils should rely on their expertise of their local area when deciding which exceptions may apply.

Councils cannot amend their determinations in year to include further exceptions. However, councils do have powers under [section 13A of the Local Government Finance Act 1992](#) (<https://www.legislation.gov.uk/ukpga/1992/14/section/13A>) to offer a discretionary discount for households where they consider this appropriate.

3. Monitoring and appeals

As with all council tax income, income received by council tax premiums is fully retained by councils and their precepting authorities. This income is unringfenced and it is for local councils to determine how best to use the income raised to address issues within their local areas.

The government trusts council to apply premiums taking into account their local circumstances. The government encourages councils to be transparent in how they apply the premium, making the following information available for residents:

- the level of premium charged by the council
- which areas this applies to
- the number of dwellings charged the premium
- the amount which has been raised by the premium
- how funding from the premium has been used locally

If an individual believes they have been inappropriately charged a premium on their dwelling, they should in the first instance contact their council. Councils are best placed to advise how they have determined a premium should apply in these circumstances. Additionally, they will be able to make any necessary amendments where there is evidence to show a premium should not be applied.

If the individuals have discussed the issue with their local council, but they are not satisfied with the council's response, they may be able to appeal to the Valuation Tribunal (<https://valuationtribunal.gov.uk/council-tax-appeals/>).

1. Specifically, it is for billing authorities to make a determination whether to charge a premium. Billing authorities are responsible for the billing and collection of council tax.
2. A determination will not be invalid where this has not been done.
3. A valid EPC is necessary to be able to sell or let any dwelling - Selling a home: Energy Performance Certificates (<https://www.gov.uk/selling-a-home/energy-performance-certificates>).

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POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	Corporate Performance Panel		
DATE:	7 th January 2025		
TITLE:	Members Allowances 2024/2025		
TYPE OF REPORT:	Cabinet Report		
PORTFOLIO(S):	Leader of the Council		
REPORT AUTHOR:	Becky Box, Assistant Director		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	Yes

REPORT SUMMARY/COVER PAGE

PURPOSE OF REPORT/SUMMARY:
To agree the cost of living increase applied to Members Allowances for the 2024/2025 year.
KEY ISSUES:
Members are directed to the attached Cabinet report for full details of the key issues.
OPTIONS CONSIDERED:
Members are directed to the attached Cabinet report for full details of the options.
RECOMMENDATIONS:
The Panel are requested to consider the report and make any appropriate recommendations to Cabinet.
REASONS FOR RECOMMENDATIONS:
To scrutinise recommendations being made for an executive decision.

REPORT TO CABINET

Open		Would any decisions proposed:			
Any especially affected Wards	Discretionary /	Be entirely within Cabinet's powers to decide		NO	
	Operational	Need to be recommendations to Council		YES	
		Is it a Key Decision		NO	
Lead Member: Cllr Alistair Beales E-mail: <i>Cllr.Alistair.Beaales@west-norfolk.gov.uk</i>			Other Cabinet Members consulted: Cabinet		
			Other Members consulted:		
Lead Officer: Becky Box E-mail: <i>becky.box@west-norfolk.gov.uk</i> Direct Dial: 01553 616502			Other Officers consulted: Chief Executive, Monitoring Officer, Section 151 Officer, Democratic Services Manager		
Financial Implications YES	Policy/ Personnel Implications NO	Statutory Implications NO	Equal Impact Assessment Yes If YES: Pre-screening	Risk Management Implications NO	Environmental Considerations NO

Date of meeting: 14th January 2025

MEMBERS ALLOWANCES

Summary

To agree the cost of living increase applied to Member's allowances for the 24/25 year.

Recommendation

Recommendations to Full Council:

That Council agrees an increase of 4.1% for all Member allowances for the year 2024/25 with effect from 1st April 2024.

Reason for Decision

The Council's Members Allowance Scheme provides for allowances to be updated annually in line with the Officer's cost of living pay award.

1 Background

The Council's Member allowances are reviewed annually.

In February 2022, Cabinet recommended to Council that allowances for a maximum period of 3 years commencing 2022/23 should continue to be increased in line with the officers' pay award. This recommendation was agreed by Council on 23rd March 2022.

For 2023-2024, the Officer's cost of living pay award, as approved by Full Council on 24th August 2023, was either £1925 or 5% (whichever was greater) rather than a flat rate increase across all pay grades. This represented a 10.38% increase to staff on the lowest pay point, reducing as pay points increase through to a 5% increase for higher paid staff. The median % increase for staff in 2023/24 was 7.04%.

As the Officers cost of living award was not a single flat rate increase it was necessary for Members to determine the % increase applicable for the cost of living update to Member allowances. The Monitoring Officer assessed the situation and advised that a sensible interpretation of "indexed in line with the Officer's pay award" would be permissible. Following consideration of a number of options Cabinet recommended to Council that the basic Members allowance be increased by 10.38% and to increase special responsibility allowances by 5%. This was agreed by Full Council on 19th October 2023.

In 2024, the Officer's cost of living pay award for the 2024/25 year, as agreed by Cabinet on 5th November 2024 was:

1. That with effect from 1st April 2024 an annual pay award of £1,290 (pro rata for part time employees) be paid as a consolidated, permanent addition to salaries for all staff earning less than or equal to the equivalent of National Joint Council pay point 43 (equivalent to £51,515 per annum).*
2. That with effect from 1st April 2024 a permanent salary increase of 2.5% be paid to all staff earning the above NJC spine point 43 (equivalent to £51,515 or more per annum).

(* the figure of £1,290 represents an increase of 5.78% for staff on the lowest pay point).

As a result of there not being a flat rate increase across all staff pay grades it is again necessary for Members to determine the percentage increase that will be applied to Member allowances with effect from 1st April 2024.

2 Options Considered

The Council's budget for 24/25 has allowed for a 3.5% for member allowances and a 2.5% increase to the Members IT allowance.

In considering options to increase member allowances for the 2024/25 year the net impact of this year's staff pay increase as a percentage of the total staff pay budget has been considered. This represents a 4.1% increase to the total staff pay budget and therefore it is proposed to increase Member allowances by 4.1%.

3 Policy Implications

The proposal is within existing policy, as outlined in the Members Allowance Scheme.

Members will be aware that Member allowances have been subject to review by an Independent Review Panel (IRP) during 2024. The findings of this review will be reported to Cabinet and Full Council in early 2025, to enable a revised scheme to be approved by Council and come into effect on 1st April 2025. It is intended to establish an approach for dealing with annual increases to Member allowances in the scenario that there is not a one flat rate percentage increase to the staff pay award in the revised scheme, to prevent the need for the matter to be reported to Cabinet and Full Council in the future.

4 Financial Implications

The total cost of the uplift to member allowances against the current cost is £23,400 equating to a total cost of £581,770. The budget for the current year is £580,270. This results in a small pressure of £1,500. This additional cost can be met from identified turnover savings.

There will also be an impact on future years which will need to be reflected in the base budget from 2025/2026 onwards.

5 Personnel Implications

None.

6 Environmental Considerations

None.

7 Statutory Considerations

It is a statutory requirement for the Council to adopt a Members Allowance Scheme.

8 Equality Impact Assessment (EIA)

Completed pre-screening form attached.

9 Risk Management Implications

The Council must provide a Members Allowance Scheme in accordance with the Local Authorities (Members' Allowances

(England)) Regulations 2023. The independent review has been called in Autumn 2024 and the findings of this will be reported in early 2025, so that a revised scheme can be implemented by 1st April 2025.

10 Declarations of Interest / Dispensations Granted

11 Background Papers

(Definition : Unpublished work relied on to a material extent in preparing the report that disclose facts or matters on which the report or an important part of the report is based. A copy of all background papers must be supplied to Democratic Services with the report for publishing with the agenda)

CORPORATE PERFORMANCE PANEL WORK PROGRAMME 2024/2025

DATE OF MEETING	TITLE	TYPE OF REPORT	LEAD OFFICER	OBJECTIVES AND DESIRED OUTCOMES
29 May 2024	Appointment of Vice-Chair for the Municipal Year 2024/2025			To appoint a Vice-Chair for the Municipal Year 2024/2025.
	Call-in (if any)	Standing Item		
	Memberships of Task Groups and Informal Working Groups	Operational		To consider the Task Groups and Informal Working Groups set up by the Panel and their Membership
	Nominations to Outside Bodies	Operational		To nominate a Member to sit as an observer on Hunstanton Sailing Club. Nomination to be presented to Full Council.
	Annual Communications Update	Annual Update	J Hillard T Baldwin P Sillis A Howell	B Box to introduce update.
	Portfolio Holder Question and Answer Session			Questions to be submitted in advance of the meeting.
	Cabinet Report – Data Protection Policy Review	Cabinet Report	Laura Botten	To consider the report and make any appropriate recommendations to Cabinet
	Cabinet Forward Decisions List, Shareholder Committee Forward Plan and Work Programme.	Standing Item		The Panel are invited to identify any items for inclusion on the work programme.
17 July 2024	Call-in (if any)	Standing Item		

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Agenda Item 14

	Cabinet Report – Productivity Plan	Cabinet Report	Honor Howell	To consider the report and make any appropriate recommendations to Cabinet.
	Cabinet Reports – Revenue and Capital Outturn Reports 2023-2024	Cabinet Report	Michelle Drewery	To consider the reports and make any appropriate recommendations to Cabinet.
	Cabinet Forward Decisions List, Shareholder Committee Forward Plan and Work Programme.	Standing Item		The Panel are invited to identify any items for inclusion on the work programme.
	2023-2024 Full Year Performance Management Report		Debbie Ess and Honor Howell	
4 September 2024	Call-in (if any)	Standing Item		
	KLIC Performance Update	Update	Matthew Henry	To provide the Panel with an update. Previous update was provided in January 2023.
	Portfolio Holder Question and Answer Session	Standing Item		Extended session, with all Cabinet Members invited to provide the Panel with the opportunity to ask questions to identify future items which can be considered by the Panel at an early stage.
	Cabinet Forward Decisions List, Shareholder Committee Forward Plan and Work Programme.	Standing Item		The Panel are invited to identify any items for inclusion on the work programme.

16 October 2024	Call-in (if any)	Standing Item		
	Cabinet Forward Decisions List, Shareholder Committee Forward Plan and Work Programme.	Standing Item		The Panel are invited to identify any items for inclusion on the work programme.
	Council Tax Support – Final Scheme for 2025/2-26	Cabinet Report	Jo Stanton	To consider the report and make any appropriate recommendations to Cabinet.
	Q1 2024-2025 Corporate Performance Management Report	Performance Monitoring	Honor Howell and Debbie Ess	To Monitor Performance.
30 October 2024 – Additional Meeting	Initial Report of the Constitution Informal Working Group	Informal Working Group Report	Alexa Baker	To consider the recommendations from the Informal Working Group and make recommendations to Cabinet.
27 November 2024	Call-in (if any)	Standing Item		
	Q2 2024-2025 Corporate Performance Management Report	Performance Monitoring	Honor Howell and Debbie Ess	To consider the report and make any appropriate recommendations to Cabinet.
	Cabinet Forward Decisions List, Shareholder Committee Forward Plan and Work Programme.	Standing Item		The Panel are invited to identify any items for inclusion on the work programme.
	Update on Cycle Hire Scheme at Lynnsport	Panel Member Request	Tommy Goode	As requested by the Panel at their meeting in September. To receive an update on the performance of the scheme.
	Report of the Taxi Testing	Informal	Oliver Judges	To receive the findings from the Taxi

	Informal Working Group	Working Group Report		Testing Informal Working Group.
	January 2023 to December 2023 Report on use, or non-use of RIPA Powers	Update Report	Jamie Hay	To receive the annual statistics return for the period January 2023 to December 2023.
7 January 2025	Call-in (if any)	Standing Item		
	Cabinet Report – Transformation	Cabinet Report	Kate Blakemore	To consider the report and make any appropriate recommendations to Cabinet.
	Cabinet Report – Social Value Policy	Cabinet Report	Alexa Baker	To consider the report and make any appropriate recommendations to Cabinet.
	Cabinet Report – Procurement Policy and Contract Standing Orders	Cabinet Report	Alexa Baker	To consider the report and make any appropriate recommendations to Cabinet.
	Cabinet Report – Capital and Revenue Budget Monitoring	Cabinet Report	Michelle Drewery	To consider the report and make any appropriate recommendations to Cabinet.
	Cabinet Report – Council Tax Discounts and Resolution for 2025-2026	Cabinet Report	Michelle Drewery	To consider the report and make any appropriate recommendations to Cabinet.
	Cabinet Report – Members Allowances 24/25	Cabinet Report	Becky Box	To consider the report and make any appropriate recommendations to Cabinet.
	Cabinet Forward Decisions List, Shareholder Committee Forward Plan and Work Programme.	Standing Item		The Panel are invited to identify any items for inclusion on the work programme.
28 th January 2025 at 5pm – additional	Cabinet Report – Independent Review of the Members	Cabinet Report	Becky Box	To consider the report and make any appropriate recommendations to

meeting	Allowances			Cabinet.
	Cabinet Forward Decisions List, Shareholder Committee Forward Plan and Work Programme.	Standing Item		The Panel are invited to identify any items for inclusion on the work programme.
26 February 2025	Call-in (if any)	Standing Item		
	Any Cabinet Reports which fall within the remit of the Panel – to be confirmed.			
	Portfolio Holder Question and Answer Session	Standing Item		
	Cabinet Forward Decisions List, Shareholder Committee Forward Plan and Work Programme.	Standing Item		The Panel are invited to identify any items for inclusion on the work programme.
2 April 2025	Call-in (if any)	Standing Item		
	Any Cabinet Reports which fall within the remit of the Panel – to be confirmed.			
	Portfolio Holder Question and Answer Session	Standing Item		
	Cabinet Forward Decisions List, Shareholder Committee Forward Plan and Work Programme.	Standing Item		The Panel are invited to identify any items for inclusion on the work programme.

	Annual Complaints Monitoring Report	Monitoring	Honor Howell	To receive the Annual Monitoring report.
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Forthcoming Items to be scheduled

Report of the Informal Working Group – Constitution - Ongoing

FORWARD DECISIONS LIST

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
14 January 2025						
	Housing Support Services Contract	Key	Cabinet	People and Communities Asst Dir - D Hall		Public
	Taxi Fees and Conditions		Council	Monitoring Officer		Public
	Social Value Policy	Non	Council	Leader Monitoring Officer		Public
	Procurement Strategy and Contract Standing Orders	Non	Council	Finance Monitoring Officer		Public
	Transformation Programme	Non	Cabinet	Leader Chief Executive		Public
178	Budget Monitoring Reports	Key	Cabinet	Finance Asst Dir M Drewery		Public
	Members Allowances 2024/25	Non	Council	Leader		Public
	Council Tax Discounts Resolution for 2025/26	Key	Council	Leader Asst Dir – M Drewery		Public

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
4 February 2025 (non budget items)						

	Local Plan	Key	Council	Planning & Licensing Asst Dir – S Ashworth		Public
	Annual Plan 2025-26	Key	Council	Leader Chief Executive		Public
	King's Lynn Cultural & Heritage Strategy		Council	Business Asst Dir D Hall		Public
	Change Management Policy and Redundancy Payments	Non	Council	Leader Asst Dir – B Box		Public
179	King's Lynn Town Football Club	Non	Cabinet	Property Asst Dir – M Henry		Private- Contains exempt information under para 3 – information relating to the business affairs of any person (including the authority)
	Conservation Areas Advisory Panel	Non	Cabinet	Planning & Licensing Asst Dir S Ashworth		Public

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
5 February 2025 (Budget items)						
	Budget 2025-28	Key	Council	Finance Asst Dir – M Drewery		Public
	Treasury Management Strategy	Key	Council	Finance Asst Dir – M Drewery		Public
	Capital and Revenue Programme	Key	Council	Finance Asst Dir – M Drewery		Public
	Pay Policy Statement	Non	Council	Chief Executive Leader		Public

	Independent Review of Members Allowances	Non	Council	Leader		Public
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Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
4 th March 2025						
	2024-25 Q3 Performance Management	Non	Cabinet	Leader Chief Executive		Public
	Appointments Board/IDC Terms of Reference	Non	Council	Leader Asst Dir – A Baker		Public
	Planning Member Code of Good Practice	Non	Cabinet	Development and Licensing Asst Dir – S Ashworth		Public
	Debt Recovery and Enforcement Policies	Non	Council	Finance Asst Dir – A Baker		Public
180	Review of Appointments to Outside Bodies	Non	Cabinet	Leader Chief Executive		Public
	West Norfolk Share Prosperity Fund	Key	Council	Business and Culture		Public

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
15 th April 2025						
	Local Nature Recovery Strategy	Key	Council	Climate Change and Bio Diversity Ass Dir- S Ashworth		Public
	CIL Governance	Non	Cabinet	Planning and Licensing Asst Dir – S Ashworth		Public

	St George's Guildhall and Creative Hub	Key	Council	Business and Culture		Part Public and Part Private Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Long-Term Plan for Towns	Key	Cabinet	Leader Asst Dir – D Hall		Public
	Equality and Diversity Inclusion Policy	Non	Council	Leader Asst Dir B Box		Public

Items to be scheduled

	Notice of Motion 7-21 – Councillor Kemp – Equalities	Non	Council	People & Communities Asst Dir B Box		Public
	Custom and Self Build Site – Stoke Ferry	Non	Cabinet	Regeneration and Development Assistant Director - D Hall		Public
	Overnight Campervan parking in Hunstanton	Non	Cabinet	Leader Asst Director – M Chisholm		Public
	Florence Fields – Tenure Mix	Non	Council	Deputy Leader Exec Director – O Judges		Part Public and part Private- Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Article 4 Direction	Non	Cabinet	Regeneration and Development Assistant Director – S Ashworth		Public

	Empty Homes Strategy Review	Key	Council	People and Communities Asst Dir M Whitmore		Public
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SHAREHOLDER COMMITTEE FORWARD PLAN

Date of Meeting	Report Title	Decision Maker	Cabinet Member Lead and Lead Officer	List of Background Papers	Public or Private Meeting
23 April 2024	Shareholder Committee Terms of Reference	Shareholder Committee	Leader Monitoring Officer – A Baker		Public
	Responses from WNH and WNP regarding Section 21 Notices	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder Council Companies Alexa Baker – Monitoring Officer		Public
	Financing of Housing Companies	Cabinet	Cllr Alistair Beales – Portfolio Holder Council Companies Michelle Drewery – Section 151 Officer David Ousby – Assistant Director Programme and Project Delivery		Private – Contains exempt information under para 3 – information relating to the business affairs of any person (including the authority)
Date of Meeting	Report Title	Decision Maker	Cabinet Member Lead and Lead Officer	List of Background Papers	Public or Private Meeting
June 2024 <i>Meeting Postponed</i>	Service Level Agreement with WNPL	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business Alexa Baker – Monitoring Officer Duncan Hall/Karl Patterson – Housing Companies		
	Shareholder Agreement - WNPL	Shareholder Agreement	Cllr Alistair Beales – Portfolio Holder for Business Alexa Baker – Monitoring Officer Duncan Hall/Karl Patterson – Housing Companies		

	Approval of Business plans for WNP WNH	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business Alexa Baker – Monitoring Officer Duncan Hall/Karl Patterson – Housing Companies		Private – Contains exempt information under para 3 – information relating to the business affairs of any person (including the authority)
	Appointment of new Directors to WNPL	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business Alexa Baker – Monitoring Officer		Item scheduled at end of agenda should the committee determine to exclude the Press and Public to consider the report
Date of Meeting	Report Title	Decision Maker	Cabinet Member Lead and Lead Officer	List of Background Papers	Public or Private Meeting
11 Sept 2024	Appointing a Director to Alive Management Ltd.	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business Honor Howell – Corporate Governance Manager		Open
	Update to Shareholder Committee on governance documents status	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business Honor Howell – Corporate Governance Manager		Open
	West Norfolk Housing and West Norfolk Property Draft Business Plans	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business – Alexa Baker – Monitoring Officer Duncan Hall/Karl Patterson – West Norfolk Housing		Private – Contains exempt information under para 3 – information relating to the business affairs of any person (including the

Date of Meeting	Report Title	Decision Maker	Cabinet Member Lead and Lead Officer	List of Background Papers	authority) Public or Private Meeting
13 November 2024	Update on closure of Alive Management Limited	Shareholder Committee	Cllr Alistair Beales – Leader of the Council Honor Howell – Corporate Governance Manager		Public
	Update on insourcing of Alive West Norfolk Ltd	Shareholder Committee	Cllr Simon Ring – Portfolio Holder for Business and Culture Honor Howell – Corporate Governance Manager and Alive West Norfolk Client Officer		Public
	West Norfolk Property Shareholder Agreement	Shareholder Committee	Cllr Alistair Beales – Leader of the Council Karl Patterson – West Norfolk Property		Public
Date of Meeting	Report Title	Decision Maker	Cabinet Member Lead and Lead Officer	List of Background Papers	Public or Private Meeting
February 2025	6 monthly Assurance Report – West Norfolk Housing	Shareholder Committee	Cllr Alistair Beales – Leader of the Council Duncan Hall – Chair of West Norfolk Housing		Public
	6 monthly Assurance Report – West Norfolk Property	Shareholder Committee	Cllr Alistair Beales – Leader of the Council Duncan Hall – Chair of West Norfolk Housing		Public
	Update on insourcing of Alive West Norfolk Ltd	Shareholder Committee	Cllr Simon Ring – Portfolio Holder for Business and Culture		Public

			Honor Howell – Corporate Governance Manager and Alive West Norfolk Client Officer		
	Financing of Housing Companies	Cabinet	Cllr Alistair Beales – Leader of the Council Michelle Drewery – Section 151 Officer		Private – Contains exempt information under para 3 – information relating to the business affairs of any person (including the authority)
May 2025					
August 2025					
November 2025					