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Contract

## **Bulk Sales Agreement - Phosphorus and Nitrogen Mitigation**

NORFOLK ENVIRONMENTAL CREDITS LIMITED

UK7: Contract details notice - Procurement Act 2023 - [view information about notice types](#)

Notice identifier: 2026/S 000-004877

Procurement identifier (OCID): ocds-h6vhtk-05e482 ([view related notices](#))

Published 20 January 2026, 2:28pm

### **Scope**

### **Reference**

MIT000007

### **Description**

Norfolk Environmental Credits Limited generate, establish and sells nutrient mitigation credits to offset nutrient pollution generated by new residential developments. The services covered in this notice relate to the purchase of permanent nutrient credits to offset the effects of nutrients from new development. The contract covers:

Permanent Phosphorus mitigation (approx. 111 kg/yr)

Permanent Nitrogen mitigation (approx. 2324 kg/yr)

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## **Contract 1. Phosphorus and Nitrogen Mitigation**

### **Supplier**

- Natural England

### **Contract value**

- £5,000,000 excluding VAT
- £6,000,000 including VAT

Above the relevant threshold

### **Date signed**

22 December 2025

### **Contract dates**

- 22 December 2025 to 22 December 2027
- 2 years, 1 day

### **Main procurement category**

Services

## **Options**

The right to additional purchases while the contract is valid.

Provision of further Phosphorus (approx. 88kg/yr) and Nitrogen (approx.1979kg/yr) mitigation.

## **CPV classifications**

- 90710000 - Environmental management

## **Contract locations**

- UKH15 - Norwich and East Norfolk
- UKH16 - North and West Norfolk
- UKH17 - Breckland and South Norfolk

## **Justification for not setting key performance indicators**

NEC considered that the supplier's performance under the Bulk Sales Agreement could not appropriately be assessed by reference to key performance indicators.

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## **Other information**

### **Conflicts assessment prepared/revised**

Yes

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## Procedure

### Procedure type

Direct award

### Direct award justification

Single supplier - technical reasons

Norfolk Environmental Credits Limited ('the Purchaser') is a collaboration between Breckland Council, Broadland District Council, North Norfolk District Council, Norwich City Council and South Norfolk Council.

Natural England ('NE'), a non-departmental public body sponsored by the Department for Environment, Food & Rural Affairs ('DEFRA'), has established a scheme for the production of nutrient credits and operate an environment project that provides an opportunity to offset increased phosphate and nitrogen loading. NE has secured nutrient credits in Foxley Wood, and Bawdeswell with a further option at Wood Norton (together 'the Mitigation Land'). The nutrient credits in Foxley Wood and Wood Norton are being secured by way of a Section 7 Agreement pursuant to the Natural Environmental and Rural Communities Act 2006 (the 'Section 7 Agreement') and the nutrient credits in Bawdeswell were secured by way of a conservation covenant pursuant to Part 7 of the Environment Act 2021 (the 'Conservation Covenant').

As a consequence of NE's Section 7 Agreement and the Conservation Covenant, NE and the Purchaser will enter into a Bulk Sale Agreement for the sale and purchase of nutrient credits generated from the Mitigation Land ('the Services'). The nutrients generated will be used to offset the effect of nutrients from new developments in the catchment areas of the Broads (Yare) and lower Wensum. The steps required for the generation of the nutrient credits at the Mitigation Land will also lead to wider improvements to the environmental infrastructure, including nature recovery and public access to the Mitigation Land.

After due consideration by the Purchaser, NE is the only supplier that (i) can offer permanent credits on a 'sale or return' basis to the Purchaser, (ii) can provide for wider improvements to the environmental infrastructure and (iii) has demonstrated it can provide a tradeable nutrient benefit within an appropriate required timescale, with the required ratio of phosphorus to nitrogen, in a specific geographical area as required by the legal planning framework. In addition to addressing the legitimate and proportionate

requirements of the Purchaser to secure permanent credits generated by land reversions, the mitigation secured at Foxley Wood and Wood Norton will be active for the longer period of 125 years, as required by large volume house builders who are phasing new development over a longer period of time. The Purchaser is seeking to secure the nutrient mitigation in the specific geographical area covered by the Bulk Sale Agreement.

Accordingly the Purchaser has decided to make a direct award to NE pursuant to Paragraph 6, Schedule 5 of the Procurement Act 2023, in that the Purchaser has determined accordingly that a) competition for the Services is absent for technical reasons and b) there is no reasonable alternative supplier as only NE can supply the services to the required legal standard and within the required timescales and provide for environmental infrastructure improvements.

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## Supplier

### Natural England

- Public Procurement Organisation Number: PJDG-6588-XDMM

Natural England Foss House, Kings Pool, 1-2 Peasholme Green

York

YO1 7PX

United Kingdom

Email: [enquiries@naturalengland.org.uk](mailto:enquiries@naturalengland.org.uk)

Website: <https://www.gov.uk/government/organisations/natural-england>

Region: UKE21 - York

Small or medium-sized enterprise (SME): No

Voluntary, community or social enterprise (VCSE): No

Supported employment provider: No

Public service mutual: No

Contract 1. Phosphorus and Nitrogen Mitigation

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## **Contracting authority**

### **NORFOLK ENVIRONMENTAL CREDITS LIMITED**

- Companies House: 14573978
- Public Procurement Organisation Number: PTXM-9775-HZWH

The Horizon Centre Broadland Business Park

Norwich

NR7 0WF

United Kingdom

Email: [admin@norfolkenvironmentalcredits.co.uk](mailto:admin@norfolkenvironmentalcredits.co.uk)

Website: <https://www.norfolkenvironmentalcredits.co.uk/>

Region: UKH15 - Norwich and East Norfolk

Organisation type: Public authority - sub-central government