

## Procurement Compliance Report

To: Assets and Procurement Committee

Meeting Date: 11 March 2026

From: Executive Director for Finance and Resources

Electoral division(s): All

Key decision: No

Forward Plan ref: N/A

Executive Summary: The Council has a Contract Procedure Rule (CPR) breach process, a summary of the operation of this process in December 2025 and January 2026 is contained within this report.

Recommendation: The Assets and Procurement Committee is asked to note the content of this report.

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# 1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 The CPRs cover all aspects of how procurements and contracts are managed by the Council and therefore compliance with those CPRs will support the delivery of all 7 ambitions.

## 2. Background

- 2.1 The CPRs form part of the Council's Constitution and govern the way in which the Council procures its third-party contracts. They also ensure that the relevant procurement legislation, the Procurement Act 2023 and Health Care Services (Provider Selection Regime) Regulations 2023, are complied with.
- 2.2 The CPRs provide for exceptions or waivers which may be applied for in specific circumstances. If applied for correctly, waivers are a means by which compliance is gained in those circumstances and allow for the practical operation of the CPRs.
- 2.3 It is apparent, though, that breaches were occurring and there was no means of recording them internally, reporting on them or ensuring that relevant action was taken to ensure that those breaches did not re-occur. A breach process was therefore agreed by CLT and the Procurement Governance Board and is now included in the CPRs.
- 2.4 The process outlines what constitutes a breach of the CPRs and that its primary aim is to help ensure compliance and accountability. The suspected breach should be reported to the Head of Procurement and Commercial who will investigate the matter, liaising with the Head of Internal Audit where the matter is complex or has wider implications. Findings are recorded for audit and accounting purposes. Breach reports are submitted to relevant Chief Officers, Commissioning and Commercial Delivery Group, CLT and this Committee.
- 2.5 This report summarises the breaches reported during December 2025 and January 2026 and the action taken as a result.

### 3. Main Issues

3.1 The table below summarises the breaches received in December 2025 and January 2026. The level of breaches identified continue to be of lower value and are being addressed.

Ref. No.	Title of breach	Area Responsible for Breach	Brief description	Value of breach	Breach of CPRs?	Breach of procurement law (PCR15)?	Actions Taken
25032	Oakington Street lighting	Infrastructure and Project Delivering, Place and Sustainability	Whilst a 3 quote process was undertaken, the final value breached the threshold for that process by some margin. Despite the new value, no new procurement process was undertaken to ensure compliance.	£131,118	Yes	Yes	The work had already been completed when the breach was discovered. All team members have been instructed to undertake the Our Development procurement training.
25033	Line marking	Parking and Traffic Management, Place and Sustainability	A particular supplier has been used to carry out emergency and time critical line marking for some time including on the Guided Busway. Individual requirements are low value but cumulatively they have breached the threshold at which the Procurement Act 2023 comes into force.	£56,000	Yes	Yes	The requirements will now be procured using the highways term services contract.
25034	Bikeability	Transport and Connectivity, Place and Sustainability	The current contract ends in March 2026. The service area was approached by the Procurement and Commercial Team to commence its re-procurement in the summer 2025, however no action was taken. When the service area wished to start the procurement, in December 2025, there was no	£724,000	Yes	Yes	A procurement process is being put in place, however it is anticipated that process will result in contract award in Autumn 2026. Furthermore, the

Ref. No.	Title of breach	Area Responsible for Breach	Brief description	Value of breach	Breach of CPRs?	Breach of procurement law (PCR15)?	Actions Taken
			time to complete that procurement before the contract ended. A compliant extension could not be applied for as the contract was considerably overspent against its procured value, itself a breach.				service director is reviewing the issues relating to the lack of procurement planning with the management in this area

- 3.2 None of the breaches reported involved fraud, corruption or financial irregularities.
- 3.3 In cases where the spend was not able to be immediately stopped without significant impact on the service area, a procurement (or other compliant process) is either planned, underway or has been awarded. Where the breach appears to be symptomatic of process gaps in the service area, those processes have been reviewed to ensure that further breaches cannot recur.

### 3.5 Management Commentary

#### 3.5.1 Place and Sustainability

Despite there being monthly reviews of the contract register and procurement activity by the directorate's management team there are still incidences of procurement breaches being identified. This primarily relates to two service areas within the directorate and tighter controls are being implemented as well ensuring all colleagues involved in procurement undertake the required training.

## 4. Alternative Options Considered

- 4.1 The Head of Procurement and Commercial works closely with those declaring a breach to ensure that not only can the breach in question be resolved quickly and effectively, but also that wider measures are put in place to prevent similar breaches from occurring. Being open and transparent about breaches is considered the most effective way of minimising both their impact and their chances of re-occurring. No alternatives to this process are therefore being considered currently.

## 5. Conclusion and reasons for recommendations

- 5.1 The Head of Procurement and Commercial will continue to work closely with the Monitoring Officer and Head of Internal Audit to ensure that breaches of CPRs and procurement law are dealt with in an appropriate way.

## 6. Significant Implications

### 6.1 Finance Implications

Reducing the number and scale of breaches will ensure that value for money is achieved through effective procurement and contract management activity.

### 6.2 Legal Implications

The implications of breaches of procurement law have been summarised in section 3 of this report.

### 6.3 Risk Implications

There are risks associated with procurement related breaches and once a breach is reported, the Head of Procurement and Commercial works closely with the service area in question to minimise the impact of these risks.

6.4 Equality and Diversity Implications

N/A

6.5 Climate Change and Environment Implications

N/A

7. Source Documents

None