

OPEN

Appendix 4 – not for publication

Audit and Governance Committee

04 December 2025

Procurement Compliance

Report of: Ashley Hughes, Executive Director of Resources (S151)

Report Reference No: AG/33/25-26

Ward(s) Affected: All

Purpose of Report

- 1 The purpose of this report is to inform the Audit and Governance Committee of procurement activity and compliance, and report on adherence to the Contract Procedure Rules (CPRs) and procurement legislation.

Executive Summary

- 2 This report provides an overview of procurement compliance activities for the reporting period 1st December 2024 to 31st July 2025. It outlines key procurement performance and compliance with procurement legislation and the Contract Procedure Rules.
- 3 The report provides an update of the pipeline of procurement activity and includes the pipeline of high value (over £1m) procurements, contracts awarded this financial year and the number of cases where, and reasons why, procurement activity has required the use of waivers and/or non-adherences (WARNs).
- 4 The approved waivers and non-adherences are presented retrospectively for information to the Finance Sub Committee. It was recommended at Finance Sub Committee on the 10th of September that waivers and non-adherences would be presented to the next A&G Committee to provide assurance with waiver compliance and reporting. The total number of waivers presented to the Audit and Governance Committee is 12 (consisting of 12 waivers, 0 non-adherences).

RECOMMENDATIONS

The Audit and Governance Committee is recommended to:

1. Note the reason for 12 waivers approved between 1st December 2024 and 31st July 2025.
2. Note the pipeline projects in Appendix 1.
3. Note the contracts awarded since April 2025, Appendix 2.

Background

- 5 To ensure compliance with procurement legislation and the Contract Procedure Rules a procurement pipeline of work is maintained which is available on the [Cheshire East Transparency Pages](#) and attached at Appendix 1. The procurement pipeline provides a list of all the Council's scheduled procurement activity above £1m. The Committee should be reassured that significant decisions are managed.
- 6 To ensure compliance with the Procurement Act the council has published transparency notices, including planning, tender, award, and contract modification notices, on the central digital platform in a timely manner. In accordance with Section 98 (record keeping), material decisions and supplier communications have been appropriately documented and retained to meet the statutory record-keeping requirement. For contracts exceeding £5 million, a minimum of three Key Performance Indicators (KPIs) were established and will be monitored, as mandated by the Act. Additionally, biannual Payment Compliance Notices have been designed which detail invoice payment performance and will be published within the appropriate period. These actions demonstrate a strong commitment to transparency, accountability, and legal compliance across all procurement activities.
- 7 All council tenders are published through the Council's E-Tendering portal, ensuring transparency and equal access for all suppliers. Once the submission deadline has passed, bids are opened electronically within the portal by authorised officers only. The system is designed to prevent any access before the official closing time, maintaining fairness and integrity throughout the process.
- 8 Following the opening, each bid is verified in accordance with Section 5.8 of the Contract Procedure Rules. This verification includes confirming that bids were submitted before the deadline, checking that all mandatory documents and declarations are present, and ensuring compliance with the stated requirements. This step is critical to guarantee that all suppliers are treated consistently.
- 9 The E-Tendering portal automatically records every action taken during the opening process, including date, time, and user details. This creates a full audit trail, which is retained securely within the portal for future reference and

compliance checks. Access to tender documents is restricted to designated procurement officers.

- 10 This procedure is essential for legal compliance, fairness, and auditability. It aligns with the principles of the Procurement Act 2023, which emphasizes transparency, equal treatment, and robust record-keeping in public procurement. By following these steps, the Council ensures that its tendering process is open, accountable, and compliant with statutory requirements.
- 11 The contract procedure rules set out the necessary controls that are used to manage spend. There are occasions where it is appropriate to waive these rules with the proper authority. Waivers are pre-approved variations from the Contract Procedure Rules, and these form part of the procurement process.
- 12 This report contains all waivers approved from the 1st December 2024 to the 31st July 2025. The waivers are set out in Part 2 of the agenda.

The WARN process records the following:

- **Waivers to the Contract Procedure Rules** – These are agreed waivers in accordance with the Contract Procedure Rules, Chapter 3, Part 5. Section 7.1-7.4.
- **Non-Adherence to the Contract Procedure Rules** – This is a breach of the Contract Procedure Rules in accordance with Chapter 3, Part 5. Section 7.5 - 7.12.

Waivers	2020 - 2021	2021- 2022	2022-2023	2023- 2024	2024-2025	2025 - 2026
	25	37	24	6	18	5

ID	Category	Contract Title	Contract Start Date	Contract Expiry Date	Contract Value	Provider(s)
108	D - Compatibility	Property Inspector Solution	19/10/2025	18/04/2026	£5,000.00	Destin Solutions
105	D - Compatibility	Learning Management System (LMS) and Authoring System	01/07/2025	30/06/2027	£85,656.56	Learning Pool Ltd
97	D - Compatibility	Accident Reporting Software System	01/09/2025	30/08/2028	£41,520.00	Acclaim Safety Systems Ltd
96	E - Knowledge	Safeguarding Adults Board Independent Chair	19/05/2025	18/05/2027	£24,000.00	Kevin Bennett
94	A - Emergency	Relationship Support Service	01/04/2025	31/03/2026	£15,000.00	Tavistock Relationships
93	C - Unique	CIPFA Finance Professional Competency Model	11/04/2025	10/07/2025	£60,000.00	CIPFA
91	A - Emergency	Strategic Communications Support	24/03/2025	30/09/2025	£100,000.00	Grayling Communications Ltd

85	C - Unique	Thinking Differently for Disadvantaged Learners Training Resources	04/02/2025	03/02/2030	£21,194.10	Challenging Education
79	H – Other	To supply, install and maintain advertising and non-advertising bus shelters within Cheshire East	12/01/2025	11/01/2027	£0.00	Clear Channel Uk Ltd
78	H – Other	Further Provision of Xmas Food Hampers	11/12/2024	01/02/2025	£66,000.00	Changing Lives Together
76	H - Other	Provision of Xmas Food Hampers	11/12/2024	01/02/2025	£44,000.00	Changing Lives Together
75	E - Knowledge	International Recruitment Partner	20/12/2024	19/12/2025	£95,000.00	Morgan Hunt

- 13 Any breach of, or non-adherence to, the Contract Procedure Rules is reported to the S151 Officer and Monitoring Officer on discovery. The relevant Director or their delegated representative is required to outline the reasons for the breach and the steps taken to prevent recurrence. The number of non-adherences to present to this meeting is 0.

Non-Adherence	2020-2021	2021-2022	2022-2023	2023-2024	2024 - 2025	2025 - 2026
	3	3	4	1	3	0

- 14 The Local Government Transparency Code 2015 which details, amongst other things, the procurement information local authorities are required to publish is available on the council's transparency pages. Cheshire East Council publishes a monthly spend report detailing the previous months spend and quarterly reports for contracts awarded, procurement pipeline and purchase card spend. Appendix 2 provides a list of all contracts awarded over £5000 since April 2025.

Consultation and Engagement

- 15 Consultation and engagement have been undertaken with Cheshire East Council staff who have a role within Commission, Procuring and Contract Managing goods, services or works for the Council.

Reasons for Recommendations

- 16 The Audit and Governance Committee have an assurance role in overseeing governance arrangements within the Council. The Committee exercises this role in relation to the Council's Contract Procedure Rules (CPRs) by having oversight of the WARN process. The CPRs promote good procurement and commissioning practice, transparency, and clear public accountability.

- 17 The Contract Procedure Rules set out the necessary controls that are used to manage related spending. There are occasions where it is appropriate to waive these rules with the proper authority.
- 18 Waivers are pre-approved variations from the Contract Procedure Rules, and these form part of the procurement process.

Other Options Considered

- 19 N/A.

Implications and Comments

Monitoring Officer/Legal/Governance

- 20 The Councils commercial legal team will work with procurement and seek to ensure that the Council's procurement activity complies with the Procurement Act 2023 and the Council's contract rules; and will look to advise on the appropriate form of contracts to be used.

Section 151 Officer/Finance

- 21 The recommendations in this report do not impact on the Council's Medium Term Financial strategy (MTFS).

Human Resources

- 22 There are no direct implications for HR.

Risk Management

- 23 Two key risks have been identified. Firstly, there is a risk of non-compliance with the new transparency requirements introduced under the Procurement Act 2023. To mitigate this, targeted staff training has been delivered, and tools have been implemented to support the timely publication of required notices. Secondly, the visibility of the contract pipeline remains a challenge, which could impact procurement planning and compliance with forward-looking transparency obligations. To address this, monthly procurement planning meetings have been established to improve oversight and ensure early engagement with the procurement team.

Impact on other Committees

- 24 This report provides assurance with procurement compliance and reporting across the council.

Policy

- 25 New policies regarding the Procurement Act 2023, Contract Management and the roles and responsibilities.

Equality, Diversity and Inclusion

- 26 All tenders issued by the Council include a Selection Questionnaire which asks bidders to confirm obligations in environmental, social and labour laws. This is a self-declaration which provides a formal statement that the organisation making the declaration has not breached any of the exclusion grounds, including Equality Legislation. If a serious misrepresentation is found in the Selection Questionnaire, bidder may be excluded from the procurement procedure, and from bidding for other contracts for three years.
- 27 All Cheshire East Council contracts have a clause to ensure contracts are delivered in accordance with all applicable equality law and the Council's equality and diversity policy.

Consultation

Name of Consultee	Post held	Date sent	Date returned
<i>Statutory Officer (or deputy) :</i>			
Ashley Hughes	S151 Officer	26/11/25	26/11/25
Kevin O'Keefe	Interim Monitoring Officer	26/11/25	26/11/25
<i>Legal and Finance</i>			
Chris Behnham	Director of Finance	26/11/25	26/11/25
Hilary Irving	Interim Head of Legal Services	26/11/25	To follow.

Access to Information	
Contact Officer:	Lianne Halliday, Head of Procurement Lianne.halliday@cheshireeast.gov.uk
Appendices:	Appendix 1 Pipeline (spreadsheet) Appendix 2 Contracts (spreadsheet) Appendix 3 CPR Waiver Categorisations Appendix 4 – Waivers PART 2 not for publication

Background
Papers:

None