

Group Procurement and Contract Management Policy

**Policy Owner:
Chief Property Officer**

**Accountable Lead:
Director of Asset Management &
Procurement**



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1. Policy Statement

Curo's framework for the procurement of goods, works and services and for the subsequent management of its contracts reflects the Group's vision and values and supports Curo's strategic objectives.

The policy provides for procurement to be undertaken by colleagues throughout the Group in an efficient, common manner with probity, transparency and equality, and ensuring that procurement law, the standing orders and financial regulations are complied with.

The policy provides for effective contract management to be undertaken for all Curo contracts throughout their life, ensuring service performance is delivered, value for money is achieved and identified benefits are realised.

All procurements that commence after the entry into force of Procurement Act 2023 on 24th February 2025 must be conducted by reference to the Procurement Act 2023 including Regulations made under Procurement Act 2023.

Under transitional arrangements, procurements commenced under The Public Contracts Regulations 2015 must continue to be procured and managed under The Public Contracts Regulations 2015. Any contracts, framework agreements or dynamic purchasing systems awarded under The Public Contracts Regulations 2015 will continue to be managed under those regulation until such time as those contracts, frameworks and DPSs come to an end.

2. Scope, Roles and Responsibilities

This policy applies to all colleagues of Curo Group (Albion) Limited, Curo Places Limited and Curo Choice Limited and residents who are involved with the procurement of goods, works or services and the management of Curo contracts. This policy does not apply to Curo Enterprise Limited who maintain a Curo Enterprise Limited Procurement Policy.

The Director of Asset & Procurement is accountable for the delivery of the policy.

The Procurement Board is responsible for reviewing the progress of procurement activities against the procurement plan, reviewing and approving Procurement Stage reports for all High-Risk tenders and 'Covered Procurements' as defined in Annex 1 (including mini-competition exercises) and monitoring the outcomes in terms of the procurement performance targets.

The Procurement Board is chaired by the Chief Finance Officer, or their deputy, the Chief Property Officer. In exceptional circumstances, the Procurement Board may review Procurement Stage Reports electronically.

Each procurement project will be sponsored either by an Executive Team member or a member of the LG (Leadership Group). The Sponsor will have primary responsibility for adhering to the policy but may delegate to a colleague the responsibility for leading the procurement and managing the contract.

The Contract Manager or Contract Business Partner is the colleague responsible for day-to-day contract management (including liaising with the Procurement

Team to ensure contract management information required for notices to be published under the Procurement Act 2023 is provided) and for the end-to-end procurement activity. They own or oversee the budget for the expenditure and manage the relationships and performance with the suppliers/contractors. The Procurement Manager is responsible for engaging and communicating with all stakeholders impacted by the procurement activity.

The Contract Manager or Contract Business Partner (who may also be the Procurement Lead) ensures that both parties to a contract meet their obligations to ensure the services or works are delivered and overall performance throughout the life of a contract is maintained at expected levels. The Contract Manager or Contract Business Partner is responsible for ensuring compliance with the terms and conditions of contract, as well as documenting and agreeing any changes or amendments that may arise during its implementation or execution.

The Procurement Team will provide a procurement framework, advice and assistance, training and support to enable the Sponsor and Lead to undertake effective procurement activities.

3. Procurement and Contract Management principles

The primary aim is to award contracts that reflect our customers' aspirations, supports Curo's strategic objectives, deliver value for our customers and encourages competition whilst being transparent and fair. In addition, our aims are:

- To ensure that the procurement process is clear, proportional and focussed on achieving the overall strategy and outcomes for the contract and stakeholders
- To encourage stakeholder involvement throughout the procurement process through communication and consultation
- To ensure that goods, works and services are delivered to the required standard and in a cost-effective manner
- To ensure that procurement activities are completed and contracts placed in accordance with current legislation, including the Procurement Act 2023 (where applicable) and best practice, including Modern Slavery and UK-GDPR.
- To implement new contracts successfully, in line with agreed terms and conditions and effectively meet deliverables
- To ensure that throughout the procurement and contract management process, risks and opportunities are identified and managed appropriately
- Using performance indicators that are relevant to the service object and are proportionate to the size and complexity of the contract to measure and improve the performance of contracts.

The following aims should be considered for all procurements and contracts, implemented in a manner that is proportionate having regard to subject-matter, nature, complexity and cost of the contract:

- To deliver economic, social and environmental benefits such as the use of apprenticeships in our supply chain

- To enable the impact of investing in existing and new stock and the contribution to local neighbourhoods to be maximised

Principles relating to procurements for Public Contracts

In addition to the above section, for all procurements and contracts commenced under and subject to the PCR 2015, those projects or contracts will 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.

In addition to the above section, for all procurements and contracts commenced on or after 24 February 2025 and therefore subject to the Procurement Act 2023, colleagues will ensure that Curo:

- does not discriminate against suppliers and shall treat suppliers the same unless a difference between the suppliers justifies different treatment (in which case it must take all reasonable steps to ensure it does not put a supplier at an unfair advantage or disadvantage);
- has regard to the importance of:
 - delivering value for money;
 - maximising public benefit;
 - sharing information for the purpose of allowing suppliers and others to understand the procurement policies and decisions; and
 - acting, and being seen to act, with integrity.
- 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;
- has regard to the National Procurement Policy Statement as updated from time to time.

4. Procurement and Contract Management application

Procurement

We will deliver these principles through the structures and responsibilities set out in 2 above.

In undertaking any procurement activity, colleagues will:

- Clearly define individual roles and responsibilities
- Deliver procurement in accordance with Group Financial Regulations

- Ensure appropriate cross functional membership of the group so that individuals representing customers and all departments who will be utilising the works, goods or services under review, are included
- Clearly define budget and objectives, supported by the business before the market is approached
- Provide a timetable and resource plan for the procurement that will ensure adequate consultation throughout
- Assess risks associated with the procurement and mitigate accordingly
- Ensure early and effective market engagement in the process so that the specification and service level requirements are appropriate and clearly communicated
- Undertake an Equality and Diversity impact assessment where necessary
- Prepare an exit strategy and communicate this to the relevant contractor
- Be mindful of Curo's Loyalty and Conflicts of Interest policy.

Contract Management

For each contract the Procurement Lead will use the In-Tend Contract management system to store and maintain contract records in line with Curo's Contract Management Framework.

Contracts will be effectively managed to ensure:

- Ongoing value for money and delivery within budget
- Service solutions to meet ongoing demand of Curo and its customers
- Realisation of benefits, including social value
- Sustainable service delivery
- Performance compliance and monitoring
- Continuous improvement and innovation
- Management of risk
- Compliance with statutory obligations

Throughout Procurement and Contract Management activity Curo colleagues will consider and comply with the following:

Customer focus

Specifications of works, goods and services will define outcomes required for customers. Procurement Leads will consider consultation requirements and, where appropriate customers will be consulted throughout the procurement process and at relevant points throughout the life of the contract.

Social and environmental considerations

Consideration will be given to including social or environmental conditions in contracts, including:

- Provision for work placements, apprenticeships, employment and skills opportunities for local people including our own residents
- Contributions to Curo Community schemes
- Environmental issues forming part of the decision making process
- Measurement of these benefits by key performance indicators and through day to day contract management.

Estimating contract value, aggregation and packaging of contracts

The procurement process Curo is required to follow when purchasing works, goods or services will depend on the type and estimated value of the contract.

In estimating the value of the contract to determine if the contract value exceeds the Public Procurement Tendering Thresholds, Curo must comply the requirements of the Procurement Act 2023 namely:

- the value of a contract is the total amount (including VAT) that is estimated to be paid to the supplier as a result of the contract award during the whole potential duration of the contract. It includes the value of any goods, services or works provided by Curo under the contract other than for payment;
- amounts that would be payable if an option in the contract to supply additional goods, services or works were exercised;
- amounts that would be payable if an option in the contract to extend or renew the term of the contract were exercised;
- amounts representing premiums, fees, commissions or interest that could be payable under the contract;
- amounts representing prizes or payments that could be payable to participants in the procurement.

If the contract value cannot be estimated (for example because the duration of the contract is unknown), Curo must treat the contract as having an estimated value of more than the Public Procurement Tendering Threshold for that type of contract (i.e. goods, services or works).

Once the estimated value of the contract has been determined, Curo colleagues must follow the relevant procurement procedure set out below.

Estimated Contract Value (inclusive of VAT)	Applicable Procurement Procedure
£0 - £2,000	Single quote confirmed in writing
£2,001 - £30,000	Three written quotes
£30,001 up to Public Procurement Tendering Threshold	Advertise opportunity on the central digital platform and In-Tend
Public Procurement Tendering Threshold and above	Advertise opportunity on the central digital platform and In-Tend. Carry out the procurement in accordance with a procurement procedure under the Procurement Act 2023 (see below).

The procurement procedures under the Procurement Act 2023 include:

- Open procedure (single stage competitive tendering procedure).
- Competitive flexible procedure (multistage competitive tendering procedure) participation of suppliers in which may or may not be limited to members of an appropriate Dynamic Market.

In addition, Curo can:

- Use a Framework to award an above threshold or below threshold contract.
- Direct award (where a direct award justification applies under the Procurement Act 23).

Curo will comply with the Procurement Act 2023 regarding the rules on aggregation of contracts, namely that where two or more contracts could reasonably be procured together, the value (to determine whether a public procurement tender process is necessary) is the combined value, unless Curo has good reasons not to do so.

Term of contracts, partnering and commercial purchasing tools

To deliver efficiencies and improved buying power for both Curo and our suppliers, we will:

- look to establish longer term contracts and partnering arrangements where value for money can be maintained
- make use of consortia or appropriate commercial purchasing tools (i.e. a framework, dynamic market or dynamic purchasing system – see below) and contracts;
- ensure the terms of contract are managed by Curo and delivered by the contractor.

Frameworks: Prior to awarding a contract under a framework (either an open or closed framework), Curo must satisfy itself that it is a lawful framework that Curo is eligible to use, that the scope and maximum value of the framework permits Curo to source its specific requirements through it, that the call-off procedures and terms and conditions are appropriate and that Curo is aware of all associated fees chargeable under the framework.

Dynamic markets: This is a new tool under the Procurement Act 2023 which functions as a standalone qualification tool, which creates a pre-qualified pool of suppliers that meet the specified conditions for membership for that particular dynamic market (or part of it). This tool can only be used for the award of a Public Contract.

Dynamic purchasing systems: Note, dynamic purchasing systems established under the Public Contracts Regulations 2015 must come to an end as set out when they were established, or by 23 February 2029 whichever is earlier.

Advertising requirements

Curo will follow the Central Digital Platform (CDP) advertising directives. Contract opportunities with an estimated contract value exceeding £30,000 (inclusive of VAT) will be advertised in accordance with the Procurement Act 2023 to ensure open and fair competition and transparency.

E-Procurement

The In-Tend Organiser is Curo's tendering and contract management tool. In-Tend must be used to manage tenders for all procurements exceeding £30,000 (inclusive of VAT) in line with Curo's Tendering Thresholds. In-Tend's Quote function can be used for requirements between £2,001 and £30,000 (inclusive of

VAT), although this is optional. Colleagues are required to provide evidence of quotes and submit a Quotation Value for Money report. In-Tend must also be used by colleagues for contract administration.

In-Tend manages all aspects of the tender and contract management process. It also enables Curo to maintain an accurate and up to date Contract Register to ensure risk and spend can be monitored.

Evaluation and award criteria

All contracts, regardless of value, will be assessed and awarded on the basis of Most Advantageous Tender (MAT), taking into account the optimum combination of cost and quality. When considering our specifications and setting award criteria on which tender submissions will be evaluated, the environmental, economical, and social impact as well as the total cost over the whole life of the works, goods and services will be assessed.

Where the procurement is for the award of a Public Contract and therefore subject to the Procurement Act 2023, award criteria must:

- relate to the subject-matter of the contract;
- be sufficiently clear, measurable and specific;
- comply with the rules on technical specifications under the Procurement Act 2023; and
- be a proportionate means of assessing tenders having regard to the nature, complexity and cost of the contract.

Post tender requirements

All competitive tendering decisions are documented in value for money or Procurement Stage reports which:

- confirm relevant authorisations have been obtained at each stage of the process,
- detail all procurement savings and benefits that have been agreed, and
- is approved prior to contract award in accordance with the standing orders.

Feedback to bidders concerning their tender submission will be provided. Where the procurement is for the award of a Public Contract, an assessment summary must be provided in accordance with the Procurement Act 2023.

Storage and Retention of Contracts

As per the Limitation Act 1980, Curo will store and retain contract documentation for a period of 6 years, following the termination or expiry of a contract where that contract was signed under hand or 12 years where a contract was signed under seal or executed as a deed. Curo's Procurement team will securely store and retain contract documentation on Curo's central electronic contract register on In-tend for the life of the contract and all applicable years thereafter.

Where a Public Contract is awarded in accordance with the Procurement Act 2023, Curo must keep records it considers sufficient to explain a material decision made for the purposes of awarding that contract. Records of any communications between Curo and the supplier in relation to the award or entry into that contract

and before the contract is entered must be kept for a period of 3 years from the date the contract is entered into.

Standing Orders

The standing orders detail the procurement processes, which vary in respect of the level of consultation, competition, and authorisation required.

The Procurement Lead must comply with the standing orders, financial regulations, the Procurement Act 2023 and all other relevant legislative requirements.

The Director of Asset Management & Procurement may waive the requirement of a Curo standing order in exceptional circumstances (except for the override of a requirement of the Procurement Act 2023 which is a legal requirement to comply with) on approval of a Deviation Report, which provides:

- Rationale and proposed terms and conditions agreed with the contractor
- Demonstration of Value for Money through negotiation and agreed costs

Contract Management Framework

It is the responsibility of all Curo colleagues involved in managing, overseeing or monitoring contracts to do so in line with the NHF Contract Management Guidance which sets out the detail of actions and responsibilities for colleagues in relation to procurement and contract management.

Contract management obligations under the Procurement Act 2023

Where the procurement is for a Public Contract and therefore subject to the Procurement Act 2023, Curo must comply with the following contract management obligations during the lifecycle of the contract:

- Where the estimated contract value is above £5million inclusive of VAT, an assessment of performance against the KPIs must be published at least once in every 12 months during the contract and on contract termination;
- Where the supplier has breached a contract and that breach results in termination (or partial termination) of the contract, the award of damages or a settlement agreement or the Curo considers that a supplier is not performing a contract to its satisfaction after being given proper opportunity to improve performance (and has failed to do so), Curo must publish information in relation to breach/ poor performance within 30 days;
- Where a contract is terminated (including where the contract period expires), Curo must publish a notice to that effect within 30 days;
- Where a contract is modified in accordance with the Procurement Act 2023, Curo must publish a notice notifying the market of the change to the contract (unless one of the exemptions applies), comply with the voluntary standstill period of not less than 8 working days and carry out a conflicts assessment;
- Where Curo makes a payment under a contract of more than £30,000, Curo must publish payment information every 6 months; and
- Curo must keep contract assessments under review and revise the assessment as necessary.

5. Internal measurement of procurement and contract management success

Procurement performance will be monitored in respect of:

- Compliance with all relevant laws and policies and procedures
- Appropriate involvement of relevant stakeholders.
- Achievement of target procurement savings and non-cashable benefits
- Timely planning, start and completion of procurement activities

The Procurement Manager will be responsible for the co-ordination and maintenance of the procurement plan. Procurement projects and targets will be agreed as part of the budget planning process and encapsulated within team plans.

Contract Management performance will be monitored in respect of:

- Realisation of contract benefits, including savings and social value deliverables
- Contract performance and KPI management
- Delivery of on-going value for money and customer satisfaction
- Management of risk and statutory obligations
- Customer Satisfaction
- Budget Management and order management

Contract management performance across Curo will be reported to Procurement Board at least biannually, with an annual report from the Procurement Board to the Executive.

6. Value for money implications

This policy ensures that Curo achieves best value by utilising cost effective and best practice procurement and contract management processes. It ensures that we procure contracts that reflect our customers' requirements.

The policy supports the empowerment of colleagues to manage their procurement activities and contracts by the most efficient means within a policy framework that provides guidance, support and direction.

7. Equality and Diversity implications

By applying this policy and ethical procurement and contract management practices we will;

- ensure that our contracts are compliant with our legal obligations to protected groups under the Equality Act 2010
- manage competitions fairly and be objective and transparent when making decisions
- seek evidence about contractors' employment practices and their demonstrable ethical way of working embedded within their business
- strive towards equality and diversity outcomes through our purchasing power and procurement function.

8. Modern Slavery

Curo's Procurement and Contract Management policy supports and complies with the UK Modern Slavery Act 2015.

All colleagues must be familiar with Curo's Modern Slavery policy.

Contract Manager or Contract Business Partners are responsible for understanding their contractor's compliance with the Modern Slavery Act, requesting statements and evidence of contractor compliance as a minimum.

Contract Manager or Contract Business Partners are responsible for being vigilant to the signs or indicators that could mean operatives working on Curo contracts are victims of Modern Slavery. Contract Manager or Contract Business Partners are responsible for reporting any instances to Curo's Procurement or Governance Teams.

ANNEX 1- DEFINITIONS

'High Risk Tenders'	<p>means:</p> <ul style="list-style-type: none"> • a Covered Procurement • a procurement that: <ul style="list-style-type: none"> ○ could materially impact on the RSH regulatory judgment for Curo; or ○ is novel and outside Curo's normal activities;
'Covered Procurement'	<p>means the award, entry into and management of a Public Contract.</p>
'Public Contract'	<p>means a contract for the supply of goods, services or works which has an estimated value of not less than the Public Procurement Tendering Threshold and is not an exempted contract under the Procurement Act 2023.</p>
'Public Procurement Tendering Threshold'	<p>means the tendering thresholds set out in the WTO Government Procurement Agreement. The tendering thresholds are updated every two years. As of 1 January 2024, the tendering thresholds (inclusive of VAT) are:</p> <ul style="list-style-type: none"> • Works - £5,372,609 • Supplies and services - £214,904 • Light Touch Regime for Services - £663,540