

Contract Management

This document informs Central Government departments of the Government's policy on contract management.

Contract management is the phase of the procurement cycle in which a supplier delivers the required goods or services in accordance with a procuring authority's specification.

The Authority's and Supplier's approach to managing their relationship and delivery under the contract are critically important to a successful outcome and, when things go wrong, the failure can be expensive in human, financial and reputational terms.

Good management of this operational phase of the procurement is therefore key to successful delivery and to obtaining value for money. Contract management activities can be broadly grouped into four areas

- Planning and governance - preparing for contract management and providing oversight
- People - ensuring the right people are in place to carry out the contract management activities
- Administration - managing the physical contract and the timetable for making key decisions
- Managing relationships - developing strong internal and external relationships that facilitate delivery

In order to manage contracts efficiently and effectively Departments **must** have a plan in place for its management before the contract is let. This plan must include:

- Ensuring that a skilled and experienced contract manager or contract management team is in place and that guidance set out in the joint NAO and OGC guidance *Good practice contract management framework* is followed
- Appointing a Senior Responsible Owner (SRO) for each procurement project or programme who ensures that the contract management arrangements are sufficiently robust to ensure delivery of benefits
- Ensuring robust plans are in place to identify and manage contract risks, including the creation and maintenance of risk registers and identifying nominated risk owners

Links to Other Policies and Guidance

[Value for Money policy note](#)

[Introduction to Public Procurement](#)

[Good practice contract management framework](#)

[How to Buy Guide – general –contract management phase](#)

[Gateway Gate 5](#)

[Benefits Management Guidance](#)

Re-competition Guidance

[Achieving Excellence in Construction Guide 8](#)

Questions and Comments

Questions on this policy should be addressed in the first instance to the OGC Service Desk on **0845 000 4999** or at servicedesk@ogc.gsi.gov.uk