



Government
Commercial
Function

CONTRACT MANAGEMENT

Professional Standards Version 2.0

July 2019





How do I use this document?

The Standards will help you reflect on your (or your team's) capabilities and development needs, and can be used as a tool for career progression and to inform development conversations. They can be used to identify development needs or technical areas of interest, which you can address by building your capabilities through targeted learning and development interventions.

The Standards have been designed to be read alongside the Success Profiles - Civil Service Behaviours, Civil Service Leadership Statement and the Civil Service Code. They are not a detailed handbook of all contract management activities. The Cross Government Contract Management Best Practice Guide and its supporting templates should be referred to for this purpose.

If the content of this document applies to you directly, you are encouraged sign up to the Contract Management training, which explains how to embed these principles into your day-to-day responsibilities. The training is based on these Standards and is available at the defined three levels; Foundation, Practitioner and Expert. Please contact your organisation or the Contract Management team for more information on how to get involved.

Development of the Standards

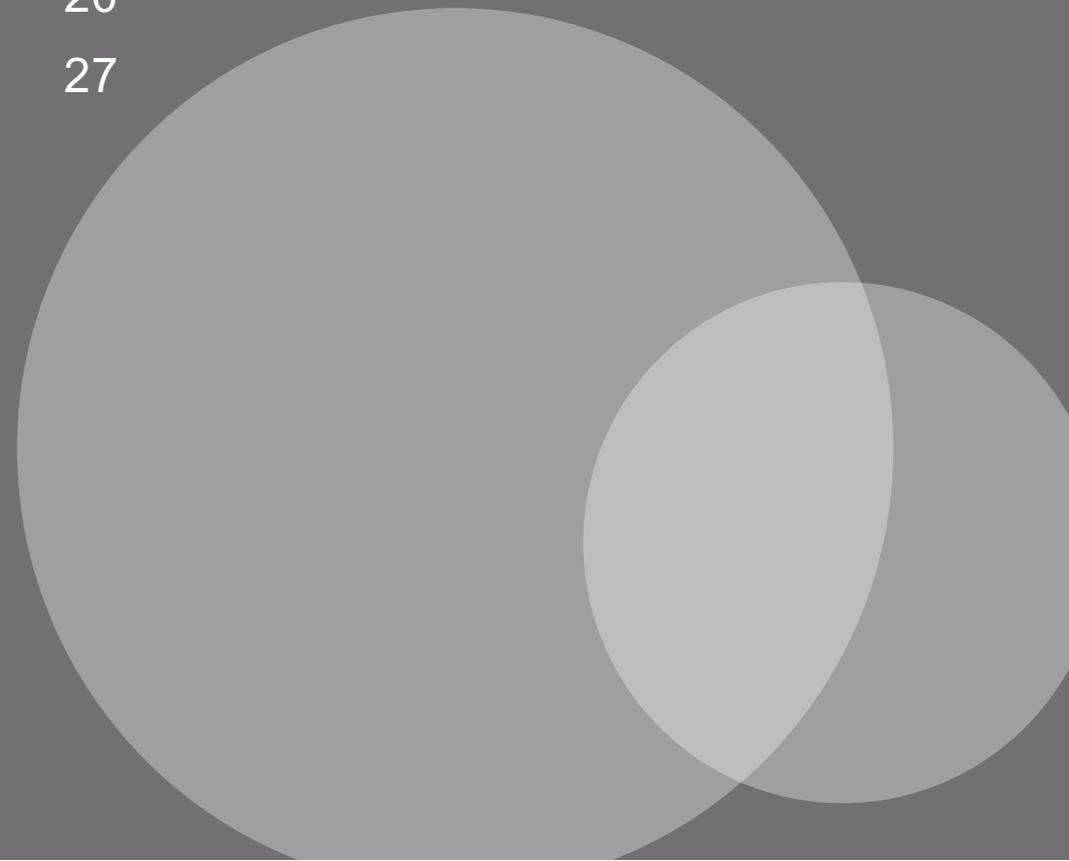
Content is under continuous development and therefore new versions of the Standards may be uploaded periodically. Version 2 has been updated in line with the new Contract Management training and assessment materials and includes more references to the role of the Senior Business Owner, refreshed People Profiles and information on example career pathways.

For further information or to provide feedback please contact the Contract Management team via contract-management@cabinetoffice.gov.uk.



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FOREWORD



John Manzoni

Chief Executive of the Civil Service and
Cabinet Office Permanent Secretary

Successful contract management matters in real life: it leads to a child attending a good school, equipped with essential facilities required for them to succeed; it means an elderly person getting the medicine, support and assistance needed to live a long and happy life; it enables well-maintained motorways to get us safely from A to B.

Every year central government spends £49 billion through contracts on vital goods and public services. It is essential that we have the capability within the public sector to understand the policy goal or operational objective; procure services if necessary; then manage these contracts effectively.

The ability to successfully procure these services is a critical skill. However, if we only focus on this aspect, we can risk underestimating the impact of other important elements of contract management such as managing contract delivery, change control, stakeholder management and ultimately the close-down of one contract and the design of the next. These elements can make the difference between the success and failure of vital services and major infrastructure projects.

We have recognised that the majority of contract management activity sits outside of

the commercial function. Individuals responsible for these activities are often anchored in project management, operations and other professions. The Contract Management Professional Standards have been developed to ensure consistency across the landscape and set clear capability benchmarks for individuals involved.

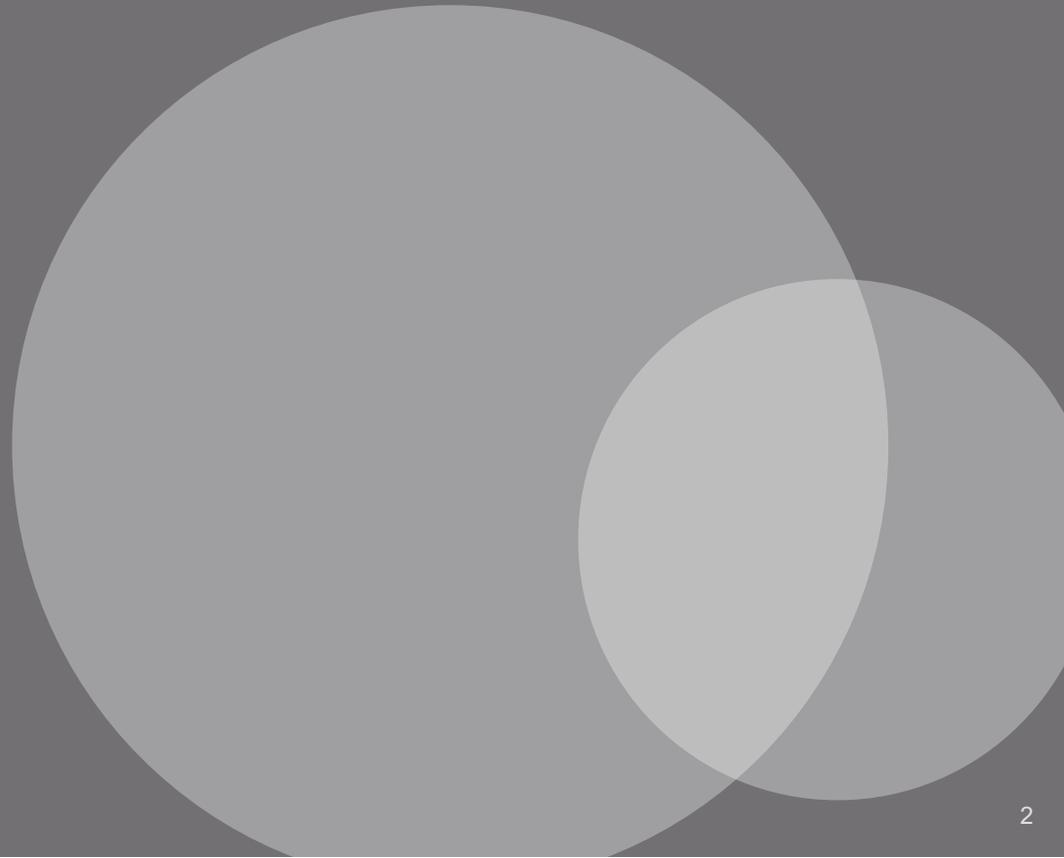
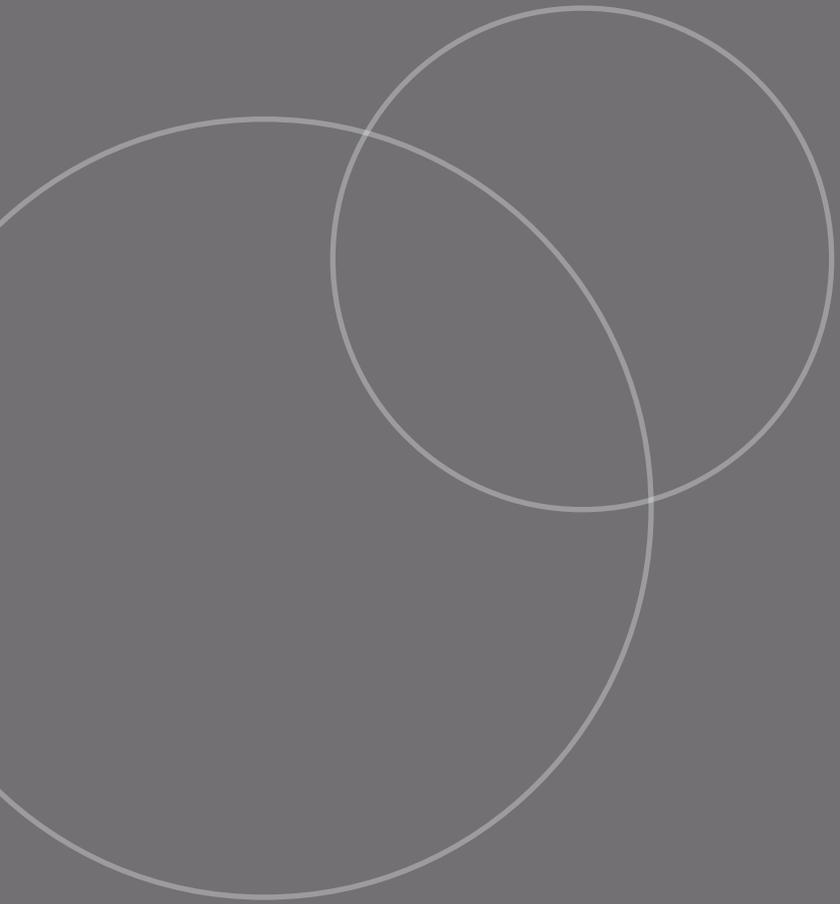
Whether you identify as a contract manager or carry out contract management activities as part of a wider role, we want to help you develop the full range of skills, acumen and relationships required to manage contracts effectively. The standards can help identify development needs and learning opportunities. They also form the basis for the assessment for individuals aiming for accreditation.

When we spend money well, we can achieve great things. Successful services can not only change lives, but also impact on the prosperity and security of the UK. As civil and public servants we all have a duty to deliver the best results for the taxpayer. We are entrusted with enormous amounts of public money and it is our responsibility to spend it well, for the benefit of our citizens.



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INTRODUCTION





What are the Contract Management Professional Standards?

The Standards set out the capabilities expected of government professionals who are involved in the management of contracts.

Who are they for?

These Standards are for individuals who identify as contract managers as well as those within an operational delivery, policy or other roles who:

- Contribute to or make decisions that affect the obligations of a supplier or have other commercial impacts;
- Carry out contract management activities as part of their role; and/or
- Take part in supplier interactions or negotiations.

In using third party suppliers, government remains accountable for service delivery, delivering benefits and managing the associated risks. Successful management of these contracts and suppliers depends on these individuals forming cross-functional relationships with colleagues from multiple disciplines to develop a balanced view of risks and opportunities, as well as obtain professional expertise on specific issues.

The diagram below illustrates this cross functional way of working. While the areas shown are some of the most frequently observed in terms of input and engagement, this is one picture among many; the extent to which they are required will vary according to the nature of the contract and the supplier relationship, as will the involvement of other groups including IT, communications and business users.

The Standards include case studies which illustrate the cross functional nature of the work carried out during a contract's lifecycle, as well as high level contract management activities.





Supplier relationships and contract delivery also benefit from these relationships being established up front in the commercial lifecycle. Contract management activities should not wait for a contract award to start. Individuals responsible for performing these activities should ideally be involved from the outset to: gather and share lessons learned; confirm the contract is fit for purpose and appropriate resources are in place; inform the procurement process; and ensure a successful transition to service delivery (below):

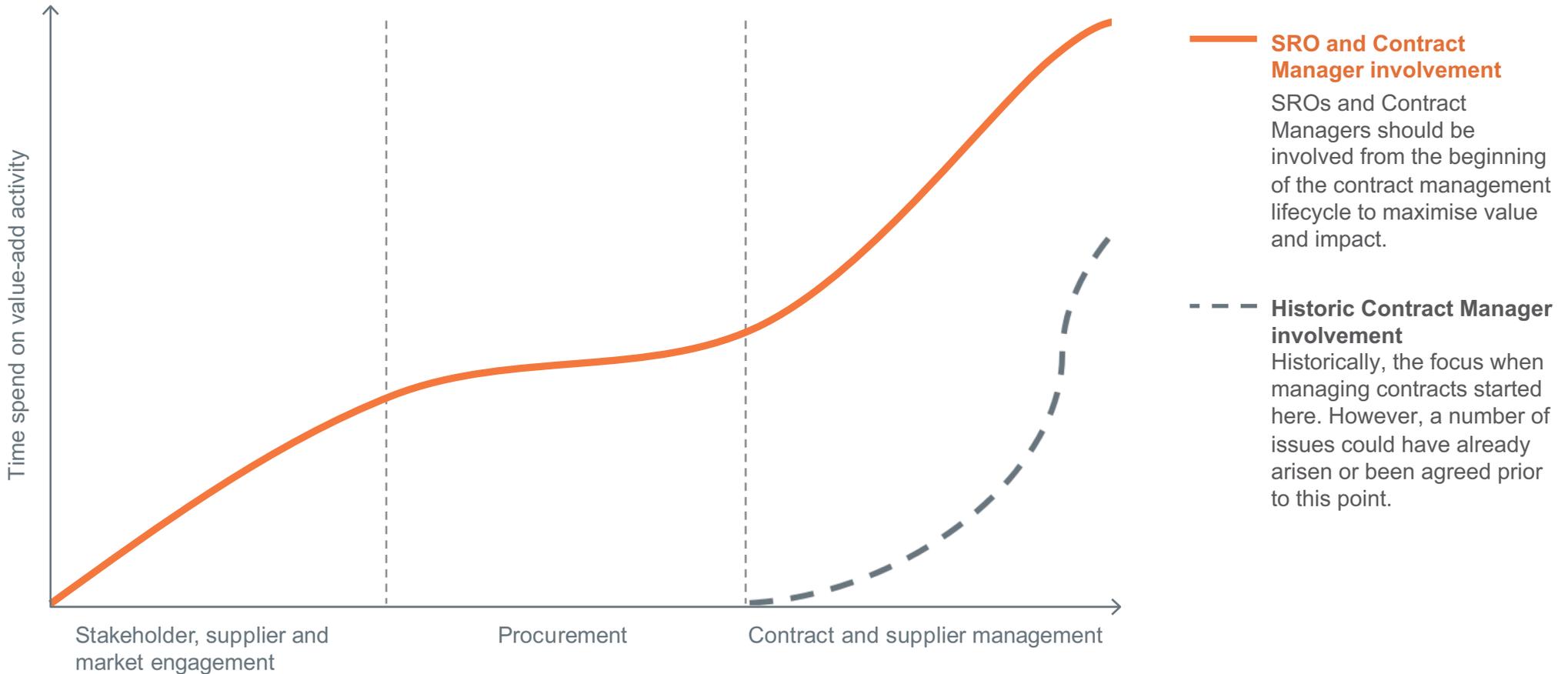
The Standards have therefore been developed to support individuals in being more effective in their roles throughout this process, through comprehensively articulating the acumen, relationships and technical skills required when carrying out contract management related activities.

By providing a level of clarity and consistency around roles and responsibilities, the Standards assist with career progression conversations and are designed to stimulate meaningful conversations around learning and

development. They can also provide insight for individuals who would benefit from further understanding of this area, such as strategy, policy and commissioning professionals.

For example day-to-day roles at each tier please see the [People Profiles](#) section.

For more information on Senior Responsible Owners (SROs) see [Annex B](#).





How were they developed?

The Standards incorporate best practice from across government and relevant insight from the private sector.

Taking a cross-government approach, the Standards were developed with input from commercial and non-commercial colleagues across departments as well as professional bodies, CIPS and IACCM. A number of pre-existing sources also fed into the development of the Standards, more information can be found in [Annex C](#).

How are they structured?

Given the breadth of individuals across government involved in different stages of contract management, there is a variation in roles and activities within Civil Service grades among the community. The Contract Management Standards are therefore not aligned to Civil Service grades, instead setting out minimum requirements at three levels, Foundation, Practitioner and Expert.

Due to the variety of contracts under management across government, the level and experience required will also be affected by the size, scale, risk, complexity and criticality of the contract/relationship.

The Standards can help departments articulate the attributes and resource



quantity required according to the tiers to support successful contract delivery.

Links between levels

In a typical large project, the SRO will rely on a well-organised contract management team to deliver the required services through the contractor(s). This team will typically be managed by an expert who will anticipate and act on a wide range of strategic issues, delivery risks and senior stakeholder concerns. They will be supported by one or more practitioners who will focus on one

or more contractors in the supply chain and/or particular aspects of the service. Foundation level staff may be directly supporting practitioners or managing a small contract as part of a broader role.

Further detail on how the Standards relate to the NAO Commercial and contract management: insights and emerging best practice document and the Cross-Government Contract Management Working Group Best Practice Guide, can be found in [Annex A](#).



Career Pathways and Contract Management

Most Contract Managers will have their career anchor in a particular profession, such as one in the diagram below.

Becoming accredited at the different contract management levels can provide skills required for promotion and different opportunities, whilst retaining your identity as part of that profession.

Many of these professions have their own career paths and/or people standards on [gov.uk](https://www.gov.uk) that can be referred to for more information.



Example Career Pathway for a Contract Manager in Operational Delivery

Senior Contract Manager (For a frontline service)	Responsible for the most significant and complex contracts, taking a strategic approach to understand the organisational objectives and providing leadership and expertise to their team. Relevant accreditation: Expert
Contract Manager (For a frontline service)	Responsible for ensuring medium-scale contracts deliver the expected goods, services and outcomes including activities such as; contract variations, risk management approach, leading day to day interactions with suppliers and managing KPIs. Relevant accreditation: Practitioner
Contract Analyst (For a frontline service)	Responsible for supporting the management of contracts including; reporting on performance information, drafting and filing contract documentation and recording lessons learned. Relevant accreditation: Foundation

Example Career Pathway for a Contract Manager in HR

Head of Recruitment (Pan-government)	Responsible for understanding cross-departmental and cross-functional requirements, feeding into the procurement process and having overall contract management responsibility across the portfolio of contracts. Relevant accreditation: Expert
Head of Recruitment (In a dept. or function)	Responsible for inputting to procurement activity, holding regular supplier review meetings as well as monitoring spend and performance across a range of contracts. Relevant accreditation: Practitioner
Recruitment Account Manager (In a dept. or function)	Responsible for commissioning work to suppliers from a pre-agreed framework, monitoring day to day performance. Relevant accreditation: Foundation

Contract Management is not currently a profession, though this may be explored in the future.



What do they include?

The Standards are structured into two sections: Section A describes the business acumen, relationships and leadership capability required; and Section B describes technical areas of expertise. The interpretation of each capability area will vary by each level, Foundation, Practitioner and Expert.

Please refer to the [Annex D: Definitions](#) for any terms with which you are not familiar.

A. Acumen, Relationships and Leadership

Section A describes the business acumen, relationship development and leadership skills required of those managing contracts. Further detail on these can be found below:

<p>A1</p> <p>BUSINESS ACUMEN</p> <p>The business understanding and market awareness required of those involved in managing contracts. These include applying a risk mind-set and the ability to manage complexity when making decisions.</p>	<p>A2</p> <p>RELATIONSHIPS AND LEADERSHIP CAPABILITY</p> <p>The resilience, assertiveness and political insight required during stakeholder interactions, while maintaining the ability to build relationships. This also includes taking steps to improve contract management capability.</p>
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B. Technical expertise

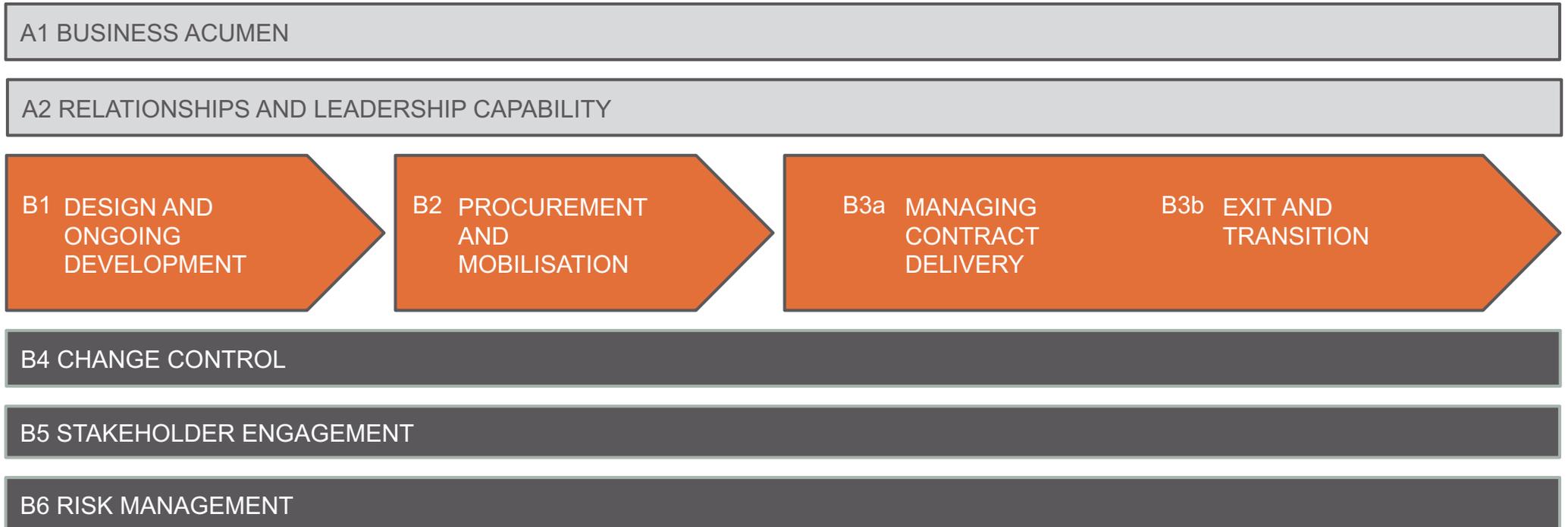
Section B contains six technical capability areas aligned to the contract management activities carried out by those in government. The technical area(s) relevant to you will be dependent on your role and responsibilities. Further detail on these can be found below:

<p>B1</p> <p>DESIGN AND ONGOING DEVELOPMENT</p> <p>Supporting colleagues in the commercial function by contributing to re-procurement and new sourcing exercises, as well as using information sources and ensuring contract governance set up.</p>	<p>B2</p> <p>PROCUREMENT AND MOBILISATION</p> <p>Inputting into the procurement exercise, the development and implementation of effective planning and, once sourced, mobilising the contract.</p>	<p>B3a</p> <p>MANAGING CONTRACT DELIVERY</p> <p>B3b</p> <p>EXIT AND TRANSITION</p> <p>Appropriate use of performance management levers with the ability to realise contractual benefits. Those carrying out these activities need to be intuitive to arising risks and able to deal with issues when they arise.</p>
<p>B4</p> <p>CHANGE CONTROL</p> <p>Understanding and being able to work to the contract change process. This includes understanding the positive and negative impact of contractual changes.</p>	<p>B5</p> <p>STAKEHOLDER ENGAGEMENT</p> <p>Identifying and managing relationships with a variety of stakeholders. This includes the adherence to specific processes contained within the contract.</p>	<p>B6</p> <p>RISK MANAGEMENT</p> <p>Risk planning, ensuring compliance and monitoring risks (including strategic and operational risks).</p>



The activities contained within Section B are grouped by capability area; while some capability areas may appear to refer to a specific stage in the contract management lifecycle, it is important to note that many of the activities contained within them can take place throughout the life of the contract. More effort will be required in some areas of the lifecycle than others and there will be different expectations at Foundation, Practitioner and Expert.

An indication of how both Sections A and B of the Standards can apply to the contract management lifecycle is shown in the diagram below:



-  Contract management behaviours
-  Contract management lifecycle activities
-  Contract management enabling activities

PEOPLE PROFILES



Our day to day roles and how the standards apply to us:



Foundation



Practitioner



Expert



SRO



Foundation



Alex Gough
Service Development Manager
Legal Aid Agency

“Monitoring contractual performance, to ensure providers are operating in accordance with their obligations, is vital in ensuring service users receive quality legal services”

My contract-related activities:

In my role I am required to have a knowledge of our contracts to understand our suppliers’ contractual obligations. I liaise directly with suppliers to answer queries, and work with our contract management team to remind suppliers of their obligations. This forms about 15% of my day-to-day role.

Top 3 activities:

1. *Day-to-day engagement with suppliers and major stakeholders*

This requires me to answer contractual queries from suppliers and engage with stakeholders to monitor performance.

2. *Analysing performance, identifying trends and potential risks to delivery*

I capture and analyse data to assess performance. This allows me to identify commonly occurring performance issues, which I then work with our contract management team to proactively manage.

3. *Drafting contractual provisions to deliver policy changes*

I work with our legal and contract management teams to draft contractual provisions in order to deliver policy proposals.

How this fits into my team objectives:

My organisation contracts with law firms to provide legal services for the public. Firms must receive a contract in order to provide legal aid work in a certain area of law. Monitoring contractual performance, to ensure providers are operating in accordance with their obligations, is vital in ensuring service users receive quality legal services and to delivering access to justice.

How the Standards have supported me:

I work in the policy profession, and did not see myself as a contract manager. However, our services are delivered through suppliers on a contractual basis. This means that contract management activities are an important element of my day-to-day role. The foundation level standards and training has helped me formalise these elements of my role and gain a greater understanding of contract management principles which I can apply to my day job.



Poppy Eldred
Commercial Systems Analyst
Department of Health and Social Care

Practitioner

“By maintaining such high standards, we receive a value for money platform that improves the efficiency of our teams”

My contract-related activities:

Within the Commercial Directorate of DHSC we have a system named BravoSolution, which we use to map, procure and manage our contracts. As I am Senior System Administrator for this platform, I have been asked to become its Operational Contract Manager – thereby ensuring that Bravo - the company that provide the system, deliver it to our spec.

Top 3 activities:

1. *Monitoring system response times, such as data return speed.*

As OCM I shall chair our monthly service review meeting with the supplier, where I shall be responsible for ensuring that the system reacts to user requests in good time. To do this, I will need to be familiar with performance reports and be aware of the response times that our supplier is contractually committed to.

2. *Monitoring the supplier’s delivery of system enhancements.*

System enhancements are the changes we request to the platform which affect all users, whether public sector or otherwise. Due to the breadth of their effect, the timescales for implementation are much larger, which can negatively impact upon internal staff and suppliers. Consequently, it will be my job to record such requests, liaise with the health family to prioritise them and work closely with Bravo to ensure that these are being delivered to a satisfactory standard.

3. *Preparing for contract exit and potential transition.*

As our contract with Bravo is due to expire in June 2020, with a potential one year extension, I am a member of the project board overseeing the re-procurement and potential transition of this service. As OCM it will be essential for me to confirm that all planned actions and mitigating processes are employed, so that minimal service disruption and user uncertainty occurs.

How this fits into my team objectives:

These activities enable me to ensure that the system that our procurement and contract management staff use is responsive, intuitive and flexible. By maintaining such high standards, we receive a value for money platform that improves the efficiency of our teams. Furthermore, my involvement in the re-procurement project board will aid us in onboarding some of the best technology that is affordable and widens our market audience.

How the Standards have supported me:

Coming from a legal background and having only joined the Commercial team a year ago, this training has been crucial at providing me with an overview which complements what I have already learned. It enables me to get the most out of succinct, relevant and highly informative training, whilst also allowing me to meet a diverse range of people from across the Civil Service. I have built a number of networks so far. The training cohort that I am part of is already exchanging best practice materials. The workshops have been challenging but thoroughly enjoyable and have really increased by ability to speak publicly and understand the broader commercial picture across government.



Expert



Nick Butler
Assistant Employment Account Director
Contracted Health and Employment Services Directorate
Department for Work and Pensions

“This is an essential part of the department meeting policy intent and we are the people that ensure our contractors deliver on these objectives”

My contract-related activities:

I am accountable for a portfolio of contracts which provide back-to-work support to people who are unemployed. This support is provided through national programmes, for example the Work and Health Programme and services are typically delivered through a matrix of regional contracts with the private sector. I lead a team of approximately 50 performance managers based all across the country who drive performance and manage the delivery of the contracts.

Top 3 activities:

1. *Addressing underperformance with contractors*

I act as an escalation point where contractor performance is unsatisfactory and regional performance management action has not yet led to the required improvement. I hold senior performance reviews with the contractor, typically at CEO or COO level, to increase the pressure on the organisation to meet the department's requirements.

2. *Setting contract management strategy and building capability across the division*

I am responsible for setting the overall strategy for contract management across the portfolio, making prioritisation decisions, and ensuring the team has the skills and capability to manage the contracts. This includes considering how we might roll out contract management training across our teams!

3. *Influencing future commissioning*

An important part of my role is ensuring lessons learned through contract management are taken into account in designing, commissioning, and procuring future programmes. I represent Contract Management on Programme and Commercial Boards for programmes in development and work with colleagues across Strategy, Policy and Commercial to influence design and procurement.

How this fits into my team objectives:

As a team we are responsible for the effective delivery of the contracted employment support; support that is designed to help people move into lasting work, often transforming their and their families' lives. This means holding contractors to account, so they provide the best service and outcomes for citizens, and we spend the right money to deliver the best value for money for the taxpayer. This is an essential part of the department meeting policy intent and we are the people that ensure our contractors deliver on these objectives.

How the Standards have supported me:

The standards have supported me to professionalise our approach to contract and performance management, learning from the best practice across government. As a team already devoted to contract management this has been an evolution rather than a revolution, and the standards have help me hone our approaches. We have recently undertaken a review of our Performance Management Intervention Regime which sets out the principles our people adhere to in addressing underperformance, and the standards were a valuable input into that review.



Michael Charlton
 Director of Investment
 Department for International Trade

“Cohesive working across the network is key to strong outputs”

My contract-related activities:

As Director of Investment I am the SRO for a number of high-profile projects and teams. These include:

- The Government to Government (G2G) with Peru to deliver the PanAmerican Games.
- The Global Investment Summit, which brings together top executives from some of the world’s largest companies in order to showcase what the UK has to offer and to promote investment.
- The Investment Services Team, a contract with EY/OCO to support foreign direct investment into the UK.

Top 3 activities:

1. *Ensuring each of these contracts are properly managed and fully support policy objectives*

This includes reviewing the organisation of contract management resources, ensuring management information provides necessary insight for myself and senior stakeholders and supporting the contract management team when strategic and relationship issues arise within the contractors and/or clients.

2. *Client engagement*

This includes meeting with top executives and companies to discuss their operations in relation to the UK. We discuss what improvements can be made and how can we help. I regularly consider whether we have the appropriate contract and organisational arrangements in place to meet the needs of UK companies.

3. *Ensuring connectivity across the network*

I’m responsible for ensuring teamwork across DIT and IST, DIT and the Peruvian Government, DIT and Whitehall (particularly No.10 and the Foreign and Commonwealth Office). I also ensure cohesion across the UK network (LEPS, DAs, etc.), and across the global network (overseas posts).

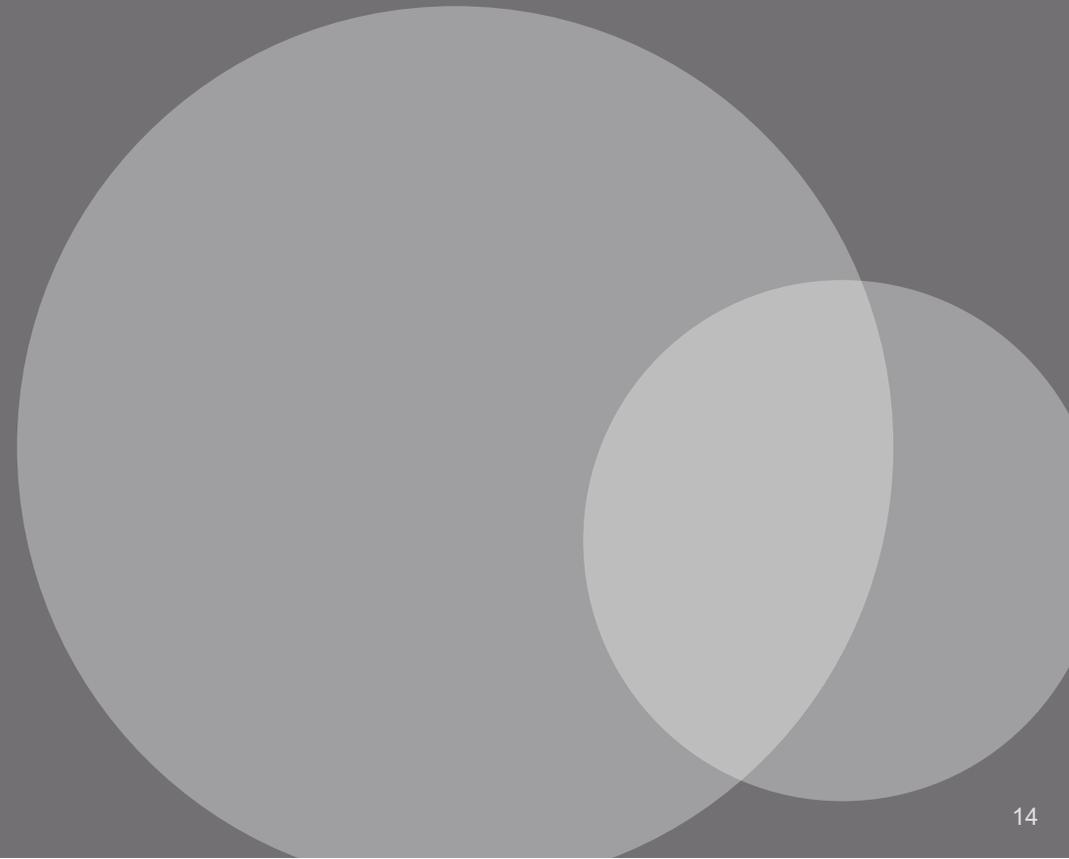
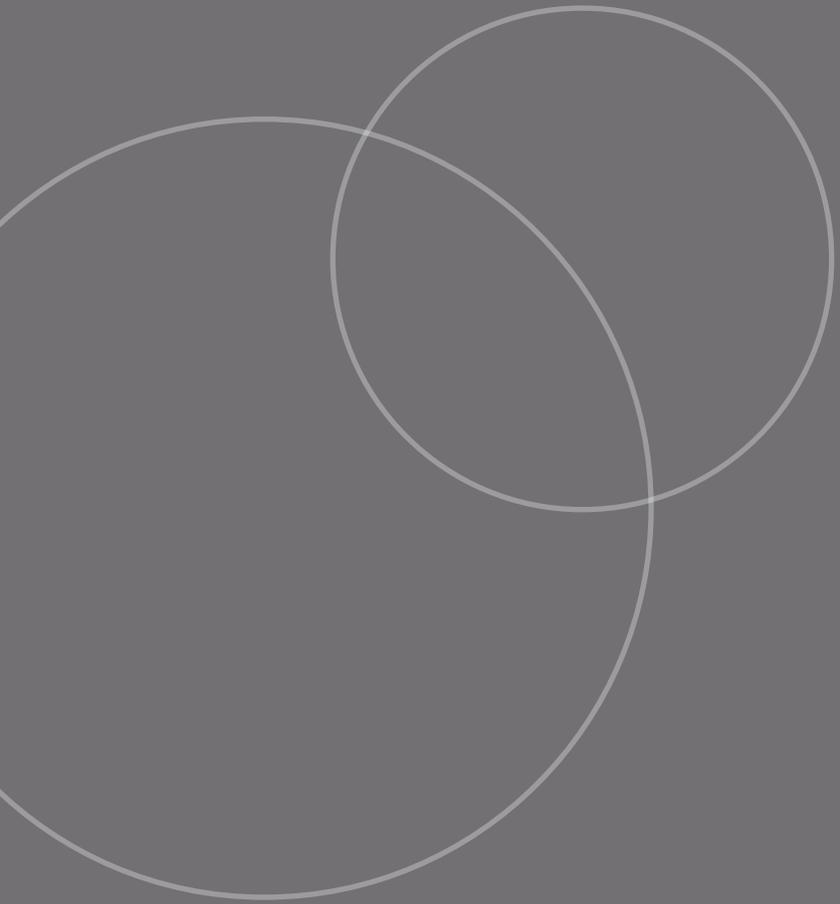
How this fits into my team objectives:

The end goal is to promote the UK for foreign investment and to ensure the UK remains competitive. This requires a lot of contact with top investors to ensure the environment remains enticing for them and ensuring that operations are reflecting and acting on the key priorities of the department. Cohesive working across the network is key to strong outputs.

SRO standards

Professional Standards specifically for SROs are currently under development which will form the basis for the subsequent SRO training offer.

CASE STUDIES





CASE STUDY 1

Healthy Start Vitamins contract, Department of Health and Social Care

Under the statutory Healthy Start Scheme, the Department of Health and Social Care procured a five year framework agreement with a value of £2.5m for the manufacture of children's vitamins for low income families with children under the age of four (who are in receipt of certain benefits). Vitamins are purchased by local public sector organisations that reclaim the cost from the Department of Health and Social Care. The ordering, supply and reimbursement arrangements are complex, with multidisciplinary support required to ensure that the scheme is maintained in line with statutory obligations.

The Department of Health and Social Care Contract Management Team carry out an assurance and capability building function. A selection of key contract management activities are carried out by the team, as well as the cross functional interactions at each contract lifecycle stage, which are set out below.

Stakeholder, supplier and market engagement stage

The Healthy Start Vitamins Policy Lead established a Virtual Procurement Team that convened weekly to plan and execute the procurement of Healthy Start Vitamins. The team included members from Complex Procurement, the Contract Management Team, Government Legal Department and NHS Business Services Authority (the Department's appointed Contract Managers for the Healthy Start Scheme), with specialist advice periodically provided by the Department's Lead Pharmacist and externally appointed subject matter experts.

The Department of Health and Social Care will make the vitamins available through its appointed storage and distribution provider and invoices and payments will be handled through a transaction processing provider. To mitigate the risks of providing the service via multiple suppliers, the Virtual Procurement Team explored the division of roles and responsibilities between the suppliers, contractual mechanisms to facilitate their cooperation and the implications for the end customer. Two market engagement events were also held with potential suppliers to scope out the specification for the products.

Procurement stage

This stage was led by the policy lead. The Contract Management Team conducted an iterative review of the procurement documentation, focusing on the contract management requirements in the terms and conditions, specification and tender evaluation questions, making recommendations to strengthen them where appropriate.

The Virtual Procurement Team maintained a risk and issue register from the outset of the process and in advance of issuing the Invitation to Tender, the Contract Management Team participated in a formal risk workshop to consider the risks associated with programme and ensure bidders' documentation was amended accordingly.

Tender evaluation was mainly conducted by NHS Business Services Authority and Policy colleagues. The Contract Management Team evaluated responses on the contract management elements of the tender questionnaire and participated in the moderation meeting.

Contract and supplier management stage

A formal handover meeting was conducted between Complex Procurement, the Contract Management Team and the NHS Business Services Authority, the appointed contract managers.

The Contract Management Team and Complex Procurement completed the Classification and Risk Tool, which categorises each contract into Gold, Silver or Bronze. The tier dictates the contract management standards that need to be fulfilled and the level of support provided by the Contract Management Team. The Healthy Start Vitamins contract is categorised as Silver.

Complex Procurement contributed to the completion of tools such as the Contract Management Plan, to ensure that the benefits of the procurement are highlighted and realised by NHS Business Services Authority. NHS Business Services Authority will compile a deliverables and obligations matrix with the support of the Contract Management Team, enabling them to monitor and improve supplier compliance.

Throughout delivery, the Contract Management Team will provide support and conduct assurance on the implementation of its standard approach to contract management.



CASE STUDY 2

Work and Health Programme (WHP), Department for Work and Pensions

A £500m contract supporting 250,000 people with disabilities, long-term unemployed and people requiring intensive support to find sustained employment. The programme delivers intensive personalised employment support to participants, including a key worker, mentoring and peer support, integrated access to specialist support networks and support from experts with knowledge of the local labour market.

A selection of key contract management activities and cross functional interactions at each stage within the contract lifecycle are set out below.

Stakeholder, supplier and market engagement stage

The Contracted Health and Employment Services directorate (CHES) account management team led workshops with providers and internal stakeholders (commercial, finance, performance management, strategy, operational policy, Jobcentre Plus and local authorities) to identify lessons learnt from previous employment programmes.

The high level design of the WHP was delivered by the CHES account management team, strategy, finance and commercial to ensure it was deliverable, commercially viable and delivered Ministerial priorities.

Once the design was set, the WHP Project was established. Project team change specialists were tasked with programme delivery, managing changes across the Department and writing the contract specification using input from CHES account management team, strategy, commercial, Jobcentre Plus, IT, legal and HR.

Strategy and CHES analysts worked with finance leads to input into the 'value for money' section of the business case.



Procurement stage

The commercial team designed and led the procurement phase with the CHES account management team providing support through the dialogue phase by testing that what bidders described was realistic and deliverable.

The CHES account management team maintained a continuous dialogue with the commercial team to ensure they could effectively manage and deliver the expected business benefits when the contract went live running, e.g. by providing input on performance terms and conditions and payment validation systems. They also supported the due diligence exercise through identifying risks in the proposed delivery proposals.

Alongside the procurement process, the project team, CHES account management team and commercial expanded on the contract specifications to write supplier guidance for the contract.



Contract and supplier management stage

Accountability for the contracts' spend, delivery and performance was transferred to the CHES account management team. The team held workshops with suppliers and commercial colleagues to gain assurance that required implementation activities were being carried out to plan.

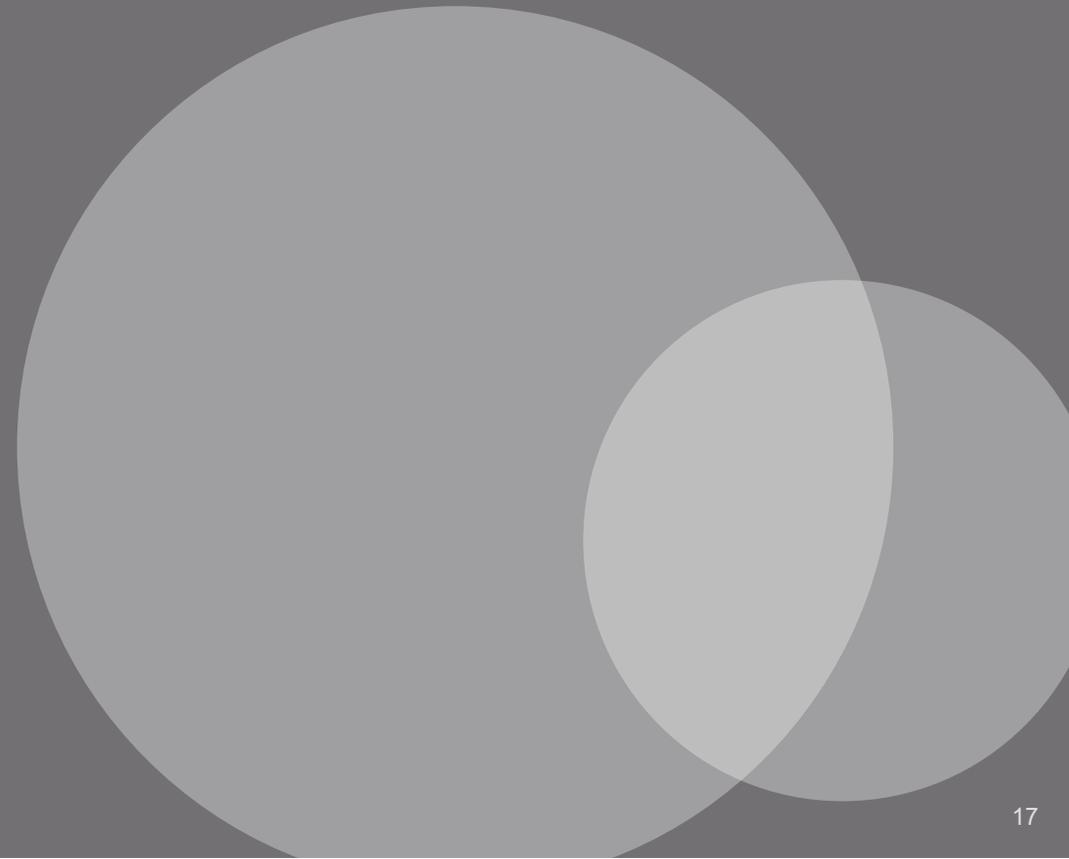
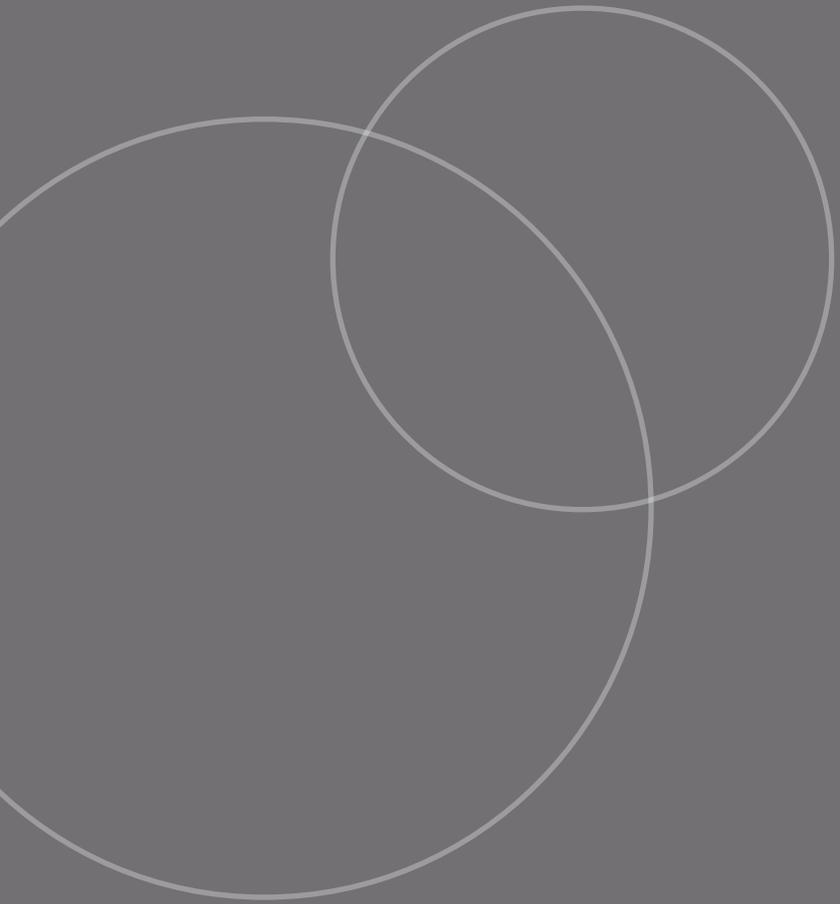
The CHES account management team is accountable for the performance of the contract. They are also accountable for ensuring a robust system of financial control is in place, together with a process for reporting and understanding performance. They own provider guidance and leads on changes to guidance to ensure that the programme performs, impacts wider policy changes and delivers the Department's priorities.

The team work in partnership with commercial, finance, operations, legal and many other expert domains to deliver on these accountabilities. This includes identifying and managing risks that could impact the contract, impacting policy changes, and delivering contract changes where required.



SECTION A:

Acumen, Relationships and Leadership





A1 BUSINESS ACUMEN

Attributes

Contract literacy • Financial literacy • Risk mindset • Supplier market understanding • Tenacity • Decisive and clear thinking • Political insight • Relationships and stakeholder management

Foundation	Practitioner	Expert
Highlights risks, documenting findings and working collaboratively to feed into decisions on risk management approach.	Assesses risks, documenting findings and working collaboratively to agree and implement risk management approach.	Analyses risks and margins of error to make effective decisions on risk management strategies. Manages trade-offs and takes calculated risks to achieve organisational objectives, taking account of possible changes in the external environment over the contract term.
Works with complex evidence and data to recognise trends.	Assesses a wide range of complex evidence and data to identify trends; evaluates costs, benefits, risks and potential responses.	Reviews and presents conclusions from a wide range of complex evidence and data; identifies and resolves problems, making decisions when data is not sufficient; assesses the robustness of these conclusions against plausible scenarios.
Communicates with a range of colleagues to understand risks and opportunities.	Communicates and works collaboratively with stakeholders to identify risks and opportunities, contributing to recommendations.	Forms a cross-functional network; recognises when to involve the right stakeholders and uses their knowledge to make recommendations and decisions on risks and opportunities.
Builds market and financial awareness and understanding of stakeholder requirements.	Supports the achievement of value for money, developing market knowledge, financial awareness and understanding of stakeholder requirements.	Leads on applying the concept of value for money, using market insight and financial awareness to advise on successful return on investment for contracts.
Understands and articulates commercial motivations of suppliers.	Articulates and accounts for commercial motivations and expected behaviours of suppliers.	Develops strategies which map onto changing operational objectives and account for market drivers and commercial motivations, including possible changes in market dynamics.
Seeks specialist advice to inform decisions and approach; supports in the application of the agreed solution.	Seeks specialist advice to inform decisions and approach; applies the agreed solution, sharing insight with colleagues.	Advises teams on when to seek specialist advice to inform decisions and approach; collaborates across contracts to identify and share solutions.



A2

RELATIONSHIPS AND LEADERSHIP CAPABILITY

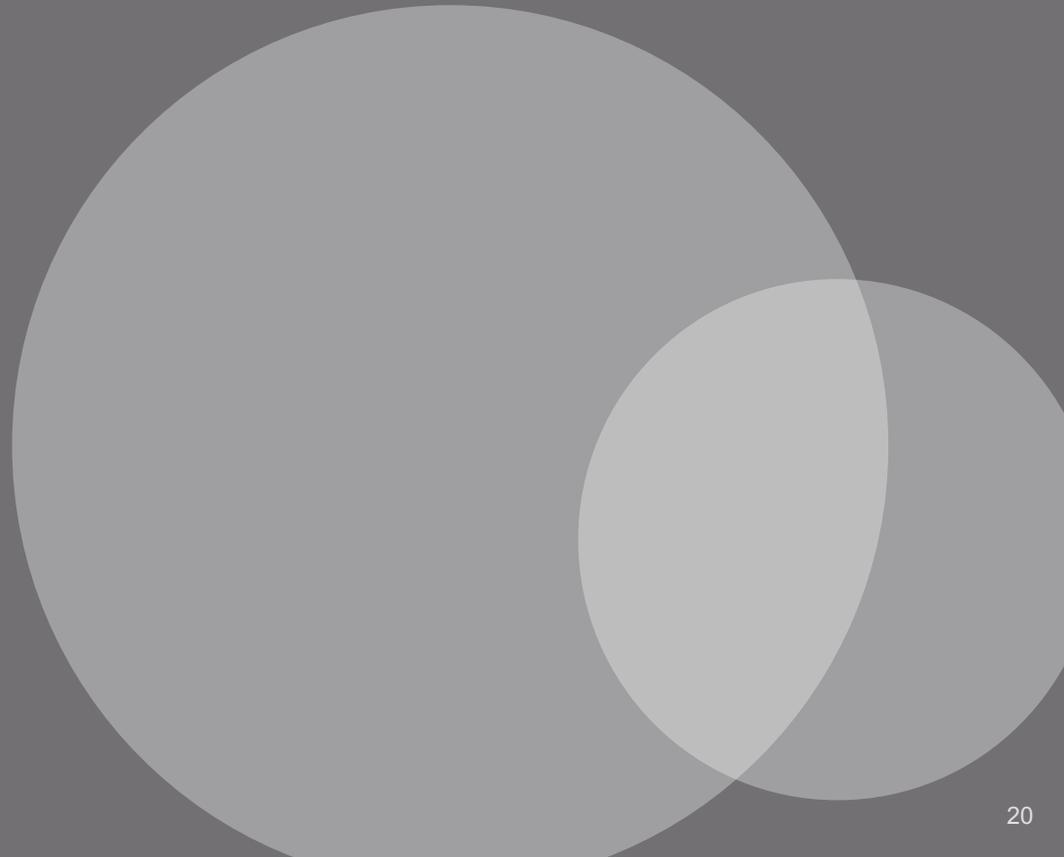
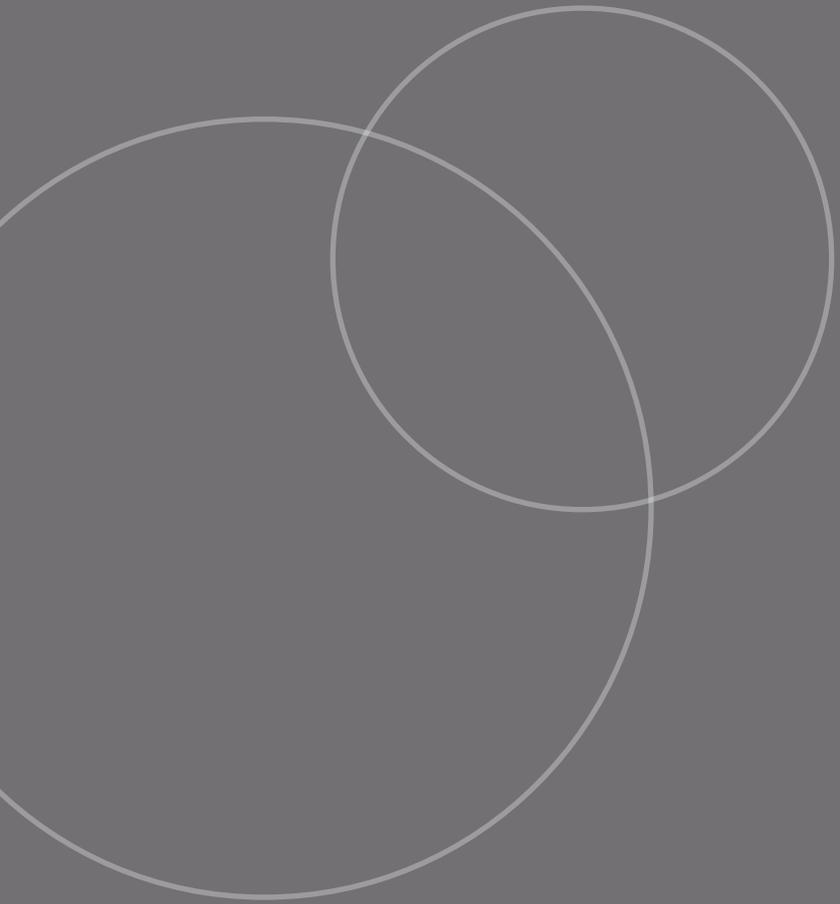
Attributes

Contract literacy • Financial literacy • Risk mindset • Supplier market understanding • Tenacity • Decisive and clear thinking • Political insight • Relationships and stakeholder management

Foundation	Practitioner	Expert
Demonstrates resilience and effective communication when dealing with stakeholders and supplier representatives, including escalation.	Demonstrates resilience and uses influencing, escalation and relationship management techniques to obtain desired outcomes. Manages day to day stakeholder and supplier engagement.	Leads senior stakeholder engagement, communicating with impact to shape strategic decisions. Leads discussions with suppliers on any internal issues they may have that would affect their ability to meet contractual obligations.
Works flexibly in an environment of change, encouraging and supporting colleagues to do the same.	Navigates complex environments successfully, encouraging and supporting stakeholders to do the same. Presents technical issues and resolutions to senior stakeholders.	Provides colleagues with insight on engagement approaches to achieve strategic outcomes. Presents complex supply chain, contract and portfolio issues.
Aware of best practice, identifying opportunities to improve performance.	Maintains and shares a current knowledge of best practice to drive performance.	Uses public and private sector insight to design processes and disseminate best practice across the team and uses maturity models to support organisational improvement.
Identifies and addresses own learning needs to improve contract management capabilities; highlights team gaps.	Identifies and addresses own learning needs to improve contract management capabilities; recognises team gaps, recommending steps to build contract management capability.	Evaluates the wider team's contract management capability and experience, identifying and addressing skill gaps.
Encourages new ideas from a wide range of sources and stakeholders and uses these to inform own thinking.	Implements change at a local level, considering impact of implementation on own business area and working with stakeholders to identify and overcome challenges.	Uses public and private sector insight to advise and drive change, setting and navigating governance and approvals process.
Aware of indications of corruption, fraud and unethical behaviour in supply chains, can recognise and escalate breaches of standards.	Aware of indications of corruption, fraud and unethical behaviour in supply chains; ensures adherence to requirements, identifying and responding to breaches of standards.	Influences stakeholders to eliminate corruption, fraud and unethical behaviour in supply chains; reviews assurance and directs action on breaches of standards.
Displays motivation to achieve contract objectives.	Motivates self and colleagues to achieve contract objectives.	Utilising Supplier Relationship Management (SRM) skills and methodologies, motivates stakeholders and suppliers to better achieve contract and relevant organisational objectives.
Recognises value of diverse stakeholders and collaborates with colleagues to achieve business outcomes.	Builds relationships and collaborates with a diverse range of stakeholders to deliver business outcomes.	Builds and shares a diverse network with stakeholders, identifying and leading new opportunities for collaboration to deliver business outcomes.



SECTION B: Technical Expertise





B1

DESIGN AND ONGOING DEVELOPMENT

Foundation	Practitioner	Expert
Understands business case development and works with colleagues to input into options appraisal.	Inputs into and collaborates with colleagues in the development of a business case, using knowledge of the business and organisational objectives.	Collaborates with colleagues in the shaping, development and approval of a business case that supports the delivery of organisational objectives.
Inputs into specification for deliverables and technical notes and aware of stakeholders that should be represented when producing requirements.	Develops specification for deliverables and technical notes, identifying stakeholders that should be represented when producing requirements.	Leads on providing specification for deliverables and technical notes. Recognises gaps and contradictions in the requirements and advises on the sourcing and contractual consequences.
Captures and shares lessons learned and best practice across team.	Identifies and shares lessons learned and best practice across teams; ensures these are incorporated into procurement exercises and policy approach.	Identifies, develops and shares lessons learned across functions; draws upon cross-government best practice to shape procurement exercises and policy decisions.
Uses knowledge of data sources to support design of performance management process.	Defines and evaluates data sources to establish and review KPIs, as well as flexibility required during contract lifecycle.	Uses expertise to identify future proofing measures, leading on development of new KPIs to maximise value over the contract lifecycle.
Seeks awareness of the market to support decisions around commercial arrangements and contract evaluation methods.	Uses market insight and awareness to inform decisions on commercial arrangements and contract evaluation methods.	Applies knowledge of broader economic and market conditions to challenge thinking and lead decisions on commercial arrangements and contract evaluation methods.
Demonstrates awareness of efficiency controls, governance and approval mechanisms.	Develops efficiency controls, governance and approval mechanisms.	Reviews and advises on efficiency controls, governance and approval mechanisms.
Recognises importance of defined, comprehensive and proportionate management information.	Develops, applies and reviews defined, comprehensive and proportionate management information reporting practices.	Advises on management information best practices to ensure reporting supports achievement of organisational objectives.
Aware of relevant legislation and contractual mechanisms in relation to supply chain compliance and sustainability.	Designs and implements mechanisms to ensure visibility and assurance of supply chain compliance and sustainability.	Leads design and implementation of contract mechanisms relating to supply chain compliance and sustainability, anticipating and responding to new legislation.
Prioritises own workload in order to carry out activities required to support resource planning.	Takes proactive view of contract end dates, overlaying potential re-procurement or termination timescales. Develops and applies processes to ensure contract is resourced, adapting to organisation and supplier changes.	Analyses pipeline data to inform resource planning and mitigate organisational risk. Commissions and ensures adoption of processes to ensure contracts are resourced, adapting to organisation and supplier changes.



B2

PROCUREMENT AND MOBILISATION

Foundation	Practitioner	Expert
Reads contract and recognises obligations. Inputs into contract management plan and supports implementation of contract tools and structured plans to manage risks and stages of contract lifecycle.	Reads contract and extracts obligations. Prepares contract management plan. Establishes and adopts contract tools and structured plans to manage risks and stages of contract lifecycle.	Reviews contract and extracts obligations. Prepares contract management plan, sets requirements for and designs contract tools and structured plans to manage risks and stages of contract lifecycle.
Communicates with stakeholders to support structured transition between contract award and service delivery.	Manages structured transition between contract award and service delivery, communicating with stakeholders.	Oversees structured transition between contract award and service delivery, leading stakeholder communication.
Aware of financial controls used to manage resources, open book contract management and contract management systems.	Proposes and implements updates to contract management systems landscape. Provides insight into application of financial controls to manage resources and implications of open book contract management.	Sets direction of relevant contract management systems and oversees implementation. Manages resources through designing and ensuring adherence to financial controls, including transparency requirements.
Understands and refers to appropriate benchmarks to measure performance and savings.	Identifies and incorporates benchmarks to measure performance and savings.	Identifies requirement and develops benchmarks, ensuring adherence to measure performance and savings.
Informs procurement process through application of technical experience.	Provides technical input and applies experience to influence the procurement process.	Provides strategic input into procurement process. Uses strategic thinking to analyse and manage impact of future changes to the landscape.
Uses awareness of procurement regulations to support compliance assessment; identifies value obtained by procurement team (and potential areas of loss of value).	Applies understanding of procurement principles and regulations to assess compliance, sustainability and identify value obtained by procurement team; initiates steps to prevent loss of value.	Makes compliance and sustainability decisions based on procurement regulations; develops strategic approaches to prevent loss of value.
Understands mechanisms to ensure supplier debriefings that safeguard the Authority and support future procurement exercises.	Designs and implements mechanisms to ensure supplier debriefings that safeguard the Authority and support future procurement exercises.	Shapes requirements and approves mechanisms to ensure supplier debriefings that safeguard the Authority and support future procurement exercises.



B3a MANAGING CONTRACT DELIVERY

B3b EXIT AND TRANSITION

Foundation	Practitioner	Expert
Understands methods for quality assurance of supplier-provided data on performance.	Quality assures and responds to supplier-provided data on performance.	Reviews identification and use of methods to quality assure and respond to supplier provided data on performance.
Collects, validates and escalates data used to measure performance. Uses understanding of data and performance to support trend analysis and audits.	Analyses data to measure performance, conducting trend analysis and audits to inform decisions.	Reviews data analysis and audits across multiple contracts to measure performance. Shares trend analysis with stakeholders to support performance improvement.
Aware of mechanisms to support the achievement of contract outcomes within budget and prevent uncontrolled changes to scope.	Uses knowledge of mechanisms to deliver contract outcomes within budget, improve performance and prevent uncontrolled changes to scope.	Designs and ensures adoption of mechanisms which deliver contract outcomes within budget, improve performance and prevent uncontrolled changes to scope.
Aware of indicators in identifying arising risks and issues. Inputs into deep-dive analysis to suggest risk management measures and identify learning.	Evaluates data to identify arising risks and issues. Identifies and implements performance-related risk management measures and learning following deep-dive analysis.	Evaluates data and uses market knowledge to identify arising risks. Shares insight and advises on performance-related risk management measures.
Aware of dependencies that impact the contract's ability to meet its objectives.	Measures and adapts to dependencies so the contract continues to meet its objectives. Identifies measures to manage consequences to suppliers when the Authority is unable to meet dependencies.	Identifies dependencies and associated responses, ensuring the contract continues to meet its objectives, and sharing learning. Agrees measures to manage consequences to suppliers when the Authority is unable to meet dependencies.
Supports stakeholder engagement in determining whether contracted provisions are to be discontinued, brought in-house or re-procured.	Engages with stakeholders to assess benefits and costs of contracted provisions being discontinued, brought in-house or re-procured.	Provides direction and influences stakeholders on whether contracted provisions should be discontinued, brought in-house or re-procured.
Aware of breaches and understands the dispute process in the contract.	Identifies breaches and implements the dispute process in the contract.	Provides insight and direction around the dispute process.
Understands the requirements of and inputs into the set up of contract exit plan.	Uses knowledge of requirements to set up contract exit plan and support its delivery.	Draws on expertise to review the contract exit plan including during the life of the contract, and ensure its delivery.
Shares information appropriately on ongoing and concluded disputes with colleagues.	Shares information and insight appropriately on ongoing and concluded disputes with stakeholders.	Leads knowledge sharing by providing insight to stakeholders on disputes across contracts and suppliers.
Seeks to identify new opportunities and suggests actions to realise benefits.	Analyses data to identify new opportunities and implements actions to realise benefits.	Identifies organisational opportunities and oversees implementation to realise benefits.
Collates and reviews management information to identify areas of poor performance by suppliers and the Authority.	Reviews and identifies new sources of management information to highlight areas of poor performance by suppliers and the Authority. Identifies and implements loss avoidance measures and improved ways of working.	Sets management information requirements to identify areas of poor performance by suppliers and the Authority. Draws on best practice to set strategy and processes, driving continuous improvement.
Refers to and measures against the contract objectives to ensure benefit realisation.	Manages stakeholder engagement and review of contract and programme objectives to ensure benefit realisation.	Provides strategic oversight by assessing contracts against organisational objectives to ensure benefit realisation.



B4 CHANGE CONTROL

Foundation	Practitioner	Expert
Understands and inputs into the change process, seeking advice on whether an adjustment is a change or a variation.	Implements change process to obtain maximum value from the contract. Engages with stakeholders to apply and communicate change-related adjustments.	Leads change process, including the communication approach, to obtain maximum value from the contract and/or reduce risk.
Provides inputs into updates to contractual documentation, risk register, business case and financial model based on implemented changes.	Ensures implemented changes to the contract are reflected in contractual documentation, risk register, business case and financial model.	Ensures implemented changes to the contract are reflected in contractual documentation, risk register, business case and financial model.
Supports the identification of best value for money options as part of the options appraisal process.	Identifies best value for money options in collaboration with colleagues as part of the options appraisal process.	Takes a strategic view across contracts to identify best value for money options.
Collects data and inputs into risk assessments to support decisions on supplier-led and customer-led change and stakeholder engagement on change impact.	Analyses impacts to make decisions on change; engages with stakeholders on potential benefits and challenges where a change is not in the organisation's best interest.	Influences senior decision making based on the evaluation of impact of change in the context of organisational strategy. Challenges stakeholders and provides insight on whether proposed changes are in the organisation's best interest.
Understands positive impact of change in value creation and supporting achievement of value for money objectives.	Seeks opportunities to create further value under contract, which may include additional cost savings.	Uses expertise to identify and share opportunities to create further value under the contract, which may include further cost savings.
Aware of the impact of acting outside the lines of the contract, enacting a change by action or process and the waiver of rights by non-action.	Applies knowledge of impact of acting outside the lines of the contract, enacting a change by action or process and the waiver of rights by non-action.	Advises on the impact of acting outside the lines of the contract, enacting a change by action or process behaviour and the waiver of rights by non-action.
Reflects implemented changes to the contract in contractual documentation, business case and financial model.	Ensures implemented changes to the contract are reflected in contractual documentation, business case and financial model.	Ensures implemented changes to the contract are reflected in contractual documentation, business case and financial model.



B5

STAKEHOLDER AND SUPPLIER ENGAGEMENT

Foundation	Practitioner	Expert
Supports the identification of key stakeholders and draws on their expertise.	Identifies and builds productive relationships with stakeholders, adapting approach to audience to achieve planned outcomes.	Identifies and builds productive relationships with key stakeholders across the organisation; uses insight on their motivations and behaviours to advise on optimal approach to achieve planned outcomes.
Demonstrates influencing and communication skills, articulating requirements, benefits, progress and risks to stakeholders.	Analyses and articulates requirements, benefits, progress and risks to stakeholders, responding effectively to challenge. Demonstrates influencing and negotiation skills to achieve contractual outcomes.	Leads in the communication of requirements, benefits, progress and risks to stakeholders; responds effectively to senior challenge and advises on the organisation's response. Demonstrates influencing and negotiation skills, challenging and holding stakeholders accountable to achieve organisational outcomes.
Awareness of importance of and inputs into stakeholder meetings.	Schedules and manages regular stakeholder meetings.	Leads in designing an effective governance structure and managing regular stakeholder meetings.
Gathers end user feedback, communicating with stakeholders to inform performance management and future procurements.	Manages gathering of end user feedback and its distribution to relevant stakeholders; develops and implements recommendations.	Draws on best practice to design new processes and ways of working through analysis of end user feedback.
Shares insight gained from supplier relationships with colleagues.	Obtains insights from network and from supplier relationships, sharing with colleagues.	Identifies cross-government colleagues to share supplier insight with, and establishes knowledge-sharing forums.
Aware of the role of Supplier Relationship Management (SRM).	Understands the role of and manages inputs into Supplier Relationship Management (SRM), including for government's strategic suppliers.	Identifies requirements for and leads inputs into Supplier Relationship Management (SRM), supporting the coordinated management of government's strategic suppliers.
Aware of dispute resolution options and requirements to communicate information and outcomes to stakeholders.	Maintains knowledge of and can apply dispute resolution options and stakeholder communication requirements.	Uses experience to suggest and apply optimal dispute resolution options; leads and provides expertise during formal negotiation and stakeholder communication processes.
Communicates underperformance and impacts to stakeholders.	Manages structured communication of underperformance and impacts to stakeholders.	Advises in the structured communication of underperformance and impacts to stakeholders.



B6 RISK MANAGEMENT

Foundation	Practitioner	Expert
Aware of the process for the identification and management of risks and issues, including roles and responsibilities and creation of a risk register.	Identifies and manages risks and issues, confirming roles and responsibilities including ownership of risk register.	Designs and develops processes for the identification and registration of risks and issues, including roles and responsibilities.
Inputs into the creation of contingency plans with proposed remedies.	Ensures contingency plans with proposed remedies are in place, using knowledge to inform approach.	Oversees the development of contingency plans with proposed remedies; uses expertise to devise solutions and provide advice to colleagues.
Supports visibility and mitigation of risk through maintaining risk register, sharing relevant risks with stakeholders.	Ensures visibility and mitigation of risk through reviewing and maintaining risk register, sharing relevant risks and mitigation strategies with stakeholders.	Provides expert advice on mitigation strategies for risks identified in the risk register.
Supports the development of business continuity plans and supplier disaster recovery plans.	Leads in developing business continuity plans. Informs the development of supplier disaster recovery plans through evaluation.	Provides insight into the development of business continuity plans and supplier disaster recovery plans through evaluation and challenge.
Inputs into the monitoring of service-level agreements, considering and managing risks posed by data capture, processing and reporting.	Monitors service-level agreements, considering and managing risks posed by data capture, processing and reporting.	Provides oversight and advice in the monitoring of service-level agreements, considering and managing risks posed by data capture, processing and reporting. Identifies impacts outside of individual contract and resolution options.
Identifies and documents operational key risk indicators; supports the implementation of appropriate mitigation, contingency and recovery measures.	Manages identification and documentation of operational key risk indicators; develops, challenges and implements appropriate mitigation, contingency and recovery measures.	Oversees the identification and documentation of operational key risk indicators; draws on expertise to review proposed mitigation, contingency and recovery measures.
Understands process and key factors to consider when assessing and evaluating strategic risks.	Assesses and proposes responses to strategic risks considering organisational objectives and risk appetite, supplier relationships and political landscape.	Evaluates and provides guidance on managing strategic risks considering organisational objectives and risk appetite, supplier relationships and political landscape.
Recognises opportunities to derive benefits from recorded risks.	Identifies opportunities to derive benefits from recorded risks; takes calculated risks to achieve benefits based on evaluation and advice.	Takes an organisational view across contracts to identify and derive benefits based on recorded risks; provides advice and proposes solutions to achieve identified benefits.
Ensures internal compliance with requirements e.g. data security, anti-fraud measures and supply chain sustainability.	Ensures internal and external compliance with requirements e.g. data security, anti-fraud measures and supply chain sustainability; challenges in instances of non-compliance.	Ensures internal and external compliance with requirements e.g. data security, anti-fraud measures and supply chain sustainability; leads reviews and responses to non-compliance.

ANNEXES

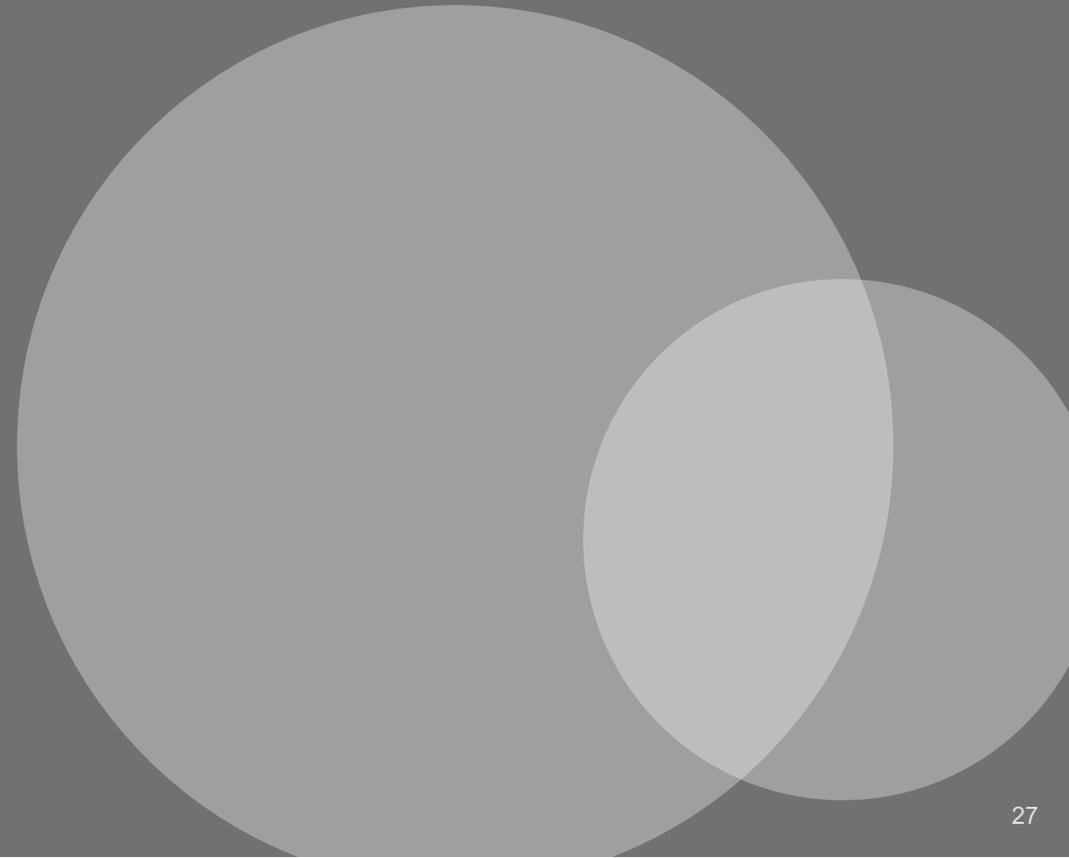


[Annex A: Standards cross-referenced with NAO and Contract Management Guide](#)

[Annex B: Senior Responsible Owner \(SRO\)](#)

[Annex C: Sources](#)

[Annex D: Definitions](#)





ANNEX A: Standards cross-referenced with NAO and Contract Management Guide

The NAO Commercial and contract management: insights and emerging best practice document identified 20 insights to be considered more strategically at a government and organisational level. These 20 insights are referred to within the Contract Management Professional Standards, as illustrated by the table below.

The Cross Government Contract Management Steering Group commissioned a contract management guide for use as a benchmark across departments, for which examples of best practice from across government were consolidated and findings published in a Best Practice Guide and template toolkit. The below table also details where within the Guide to go for further information on the activities referred to within Section B of the Standards.

B1. Design and Development	1. 2.	3. 4. 5.	6. 7. 8. 9.	10. 12.	13. 14. 15.	17. 18.	A. B.	
B2. Procurement and Mobilisation		3. 4. 5.		10. 12.	13. 14. 15. 16.	18.	19. 20.	A. C. E. F. D
B3a. Managing Contract Delivery				12.	13. 14. 16.	18.	19. 20.	E. H. M. I
B3b. Exit and Transition								
B4. Change Control						17.		G. K.
B5. Stakeholder and Supplier Engagement			6.		14. 15. 16.			E. H. J. K.
B6. Risk Management						17. 18.		L.

NAO Commercial and Contract Management: Insights and Emerging Best Practice

- Commercial Strategy**
 1. Make time to develop strategy
 2. Properly develop strategy
- Commercial Capability**
 3. Tailor capability to risks and opportunities
 4. Clarify commercial and operational balance
 5. Maintain 'organisational capability'
- Maintain Management and Sourcing**
 6. Be an attractive client
 7. Be an intelligent client
 8. Properly evaluate bids
 9. Keep up competitive tension

- Contract Approach**
 10. Ensure shared understanding
 11. Understand risks
 12. Design performance measures that work
- Contract Management**
 13. Manage your own obligations
 14. Know what suppliers are doing
 15. Show what you care about
 16. Understand suppliers' motivation
- Contract Lifecycle**
 17. Plan for uncertainties
 18. Work towards business as usual requirements
- Transition and Termination**
 19. Think about contract end up front
 20. Allow time to consider potential end of contract

Cross Government Contract Management Working Group: A Guide to Contract Management

- A. Pre-Procurement Stage
- B. Procurement and Mobilisation
- C. Implementation
- D. Operations and Administration
- E. Performance Management
- F. Financial Controls
- G. Change Control and Benefits Realisation
- H. Complaints Management
- I. Benchmarking and VfM
- J. Supplier Relationship Management
- K. Client Relationship Management
- L. Risk Management and Business Continuity
- M. Exit Management



ANNEX B: Senior Responsible Owner (SRO)

What is an SRO?

An SRO, sometimes referred to as a Senior Contract Owner (SCO), provides valuable oversight in the management of one or more contracts. They ensure there is an accredited team of contract managers equipped to deliver the contract successfully.

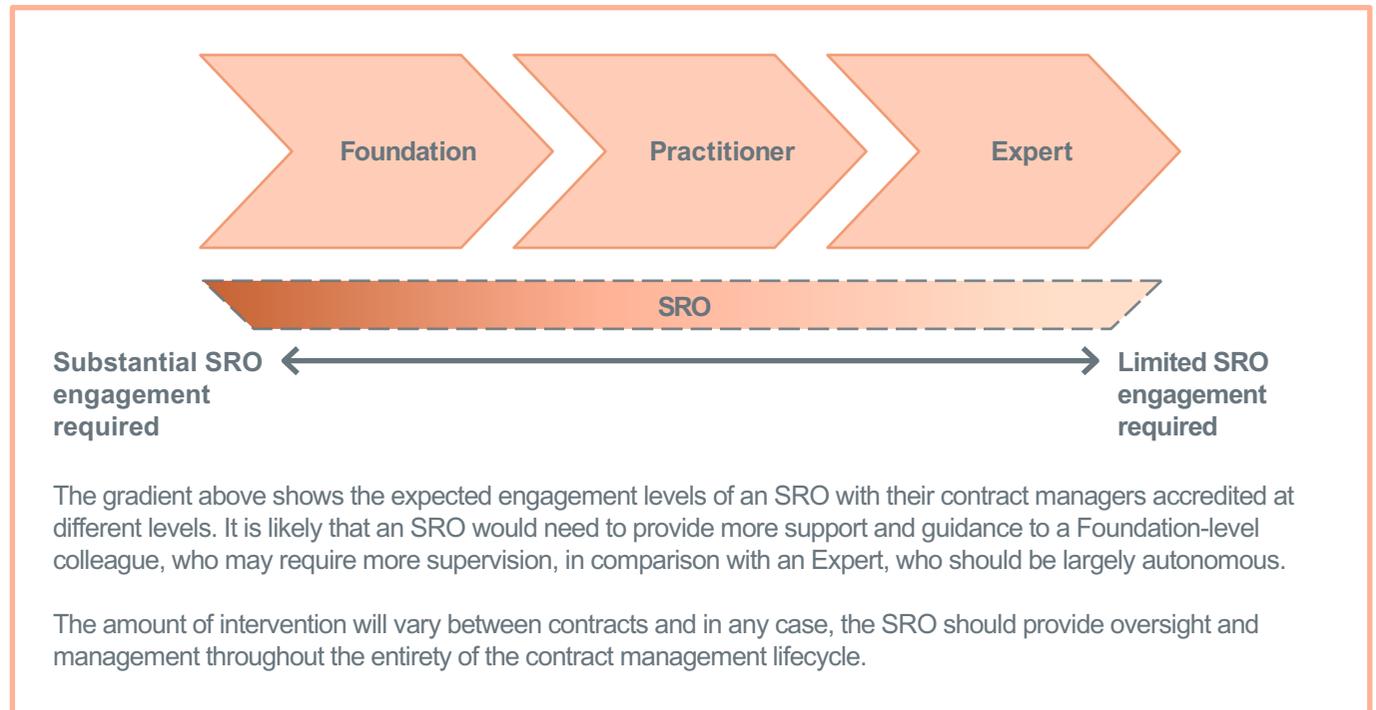
The individual assigned should assess whether the contract continues to meet organisation objectives and fits in with evolving departmental structure and strategy.

Person specification

At a minimum, the SRO should be at Senior Civil Service (SCS) level.

The SRO should have a comprehensive understanding of the organisation that is undertaking contract management activities, and recognise the impact of such on wider objectives.

It is essential that the SRO has a basic knowledge of contract management. This allows for sensible questions to be asked, decisions to be challenged and responses to be interpreted relating to the detail of the contract.



Key responsibilities

- Understanding how the whole contract management lifecycle contributes to the achievement of policy objectives and/or delivery of business benefits
- Challenging advice being provided by contract managers in respect of sourcing, contract design and the management of contracts during the implementation, operational and termination phases

- Making judgements about the resource required for contract management; the organisation of contract management staff; the management information needed for effective contract management; the funding of contract management activities and related governance.

SRO standards

Professional Standards specifically for SROs are currently under development, which will form the basis for the subsequent SRO training offer.



ANNEX C: Sources

How were the standards developed?

The Standards incorporate best practice from across government and relevant insight from the private sector.

Taking a cross-government approach, the Standards were developed with input from commercial and non-commercial colleagues across departments as well as professional bodies, CIPS and IACCM. A number of pre-existing sources also fed into the development of the Standards. These are shown on the right.

Further detail on how the Standards relate to the NAO Commercial and contract management: insights and emerging best practice document and the Cross-Government Contract Management Working Group Best Practice Guide, can be found in [Annex A](#).

NAO Commercial and Contract Management: insights and emerging best practice

NAO Good Practice Contract Management Framework

Cross Government Contract Management Best Practice Guide

People Standards for the Commercial Profession

Success Profiles - Civil Service Behaviours

Civil Service Leadership Statement

Civil Service Code



ANNEX D: Definitions

Term	Definition
The Authority	The organisation authorised to issue the contract.
Awareness level	Aware of contract management principles in the context of realising organisational outcomes.
Benchmark	A standard against which performance, cost and/or quality can be assessed.
Benefit realisation	Process for the identification, definition, tracking, realisation and optimisation of benefits to ensure that potential benefits arising from a change are realised. Includes options appraisal, ongoing assurance and the identification of implications of value leakage.
Breach	This refers to the failure of either party to comply with one or more of its contractual obligations. A breach can be 'persistent' i.e. repeated failure or 'material' i.e. a breach of a material term of the contract such as a failure to pay the charges. A breach of the contract may give rise to the right for the injured party to terminate the contract and/or claim for damages.
Business case	A document providing justification for undertaking a contract, evaluating the benefits, costs and risks of alternative options and describing rationale for the preferred solution.
Capability area	Distinct thematic areas of the Standards, within which activities and behavioural attributes are grouped.
Change control note	Often referred to as a 'CCN', This is the written record of change to the contract made under the contractual change control process.
Colleague	Individual within the contract management team or wider government roles, including but not limited to: policy, commercial, legal, finance, HR and project delivery.
Commencement date	This should be defined in the contract and sets out the date from which performance under the contract is due to commence – this may be a different date from the 'Effective Date', which is defined below.
Commercial	Relating to the business environment in which a public or private sector organisation operates, and/or members of the commercial function within a public sector organisation.



Condition precedent	This is a condition (stipulated in the contract) that has to be met for the contract to take effect, for example, the valid provision of a parent company guarantee. If a condition precedent is not met, the contract will not come in to force.
Contingency plan	Plans for how the contracted provision will be provided in case of contractor failure (either financial or in terms of systematic under-performance, leading to early contract termination).
Contract Management Professional Standards	A set of standards describing the competencies and behaviours expected of successful Contract Managers. Consists of two sections: A. Acumen and Relationships and B. Technical expertise.
Contract management plan	Plan for how to manage a contract which sets out resources, risks and the various contract management activities that will be carried out.
Contract Managers (within scope of the Standards)	Public sector professionals who identify as contract managers as well as those within an operational delivery or policy role who carry out contract management activities as part of this role; make decisions or provide advice that has a commercial impact; and/or take part in supplier interactions or negotiations.
Contract tools	Tools and techniques used in effective contract management e.g. business continuity, mobilisation, change control, monitoring and reporting benefit realisation and exit planning.
Damages	A sum of money awarded to an injured party for breach of contract to compensate for the losses it incurred as a result of the breach.
Default	Any default of either contracting party in complying with its obligations under the contract.
Dispute resolution options	Options to resolve formal disputes, including arbitration, mediation, formal negotiation, expert determination and use of service credits.
Dispute resolution procedure	The process to be followed to resolve any dispute without/before referring to the legal courts to decide the outcome. The details will be set out in the contract but could include mediation, arbitration and/or expert determination.
Effective date	The date that the contract takes effect from – this will either be the date that both parties sign the contract (the date used is the date of the last signature) or as specifically stated in the contract (which could be before/or after the signature date).
Exit plan	A plan setting out the process to be followed on termination or expiry of the contract, including the management of service continuity, data/knowledge transfer and any implications on cost and personnel (e.g. TUPE).



Expert level	An individual involved in contract management who takes a strategic view, drawing on best practice to lead on achieving organisational outcomes.
Foundation level	An individual involved in contract management who uses understanding of contract management principles to input into successful delivery of organisational outcomes.
Indemnity	This is a contractual obligation to compensate a party for a defined loss or damage by making a monetary payment, on a pound for pound basis i.e. compensating the injured party in full for their loss. An indemnity is a harsher compensation mechanism than contractual damages because there is no obligation on the injured party to mitigate their losses. It is often used for breaches of intellectual property rights or data protection obligations where the potential losses are difficult to quantify but could be significant.
Initial term	The initial term of the contract before it is extended in any way. The initial term will be defined in the contract along with each party's right to extend the contract beyond the initial term.
Insolvency event	This will be specifically defined in the contract but is used to denote some sort of financial failure, for example, winding up or dissolution procedures started against a party, the appointment of an administrator or simply a party being unable to pay its debts, which will give the other party the right to terminate the contract.
Intellectual Property Rights	These are the rights that a party has over its intellectual property and can include patents, rights to inventions, copyrights, trademarks, business names and domain names, goodwill, rights in designs, rights in computer software, database rights, know-how and trade secrets.
Key performance indicators (KPIs)	Metrics used to determine whether the contract is achieving its key objectives.
Liquidated damages	These are a type of damages which became payable on the occurrence of a specific breach specified in the contract, for a defined amount. They are often used where the delivery by specific milestones are critical to the success of the contract.
National Audit Office (NAO)	Scrutinises public spending for Parliament.
Options appraisal – is down as 'operations appraisal in online training	The evaluation of a number of potential options, with the goal of identifying a preferred course of action.
Performance management levers	Available tools to drive successful performance, including supplier MI, KPIs, incentivisation mechanisms, opportunity management and quality assurance.



Practitioner level	An individual involved in contract management who applies knowledge and skill to deliver effectively on responsibilities to achieve organisational outcomes.
Ratchet	A contractual trigger for an increase in level of deductions, following significant failure.
Service credits	A contractual mechanism allowing deductions to be made from payments to the supplier(s), as a result of supplier performance failing to meet the performance standards of the contract.
Service level agreements (SLA)	Service levels will be specified in the contract and are intended to provide objective measures of whether services provided by the contractor are likely to support the underlying policy goal or business objective.
Specialist	A skilled professional (internal or external) who provides authoritative advice in their relevant field e.g. legal, commercial or finance.
Specification	A section or schedule of the contract defining the client requirements for the contracted provision.
Stakeholder	Individual or group that can affect or be affected by the contract, including cross-functional colleagues and networks, suppliers and end users.
Supplier Relationship Management (SRM)	The practices and behaviours adopted to engage more collaboratively with suppliers to improve delivery of government objectives and increase mutual value beyond that originally contracted.
Technical notes	Further information on contract provisions.
Termination	Exit from the contract before the contracted end date, due to defined supplier failure or voluntary early exit by either party.
Trend analysis	A technical analysis of historic activity based on existing data, used to forecast potential developments.



TUPE	The Transfer of Undertakings (Protection of Employment) Regulations set put to protections for employees in the event of a transfer of the services they provide to a different entity. For example, when an existing in-house service is outsourced or where a re-procurement of a service is awarded to someone other than the incumbent service provider. The regulations cannot be contracted out of, however parties to a contract can agree where responsibility and liability for meeting the TUPE obligations lie. This is a technically complex area and legal advice should be sought when dealing with TUPE issues.
Unethical behaviour	Unethical supplier practices. These include, but aren't limited to, conflicts of interest, accepting favors or gifts, inappropriately sharing confidential information, money laundering, bribery and modern day slavery.

For more information on contractual definitions, processes and templates, please see the Cross Government Contract Management Best Practice Guide in [Annex A](#).



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