



National Infrastructure  
& Service Transformation  
Authority

# Contract Management Plan

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A practical guide to building, using and  
maintaining your PFI contract management plan

**PFI Centre of Excellence**

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# Contract Management Plan

## NISTA PFI guidance

NISTA has produced a range of guidance to support public sector PFI contract managers. This can be found on the [PFI Centre of Excellence website](#).

We welcome your feedback on this guidance.

Please contact us via [pfi-operations-inbox@nista.gov.uk](mailto:pfi-operations-inbox@nista.gov.uk).

## Purpose of this Guidance

1. Explain what a contract management plan (CMP) is and why it matters in PFI contract management.
2. Provide a structured approach to developing, using and maintaining your CMP.
3. Support effective contract management and oversight over the term of the PFI contract.
4. Introduce practical toolkits to support CMP development, obligations tracking and contract scheduling.

## Audience

This guidance is primarily aimed at PFI contracting authorities, particularly those engaged in day-to-day contract management and senior responsible owners for PFI contracts. In setting shared expectations, this guidance should be useful to all private sector parties involved in PFI contracts.

## Using this document

This guidance is not prescriptive, as the activities and the level of activity required will vary based on the nature of the assets and services and the form of the PFI contract. Instead, it offers a framework which will need adapting to the specific circumstances of your project.

[A PFI Glossary of Terms can be found here](#)

## Legal caveat

This guidance is intended to help you identify practical steps for managing your PFI project: what to do, why it matters, and how to approach it. Given the wide range of PFI contracts, the guidance is necessarily generic and does not override the terms of your specific agreement. Any action should only be taken after careful consideration. This document is not legal, professional or technical advice. You should always seek formal professional advice where appropriate.

### Icon Key



**Warning**



**Tip**



**Note**



**Toolkits**



**Appendices**

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## Toolkits

 **TOOLKIT 1:** [CMP Template](#)

 **TOOLKIT 2:** [Obligations Matrix](#)

 **TOOLKIT 3:** [Contract Calendar](#)

# Contract Management Plan

## 1. What is a contract management plan?

A contract management plan (CMP) is a practical, operational document that sets out how a PFI contract will be managed. It translates the strategic intent of the contract management strategy (CM strategy) into day-to-day delivery and provides a structured framework for ensuring that the contract is implemented effectively. The CMP does not replace the contract but supports its delivery by detailing how obligations will be monitored, risks managed, and performance assured.

It is intended to be used by the contract management team and wider intelligent client function, including commercial, financial, operational and legal functions, and should be accessible to all those in the contracting authority involved in managing or overseeing the contract.

An effective CMP provides a single, structured reference point for how the contract will be delivered, monitored, assured, managed and adapted over time. It supports good governance, continuity and value for money, and helps the contracting authority avoid reactive or fragmented contract management.

It may include:



**Key dates and milestones:** to support continuity and forward planning.



**Governance and roles:** to ensure accountability and coordination between parties.



**Contractual obligations and deliverables:** to enable compliance and performance monitoring.



**Performance and reporting:** to support oversight and improvement.



**Communication and coordination:** to guide day-to-day interaction and internal alignment.



**Risk and issue management:** to support resilience and proactive management.



**Continuous improvement:** to help contract management and the CMP evolve overtime.

Each of these elements is explored in more detail in Section 5.

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## 2. Structure of the CMP and supporting tools

The CMP typically comprises three interrelated parts:

- The CMP document.
- An obligations matrix (enabling compliance and tracking).
- A contract calendar (enabling forward planning and scheduling).

Templates for each are provided in the three toolkits that accompany this guidance:



### **Toolkit 1: CMP Template**

Provides the prompts for building an effective CMP



### **Toolkit 2: Obligations Matrix**

Identifies and tracks the key contractual obligations and rights that underpin the CMP.



### **Toolkit 3: Contract Calendar Template**

Converts time-based obligations into a calendar format to support planning, governance and continuity. It can be populated using **Toolkit 2**.

These toolkits are designed to be used in parallel. As you develop each section of the CMP, you should extract relevant obligations into the obligations matrix and then schedule time-based actions using the calendar. The contract review guidance, particularly Toolkit 2 (Clause Tracker), will support you in this task.

Developing a CMP is not a one-size-fits-all process. It should be tailored to your contract's complexity, maturity and the resources available. This section sets out a practical approach to building a CMP that is realistic, proportionate and aligned with your strategy, governance and intelligent client function (ICF).



**When this guidance refers to the 'CMP' it includes the CMP Template (Toolkit 1), the Obligations Matrix (Toolkit 2), and the Contract Calendar Template (Toolkit 3), unless otherwise stated.**

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## 2.1 Build in layers – don't wait for perfection

You don't need to complete the CMP in one go. Choose an approach that fits your capacity and priorities:

- **Phased:** Start with the most critical sections (e.g. governance, roles, performance monitoring) and build out over time.
- **Event-driven:** Use key events (e.g. expiry planning, refinancing, disputes, benchmarking/market testing) as triggers to develop or update the relevant areas of the CMP.
- **Comprehensive:** If resources allow, develop the full CMP in a coordinated effort, useful for high-risk or high-value contracts.

The CMP should also be proportionate to the scale, complexity and risk profile of the contract. Not every section needs to be developed in full, from the outset. Focus on the areas that are most relevant to your current priorities, for example, governance and performance during steady-state operations or expiry planning in the final years of the contract. Use the CMP as a flexible tool that evolves with the contract, rather than a rigid checklist.



**Use the CMP template to structure your plan. You don't need to fill every section immediately, mark placeholders and return to them as time and need permits. You may wish to priorities the areas of the CMP you will use day to day.**

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## 2.2 Start with what you know

Before drafting the CMP, it is important to build a clear understanding of the contract and its current operation. This is done through three key preparatory activities (see separate guidance for each of these activities):

- **Document stocktake:** Begin by identifying and organising all relevant documents, including the project agreement, schedules, variations, performance reports and other operational documents. This ensures you have access to all the contractual documents and operational records.
- **Contract review:** Undertaking a review of the contract's terms and conditions, obligations, rights, processes and mechanisms will support you in understanding the contract, being able to operate within and apply the contract and manage the PFI Co and service provider effectively.
- **Gaps and ambiguities log:** As part of the contract review, record any unclear, missing or conflicting provisions. These may require help to inform what should (or should not) be included in the CMP.

Together, these activities provide the essential inputs for the CMP. They help you determine what needs to be included, what can be deferred and what decisions need to be made about how the contract will be managed going forward.

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## 2.3 Decide what to include and what not to

The CMP should set out how the contract will be managed but it should also be honest about what will not be done and why. For example, you may have the right to audit subcontractors but choose not to so for a service due to resource constraints or ongoing compliant performance. Documenting these decisions helps manage expectations and supports continuity if personnel change.



**There is a risk that you may misinterpret the contract or that other parties may have different interpretations (see contract review guidance).**  
**You will need understand this risk and manage it.**  
**The contract is always authoritative.**



**Make a note in the CMP to flag where you decide not to exercise your rights or other good practice activities with a rationale and review date.**

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## 2.4 Check for alignment and deliverability

Before finalising each section of the CMP, ask:

- Does it align with the CM strategy?
- Can the ICF realistically deliver this with current resources?
- Are the governance arrangements clear and proportionate?
- Have we captured both what we will and will not do?

If the answer to any of these is 'no', consider whether the CM strategy, CMP, ICF or governance need adjusting or flag the issue for escalation.

## 3. Using and maintaining the CMP

Once developed, the CMP becomes a key operational tool. It should be used actively to guide day-to-day activities, support decision-making and ensure continuity over the life of the contract.

## 3.1 Who should use the CMP

The CMP should be accessible to everyone within the contracting authority who is involved in managing or overseeing the contract. This includes:

- Members of the ICF, including contract managers, commercial, legal, finance, estates and operational leads.
- Senior responsible owners (SROs) and escalation points.
- External advisers or consultants supporting contract management, where appropriate.



**The CMP should be used as a shared reference point across the team, not just a document held by the contract manager.**

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## 3.2 How the CMP supports day-to-day contract management

The CMP is a practical tool that supports the daily work. It helps ensure that everyone is working from a shared understanding of how the contract is managed. For example, the CMP can help you:

- **Plan and run meetings:** By setting out the agreed governance structure, meeting cycles and escalation routes.
- **Track key dates and obligations:** Such as benchmarking reviews, expiry milestones or lifecycle works.
- **Respond to issues and changes:** By referring to agreed processes for managing disputes, variations or underperformance.
- **Onboard new team members:** By providing a clear overview of the contract, roles and current priorities.
- **Coordinate across functions:** By clarifying responsibilities and handoffs between commercial, legal, finance and operational leads.



**Use the CMP as your first reference point when planning actions, reviewing performance, or preparing for key events. It helps ensure consistency, avoid duplication, and reduce the risk of missed obligations.**

## 3.3 Reviewing and updating the CMP

The CMP should be reviewed and updated regularly to ensure it remains accurate, relevant and aligned with the contract's current status and priorities. Updates may be triggered by:

- Contractual changes (e.g. variations, refinancing, expiry planning).
- Shifts in strategic direction or governance arrangements.
- Lessons learned from performance issues or disputes.
- Changes in personnel or ICF capacity.

A version control table should be maintained to track updates and ensure users are working from the most current version.

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## 4. What should a CMP include?

The table below sets out the recommended structure for a CMP. It is designed to act as both an introduction and a quick reference for contract managers who are considering or actively developing a CMP. The CMP should be treated as a living document, not every section needs to be completed at once. The structure is intended to be flexible and scalable, allowing you to prioritise the most relevant sections based on your contract’s current phase, complexity and risk profile.

Use this table to:

- Understand the core components of a CMP.
- Identify which sections are most relevant to your current needs.
- Guide the phased development and ongoing refinement of your CMP.

No.	Title	Section purpose
1	Introduction and purpose	Explains the role of the CMP, its relationship to the CM strategy and how it supports effective contract management.
2	Contract summary and overview	Provides a concise overview of the contract, including key facts, parties, structure and milestones to support continuity and orientation.
3	Governance, roles and stakeholder interfaces	Describes governance structures, roles, responsibilities and how decisions, risks and issues are managed and escalated. Also see Governance Guidance.
4	Intelligent client function	Defines the ICF and its role in enabling the contracting authority to act as a strategic, informed and empowered client. Also see ICF Guidance.

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## Section 4 continued

No.	Title	Section purpose
5	Stakeholder engagement and communications	Outlines how the contracting authority engages with stakeholders and uses feedback to inform performance and service improvement.
6	Knowledge management and continuity planning	Sets out how contract knowledge is retained, shared and used to support continuity, onboarding and resilience.
7	Management information and contracting authority information rights	Describes the contracting authority's rights to receive and request information and how management information is used to support contract delivery and oversight.
8	Performance management	Describes how service performance is reported, monitored, assured and managed to ensure delivery, accountability and value.
9	Asset and environmental management	Explains how the contracting authority oversees asset condition, lifecycle planning and environmental performance.
10	Operational risk, contingency planning and service continuity	Details how operational risks are managed and how continuity is maintained during disruptions or emergencies.
11	Financial management	Describes how the contracting authority manages the unitary charge, deductions, financial controls and audit requirements.
12	Refinancing	Outlines the contracting authority's rights and processes for managing refinancing events including ensuring transparency and gain share.
13	Change management and variations	Sets out how changes are initiated, assessed, approved and recorded under the contract.
14	Benchmarking, market testing and value for money	Describes how value testing mechanisms are used to assess and improve service efficiency and cost-effectiveness.

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## Section 4 continued

No.	Title	Section purpose
15	Legal and regulatory compliance	Explains how the contracting authority monitors and enforces compliance with legal, statutory and regulatory obligations.
16	Contractual protections	Summarises key protections such as warranties and indemnities, and how they are monitored and enforced.
17	Insurance management	Describes how the contracting authority oversees insurance obligations, renewals and claims processes.
18	Land, lease and property arrangements	Summarises land and property arrangements, including ownership, access and third-party interfaces.
19	Contractual interfaces and dependencies	Identifies key third-party agreements and how dependencies are managed to ensure coordination and continuity.
20	Workforce and employment matters	Describes how workforce continuity, TUPE and employment obligations are monitored and managed.
21	Intellectual property and information management	Sets out how IP, data and digital systems are managed, including compliance with data protection and FOI.
22	Dispute resolution	Describes the contractual dispute resolution process and how disputes are managed operationally and at expiry.
23	Exit, termination and handover planning	Outlines how the contracting authority plans for expiry or early termination, including asset handback and service continuity.