Contract Administration Points to Consider

Checklist

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Contract Administration Points to Consider - Route 2 & Route 3

What you Need to Do	Points to Consider
Administration of the contract is important Contract administration is concerned with the mechanics of the relationship between the customer and provider. Its importance should not be underestimated. Clear administrative procedures ensure that all parties to the contract understand who does what, when and how.	The elements that need managing are likely to include: Contract maintenance and change control Notice periods, contract closure or termination. (Please note: you cannot terminate a contract with the aim of avoiding procurement rule obligations). Charges and cost monitoring Ordering procedures Payment procedures Budget procedures Resource management and planning Management reporting Asset management

Maintain the contract documentation. The contract will have to evolve to reflect Establish procedures to keep contract changes in arrangements. documentation up pto date (including how to store/archive documentation). Contract maintenace means keeping the documentation up to date and relevant to what Ensure all contract documents are is happening on the ground. consistent, and that all parties have the correct version. Maintaining contract documentation is an important activity. Appropriate structures need to be in place with representatives of both customer and supplier management for reviewing and authorising change requests. Changes must be controlled Be careful that changes do not fall outside the scope of the original advertisement and conflict with procurement regulations – seek advice if you are unsure. Changes to services, procedures or contracts may have an effect on service delivery, performance, costs and on whether the contract represents value for money. The specification It is particularly important that additional and administration of change control is an demands on the supplier should be carefully important area of contract administration. controlled.

Formal authorisation procedures will be

required to ensure only those new requirements (that can be justified in business terms) are added to the service.

	Requirements for service performance reports and management information should be built into the contract and confirmed at the tender stage.
Make sure management understands what is happening	Where possible, use should be made of your Organisation's own management information and performance measurement systems.
Management reporting procedures ensure that information about contract problems reache those with power to act as soon as possible.	For many business managers a summary of the service they have received along with a note of exceptions is normally sufficient.
	Information requirements may change over the life of a contract.

Blank rows are provided for your use e.g. to add additional checklist items.