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 changes in arrangements. Contract maintenace means keeping the documentation up to date and relevant to what is happening on the ground. Maintaining contract documentation is an important activity.	Establish procedures to keep contract documentation up pto date (including how to store/archive documentation). Ensure all contract documents are consistent, and that all parties have the correct version.	
Changes must be controlled 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 and administration of change control is an important area of contract administration.	Appropriate structures need to be in place with representatives of both customer and supplier management for reviewing and authorising change requests. 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. It is particularly important that additional demands on the supplier should be carefully 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.	

Make sure management understands what is happening Management reporting procedures ensure that information about contract problems reache those with power to act as soon as possible.	Requirements for service performance reports and management information should be built into the contract and confirmed at the tender stage. Where possible, use should be made of your Organisation's own management information and performance measurement systems. 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.