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|  |

Contract Management Plan (CMP) Detailed

[Insert supplier(s) name]

[Describe goods/services e.g. Travel Services]

#

# Document history

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Version** | **Date** | **Status** | **Key changes made** | **Author/s** | **Reviewer/s** |
| 1.0 | 12/08/23 | Initial Draft |  | Elaine Todd |  |
| 1.1 |  |  |  |  |  |
| 1.2 |  |  |  |  |  |

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# Introduction

This document describes how contract(s) between *[insert name of organisation]* *(“****organisation****”) and [insert name(s) of supplier(s)]* for the supply of *[insert the services/goods]* will be managed:

The main objectives of this document are to provide:

* a definition of supplier and organisation responsibilities
* a point of reference for the current management of the goods/services, governance process, KPI measurement, reporting tools and risk assessment
* a clear and current definition of the services and service levels provided by the supplier.

**Document owner:** This document is owned by the contract manager who is responsible for ensuring that it is maintained.

**Document review:** The contract manager reviews this contract management plan (CMP) with key stakeholders on a regular basis to ensure that it continues to reflect the services required and provided. Where changes to existing goods, services or processes are identified and subsequently approved, this document will be amended to ensure its currency.

The main drivers for changes will come from variation requests from stakeholders, the supplier, sourcing and associated KPI updates. The processes for managing these different types of variations are described in section 12.

**Document changes:** Changes to this CMP are made by the contract manager and recorded in the contract variation area in section 12. This document should be modified to reflect particular contract arrangements and may include such matters as incentive arrangements, warranties management, release mechanisms and communication arrangements.

**Document use:** This document does not replace the contract(s). It is the primary reference document in the routine management of goods/services provided by the supplier to the organisation. This reflects the organisation’s desire to build meaningful relationships with the supplier and to ensure the contract(s) provide the value envisaged by both parties at the start of the contractual relationship.

# Scope of goods/services

The organisation has contracted the supplier(s) to provide *[insert brief description of the scope of goods/services being provided].*

This CMP describes how the following contract(s) will be managed:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Supplier name/ ABN | Contract title and no. | Start date | End date | Review date |
| *[insert]* | *[insert]* | *DD/MM/YY* | *DD/MM/YY* | *DD/MM/YY* |

**Products and Services and documents that form part of the Contract**

The scope of services to be performed in the contract(s) can be outlined as follows:

*[Insert the Products and Services and documents that form part of the Contract as described in the contract]*

This CMP helps manage the relationship between the organisation and the supplier. KPIs have been agreed for the supplier(s) to meet in providing the [*goods/services]* (see section 8).

*Benchmark Answer:*

Licensed Software: Clinic to Cloud's Electronic Medical Record (EMR) system, including implementation and ongoing support and maintenance services.

Software Support Services: Technical support and maintenance services for the EMR system.

[ ]  Hardware

[ ]  Hardware Maintenance Services

[x]  Licensed Software

[x]  Software Support Services

[ ]  Developed Software

[ ]  As a Service

[ ]  ICT Professional Services

***Documents***

*In accordance with clause 1.3(f) of the General Contract Conditions, the following documents are incorporated into the Contract by reference:*

*(a) Customer's Request for Quote (RFQ)*

*(b) Supplier's Response to the RFQ*

*In the event and to the extent of any inconsistency between the terms of the above documents, the order of hierarchy in descending order will prevail.*

# Price and Payment

*[insert Maximum Price as per the contract]*

*Benchmark Answer:*

***Maximum price***

*The maximum total Price for this Contract is $35,000. This amount may not be exceeded except as expressly stated in the Contract, unless the Customer consents.*

## Price breakdown

*[insert details of price breakdown]*

*Benchmark Answer:*

*Price breakdown:*

* + *Implementation costs: $30,000*
	+ *licensing fees: $1,700 (yearly fee)*
	+ *ongoing support and maintenance costs: $3,300 (yearly fee)*

## Insurances

All insurances required under the contract are listed below:

***Assessor Instructions****: Students will need to list the following insurances:*

* *Workers Compensation Insurance*
* *Public liability and products liability insurance minimum amount*
* *Professional indemnity insurance minimum amount*
* *Other insurances.*

*The expiry date will need to align with the information provided in the contract of minimum period of insurance: four years after the Contract ends.*

|  |  |  |
| --- | --- | --- |
| Insurance type | Expiry date | Review date |
| *e.g. Professional Indemnity* | *DD/MM/YY* | *DD/MM/YY* |
|  |  |  |
|  |  |  |

**Table 2: Insurance details**

## Bank guarantees or other securities

Bank guarantees or other securities required under the contract are listed below:

*[insert bank guarantees or other securities information here].*

*Benchmark Answer:*

*The Supplier is required to provide a performance guarantee in the form of a bank guarantee or equivalent instrument in the amount of 10% of the total contract value, which shall be valid for the duration of the Contract. The bank guarantee or equivalent instrument shall be provided to the Customer within 30 days of the Contract being executed.*

1. **Relationship structure**

## Key contact information

The contact information of responsible persons associated with this contract is listed below.

***Assessor instructions:*** *Students will need to insert or the contact information provided in the contract, including themselves.*

|  |
| --- |
| Queensland Government |
| Name | Title | Address | Phone | Email |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

**Table 4: Queensland Government key contact information**

|  |
| --- |
| [Insert Supplier Name] |
| Name | Title | Address | Phone | Email |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

**Table 5: Supplier key contact information**

## Roles and responsibilities

The roles and responsibilities of the organisation and the supplier in managing contracts under this CMP are described in the roles and responsibilities matrix in **Appendix A.**

The roles and responsibilities matrix outlines the roles of individuals against various tasks or deliverables. In the matrix:

* **Responsible**: means those responsible to do the work to achieve the outcome required
* **Accountable**: means those who authorise the work and who are ultimately accountable for the correct completion of the work
* **Consulted**: means those who are consulted about the work at various stages of progress
* **Informed**: means those who are kept informed about the work.

# Key Performance Indicators (KPIs)

## 8.1 Objectives

The objectives of formulating KPIs are to:

* document and manage the key measures of performance for the operational services to enable the supplier to focus on the operational deliverables that are important to the organisation
* set goals for performance for both parties which reflect the need to deliver the agreed KPIs and the interdependencies between the parties in meeting KPIs
* provide a mechanism for calculating service debits/credits or liability share arrangements for suboptimal performance against KPIs or for awarding bonuses that may be payable for excellence.

## 8.2 Contract KPIs

|  |
| --- |
| ***User notes:*** *Complete the table below for each KPI that is being measured under the contract* |

***Assessor instructions:*** *Students will need to create five (5) tables for all the KPIs included in the contract.*

The KPIs specified in the contract(s) are listed on the following pages. Each table contains:

|  |  |
| --- | --- |
| Field | Area the KPI falls into (e.g. cost, service, quality etc.) |
| **KPI name** | Name of KPI being measured |
| **Description** | Description of why KPI is being measured |
| **Notes:** | Description of what KPI is measuring |

**Table 8: KPIs**

## 8.3 KPI reporting

KPI reports are created and adapted to reflect meeting schedule requirements and ad-hoc reporting requirements. Reports can be compiled using the supplier scorecard and minutes from meetings. The report should track specific service failures with actions discussed in the supplier meeting and minuted for action or monitoring in subsequent supplier meetings.

These provide a formal record of actual performance levels provided to the organisation over the previous period for all KPIs. The reporting includes the KPIs and the following information:

* areas of service issues or failures and immediate actions taken to minimise the impact to customers in the event of a service failure
* areas where issues have been resolved
* planned actions to prevent further occurrences of similar problems—both from the supplier and the organisation
* additional actions discussed
* value-added services provided
* continuous improvement activities undertaken by the supplier
* other information about significant events affecting the supplier.

The contract manager reviews the reports and escalates internally where necessary.

# Risk management

The contract(s) (and consequently supplier relationship) has been assessed as using the value/risk matrix.

A risk assessment has been completed for the goods/services purchased under the contract. *[If a risk assessment has been completed specific to this contract/supplier then insert “A risk assessment has been completed for the specific contract(s)/supplier(s) that are the subject of this CMP.”]*

***Assessor instructions:*** *Students will need to update the section above as per the instructions, since a risk assessment has been completed for the specific contract/supplier.*

A copy of the Risk Management Plan is **included** in **Appendix** **B**.

The contract manager is responsible for reviewing the risk assessment, in particular to assess any changes to the supplier’s financial health, disaster recovery plans, or other risk categories identified as moderate to high in impact or likelihood. This review takes place at least once a year, and preferably more frequently for key and critical suppliers.

# Contract variation

Use the contract variation process to assess all contract variations. This process ensures all proposed variations are subject to hierarchical consideration, particularly around key elements of:

|  |  |
| --- | --- |
| * historical performance
* business needs
 | * technical specification
* commercial impact.
 |

It also includes the requirement to review:

|  |  |
| --- | --- |
| * pricing
* associated KPIs
 | * risk
* organisational financial and procurement delegations.
 |

Check who is required to approve the variation (depending on whether it involves a change of risk, term or contract value), in accordance with delegated authorities and authorisation.

## 13.1 Contract variation process

If a variation is required, the following steps need to be taken:

* a meeting will be required to discuss the need for the change to the contract
* the person responsible will create a variation letter with all the details and send it to all relevant stakeholders as identified in the contract
* The section 13.2 Contract variation agreed or in progress will need to be updated

## 13.2 Contract variations agreed or in progress

The following table lists all the agreed / in progress contract variations

***Assessor Instructions:*** *The students will need to insert the variation details in the table below. The variation will need to align with the information provided in the Letter of Variation. Students will need to specify the change in the delivery of the Patient Engagement Feature.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Variation description | Date raised | Status | Date agreed / rejected | Additional comments |
| *The change to the contract or CMP* | *[DD/MM/YY]* | *[e.g. in progress/ agreed/ rejected* | *[DD/MM/YY]* | *[insert]* |
|  |  |  |  |  |

The contract manager and category manager review the CMP on a regular basis to ensure that it continues to reflect services provided.

Where changes to existing services or processes are identified and subsequently approved, the guide will be amended. The contract manager will ensure this document is maintained and published as directed and version control is up to date.

# APPENDIX A – ROLES AND RESPONSIBILITIES

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | Responsible | Accountable | Consulted | Informed |
| ***Contract administration******(mandatory)*** | Update contract database | *Students will need to identify themselves* | *Students will either identify themselves or on of the people in the legal department. (Tha same applies in every row)* | *Students will either identify one or more of the Managers from the Org. Chart or they might mention external stakeholders. (Tha same applies in every row)* | *Students will need to identify one or more of the Managers from the Org. Chart. (Tha same applies in every row)* |
| Communicate contract changes | *Students will need to identify themselves* |  |  |  |
| Manage contract reporting | *Students will need to identify themselves* |  |  |  |
| ***Contract management******(mandatory)*** | Own contract through life | *Students will need to identify themselves* |  |  |  |
| Ongoing management of supply | *Students will need to identify themselves* |  |  |  |
| Approve contract variations | *Students will need to identify themselves* |  |  |  |
| Contract extensions, renewals or terminations | *Students will need to identify themselves* |  |  |  |
| ***Performance delivery******(mandatory)*** | Manage operational delivery | *Students will need to identify themselves* |  |  |  |
| Collate SLA/KPI outcomes | *Students will need to identify themselves* |  |  |  |
| Lead supplier performance reviews | *Students will need to identify themselves* |  |  |  |
| ***Service quality*** ***(if relevant)*** | Check service quality | *This sections is not required but the students can either identify themselves as responsible or staff from the IT Department* |  |  |  |
| Maintain specifications | *This sections is not required but the students can either identify themselves as responsible or staff from the IT Department* |  |  |  |
| Approve alternate work methods | *This sections is not required but the students can either identify themselves as responsible or staff from the IT Department* |  |  |  |
| ***Contract management plan*** | Prepares CMP | Elaine Todd, Manager of Legal |  |  |  |
| Reviews and approves CMP | Elaine Todd, Manager of Legal |  |  |  |
| Communicates CMP | Elaine Todd, Manager of Legal |  |  |  |
| ***Communication******(optional)*** | Train/communicate with stakeholders about contract and CMP | *Students will need to identify themselves* |  |  |  |

The RACI contains an area to include the person 'Responsible', 'Accountable', 'Consulted' and 'Informed' for each activity. Fill in the name of the role which corresponds to whether the role is 'Responsible', 'Accountable', 'Consulted' or 'Informed' for the specific RACI activity. Delete any sections that do not apply.

# APPENDIX B – RISK ASSESSMENT

*[Insert/attach copy of the Risk Management Plan relevant to the contract]*