

Contract management

1. Purpose

This procedure describes the processes for management of contracts undertaken on behalf of Darling Downs Hospital and Health Service (DDHHS).

2. Scope

This procedure applies to the formation and management of all agreements with internal and external parties that are described as in-scope by the DDHHS Contracts Management Policy working in/with the DDHHS.

3. Procedure

Activity relating to contracts will be described in the following areas:

- administration
- management
- governance
- reporting.

3.1 Contract administration activity

Contract administration activity relates to the support activity directed at recording contracts and ensuring that milestones and other important contract deliverables and reviews are notified to the responsible Operations Manager in a timely manner that ensures proper management of the contract occurs.

3.1.1 Recording

All contracts will be recorded in the central contracts administration system, Q Contracts. Q Contracts is a comprehensive contracts administration system that records all Health contracts and will be used as the single repository for all contract details whether State wide,

Service specific or contracts entered into by individual hospitals, business units or operating divisions of the DDHHS.

After contracts have been executed by the Health Service Chief Executive (HSCE) or any other authorised contract signing delegate, the details of the contract will be entered into Q Contracts by a nominated Contract Administration Officer, from within the Commercial Management Unit (CMU).

The Contract Administration Officer will enter all relevant details of the contract into the Q Contracts system. In particular, care must be taken to guarantee that the contract milestones, deliverables, review dates and other actions required in relation to the contract are identified and entered with appropriate lead time on the bring up dates to ensure that proper management action is enabled.

Administrative Support Officers to the authorised contract signing delegate have responsibility for ensuring that a copy of the signed contract (in electronic form) is sent to the nominated Contract Administration Officer in the CMU and that a copy is retained for the reference of the delegate.

The nominated Contract Administration Officer in the CMU will distribute final copies of the fully executed contract to all relevant stakeholders, external and internal, including the relevant finance support staff.

3.2 Contract management activity

Contract management activity relates to the actions of the nominated Operations Manager for each contract directed towards making sure that at every step of the contract lifecycle the interests of the DDHHS are actively managed and protected.

3.2.1 Responsibility for contract management

The Operations Manager of the unit engaging in the contract will be responsible for ensuring that all contracts are managed. The terms 'Operations Manager' and 'Contracts Manager' will therefore be interchangeable from the perspective of the DDHHS policy and procedure.

In the process of creating contracts, the Operations Manager may nominate a responsible officer from the operating unit to perform the contract management actions. It is the role of the Operations Manager to monitor the contract and ensure that the nominated goods or services are delivered and the DDHHS receives these at the agreed price and in accordance with any other provisions outlined in the contract. For revenue contracts the Operations Manager will ensure that revenue generated through the contract is received and that pricing is escalated in accordance with the contract.

Q contracts will deliver notifications by email to the Operations Manager and the CMU that actions, milestones or other deliverables are required by the contract. It is the responsibility of the Operations Manager to ensure that appropriate action is taken.

3.2.2 Role of commercial management

During the procurement stage, the CMU will ensure that proper due diligence has been undertaken to review options and make a formal assessment of the financial impacts upon the business. When required, formal due diligence of partners will be undertaken to protect the service from the risk of entering into arrangements that are not sustainable into the future. The Service Commercial Lawyer (or Executive Director Legal and Governance in their absence) will provide advice as to the legal aspects of such a due diligence process.

The CMU will not recommend contracts for signature unless they are satisfied that there has been proper exercise of financial and procurement delegations leading up to the creation of a contract.

The CMU or Contracts Officer from Strategic Procurement and Supply (SPS) will provide a support service to the Operations Manager for each contract.

The support services will include but not be limited to:

- receiving notifications of relevant dates from Q Contracts
- liaising with the Operations Manager in relation to any notifications and providing advice and guidance so that all contract requirements are met

- liaising with the Operations Manager to prepare agendas and other relevant material for contract management meetings which may be required under the contract, including a review of performance against KPIs, contract complaints etc
- liaising with the Operations Manager to ensure that a comprehensive review of contract performance is performed in the lead up to the end of each contract, to determine the appropriate action either to roll over, renew on amended terms or go to market for a new provider
- ensuring that procurement is aware of any contract management issues so that subsequent procurement documents build in the requirements of the Operations Manager to improve the contract and the performance of future contractors
- working with the Operations Manager to develop meaningful Key Performance Indicators (KPIs) and deliverables that ensure the Operations Manager has the ability to appropriately manage the contract throughout its term
- ensuring that issues experienced by the DDHHS in regard to state wide contracts for goods and services are escalated to the appropriate level and corrective action is taken up with the supplier
- ensuring that revenue is received and that price escalation milestones are acted upon
- ensuring all correspondence and notices are sent, received and dealt with in accordance with records management standards as described in the policy.

The DDHHS will use Q Contracts for the records management of all documents created during the procurement and contract management stages. The mandatory periods for retention of agreements are defined in the Queensland State Archives General Retention and Disposal Schedule for Administrative Records in conjunction with the *Public Records Act 2002*. The DDHHS will adopt these standards for record retention.

After original contracts have been signed by the HSCE, the Executive Support Officers (ESOs) will create an electronic copy of the contract which will be distributed to the owner of the contract for their reference in the ongoing management of the contract and to the CMU

so that the Contract Administration Officer can record the details in the Q Contracts system and upload a copy of the contract for future reference.

The original signed version of the contract will be retained and filed by the ESOs.

Q contracts will deliver notifications by email to the Operations Manager and the CMU that actions, milestones or other deliverables are required by the contract. It is the responsibility of the Operations Manager to ensure that appropriate action is taken.

3.3 Contract governance activity

Contract governance activity is directed at making sure that the interests of the DDHHS are protected through ensuring that all contracts are appropriately reviewed, agreed and signed by an officer who has an appropriate delegation to sign contracts on behalf of the DDHHS.

The Darling Downs Health Board will be responsible for approving the contract signing delegation of the HSCE and provide authority for the sub-delegation of contract signing authority.

The HSCE will sub-delegate authority throughout the Hospital and Health Service by signing an instrument of delegation. Contract signing delegations will be reviewed annually and published on QHEPS as part of the overall DDHHS Delegations framework.

Contracts that require the authorisation of the Board, such as the Service Agreement with the State, are to be signed by the Chair, on behalf of the Board, following the Board's endorsement of the agreement.

Records management of contract documents will be in accordance with the *Public Records Act 2002*. In conjunction with this Act mandatory periods for retention of agreements are defined in the Queensland State Archives General Retention and Disposal Schedule for Administrative Records. The DDHHS has adopted these standards for record retention.

Many contracts contain clauses that allow for the extension of the term of the contract. Where a contract is to be extended for a further period on the same terms and conditions a fresh contract is not required to be executed and a notice in writing is usually required. This requires the exercise of a financial delegation only, as the service is being committed to meet the expenditure for a further period. The financial delegation required is sufficient to cover all payments for the extended period of the contract. The extension of an existing contract does not require the exercise of either a procurement delegation or a contract signing delegation.

To renew an existing contract on terms other than those agreed in the original contract will require a fresh contract to be signed or a Deed of Variation. This will require the exercise of a contract signing delegation as well as the financial delegation.

If an existing contract expires (even if it had clauses that allowed for its extension) a fresh contract will be entered into by the service. This will protect the service from any potential claim in the future. Unlike the extension of an existing contract on the same terms, to sign a fresh contract requires the exercise of a contract signing delegation and a financial delegation.

3.3.1 Risk management

The DDHHS should only enter an agreement after the following issues have been addressed:

- the adequacy of DDHHS's insurance provisions including coverage for indemnities (consult with DDHHS Commercial Lawyer (or Executive Director Legal and Governance in their absence) for advice regarding insurance)
- in the case of contracts, the inclusion of performance management strategies within the terms of the contract (e.g. using performance targets or milestones as triggers for payments, including the use of an agreed supplier service level agreement (SLA) or KPIs in contracts)
- in the case of revenue contracts, that there are clear mechanisms for the escalation of pricing included in the contract and reference is made to the DDHHS Collections Policy

- in the case of contracts, an expiry or termination date is specified
- in the case of Memorandum of Understandings (MOUs), a timeframe is specified after which review of the arrangement should be undertaken
- any risk to reputation if the agreement fails for any reason, or any impacts on other potential business suppliers or educational partners
- the need for due diligence checks (such as credentialing or accreditation) in relation to the other party or parties to the agreement
- the documents to be signed are in an appropriate form, comply with any legal formalities and contain standard terms and conditions (see below).

Risk is mitigated when the legal effect of the agreement is clear from its terms. For instance, if an arrangement is intended to be or is legally binding, it must never be referred to as an MOU. If the document is diplomatic or strategic only, it must always be referred to as an MOU and must include a clause or specific statement to the effect that it is not intended to create any legally binding obligations.

Risk is also reduced significantly when a contract contains standard terms and conditions to ensure all relevant matters are addressed and to aid in interpretation. DDHHS should use the standard terms and conditions of contract, developed for whole of government use, at all times.

In low or medium risk contracts, non-standard contractual terms and conditions should be compared against the standard group of contracts available and DDHHS standard terms added where necessary.

All contracts will be reviewed by DDHHS Commercial Lawyer (or Executive Director Legal and Governance in their absence) prior to execution by the authorised contract signing delegate.

If any party proposes that there is a departure from the standard terms and conditions, this should not be done without the advice of the DDHHS Commercial Lawyer (or Executive Director Legal and Governance in their absence).

The CMU will highlight to DDHHS Commercial Lawyer (or Executive Director Legal and Governance in their absence) and seek advice in particular where:

- significant legal issues are involved (ie, where a guarantee is given or if there is an exclusion or limitation of liability by the other party in respect of breaches of the agreement or for negligence)
- the contract is complex or high risk (ie, relating to intellectual property, contracts) and if the other party has proposed non-standard or non-DDHHS mandated terms and conditions
- it is not clear whether the proposed agreement is legally binding or requires formalities for execution
- in the case of high risk or complex contracts, the contract terms and conditions have been developed or provided by the other party.
- Advice on all procurement or other commercial contracting activities should be directed to the Director, Commercial Management.

A key aspect of managing risk during the performance of the agreement is the appointment of a designated Operations Manager for each contract. This will usually be the business unit or operational division manager of the entity that is using the goods or services provided under the contract. The responsibilities of the Operations Manager are listed in the Contracts Management procedures document.

Additionally, the use of appropriate records management strategies for retention of the contract or agreement documentation (records of negotiations, the signed document and later interactions with the other party or parties to the agreement) is essential in controlling risk. The CMU will retain an original copy of all contracts and shall distribute electronic copies to the Operations Manager and the CMU.

The Operations Manager shall retain the copy for purposes of managing the relationship with the other party or parties.

The CMU will manage all contract associated documentation within Q Contracts.

3.4 Contract reporting activity

Contract reporting activity is the process of providing appropriate reports to managers and executive management within DDHHS to enable them to monitor the performance of DDHHS in managing contracts.

Many contracts contain deliverables, such as reports, that are required as part of contract activity. Before the commencement of the contract, the deliverable reports will be recorded in Q Contracts, so that due dates for report reminders will be generated. The Contract Manager will then have responsibility for completing the reports or following up with the contractor to ensure that the deliverable report is received.

The Board and Executive of the DDHHS will from time to time, require reporting in relation to specific contracts and contracts as a whole. Responsibility for these reports will fall to the officer designated at the time the report is requested.

3.5 Contract lifecycle

The contract lifecycle either begins when there is a need identified or a decision is made to acquire goods or services from outside of the DDHHS. The lifecycle can be described in a number of stages:

- procurement
- contract finalisation
- contract commencement
- contract transition
- contract management
- contract review.

3.5.1 Procurement

The procurement stage is where goods or services are being sought and the risks of the procurement activity need to be identified and if possible, addressed through amendments to the standard form of contract or embedded as requirements within the specification.

3.5.2 Contract finalisation

Once the goods or services have been procured there are at times, post award negotiations, agreement of KPIs and other deliverables (such as reports) that are required to be provided during the life of the contract. In contract finalisation these are identified and incorporated into the final contract.

3.5.3 Contract commencement

Once the contract is signed and reaches its commencement point, the various milestones, deliverables and management reviews are identified and incorporated into a contract management plan (for significant contracts). These are all entered into Q Contracts, so that reminders are sent for follow up action.

3.5.4 Contract transition

Transition to service needs to be actively managed to ensure that the service interface is efficient and effective. The type of activity varies depending on the services, for example, if the transition is from an in-house service or from one external contractor to another.

3.5.5 Contract management

Contract management is the active management of the obligations under the contract, of both parties and ensuring that the goods or services are received in accordance with the contract and that the pricing used in billing the goods and services is also in line with the negotiated pricing. Regular meetings with contractors to discuss performance should be a feature of any significant contractual arrangement.

3.5.6 Contract review

Contract review takes place towards the end of the contract. It is recommended, this should start six (6) months before the contract expires so that the review can feed into the decision of whether the contract will be extended, renewed on revised terms or re-tendered to a competitive market. This is due to the fact that a significant procurement process can take up to 3 months to conclude.

4. Primary policy

- [Finance and resource management \(2.2\)](#)

5. Related policies, procedures and work instructions

- Nil

6. Supporting documents

- [Financial Accountability Act 2009](#)
- [Financial and Performance Management Standard 2009](#)
- [Financial and Performance Management Standard 2019 – Subordinate Legislation 2019 No.182 made under the Financial Accountability Act 2009](#)
- [Public Sector Ethics Act 1994](#)
- Queensland Government State Procurement Policy

7. Related standards

- ISO 9001:2015 Quality Management System

8. Related values

- Integrity
- Innovation

9. Definitions

Term	Definition
Contract Administration Officer	Any officer of DDHHS who has been trained to enter contract details into the Contracts Administration System, Q Contracts.
Operations Manager	An Operations Manager is any Officer of the DDHHS who has management responsibility in relation to any aspect of the operations of DDHHS e.g. COM, NUM, Director, MOS etc
Contract Manager	The Contract Manager is the person nominated in the Procurement process to manage the contract. This will be the Operations Manager of the Unit that receives the benefit of the goods or services. Contract Manager and Operations Manager are interchangeable terms.
Procurement Officer	An officer of the DDHHS or Queensland Health who is responsible for supporting the procurement of Goods and Services at DDHHS.
Contract Management	Contract Management is a life cycle which includes minimising risk in the procurement process, usually commencing with a tender and selection of a supplier, pricing and negotiating the terms and conditions, ensuring compliance with the terms and conditions, as well as documenting and agreeing on any changes that may arise during its implementation or execution. It can be summarised as the process of systematically and efficiently managing contract creation, execution, and performance as part of the procurement life cycle.
Contract Milestones	Milestones are the dates on which events within the service contract are due. A milestone might be a date on which one of the deliverables is due or a date on which a contract requirement such as a review meeting or revised pricing needs to be negotiated.
Contract Deliverables	Deliverables are things that the provider of the goods and services is required to provide other than the goods and services themselves. Deliverables include reports that are required to be submitted by the contractor, models or prototypes required before the final product is

	delivered or any other system that is required to ensure the delivery of the service.
Contract KPI's	Key performance indicators are the measures that will reflect if the delivery of goods or services to the standard required and determined in the establishment of the contract.
Governance	Governance outlines who has responsibility and authority to make decisions and ensures there is clearly defined accountability. It is the link between, and support for, the decisions made by responsible officers to deliver the contract and its outcomes.
Financial Delegation	A Financial Delegation is part of the internal control framework of the DDHHS and is an authority that is passed to an individual from the DDHHS Board. A person who holds a Financial Delegation has authority to commit the DDHHS to an item of expenditure. Financial delegation usually rests with a budget owner and is the means by which they enact expenditure within that budget.
Procurement Delegation	A Procurement Delegation is part of the internal control framework of the DDHHS and is an authority that is passed to an individual from the DDHHS Board. A person who holds a Procurement Delegation has the authority to permit an approach to market to buy goods and services in the manner requested. Because you should not approach the market without the money to purchase from the Offers received, Financial Delegation should always be exercised before the exercise of a Procurement Delegation.
Contract Signing Delegation	A Contract Signing Delegation is part of the internal control framework of the DDHHS and is an authority that is passed to an individual from the DDHHS Board. A person who holds a contract signing delegation has authority to commit the DDHHS to a contractual relationship for the supply of goods and services. Contracts may be for more than one instance of service and may commit the Service to an extended term. All contracts should be appropriately reviewed through Commercial Management and the

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	Service Commercial Lawyer (or Executive Director Legal and Governance in their absence) before execution.
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10. Procedure revision and approval history

Executive Sponsor		Chief Finance Officer			
Author		Director Commercial Management			
Approval Authority		Corporate Services Improvement Committee (CorpSIC)			
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2.0	23/09/2014	23/09/2014	Health Service Chief Executive	2nd version	23/09/2017
3.0	18/05/2020	18/05/2020	CorpSIC	3 rd version	18/05/2023

Name: _____

Signature: _____

Chair: Corporate Services Improvement Committee

11. Appendices

- Appendix A — Roles and responsibilities

Appendix A — Roles and responsibilities

Stage	Operations Manager (Contract Manager)	Commercial Management Unit (Procurement Officer)	DDHHS Commercial Lawyer
Procurement	The Operations Manager will usually identify the need to procure and will engage with the Commercial Management Unit to develop the strategy and documentation for procuring the goods or services	In the procurement stage the Procurement Officer has the lead role for the development of the documents and strategy to procure the goods or services.	The role of the DDHHS Commercial Lawyer is to provide input and document review.
	The Operations Manager will have input into how they believe the performance of any successful contractor can be monitored and managed. This will lead to the development of KPI's that will form part of the contract and the subsequent Contract Management activity.	The Procurement Officer in consultation with the business manager, will ensure that an effective analysis of risks and issues involved in the procurement is conducted. This analysis will assist in determining what needs to be managed and therefore what KPI's might be appropriate for managing the contract.	
		The Procurement Officer will develop a Procurement Plan and supporting documents to go to market to procure the goods or services.	The DDHHS Commercial Lawyer will provide review of the documents to ensure they are appropriate and fit for purpose and cover all legal requirements, including the appropriateness of any proposed KPI's and any proposed variations to contract that are being incorporated into the offer documents.

Stage	Operations Manager (Contract Manager)	Commercial Management Unit	DDHHS Commercial Lawyer
	<p>The Operations Manager will also give consideration in the procurement stage to any deliverables that will be required in addition to the provision of goods and services. Deliverables will include any reporting requirements, delivery of models or prototypes or delivery of any other system that may be required for delivery of the service.</p>	<p>The Procurement Officer will ensure that the other deliverables required are defined in the offer documents as these requirements may have an impact upon pricing.</p>	<p>The DDHHS Commercial Lawyer will ensure that the deliverables requested are appropriate and do not breach requirements such as privacy laws.</p>
	<p>The procurement stage ends with the award for the provision of goods or services.</p> <p>Where the Operations Manager has the requisite skill and experience, they will complete the Evaluation and Recommendation Report.</p> <p>The Evaluation and Recommendation Report will be approved by all Panel Members prior to being presented to the relevant delegate for exercise of Procurement Delegation.</p>	<p>The procurement stage ends with the award for the provision of goods or services.</p> <p>If the Operations Manager is not confident the CMU will complete the Evaluation and Recommendation Report.</p> <p>The CMU will obtain exercise of the Procurement Delegation where they take responsibility for the preparation of the Evaluation and Recommendation Report.</p>	
Contract Finalisation	<p>In the contract finalisation stage, the Operations Manager would be involved in post award negotiations that will form a part of the finalised contract.</p>	<p>The Procurement Officer will also be involved and work hand in hand with the Operations Manager to negotiate the final position to be reflected in the contract.</p>	<p>The role of the Commercial Lawyer on Contract finalisation is to provide advice on legal issues and document review.</p>

Stage	Operations Manager (Contract Manager)	Commercial Management Unit	DDHHS Commercial Lawyer
	Other issues that need to be finalised, if not already addressed are confidentiality requirements, defining performance measures and KPI's, ensuring deliverables (such as reporting requirements), are defined and incorporated into the contract.		
	Milestones will also be defined and incorporated into the contract.		
	The operations manager should discuss implementation and transition issues with the successful Offeror so that any issues that are required to be built into the contract can be addressed.		
	The Operations Manager will review the finalised draft contract before signature to ensure it is complete and includes all of the negotiated items and the details as per the offer received.	Commercial Management Unit will review the finalised draft contract before signature to ensure it is complete and includes all of the negotiated items and the details as per the offer received.	The DDHHS Commercial Lawyer will review all contracts and provide assurance that all legal issues are resolved, and the contract is ready for execution. This includes ensuring all issues fleshed out during the contract finalisation stage are incorporated into the final agreement.

Stage	Operations Manager (Contract Manager)	Commercial Management Unit	DDHHS Commercial Lawyer
		The CMU is responsible for ensuring that both parties sign the contract including the preparation of a brief to the Contract Signing Delegate, which must also be reviewed and signed by the DDHHS Commercial Lawyer.	The Commercial Lawyer signs the brief to notify involvement in the preparation and review of the Contract.
Stage	Operations Manager (Contract Manager)	Commercial Management Unit	DDHHS Commercial Lawyer
Contract Commencement	The Operations Manager has responsibility for ensuring that the contract is implemented and transition to service is accomplished as smoothly as possible.		
	If contracts are for a significant service, the Operations Manager should develop Contract Management Plan in conjunction with Commercial Management Unit. This includes reviewing the contract to ensure all relevant requirements are embedded in the plan.	The Commercial Management Unit will assist in the development of a contract management plan, if one is required.	

Stage	Operations Manager (Contract Manager)	Commercial Management Unit	DDHHS Commercial Lawyer
	<p>Where a contract is not sufficiently large to warrant a management plan, the Contracts Administration system will be used to effectively manage the contract. The Operations Manager is responsible for ensuring that all relevant management actions are recorded in Q Contracts so that reminders are issued to ensure appropriate management of the contract occurs.</p>		
Stage	Operations Manager (Contract Manager)	Commercial Management Unit	DDHHS Commercial Lawyer
Contract Transition	<p>Consideration of the requirements for a smooth transition to the new contract should have commenced during the planning stage of the procurement and continued as the procurement process progressed.</p>		

Stage	Operations Manager (Contract Manager)	Commercial Management Unit	DDHHS Commercial Lawyer
	Following the awarding of the contract, a meeting will be held between the contract manager and key personnel of the contractor (if required) to: identify issues and risks, and ensure a joint understanding of what is required; agree on the process and timelines that will be followed; confirm key staff and their roles; finalise and agree on the contract management plan; and finalise administrative details.		
	The transition from an incumbent contractor to a new contractor may bring additional issues that need to be addressed in this stage.		
	For large or complex transmissions, the operations manager will develop a contract transition plan, which identifies key issues, risks, tasks, responsibilities, resources, timeframes, policies and procedures	Where a contract transmission plan is required, the Commercial Management Unit will assist in the development of the plan to ensure it is comprehensive.	

Stage	Operations Manager (Contract Manager)	Commercial Management Unit	DDHHS Commercial Lawyer
	<p>Communication is a key element of contract transition and managing the associated changes. Communication in relation to the new contract arrangements should occur with all stakeholders, including: the new contractor; the previous contractor (if relevant); clients impacted by the new contract arrangements; and any other stakeholder (finance).</p>		
	<p>The Operations Manager will monitor progress in the transition to service to ensure that the new contractor is established in time to ensure continuity of service.</p>		

Stage	Operations Manager (Contract Manager)	Commercial Management Unit	DDHHS Commercial Lawyer
Contract Management	<p>The Operations Manager is responsible for the active management of contracts and will lead the process in this stage.</p> <p>Contract management activity includes:</p> <ul style="list-style-type: none"> • checking the progress to ensure contractual obligations are being met; • ensuring payments are made; • ensuring that revenue is received; • inspecting goods/services to ensure that they are of a suitable standard; • holding regular contract management meetings • reviewing contract performance against contract KPI's and against the anticipated benefits of the agreement • maintaining accurate records in relation to dealings with the contractor • advising the contractor of dissatisfaction with performance; • obtaining feedback from clients 	<p>The role of the Commercial Management Unit throughout the contract management phase is to be actively involved in support of the Operations Manager in contract management.</p> <p>Activity includes:</p> <ul style="list-style-type: none"> • receiving notifications of milestones and deliverables due • follow up with the Operations Manager to ensure any support required is provided • assist in the preparation for contract performance reviews • attending meetings (if required) to support the Operations Manager 	<p>The role of DDHHS Commercial Lawyer in contract management is to provide assistance with the interpretation of the contract and take responsibility for any action resulting from the contract, whether by us or against us.</p>

	<ul style="list-style-type: none"> resolving problems immediately they are identified, and escalate if necessary ensuring that any action taken in relation to non-performance and/or non-conformance is in accordance with the conditions of contract 		
		The Commercial Management Unit will receive reminders from the Q Contracts system and will follow up with the Operations Manager involved to provide assistance if needed to action the requirements of the contract.	
Stage	Operations Manager (Contract Manager)	Commercial Management Unit	DDHHS Commercial Lawyer
Contract Review	Prior to the completion of a contract, including where options for extension is available, it is necessary to undertake a review to determine what action needs to be taken in relation to the future delivery of the goods or services provided under the contract and to assess the effectiveness of the current contract.	The Commercial Management Unit will lead the contract review process to ensure that the review is robust and challenges the Operations Manager to be objective in their evaluation.	The DDHHS Commercial Lawyer should be consulted at this stage with respect to any actions that have been taken by either party to the contract during its term of operation.

Stage	Operations Manager (Contract Manager)	Commercial Management Unit	DDHHS Commercial Lawyer
	<p>The contract should be reviewed with sufficient time prior to its expiry to enable the implementation of the recommendations of the review. Key milestones in the life of the contract, including contractual requirements in relation to contract extensions, will have been included in the contract management plan.</p>		<p>The DDHHS Commercial Lawyer should provide advice on contract improvement in the lead up to the decision of whether to roll over the existing contract, renew the existing contractor but on different terms or procure services through an approach to market to test the competitiveness of the current arrangements.</p>
	<p>The review should examine the success of the operation of the contract to determine whether it has met the needs of clients and delivered the identified outputs and outcomes at the time the contract was initially established.</p>		

Stage	Operations Manager (Contract Manager)	Commercial Management Unit	DDHHS Commercial Lawyer
	<p>If the goods or services provided under the contract are required on an ongoing basis, then the review will also look at the following questions:</p> <ul style="list-style-type: none"> • Is the scope of the existing contract still relevant? • Can the goods or services be delivered by another means? • Has the performance of the current contractor been satisfactory? • What advances have there been in the market in relation to the goods or services? • Have there been any difficulties associated with managing the contract in its current form? 	<p>The Procurement Officer will ensure that the outcomes of the review are embedded into the new procurement process to improve the outcomes achieved by the next approach to market.</p>	
	<p>With respect to MOU's they will be reviewed prior to expiry to determine if the MOU continues to fulfil its objectives and that all parties to the MOU continue their commitment to the relationship.</p>		