



## **Force Policy**

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**Owner: Head of Procurement and Contract Management**

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### **Publication:**

All policies are published on Connect.

This Force policy is suitable for public disclosure under the Freedom of Information Act 2000 and will be published on the external Force website? Yes

# 1. Introduction

## 1.1 Background

1.2 The purpose of this policy is to set out the aims and objectives of the Procurement and Contract Management Department, particularly the Contracts and Engagement Officer (CO), in relation to Contract Management as well as the roles and responsibilities it entails, including the Operational Contract Owners (OCOs), day to day responsibilities and the strategic role played by the Procurement and Contract Management Department of Derbyshire Constabulary. The policy is supported by the Contract Management Guidance. The CO's (supported by the OCO) role includes managing contract meetings, ensuring compliance against contract deliverables, monitoring Key Performance Indicators (KPIs), Managing performance issues and disputes.

## 2. Aims and Objectives

2.1 Through planned and well-managed contract management Derbyshire Constabulary will be able to review performance of key strategic suppliers by: -

- Ensuring value for money is achieved as part of the contract delivery.
- Tracking service delivery against milestones, KPIs, Service Level Agreements (SLAs), which include those linked to quality.
- Monitoring, managing and mitigating key risks and issues.
- Challenging and looking for continuous improvement in service delivery.

2.3 The policy identifies two parts to contract management: -

- **Service delivery management** – to ensure that the service is being delivered as agreed to the required level of performance and quality.
- **Contract administration** – to manage the formal governance of the contract, changes to the contract documentation and to develop open and transparent relationships with suppliers.

2.4 Contracts will be registered on the Procurement Records Management system. All relevant information regarding contracts will be available to the OCO. This will be provided in monthly reports for each department, or available upon request from the Procurement and Contract Management department.

## 3. Policy Statement

3.1 Derbyshire Constabulary will ensure a consistent approach to Contract Management with the aim of delivering cashable and efficiency savings across the Force, supporting the force values, and adding value to the business.

## 4. Procurement Department

4.1 Part of the remit of the Procurement and Contract Management Department is to lead and manage all engagement with suppliers. That includes creating procedures to ensure OCOs know at which point they should seek support from the Contracts and Engagement Officer. The Procurement and Contract Management Department will also identify all key suppliers based on contract value/risk/complexity with whom they will develop strategic

relationships alongside the respective OCOs, based on partnership working that encourages innovation. The Procurement and Contract Management Department will also undertake market intelligence to establish whether current contracts continue to represent value for money. As an overview OCOs should seek advice and guidance from the Procurement Department when: -

- Escalation is required when a supplier persistently delivers poor performance, or a significant performance issue is raised.
- Information about a supplier becomes available that could have a negative impact on the Chief Constable's or Police and Crime Commissioner's reputation.
- Information becomes available in relation to the financial position of the supplier.

4.2 The list above is not exhaustive.

## **5. Operational Contract Owner (OCO)**

5.1 The day-to-day service delivery management of a contract sits with an identified OCO. They should be involved in the procurement process from drafting the contract specification to holding suppliers to account for performance against the contract terms and conditions. The OCO should be identified by the Senior Management Team and work with the Procurement and Contract Management Department, to actively manage the contract. The OCO is not a unique, separate role, but will fall within the responsibility and scope of the nominated individual's role. The OCO role is key to ensuring successful implementation and management of the contract ensuring the Chief Constable and the Police and Crime Commissioner achieves added value over the life of the contract. The role of the OCO includes, but is not limited to: -

- Act with the upmost integrity at all times.
- Comply with the Commissioners Standing Orders and Contract Procedure rules.
- Monitor supplier performance against agreed deliverables and standards.
- Use contractual procedures and remedies to tackle any performance issues.
- Remain professional and objective when discussing supplier issues.
- Ensure contracts represent value for money.
- Ensure they have the most up to date version of the contract.
- Participate in commercial awareness training, delivered by the Procurement and Contract Management Department, to understand the requirements of contract management.

## **6. Expectations of the OCO Role**

6.1 The OCO will be required to fulfil certain obligations when managing the various contracts. The OCO should consider the following points in their dealings with the contract: -

- Understanding and knowledge of the relevant contract.
- Ability to interpret key parts of the contract into real service delivery.
- Arrangement of face-to-face supplier meetings.
- Interpretation and evaluation of management information provided against stated contract performance indicators.
- Early identification of service issues.

- Early identification of potential disputes and grievances.
- Supply chain development.
- Identification of potential efficiencies or savings with the contract.
- Communication with the Procurement and Contract Management Department over the life of the contract.

## **7. Scope**

7.1 This policy considers contract management to be a direct activity within the Force and OPCC and their respective suppliers covering both service delivery management and robust contract administration. The policy covers all areas of business and all contracts across the Force and OPCC. The contract administration activity should include: -

- Face to face meetings.
- Telephone calls.
- Receipt of management of information reports.
- Involvement in supplier events.
- Evaluation of management information.
- Escalating concerns and issues to the Procurement and Contract Management Department.

## **8. Monitoring and Review**

8.1 The monitoring and review of this policy is the responsibility of the Head of Procurement and Contract Management, Finance and Business Services.

8.2 The policy will be reviewed on a bi-annual basis.

## **9. Appeals Process**

9.1 If any person takes issue with any aspect of this policy they should contact the Head of Procurement and Contract Management, Finance and Business Services.