

ARF012 Contract Management Risks

Risk Status Progress Report August 2019

Description of risk and impact

Contract management is the process of managing contract creation, execution and ongoing operational and financial performance of contract deliverables, to reduce financial and delivery risk.

Local Government organisations work on complex, costly and often politically and socially sensitively multi-faceted issues requiring multiple parts of the organisation to work together effectively.

Poor contract management can lead to underperforming projects or delivery of services, scope creep, missing renewals, breaches of contract, and lost opportunity cost.

Existing Treatments

High level treatment plan:

- Recruitment, that is being undertaken by Corporate Services, for a Contract Management Specialist.
- CouncilMark improvements:
 - 12. Contract Management Improvement
 - 13. Conflicts of Interest Improvement
 - 34. Process Management Framework Improvement
 - 19. Service Delivery Model Improvements - Three Waters Alliance

Where are the gaps? / what more could we be doing?

Progress against Treatments

Operationally:

- Award of the new Three-waters Alliance Agreement
- Progress in awarding a new swimming pool contract has been delayed due to probity issues and a review underway
- The tendering of a new Ferry contract is progressing with a site visit planned with tenderers during September.

Inherent Risk:	Trend	Residual Risk:	Accountable:	CEO	Date raised:	29/11/18	Report frequency:
	—		Responsible:	GM IAMs	Date accepted:	30/05/19	2 monthly