GUIDE TO CONTRACT AWARD AND MANAGEMENT

Government Procurement Services
Government of Montserrat

V1.MAY26

Document Information and Revisions

Document Information

Name of document	Guide to Contract Award and Management
Date first issued	18 May 2026
Version number	1.0
Version date	N/A
Adopted and issued by	Head of Government Procurement Services
Contact for queries	Head of Government Procurement Services
Confidentiality	Public

Revisions

Revision Date	Document Section(s)	Summary of Revision
None		

Table of Contents

Document Information and Revisions 2
Table of Contents 3
List of Acronyms 5
PART A: INTRODUCTION 6
1 Introduction 7
1.1 Purpose of guide 7
1.2 Legal framework 7
1.3 Application 7
PART B: CONTRACT AWARD 9
2 Contract award 10
2.1 Overview of contract award process 10
2.2 Roles and responsibilities 12
2.3 Approval of contract awards 13
2.4 Notification of award decision and standstill period 13
2.5 Debriefing tenderers 13
2.6 Issuing the notice of acceptance and contract signature 14
2.7 Publication of contract award notice 14
PART C: CONTRACT DOCUMENTS 15
3 Contract documents 16
3.1 The purpose of the contract document 16
3.2 Types of contract 16
3.3 Preparing and issuing the contract 17
PART D: CONTRACT MANAGEMENT 20
4 Contract management 21
4.1 The importance of contract management 21
4.2 The role of the contract manager 21
4.3 Contract management tasks 22
4.4 Contract modifications 23
4.5 Contract completion 25
PART E: TERMINATION OF CONTRACTS 26

5 Termination of contracts 27
5.1 When to terminate a contract 27
5.2 The decision to terminate 28
5.3 The termination process 28

List of Acronyms

Acronym	Definition
DPC	Departmental Procurement Committee
GCC	General Conditions of Contract
GOM	Government of Montserrat
GPS	Government Procurement Services
PE	Procuring Entity
PPB	Public Procurement Board
RACI	Responsible Accountable Consulted Informed
SCC	Special Conditions of Contract
STDs	Standard Tender Documents
XCD	Eastern Caribbean Dollars

PART A: INTRODUCTION

1 Introduction

1.1 Purpose of guide

This guide is designed to provide public officers with easy-to-follow guidance on how to award and manage contracts.

A contract award is a binding legal and financial commitment by the Government of Montserrat (GOM). The award process must be carefully managed to ensure that all required approvals are obtained before a commitment is made and that all relevant parties are notified at the time required.

Effective management of a contract is essential to ensure that it is successfully implemented. It ensures that both GOM and the supplier meet their obligations.

This guide covers several important aspects of contract award and management:

- the contract award process, including notifications to both successful and unsuccessful tenderers and the standstill period;
- understanding different types of contract and how to prepare the contract document;
- how to manage a contract; and
- what to do when a contract needs to be terminated.

1.2 Legal framework

Public procurement in Montserrat is governed by:

- the Public Procurement Act 2025 (the “Act”); and
- the Public Procurement Regulations 2025 (the “Regulations”).

This guide is issued by Government Procurement Services (GPS) under section 10 of the Act to provide procuring entities (PEs) with the necessary guidance and direction to award and manage contracts.

GPS has issued separate guides which provide an overview of the public procurement system and guidance on procurement planning and each different method of procurement.

GPS has also adopted standard tender documents (STDs), contract forms and other procurement forms and templates. The use of these documents is mandatory and this guide provides advice on which documents should be used for contract award and management activities.

The Act and Regulations can be downloaded from https://tenders.gov.ms/publications. All other documents are available from GPS by emailing procurement@gov.ms.

In the event of any discrepancies, the Act and Regulations take precedence over this guide and the standard documents. Any queries or suggestions for updates to this guide or the standard documents should be addressed to the Head of GPS.

1.3 Application

The Act, Regulations and this guide apply to all PEs, including ministries, departments, units and subdivisions of the Government of Montserrat (GOM) that engage in procurement.

Government owned entities are required to follow this guide, unless they have their own procurement rules or regulations, approved by the Cabinet on the recommendation of the Public Procurement Board (PPB).

For guidance on donor funded procurement and exemptions to the Act, refer to the Guide to the Public Procurement System.

PART B: CONTRACT AWARD

2 Contract award

2.1 Overview of contract award process

Contract award marks the end of the procurement process and the start of the contract management phase. Once a contract has been awarded (by GOM accepting a tender), GOM has made a binding legal and financial commitment. All approvals must be obtained BEFORE a contractual commitment is made.

Most procurement processes require a ten-day “standstill” period before contact award. Both successful and unsuccessful tenderers are notified of the intended award decision. During the standstill period, unsuccessful tenderers have the right to request a debriefing and/or to challenge the award decision BEFORE the contract is awarded.

See section 2.4 for when a standstill period is not required.

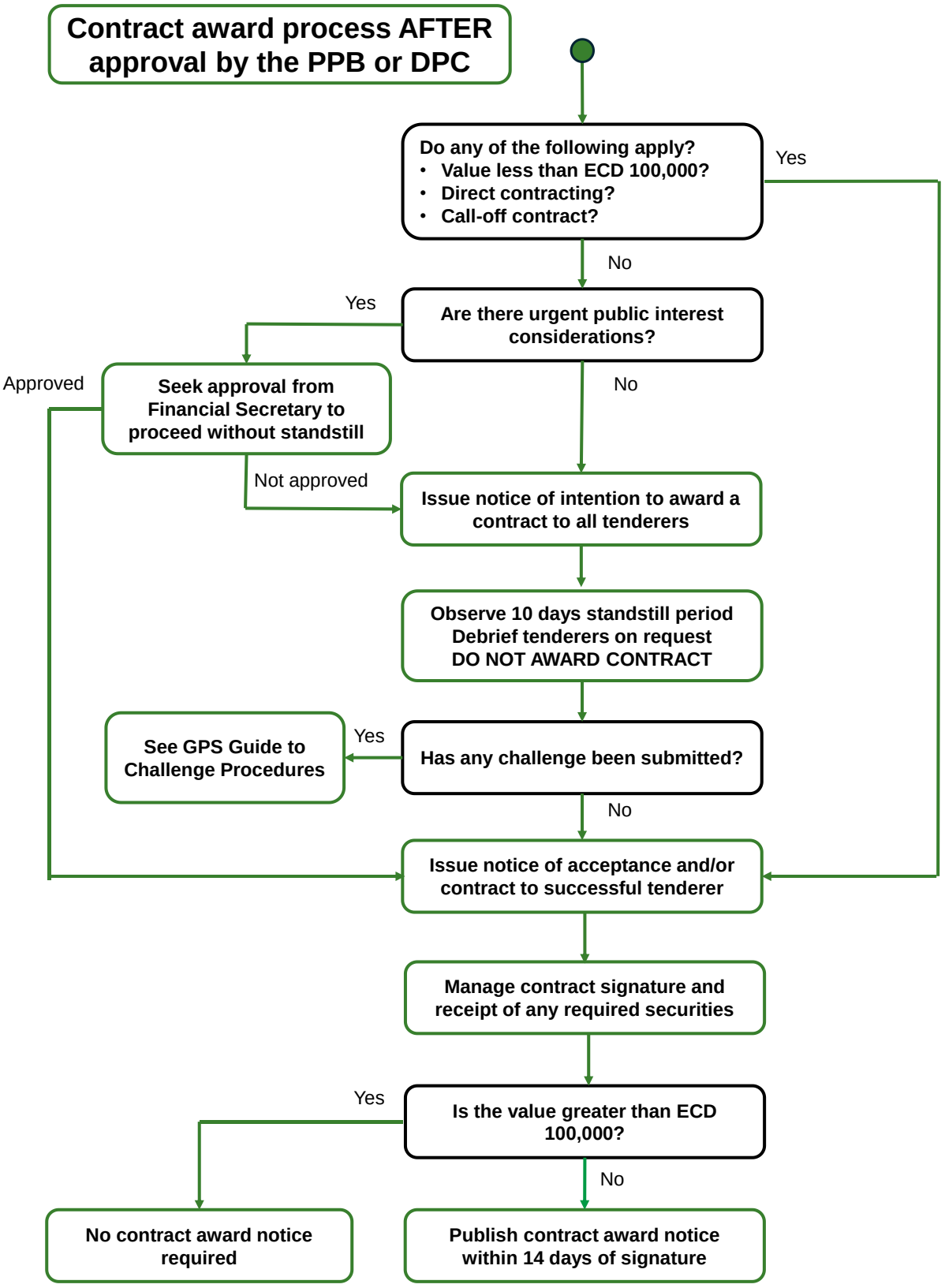
References and templates:

- Sections 31-32 of the Public Procurement Act 2025
- Regulations 31-33 of the Public Procurement Regulations 2025
- Templates for notice of intention to award, notice of acceptance and contract aware notice

The contract award process must be carefully managed to ensure that:

- all approvals are obtained before the award decision is communicated;
- all required parties are notified at the correct time;
- any required standstill period has been completed before contract award; and
- no contract award is made where a challenge has been submitted by a tenderer.

The flowchart on the next page shows the main steps in the contract award process.


Contract award process AFTER approval by the PPB or DPC
Do any of the following apply?
• Value less than ECD 100,000?
• Direct contracting?
• Call-off contract?
Yes
No
Are there urgent public interest considerations?
Yes
No
Approved
Seek approval from Financial Secretary to proceed without standstill
Not approved
Issue notice of intention to award a contract to all tenderers
Observe 10 days standstill period
Debrief tenderers on request
DO NOT AWARD CONTRACT
Has any challenge been submitted?
Yes
See GPS Guide to Challenge Procedures
No
Issue notice of acceptance and/or contract to successful tenderer
Manage contract signature and receipt of any required securities
Is the value greater than ECD 100,000?
Yes
No
No contract award notice required
Publish contract award notice within 14 days of signature

2.2 Roles and responsibilities

The chart below shows who does what in the contract award process by defining who is Responsible Accountable Consulted or Informed (RACI). It lists all tasks and assigns specific roles for each task, as explained in the table below:

R	Responsible	Does the work
A	Accountable	Owns the result and signs off
C	Consulted	Provides input before or during the task
I	Informed	Kept updated about decisions or progress

	PE		GPS					
TASK	Accounting Officer (or as delegated)	End user or other PE staff	Procurement staff	Head of GPS	PPB or DPC	Financial Secretary	Unsuccessful Tenderers	Successful Tenderer
Approve contract award recommendation	I	I		I	R			
Request approval to proceed without standstill if urgent public interest considerations require	A	R		C		I		
Approve contract award without standstill	I	I		I		R		
Prepare and issue notice of intention to award (if required)	A	R					I	I
Request debrief (optional)		I						R
Debrief suppliers (on request)	A	R		C			I	
Prepare and issue notice of acceptance and/or contract	A	R		C				I
Sign contract	A	R						R
Publish contract award notice (if required)	I	I	R	A			I	I

2.3 Approval of contract awards

The contract award recommendation must be included in the evaluation report. It will be approved by:

- the Public Procurement Board (PPB), where the value of the procurement is XCD 200,000 or higher; or
- the Departmental Procurement Committee (DPC) where the value is below XCD 200,000.

2.4 Notification of award decision and standstill period

Most procurement processes require a ten-day "standstill" period before contact award. During this period, all tenderers are informed of the award decision but the contract award is not made. This supports transparency and gives unsuccessful tenderers the opportunity to submit a challenge before a contract is awarded.

A standstill period is NOT required:

- for contracts with a value of less than XCD 100,000;
- where the procurement method was direct contracting;
- for call-off contracts under a framework agreement; and
- where urgent public interest considerations require the contract to be awarded without a standstill period, **if the Financial Secretary has given written approval**.

Use the **notice of intention to award** template to prepare notices for both successful and unsuccessful tenderers. **Remember that a different version of the notice is required for each tenderer**, as the notice includes reasons why a tender was unsuccessful. Issue all notices at the same time.

You must not award a contract during the standstill period!

The standstill period starts when the notice of intention to award is issued to both successful and unsuccessful tenderers. It lasts for 10 days.

Where a complaint is received before the end of the standstill period, you must not award a contract until the complaint has been resolved. If contract award is in the overriding public interest, you may request the Independent Adjudicator to authorise contract award.

➔ See the **Guide to Challenge Procedures** for more information.

2.5 Debriefing tenderers

Tenderers may request a debriefing to explain why their tender was rejected. The notice of intention to award informs them of their right to request this.

You must provide a debriefing if requested. This must be issued in writing before the end of the standstill period. The debriefing must state the stage of the evaluation when the tender was rejected and either:

- provide brief details of any material deviation which resulted in rejection of the tender; or
- state that the tender was substantially responsive but was not the most advantageous tender

The debrief must not give details of, or compare to, any other tenders, except for details which have already been included in the notice of intention to award a contract or that are publicly available from tender openings or published notices.

2.6 Issuing the notice of acceptance and contract signature

Where the procurement method was open or restricted tendering, use the **notice of acceptance** to prepare a notice of acceptance for the successful tenderer. Send the notice to the successful tenderer with the contract document. The notice will request the successful tenderer to sign and return the contract.

The notice of acceptance forms a legally binding contract!

The notice of acceptance accepts the supplier's tender (or offer) and therefore constitutes an award of the contract. Do not issue the notice of acceptance until contract award has been approved, any standstill period is over and you have confirmed that no challenge was submitted.

The contract document confirms the detailed terms and conditions of the contract. It must not vary from the details in the notice of acceptance.

Where any other procurement method was used, no notice of acceptance is required. Send the contract document to the successful tenderer for signature.

Make sure that the contract document is signed by both parties. Hand over to the contract manager to manage the contract.

2.7 Publication of contract award notice

You must publish a contract notice for all contracts with a value greater than XCD 100,000. No contract award notice is needed for contracts with individual consultants.

Use the **contract award notice** template to prepare the notice. GPS will arrange for publication of the notice.

Send a copy of the signed contract to GPS, who will include it in the register of GOM contracts.

PART C: CONTRACT DOCUMENTS

3 Contract documents

3.1 The purpose of the contract document

The contract document provides a written record of the agreement between GOM and the supplier. It will:

- define the responsibilities of each party such as technical delivery, payment and provision of information or assistance;
- allocate risk between the two parties; and
- establish the rights of each party and what happens if things go wrong.

The contract document will be used to monitor the performance of both parties and ensure compliance to the agreed terms and conditions.

The draft contract must be included in the tender document!

- Consider the type of contract required and its key terms and conditions during procurement planning.
- Include the draft contract in the tender document. Tenderers will price their tenders based on the responsibilities, risks and payment terms in the draft contract in the tender document.
- Finalise the contract at award stage by completing final details and adjusting as required to the successful tender and any negotiations held.

You must not make substantial changes to the terms and conditions included in the tender document at award stage!

3.2 Types of contract

The STDs include several different types of contract. These have different mechanisms for pricing and payment. You should decide which type of contract to use as part of the procurement planning process.

The table below lists the types of contract and whether they may be used for goods, works, services or consulting services.

Type of contract	Goods	Works	Services	Consulting services
Lump sum Pays a fixed price for the agreed goods, works, services or consulting services	✓	✓	✓	✓

Admeasurement Payment is for measured quantities of work performed, using pre-agreed rates in the bill of quantities		✓		
Time-based Payment is made for the actual time worked, at pre-agreed rates, and for actual expenses incurred, subject to a ceiling price				✓
Framework agreement Payment is made in accordance with any call-off contracts issued. Rates may be agreed in the framework agreement.	✓	✓	✓	✓

Lump sum contracts give GOM certainty over the amount to be paid and are simple to manage.

Admeasurement and **time-based contracts** give greater flexibility where precise requirements may change or cannot be fully defined in advance; they require close monitoring of inputs and progress, making contract management more complex.

Framework agreements are used where there is a recurrent need for the same or similar requirements but the precise nature, quantity or timing of requirements isn't known. Call-off contracts are issued each time a requirement is identified.

➔ See the **Guide to Framework Agreements** for more information.

Consult GPS if you think any other type of contract is required e.g. a design and build or turnkey contract.

3.3 Preparing and issuing the contract

To prepare the final contract for issue:

- Start from the draft contract included in the tender document.
- Follow the guidance notes in *[green italics]* to complete details related to the successful tender e.g. the name and contact details of the supplier, the contract price and agreed dates for commencement, delivery or completion.
- Make any adjustments required to reflect any changes agreed in negotiations.
- Prepare all required schedules and appendices, using information in the tender document or from the successful tender.

The contract conditions in each STD vary, but all STDs used for open tendering, restricted tendering or request for proposals have the same structure. The table below shows the structure of these documents with guidance on how to prepare each section and the stage of the procurement process at which this should be done:

Section of contract	Contents and when to prepare
Contract forms	Includes a short "Contract Agreement" which contains the essential details of the contract including: • the names of the parties; • the date of the contract; • a brief description of the requirement; • the total contract price; and • which documents form part of the contract. Most parts of the Contract Agreement will be completed at contract award stage. The Contract Agreement is the form which will be signed by both parties.
General Conditions of Contract (GCC)	The GCC provides a standard set of contract conditions applicable to all contracts. **You must not change the text of the GCC!**
Special Conditions of Contract (SCC)	The SCC supplement and amend the SCC. Most of the SCC should be drafted for inclusion in the tender document. Follow the guidance notes to include specific details relevant to each contract e.g. specific payment terms.
Schedules and/or appendices	Schedules vary for each type of contract but include detailed information on technical requirements and pricing. Schedules may include: • price schedules, activity schedules, bills of quantities or a breakdown of lump sum prices; • a description of technical requirements e.g. specifications, terms of reference, drawings etc; • delivery or completion schedules; and • lists of key experts. The contract forms will also include appendices such as standard formats for advance payment or performance securities. Prepare the schedules and appendices to attach to the contract document at award stage. The schedules or appendices will be based on parts of the tender document or the successful tender.

The request for quotations documents include simpler contracts, as they are designed for lower value, less complex procurement. For some documents, the GCC and SCC are combined into a single set of conditions for simplicity.

Make sure you obtain all required approval, including from the Attorney General's Chamber, before signing and issuing the contract!

PART D: CONTRACT MANAGEMENT

4 Contract management

4.1 The importance of contract management

Effective contract management is key to successful contract implementation. Contract management should ensure that:

- the supplier performs the contract in accordance with the terms and conditions, delivering the goods, works or services on time and to the standard required;
- GOM performs its obligations and duties under the contract, thus supporting the supplier to perform; and
- action is taken promptly when any issues occur or are foreseen.

References and templates:

- Regulations 58-61 of the Public Procurement Regulations 2025
- Template for Contract Performance Report

4.2 The role of the contract manager

The procuring entity must designate a contract manager for each contract. The contract manager is responsible for:

- ensuring that both the supplier and GOM comply with the contract;
- keeping contract management records;
- reporting any substantial breach of the contract to the accounting officer; and
- submitting contract performance reports to GPS.

The contract manager would normally be a member of staff with responsibility for the area of work related to the contract. It would not normally be an external hire.

You must not agree to any changes to the contract price or other material conditions of contract, without approval from the accounting officer, DPC or PPB. See section 4.4 for further guidance on contract amendments.

For works contracts, an engineer is usually appointed to supervise the works and administer the contract. The role of the engineer is defined in the contract. The contract manager must work with the engineer to manage the contract. The engineer will manage on-site tasks while the contract manager is responsible for other contractual issues.

Always be proactive when managing a contract!

A contact management plan helps the contract manager to monitor the performance of both parties and ensure compliance with the contract. It also helps to anticipate potential problems and take action to prevent or minimise them. Prepare a plan which defines:

- the responsibilities of each party and any other stakeholders such as a project engineer, inspection agency or end user;
- key dates such as mobilisation, delivery, installation, milestones and completion;
- GOM's duties and when they must be performed e.g. providing access to site, providing other facilities, reviewing or approving deliverables or progress;
- how and when to communicate with the supplier and any other stakeholders e.g. regular progress meetings;
- risks and how to mitigate them; and
- the contract budget and how this will be monitored.

Monitor progress against the plan and take immediate action to address any actual or anticipated problems or delays.

4.3 Contract management tasks

The precise contract management tasks required will depend on the details of each contract. Approaches will differ for goods, works, services and consulting services. The table below lists typical contract management tasks. Preparing a contract management plan can help to define the specific tasks for each contract.

Key area	Contract management tasks
Mobilisation	• Ensure that the contract is signed by both parties prior to commencement and send a copy of the signed contract to GPS. • Ensure that any required performance security or advance payment security is received from the supplier. • Ensure that GOM meets any immediate obligations, such as making an advance payment or providing access to the work site.
Monitor performance	• Ensure that the supplier performs the contract as required and completes all deliveries, milestones, deliverables and reports on time. • Take action to address any problems or delays, whether actual or anticipated. • Ensure GOM provides any staff inputs, resources or information specified in the contract on time. • Manage stakeholder relationships and ensure effective communications with all interested parties. • Ensure the supplier submits all required documentation. • Report any substantial breach of contract to the accounting officer.

Key area	Contract management tasks
	• Submit contract performance reports to GPS.
Quality assurance	• Conduct or arrange for inspection and/or verification of the quantity and/or quality of progress or deliverables under the contract. • Ensure GOM provides timely feedback on deliverables. • Inform the supplier of any quality or performance concerns and agree actions and timescales to remedy these. • Manage receipt, acceptance or handover of goods, works, services or consulting services.
Financial management	• Monitor costs against the budget for time-based and admeasurement contracts. • Check all payment documentation and authorise payments, in accordance with applicable finance procedures, ensuring that GOM makes payments on time and in accordance with the contract.
Contractual issues and contract completion	• Arrange for preparation and approval of any required variations or modifications to the contract. • Ensure the contract is complete before closing the contract file. • Ensure that all contract management records are filed and archived, including correspondence with the supplier and meeting minutes. • Manage any required termination of the contract, including approval to terminate.

4.4 Contract modifications

It is sometimes necessary to amend a contract to:

- allow extra time for performance due to unexpected circumstances beyond the control of the supplier e.g. unexpected site conditions for works or GOM not being able to complete its obligations on time;
- make adjustments to the description of requirements e.g. small changes in quantities, specifications or delivery locations; and/or
- add additional items such as spare parts, associated services or small additional quantities.

Contract amendments should not substantially change the original contract or be used to avoid a new procurement process!

Any increase in contract value should normally be a small proportion of the original contract value. Where it is substantial, consider whether a new procurement process would offer better value for money.

Do not amend the contract to add costs which should be included in the original contract price. Lump sum contracts should be fixed, while admeasurement and time-based contracts include mechanisms to pay actual costs incurred.

Do not agree to changes which would significantly change the supplier's risks or responsibilities under the contract.

Where a contract amendment is required, the contract manager must agree the changes with the supplier, then prepare the contract amendment document for approval and signature. The amendment should:

- refer to the original contract including the procurement reference number;
- state the clause numbers which are amended;
- where time or price are increased, clearly state the additional time or cost and the revised completion date or total contract price; and
- state that all other terms and conditions remain unchanged.

Make sure that any contract amendment is approved before issue!

If the contract amendment increases the value of the contract by more than 10% of the original contract value or XCD 15,000, request approval from:

- the PPB, where the revised contract value is XCD 200,000 or higher; or
- the DPC where the revised value is below XCD 200,000.

Any other contract amendment should be approved by the accounting officer.

The contract amendment must be signed by both parties!

Major works contracts usually include mechanisms for "variations". These allow the engineer to instruct the supplier to make small changes, without the need for a contract amendment and/or additional approvals. The contract defines what type of changes can be made without a contract amendment. These are generally limited to minor changes in the price or time for completion. The STD for works defines the following list of variations which are usually beyond the authority of the engineer to approve, but check the conditions of the specific contract:

- approval of changes that exceeds 25% of the contract price;
- extension of intended time for completion by more than 60 days;
- change of design/drawings that impact on the contract price;
- approval or replacement of any of the project supervision team;
- termination of contract and approval of the contractor's accounts following termination; and

- any issues that impact on GOM's responsibilities relating to the environmental, social, health and safety of the project areas.

For any variation that cannot be approved by the engineer, prepare a contract amendment and seek PPB or DPC approval.

4.5 Contract completion

You must review and close out each contract when it is completed. This ensures that all obligations have been completed and that there are no outstanding payments or claims.

Use the following checklist to check that the contact is complete:

- Have all goods been delivered and the warranty period ended?
- Have all works been completed and handed-over and has the defects liability period ended?
- Have all services or consulting services been performed and associated deliverables received and accepted?
- Has all required documentation been submitted?
- Are there any outstanding claims for missing or damaged items against either the supplier or an insurance company?
- Have all payments including applicable taxes been made?
- Are total payments correct, taking into account any contract amendments or variations and any advance payment?
- Have all guarantees and securities been returned?
- Have you submitted the final contract performance report to GPS?

Once all actions are confirmed as complete, close the contact file and ensure that it is archived.

PART E: TERMINATION OF CONTRACTS

5 Termination of contracts

5.1 When to terminate a contract

You should avoid terminating a contract wherever possible, but occasionally it can be necessary.

References:

- Regulation 59(2)(g) of the Public Procurement Regulations 2025
- Template for contract performance report

The grounds for terminating a contract are specified in the contract document. Standard wording for termination clauses is included in all the standard tender documents and should not be changed.

The table below lists the usual grounds for terminating a contract, but you should always check the precise wording in the specific contract.

Grounds	Guidance
Termination for default	GOM may terminate a contract where the supplier has failed to perform its obligations. You must proactively manage supplier performance and notify suppliers of any failings to avoid the need for termination wherever possible. Definitions of "default" vary for goods, work, services and consulting services, but typically include: • failure to deliver goods or perform works or services; • failure to correct a defect or perform to the standard required; and • delay in delivery or completion, including when the maximum amount of liquidated damages has been reached.
Termination for prohibited practices	GOM may terminate a contract where it judges that the supplier has engaged in prohibited practices, i.e. fraud, collusion, coercion or obstruction.
Termination for insolvency	GOM may terminate a contract where the supplier has become bankrupt or insolvent.
Termination for convenience	GOM may also terminate a contract when it no longer wishes to continue it for any reason which is not due to a failing by the supplier.

Termination for force majeure	Either GOM or the supplier may terminate a contract where they have been unable to perform their obligations for 30 days or more due to force majeure.
Sanctions	GOM may terminate a contract where the supplier is subject to sanctions or will violate sanctions in performing the contract.

In some STDs, the GCC also give the supplier the right to terminate if GOM has failed to meet its contractual obligations, such as making payments on time.

5.2 The decision to terminate

When considering termination of a contract, you should first:

- make sure the supplier has been given notice of any defect, failure to perform or other breach of contract and given the required time to correct this;
- review the contract document to identify the grounds for termination;
- consider whether a force majeure situation exists i.e. a situation beyond the control of either party such as natural disaster; and
- consider whether GOM bears any responsibility for the situation e.g. due to late payment or failure to give any information or approvals on time.

Make sure you have written records of the reason for termination and seek written approval. The decision to terminate should be made by the accounting officer, with the advice of the Attorney General.

Report any suspicions of prohibited practices!

Where a contract is terminated on grounds of prohibited practices by the supplier, notify the relevant law enforcement authorities and report any suspicions to the Head of GPS to consider debarment of the supplier.

➔ See the **Guide to Supplier Management** for more information.

5.3 The termination process

Once termination has been approved, you should:

- calculate the amounts to be paid to, or claimed from, the supplier;
- prepare a written termination notice which must state the grounds for termination and any notice period;
- issue the termination notice to the supplier and get written confirmation of receipt;
- manage any follow up actions to close down the contract, such as making or receiving payments or ensuring the supplier leaves the work site; and
- notify GPS and submit a contract performance report to GPS.

The amounts due or payable and any notice period will depend on the grounds for termination and the clauses in each specific contract.