



Contract Performance Management Framework

1. Purpose

The Contract Performance Management Framework (CPMF) provides a consistent approach, methodology and tools to support contract management.

The CPMF describes how the Department for Child Protection (DCP) will monitor, evaluate and reconcile the delivery of services as described in the contract between DCP and the service provider.

This approach will streamline reporting requirements for DCP's contracted service providers and apply a consistent performance measurement and monitoring response across all DCP service contracts.

The CPMF will provide a methodical and evidence-based approach to ensure:

- The contractual relationship between DCP and service providers is managed equitably, transparently and accountably by DCP.
- A shared understanding of the obligations of both DCP and contracted service providers.
- A shared understanding of roles, responsibilities and accountabilities of both DCP and contracted service providers.
- Establishment of a rule-based approach to performance measurement, monitoring and reporting. Early identification of both DCP and service provider non-performance and implementation of intervention strategies to restore performance.
- Improved collaboration between DCP and service providers in the delivery of safe quality care to the children and young people in the Chief Executive's custody or guardianship.
- DCP service delivery contracts align to client, community and stakeholder expectations.

2. Scope

The CPMF applies to all non-government service providers that deliver services on behalf of DCP, as agreed through a formal procurement contracting process.

3. Authority

3.1 Legislative context

Not Applicable.

3.2 Whole of Government requirements

- [South Australian Contract Management Policy](#)
- [State Records Act 1997](#)



3.3 DCP requirements

- DCP Strategic Plan
- [Contract Management Framework](#)
- [Performance Measurement Specification](#)
- Procurement Governance Policy
- Risk Management Framework

3.4 Principles

- DCP and service providers will work together to support the delivery of safe quality care to children and young people in the Chief Executive's custody or guardianship, noting the safety of children and young people is the paramount consideration.
- DCP and service providers will work together in genuine partnership to provide culturally safe care and ensure better outcomes for Aboriginal and Torres Strait Islander infants, children and young people.
- The roles and responsibilities of DCP and service providers in delivering services through a contractual arrangement are clear and understood by all.
- Collaborative working relationships between DCP and service providers will be achieved using open constructive communication and feedback.
- Clear systems and structures to support contract performance reporting, monitoring and management including management of non-performance.
- Performance issues and treatments are based on evidence and managed proportionate to the level of risk to clients and service delivery, DCP and or the service provider.
- Performance concerns are identified early, issues discussed, and treatments put in place in a timely manner to prevent deterioration.
- Clear setting of performance and non-performance criteria actioned by clearly documented processes to respond.
- Performance expectations are clear, transparent and applied consistently and equitably.

4. Framework requirements

4.1 Performance criteria

4.1.1 Service specifications and service provision requirements

The executed agreement outlines the service specifications and service provision requirements to be provided by the service provider. This may include hyperlinks to web-based contract content.

The service specifications set out the program requirements as to how services must be delivered by contracted service providers. These are the requirements necessary to ensure quality safe care is provided to children and young people under the guardianship or custody of the DCP Chief Executive or other order of authority.

The service provision requirements provide sources of reference as to how an element of a service should be delivered to ensure quality safe care is provided to the child or young person. They describe legislative or



statutory requirements, best practice standards, or points of reference that provide guidance for service delivery.

4.1.2 Performance measures

Performance measures may be outlined within the executed agreement, contract management plan, and/or the performance measurement specification. Performance measures are quantitative or qualitative measurements that help determine the extent to which contractual outcomes, outputs, quality of service, and compliance with legislative requirements have been achieved.

The performance measures ensure all parties use the same criteria to evaluate the service delivery, quality, and safety and provide a shared understanding of minimum levels of service delivery and performance required throughout the term of service.

Performance is measured over the life of a service agreement using Key Performance Indicators (KPIs) which outline the measurable quality, the performance target, and performance thresholds.

Performance measures will be grouped into four performance domains:

1. Service delivery
2. Quality of service
3. Financial Viability
4. Compliance.

4.1.3 Performance targets and thresholds

KPIs will be grouped into Tier 1 and Tier 2 indicators.

Performance against Tier 1 KPIs will initiate intervention triggers known as performance management responses. Performance targets and thresholds will be allocated to each Tier 1 indicator as appropriate to reflect DCP's performance expectations.

Tier 2 KPIs will be used as supporting evidence to assist in providing context to Tier 1 measures within the performance domain to assist the service provider to improve the provision of safe quality delivery of service to children and young people.

4.2 Performance management response

Each Tier 1 KPI will be measured against the performance target and thresholds. Each performance threshold will initiate a performance response as outlined below.



Threshold trigger	Performance Level	Performance management response
Performance equal to or above expectations or targets.	Performance level 1: Performing	<p>Standard contract performance management monitoring continues.</p> <p>Growth payments may be enacted for family-based care agreements.</p> <p>Where a contract demonstrates sustained performance level 1 (at least two consecutive quarters) the performance report will be provided to the service provider via email with at least one face to face meeting per financial year. However, a quarterly performance meeting may occur in the following circumstances:</p> <ul style="list-style-type: none"> • if a meeting has been requested by either party • if the contract is less than 12 months old • where there has been a change to a service that requires ongoing monitoring or discussion.
Performance under expectations or targets.	Performance level 2: Under performing	<p>Discussion of under-performance at a quarterly face to face contract management meeting.</p> <p>Issue tasks and treatments may be required as determined by the DCP contract owner after a review of the performance risk and any other factors. This will include timeframes for performance improvement. May involve enacting abatement if deemed appropriate by the DCP contract owner.</p>
Performance well under expectations or targets.	Performance level 3: Not performing	<p>Discussion of non-performance at a face-to-face quarterly contract management meeting.</p> <p>Issue tasks and treatments may be required as determined by the DCP contract owner after a review of the performance risk and any other factors.</p> <p>Performance recovery plan may be required as determined by the DCP contract owner after a review of the issue tasks and treatments and will be approved by the Chief Financial Officer (CFO). This will include timeframes for performance improvement and plans for performance management meetings if required.</p> <p>May involve enacting abatement if deemed appropriate by the DCP contract owner.</p>



Threshold trigger	Performance Level	Performance management response
Performance not improving within the timeframes set out in performance recovery plan.	Performance level 4: Non-achievement of performance recovery plan	<p>DCP contract owner will brief the CFO on all performance level 4 risks.</p> <p>An initial face to face performance management meeting will be held with the CFO in attendance. Performance management meetings will occur monthly until performance level 2 is achieved.</p> <p>CFO will review whether contract variation or contract termination is required in line with agreement terms and conditions and brief the DCP Chief Executive as required.</p> <p>A breach notice may be administered to the service provider advising they are in breach of contractual obligations; and/or has failed to take action to remedy the breach as directed.</p>

Note: face to face meetings may occur virtually or in person.

4.2.1 Changing a performance level

The DCP contract owner or CFO may, after a review of the performance risk and any other factors that may have led to that outcome, change the performance level as follows:

- Change a performance level 2 to a performance level 1; or
- Change a performance level 3 to a performance level 2 or performance level 1.

Where a performance level has been changed, this will be communicated to the service provider and recorded within the KPI record and the revised performance level and performance management response will apply.

4.2.2 Performance recovery plan

Performance recovery plans are to include clear remedial treatments and tasks, set timeframes, and accountability for resolving performance concerns. Performance recovery plans will be monitored by the DCP contract manager and contract owner to ensure all actions and timeframes are met through to successful completion.

Performance recovery plan is developed in response to a high/extreme performance risk. Performance recovery plans are developed by the DCP contract owner in consultation with senior management from the service provider agency and are approved by the CFO.

4.3 Performance monitoring

Service providers are required to provide performance data monthly, quarterly and annually to demonstrate performance against agreed measurements, targets and/or benchmarks. Service providers are responsible for the correction of any identified data errors and for notifying their contract manager of any non-compliance with the requirements of their contract outside of the regular data collection and assessment period.



Performance reporting frequency and responsibilities for each measure are specified within the executed Agreement, the contract management plan, or Performance Measurement Specification.

The Contract Management and Licensing System (CMLS) will be the primary collection point for reporting of performance data.

4.3.1 Contract management meetings

The DCP contract management meetings are held as per the performance management response following the quarterly report submissions. This meeting is the key reporting, monitoring, management, and decision-making forum for all contract related business including service provider performance against contracted obligations and agreed outcomes.

The contract management meeting may include the development of performance recovery plans as determined by the DCP contract owner. The plans will develop clear remedial actions and set timeframes for resolving performance concerns or issues and for monitoring implementation of actions and assessing performance improvement.

Additional performance management meetings may be scheduled if identified as part of a performance recovery plan or if requested by the service provider.

The DCP contract owner may identify the requirement for additional meeting attendees from both DCP and the service provider organisation.

4.3.2 Record keeping

All records created during the performance management process will be retained by DCP during the life of the contract.

Documents created and all related communications between contract managers and service providers will be recorded and securely stored in accordance with [Government of South Australia, Adequate Records Management Standard](#).

4.3.3 Dispute resolution

A service provider may at any time exercise its right to resolve a performance related matter through the dispute resolution process as defined in the [DCP Contract Management Framework](#).

5. Compliance, monitoring and evaluation

As part of the Policy Governance Framework, this document will be reviewed and updated by Finance and Corporate Services in accordance with the review date shown at 'Document Control'.

6. Related documents

Related documents, forms, and templates
CMLS Guide: Issue Management
CMLS Guide: Performance Management Reporting



7. Glossary

Term	Meaning
Abatement	The process of reducing funding in the event of underperformance.
Breach notice	Official DCP correspondence to service provider's Chief Executive Officer, advising breach of contractual obligations; and/or failure to take action to remedy the breach as directed. DCP intent to undertake a contract variation or contract termination.
CMLS	Contract Management and Licensing System – DCP owned system used for management of all contracts with service providers.
DCP	Department for Child Protection.
Issues treatments and tasks	Clear remedial treatments and tasks with set timeframes, that are aligned to a specific performance level issue within CMLS.
Performance level	Response level to performance achieved against agreed performance measures and includes a structured monitoring, reporting and improvement process.
Performance management	Performance management refers to the process of ensuring both parties to a contract meet their obligations as effectively as possible in order to achieve agreed outcomes.
Performance measure	Quantitative or qualitative measurements that help determine the extent to which agreed contractual outcomes, outputs, quality of service and compliance with legislative requirements have been achieved.
Performance recovery plan	A documented plan with clear remedial treatments and tasks, set timeframes and accountability for resolving significant performance concerns.
Performance target	Agreed level of performance to meet DCP's performance expectations as set out in the contract.
Performance threshold	Defined upper and lower limits of desired performance around a target value.
Qualitative measures	Performance measurement objective that has a 'descriptive' characteristic. For example: Measuring customer satisfaction through surveys where the measures are based on subjective interpretation of opinion.
Quantitative measures	Performance measurement objective or goal with a measurable characteristic usually representative of a numeric value.



Term	Meaning
Service provider	Organisations funded by DCP through a service contract. Can be referred to as a supplier of services.

Document control

Reference No./ File No.			
Document Owner	Lead Writer (name, position)		
Directorate/Unit: Out of Home Care	Lead Project Officer, Operational Support, Out of Home Care		
Accountable Director: Executive Director, Out of Home Care			
Commencement date	17 September 2024	Review date	6 September 2027
Risk rating	Consequence Rating	Likelihood	Risk Rating
Risk Assessment Matrix	Moderate	Possible	Moderate

REVISION RECORD		
Approval Date	Version	Revision description
06/09/2024	V3.0	Review as per DCP policy review cycle
24/06/2022	V2.1	Performance management response update
01/10/2021	V2.0	Revision
13/03/2019	V1.0	New document