



Ministry  
of Defence



# DE&S functional competence framework

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# Commercial

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## Establishing the Source Strategy

Applying understanding of the supply market to support the development of appropriate sourcing strategies that maximise the ability to achieve a Value for Money solution (to procurement, purchasing and acquisitions), whilst remaining within the parameters set by requirements and the legal context

Level	Descriptors
Authority	Does not align with the structure of the DE&S Commercial function
Expert	<p><b>Pre-sourcing activity and analysis</b></p> <ul style="list-style-type: none"> <li>• Draws on subject matter expertise (SME) to provide challenge and guidance on supply market analysis, including the state of the market, possible risks from completing pre-sourcing activities, market drivers, requirements development and commercial solutions available</li> </ul> <p><b>Appraisal of supply chains and learning from experience</b></p> <ul style="list-style-type: none"> <li>• Leads the evaluation and approval of procurement and acquisition strategies by advising on the responses to potential risks, procurement options, sourcing methods (e.g. single source or competition), commercial requirements, cost saving techniques and gaining approval from senior stakeholders</li> <li>• Provides subject matter expertise on carrying out sourcing for complex acquisitions and procurements in an international context</li> </ul> <p><b>Translating strategy and considerations into requirements</b></p> <ul style="list-style-type: none"> <li>• Sets and influences DE&amp;S sourcing strategies and aligns procurement approaches to achieve these</li> <li>• Leads cross functional teams to develop commercially viable market facing requirements that align to both DE&amp;S and wider government priorities</li> <li>• Champions the accurate use of the categorisation of spend, with a clear understanding of benefits (e.g. using category data to inform pre-sourcing activities) and how these contribute to DE&amp;S and MoD overall strategic intent</li> <li>• Directs, develops and implements strategic plans for extracting value through appropriate commercial levers when procurement and acquisitions contracts are sourced</li> <li>• Engages with stakeholders to establish the through life considerations of requirements at a strategic level (e.g. support, disposal, service termination, risks), including the associated whole life costs</li> <li>• Develops and implements strategic plans for managing intellectual property rights (IPR) for assets derived from commercial activity</li> <li>• Ensures IPR is considered and captured when defining requirements</li> <li>• Advises on the appropriate application of levies across a portfolio of complex sourcing arrangements and provides clear guidance on their use across the commercial function Sets functional guidance on the most appropriate commercial model (e.g. single source) for specific sourcing arrangements and applies this across complex portfolios</li> </ul> <p><b>Risk management</b></p> <ul style="list-style-type: none"> <li>• Manages and prioritises considerations of sources of risk (e.g. contingent liabilities and indemnities) when defining requirements and how they can be mitigated</li> <li>• Advises on commercial assurances required for the Business cases of complex procurements and acquisitions</li> </ul>

**Practitioner**

**Pre-sourcing activity and analysis**

- Understands and can explain the scope, verified outputs and importance of supply market analysis, potential risks of pre-sourcing activities and the benefits it delivers
- Advises teams on procurement options based on relevant sources of evidence available and the Sourcing Strategy
- Conducts soft market testing, such as attending bidders conference, sending Requests for Information and encourages new suppliers to enhance portfolios

**Appraisal of supply chains and learning from experience**

- Manages the appraisal of supply chains both national and international) and accounts for the impacts of identified issues in supplier's capacity and capability to meet requirements provided to the market for procurements and complex acquisitions
- Interprets, analyses and applies Learning From Experience (LFE) from previous procurements to inform strategy development for procurements and acquisitions by promoting competition, fostering an environment that concentrates on building a level playing field and maximising value for money

**Translating strategy and through life considerations into requirements**

- Works proactively with stakeholders to implement the sourcing strategy and to ascertain the through life considerations of requirements (e.g. support, disposal, service termination, whole life cost and risk)
- Supports cross functional teams to develop commercially viable market facing requirements to inform sourcing decisions
- Develops and endorses project specific and broader Commercial Strategies as required, whilst adhering to Commercial Licences and Delegation
- Captures and explores Intellectual property rights considerations when defining requirements for purchases and procurements
- Understands and can explain the purpose of categorisation, including the benefits and how it fits into the strategic approach of the Business Unit
- Understands and can explain how procurement spend is categorised, including the levels of categorisation, and category tools/systems that can be used to evaluate procurement options
- Utilises levies (e.g. the Commercial exploitation levy) with confidence in applicable sourcing arrangements for both familiar and complex sourcing strategies
- Leads teams to agree an appropriate Commercial model (e.g. single source) for sourcing and proactively make arrangements on the basis of the approach agreed
- Leads the design of planned risk and rewards mechanisms that apply past contract management experience, detailed knowledge of effective implementation approaches as well as reaching a delicate balance between stretching suppliers and avoiding unintended impacts

**Risk management**

- Understands and can explain the importance of considering sources of risk (e.g. contingent liabilities and indemnities) when defining requirements, as well as gaps in supplier capability and/or capacity and how they can be mitigated
- Implements commercial assurances and evaluates the Business Case required for the project approvals

**Supervised Practitioner**

**Pre-sourcing activity and analysis**

- Conducts supply market analysis with guidance from stakeholders, verifies outputs and understands potential risks of pre-sourcing activities

**Appraisal of supply chains and learning from experience**

- Assesses procurement options for complex acquisitions, using relevant sources of information, knowledge of cost bases and guidance from Subject Matter Experts on both local and international contextual considerations (e.g. of through life requirements)
- Works alongside project controls and finance colleagues to develop investment appraisals to support options considerations

**Translating strategy and through life considerations into requirements**

- Develops commercial strategies for own project team, alongside subject matter experts, such as DIPR, CLS and MOD LA
- Supports cross functional teams to develop commercially viable market facing requirements, accounting for market and supplier capability and/or capacity
- Understands the elements and needs of a Business Case and can contribute to it
- Reviews Statements of Requirement to ensure they are robust and market facing
- Works with stakeholders to agree commercial models (e.g. single source), can adapt sourcing approaches in accordance to commercial model agreed and identifies the through life considerations of requirements (e.g. support, disposal, service termination, whole life cost and risk)
- Understands the significance of Intellectual Property Rights (IPR) when defining requirements
- Demonstrates understanding of how Government procurement spend is categorised, including the levels of categorisation, how to use appropriate systems to categorise goods, and works and services categorisation accurately
- Applies category tools to identify possible procurement options for simple low value purchases and procurements
- Identifies instances where levies (e.g. the Commercial exploitation levy) factor into the sourcing arrangements for particular contracts and applies these appropriately for familiar sourcing strategies
- Supports the development of bespoke risk and reward mechanisms for anticipated high value contracts by applying experience in using a variety of price methods and cost analysis

**Risk management**

- Influences, shapes and contributes to the Sourcing Strategy and ensures legislative requirements and risk management plans (e.g. in response to potential contingent liabilities and indemnities) have been met
- Understands what project approvals are, who provides them and when they are required

## Awareness

### **Pre-sourcing activity and analysis**

- Understands the importance of supply market analysis, who conducts it and can explain why
- Understands the different mechanisms available to test the supply market, such as Requests for Information, bidder's conferences

### **Appraisal of supply chains and learning from experience**

- Reviews available sources of evidence and applies lessons learned from past experience when assessing procurement options
- Applies broad knowledge of sourcing requirements to support complex acquisitions in local and international contexts

### **Translating strategy and through life considerations into requirements**

- Recognises procurement options available, the stakeholders to be engaged when assessing options and incorporating through life considerations of the requirements
- Knows that there are multiple types of commercial models possible (e.g. competitive, single source, public private partnership and private finance initiatives) and can identify stakeholders involved in designing and agreeing them (e.g. contract managers)
- Understands the need for a Business Case, the elements of it and is aware of the inputs required from the commercial function
- Comprehends the need for robust, market facing requirements and a thorough understanding of the cost base (including both direct and indirect costs)
- Demonstrates a detailed understanding of the Commercial Strategy and the roles of the subject matter experts involved in its creation, i.e. DIPR, MOD LA
- Understands and recognises instances where relevant levies (e.g. the Commercial exploitation levy) could factor into the sourcing strategy for particular contracts
- Recognises the importance of developing appropriate risk and reward mechanisms through the application of cost and price analysis

### **Risk management**

- Recognises potential risks (e.g. contingent liabilities and indemnities) that can emerge following sourcing, understands how they can be managed and supports risk management activities as appropriate"

## Tender and Bid Process

Sets Sourcing Strategy into action with tenders and bids that provide clarity and certainty over agreed activities, prices and achieve value for money

Level	Descriptors
Authority	Does not align with the structure of the DE&S Commercial function
Expert	<p><b>Subject matter expertise in the types of tender</b></p> <ul style="list-style-type: none"> <li>Leads and fully understands the Tender, PQQ and bid processes for highly complex, unique or sensitive procurements</li> <li>Applies tender and bid expertise to determine appropriate e-sourcing tools to be used when placing contracts for a variety of procurements</li> <li>Advises on the appropriate application of levies, across a portfolio of complex tenders, and provides clear guidance on their use across the commercial function</li> <li>Provides subject matter expertise on key considerations of managing tenders for complex acquisitions and procurements in an international context</li> <li>Sets functional guidance on aligning approaches to tendering based on the commercial model agreed (e.g. single source) and applies this across complex portfolios</li> <li>Leads on aligning approaches to tender to the strategic priorities of DE&amp;S and wider government</li> </ul> <p><b>Evaluating and interacting with suppliers</b></p> <ul style="list-style-type: none"> <li>Devises and applies robust supplier evaluation methodologies (e.g. on areas like cost, price analysis and compliancy with terms and conditions), appraises and provides challenge to selection and award criteria</li> <li>Examines supplier proposals, critically assesses whether they represent value for money, provides robust challenges (on areas including cost and quality) and uses a variety levers to check for legislative compliance throughout</li> <li>Develops effective negotiation strategies (e.g. through the use of commercial levers) and provides negotiation advice and direction to the procurement teams and others within the organisation</li> </ul> <p><b>Overseeing tender and bidding process</b></p> <ul style="list-style-type: none"> <li>Oversees the design and the development of bidders' packs (or equivalent in single source bids), including assessing output based specifications to ensure they are fit for purpose, recommending appropriate terms and conditions and devising optimal pricing and incentive mechanisms</li> <li>Ensures that the requirement to observe the standstill period are met and defends, resolves and challenges complaints or legal letters received from unsuccessful tenderers during the standstill period</li> </ul> <p><b>Risk management</b></p> <ul style="list-style-type: none"> <li>Advises others on the internal approvals process relating to contract award, provides delegated level of approvals and addresses issues associated with securing such approvals on the project timescales</li> <li>Defends, resolves and challenges legal issues in collaboration with internal experts in the event of a legal challenge occurring</li> <li>Manages and prioritises considerations of sources of risk (e.g. contingent liabilities and indemnities) when leading tenders and how they can be mitigated</li> </ul>

**Practitioner**

**Subject matter expertise in the types of tender**

- Undertakes required tender, PQQ and bid process activities for complex purchases and procurements with little to no supervision
- Analyses key financial, legal and commercial issues in the development of the contracting model and implements these as appropriate in contract terms and conditions for purchases and procurements
- Understands and applies appropriate e-sourcing tools when placing contracts for a variety of purchases and procurements to assess the market, its maturity and the feasibility of requirements
- Applies levies (e.g. the Commercial exploitation levy), as appropriate, in both familiar and complex tenders
- Manages the appraisal of tender options (including both national and international approaches) for procurements and complex acquisitions
- Leads teams to proactively drive appropriate adjustments to the tender approach on the basis of the Commercial model agreed (e.g. single source)

**Evaluating and interacting with suppliers**

- Designs, develops and applies suitable selection and award criteria
- Appraises and challenges selection and award criteria produced by other functions and evaluates responses received by suppliers on matters, such as cost
- Leads negotiations with suppliers using strategies developed alongside stakeholders to achieve a fair and mutually beneficial outcome
- Engages with winning supplier(s) and internal stakeholders (with required contractual or financial authority) to prepare and finalise contracts
- Engages with unsuccessful tenderers by communicating debriefs, developing debrief packs, whilst ensuring compliance with commercial policy and working with experts to resolve legal challenges as required

**Overseeing tender and bidding process**

- Produces robust contract notices that achieve required outcomes, whilst ensuring compliance with policy and legislation
- Designs and develops bidders' packs (or equivalent in single source bids), including reviews, critiques, any modifications of specification, and considering optimal pricing and incentive mechanisms
- Ensures that the supplier clarification process is managed in a fair and timely manner, maintaining a robust audit trail
- Understands, explains and applies the requirement to observe the standstill period and resolves common issues raised by the suppliers during the standstill period

**Risk management**

- Understands the internal approvals process relating to contract award and identifies any issues associated with securing such approvals on the project timescales
- Facilitates the process upon receipt of a legal challenge, in collaboration with experts
- Understands and can explain the importance of proactively considering sources of risk (e.g. contingent liabilities and indemnities) when tendering, as well as gaps in supplier capability and/or capacity and how they can be mitigated



## Supervised Practitioner

### Subject matter expertise in the types of tender

- Carries out Tender, bid or PQQ Process activities with supervision, knows how these can vary by sourcing type (e.g. ITT or PQQ) and is aware of key factors to look out for in higher value or more complex purchases and procurements
- Identifies and applies appropriate e-sourcing tools when placing contracts for low value purchases/procurements to assess markets and requirement feasibility
- Demonstrates understanding of how levies (e.g. the Commercial exploitation levy) factor into the tender process for particular contracts and applies these appropriately in familiar instances
- Assesses tender options for complex acquisitions and procurements, using relevant sources of information and guidance from Subject Matter Experts on both local and international contextual considerations (e.g. of through life requirements)
- Supports the refinement to approaches to tender on the basis of the commercial model agreed (e.g. single source)

### Evaluating and interacting with suppliers

- Supports the design, development and application of suitable selection and award criteria
- Implements the supplier clarification process in a fair and timely manner, maintaining a robust audit trail
- Compares and moderates evaluation scores efficiently, fairly and assist the Tender Evaluation Panel
- Applies knowledge of the negotiation strategy when participating in negotiations for simple, low value purchases and procurements

### Overseeing tender and bidding process

- Assists managers in the production of robust contract notices (e.g. Prior Information Notice, Voluntary Transparency Notice, Contract Notice, Contract Award Notice etc.) that are designed to achieve required outcomes, whilst ensuring compliance with required policy and legislation
- Assists in the development of bidders' packs (or equivalent in single source bids), including influencing the specification, drafting appropriate terms and conditions, considering optimal pricing, risks and incentive mechanisms
- Supports the development of debrief packs, undertakes debriefs in a manner that is compliant with commercial policy
- Understands and supports the requirements to observe the standstill period
- Engages with un-successful tenderers to provide clear written or verbal de-briefs that are accordance to relevant policies

### Risk management

- Recognises and correctly follows standard processes upon receipt of a legal challenge
- Knows and can explain the internal approvals process for contract awards, including the purpose of financial and contractual delegations
- Influences, shapes and contributes to the tender process by ensuring legislative requirements and risk management plans (e.g. in response to proactively identified contingent liabilities and indemnities) have been met

## Awareness

### **Subject matter expertise in the types of tender**

- Maintains a broad awareness of the various approaches to tender (e.g. pre-qualification questionnaires (PQQ), invitations to tender (ITT) and bids processes), as well as benefits, costs and risks in their use
- Understands and recognises instances where levies (e.g. the Commercial exploitation levy) factor into the tender process
- Recognises specific tender requirements that apply to complex acquisitions in local and international contexts
- Knows that there are multiple types of commercial models possible (e.g. competitive, single source, public private partnership and private finance initiatives) and can identify impacts these can have on the tender process

### **Evaluating and interacting with suppliers**

- Applies evaluation criteria and understands the differences between selection criteria and award criteria
- Demonstrates knowledge of the importance of fair and equal treatment of tenderers and the importance of adhering to commercial policy and legislation when running a tender process
- Understands the principle of Value for Money and recognises the need to critically challenge proposals to secure value for money

### **Overseeing tender and bidding process**

- Understands and can describe the different types of contract notice and their role within the procurement process
- Recognises the role of the bidder's packs and can explain what the documents should contain
- Recognises the need to debrief unsuccessful tenderers and can explain what debriefings should contain

### **Risk management**

- Develops familiarity with the internal approvals processes relating to contract award, including how these may vary depending on the value of the contract
- Recognises potential risks (e.g. contingent liabilities and indemnities) that can emerge following the tender process, understands how they can be managed and supports risk management activities as appropriate

# Contract Management

Ensures the fulfilment of agreed terms over the lifetime of a contract(s) by proactively incorporating management of commercial records, maintaining audit trails, tracking performance measures, resolving variations and arranging required amendments

Level	Descriptors
Authority	Does not align with the structure of the DE&S Commercial function
Expert	<p><b>Subject matter expertise in contract management practices</b></p> <ul style="list-style-type: none"> <li>• Champions the importance of contract management, recommends opportunities to incentivise contract delivery and continuous performance improvement at a strategic level across the DES Commercial function</li> <li>• Provides subject matter expertise by advising on key considerations required for managing contracts for complex acquisitions and procurements in an international context</li> <li>• Directs, develops and justifies strategies to facilitate negotiations (e.g. for the recovery of indirect costs), contract handovers and the successful implementation of changes</li> <li>• Directs, develops and implements the strategy for using e-tools to support contract administration and closure</li> <li>• Designs, develops and implements activities (e.g. Adjustments, Post Costing, Return of Government Finished Assets) to facilitate the contract completion and post completion processes</li> <li>• Leads the designs, development and assessment of contract renewal options, capturing any lessons learned from previous requirements, in partnership with the contract placement team (where applicable) to inform future sourcing strategies for senior stakeholder sign off</li> <li>• Advises on the appropriate management of levies across a portfolio of complex contracts and provides clear guidance on their use across the commercial function</li> <li>• Sets functional guidance on aligning approaches to contract management based on the commercial model agreed (e.g. single source), as well as broader government and DES priorities</li> </ul> <p><b>Ability to resolve poor performance in the supply chain</b></p> <ul style="list-style-type: none"> <li>• Resolves poor performance by suppliers and within the supply chain promptly by prescribing contractual remedies, enforcing contracts and incorporating recovery plans into contract management plan across a complex portfolio of contracts</li> <li>• Leads on dispute resolution by recommending techniques for identifying their cause, applying appropriate dispute resolution measures and putting in place measures to prevent them happening in future</li> <li>• Promotes the concept of contractual consideration by applying contract mining techniques, leveraging opportunities to drive out savings at a strategic level, and recording these consistently against the original contract(s) to use as a baseline when managing a complex portfolio of contracts</li> <li>• Leads and cultivates a team to enable timely management of invoicing process and to facilitate both effective and regular performance reviews and annual contract reviews with the supplier(s)</li> </ul> <p><b>Maintaining accurate and appropriate performance metrics</b></p> <ul style="list-style-type: none"> <li>• Champions the importance of maintaining accurate, auditable commercial records of delivery and progress against milestones to judge, defend and justify the actions and decisions that have been taken</li> <li>• Evaluates DES commercial records compliancy with legislation and wider Pan-Government policy initiatives, determining and implementing improvements identified</li> </ul> <p><b>Risk management</b></p>

	<ul style="list-style-type: none"> <li>• Ensures that contractual and commercial procurement risks are clearly articulated, analysed and captured in the organisation's Risk Register to facilitate the ease of their management and to aid in assessing contract renewal</li> <li>• Ensures that variations or amendments are compliant with legislation or policy by scrutinising supplier proposals with appropriate tools to ensure maximum value for money</li> <li>• Assesses DE&amp;S and MoD compliancy with legislation and policy relating to contract options and extensions, the impacts of these and determines and implements improvements</li> <li>• Manages and prioritises proactive considerations of sources of risk (e.g. contingent liabilities and indemnities) and how they can be mitigated"</li> </ul>
<p><b>Practitioner</b></p>	<p><b>Subject matter expertise in contract management practices</b></p> <ul style="list-style-type: none"> <li>• Manages contracts (with national and international parties) for procurements and complex acquisitions</li> <li>• Applies contract management expertise to inform appropriate tools to improve supplier performance, including plans to actively manage suppliers, supply chain performance metrics, rewards, as well as incentive mechanisms and remedies</li> <li>• Optimises the use of e-tools to facilitate the accurate management of the commercial records and to support in closing a contract down</li> <li>• Manages the agreed costs and pricing applied across both complex and simple contracts</li> <li>• Implements contract completion and post completion processes after ensuring resolution of outstanding liabilities (e.g. Final Price Adjustments, Post Costing, Return of Government Finished Assets etc.)</li> <li>• Identifies and drives out savings and tracks these consistently against the original contract(s) baseline when managing a variety of contracts within a portfolio</li> <li>• Works with the contract placement team (where applicable) to identify and explore contract renewal options, capturing lessons learned, factoring the impact of legislation (e.g. on extensions), as well as measuring commercial risk to inform future sourcing/renewal strategies for senior stakeholder sign off</li> <li>• Manages levies (e.g. the Commercial exploitation levy) with confidence in applicable contracts in both familiar and complex contexts</li> <li>• Leads teams to proactively drive appropriate adjustments to the contract management approach taken on the basis of the Commercial models agreed (e.g. single source)</li> </ul> <p><b>Ability to resolve poor performance in the supply chain</b></p> <ul style="list-style-type: none"> <li>• Applies contract mining to pick out key principles to monitor contract performance and to ensure invoicing is monitored against contractual obligations (including legislative requirements, such as mandated reports required under the Single Source Contract Regulations etc.)</li> <li>• Responds to identified poor performance promptly by applying contractual remedies, additional support, and enforcing the contract as appropriate to ensure the objectives of DE&amp;S and MoD are met, whilst minimising any negative impact on outcomes and relationships</li> </ul> <p><b>Maintaining accurate and appropriate performance metrics</b></p> <ul style="list-style-type: none"> <li>• Manages the upkeep of accurate, auditable commercial records of delivery and progress against milestones to judge, defend and justify actions and decisions that have been taken</li> <li>• Leads assurance checks and peer reviews to support the sharing of learning through experience across the supply chain</li> </ul> <p><b>Risk management</b></p> <ul style="list-style-type: none"> <li>• Identifies specific contractual/commercial procurement risks, engages internal/external stakeholders to apply appropriate risk mitigation, ensuring that these risks are clearly articulated, understood and captured in the wider Project Risk Register</li> </ul>

	<ul style="list-style-type: none"> <li>• Manages disclosure of commercial records (e.g. Freedom of Information Requests) appropriately</li> <li>• Understands and can explain the importance of considering sources of risk (e.g. contingent liabilities and indemnities) when managing contracts, as well as gaps in supplier capability and/or capacity and how they can be mitigated</li> </ul>
<p><b>Supervised Practitioner</b></p>	<p><b>Subject matter expertise in contract management practices</b></p> <ul style="list-style-type: none"> <li>• Understands the purpose of performance metrics and when rewards, incentive mechanisms or remedies are applied</li> <li>• Defines the contractual deliverables and obligations for simple contracts and explains how contract performance is monitored against these for contract handovers</li> <li>• Understands, can explain and apply e-tools to support the accurate management of commercial records when managing a variety of contracts within a portfolio</li> <li>• Draws on subject knowledge to adhere to policy and minimise errors in contract archiving, retrieval, retention and disposal</li> <li>• Understands the outstanding liabilities that must be completed before contract completion can be declared and can apply contract completion/post-completion processes for simple, low value contracts</li> <li>• Applies e-tools to facilitate the accurate management of the commercial record and to support in closing simple, low value contracts down</li> <li>• Understands and supports discussions regarding contract renewal options, including any lessons learned from the previous contracts, risks, impacts of legislation and policies with the contract placement team (where applicable) when considering future sourcing strategies</li> <li>• Demonstrates understanding of how levies (e.g. the Commercial exploitation levy) can be managed within contracts and manages these appropriately in familiar instances</li> <li>• Supports the management of contracts in complex acquisitions and procurements, using relevant sources of information and guidance from Subject Matter Experts on relevant local and international contextual considerations</li> <li>• Supports the refinement to approaches to contract management on the basis of the commercial model (e.g. single source) agreed</li> </ul> <p><b>Ability to resolve poor performance in the supply chain</b></p> <ul style="list-style-type: none"> <li>• Utilises regular performance reviews, applies invoice processes and annual contract reviews to optimise simple, low value contracts with suppliers</li> <li>• Recognises poor performance promptly and can outline the process for applying contractual remedies, support and enforcing the contract to address performance issues</li> <li>• Applies appropriate dispute resolution processes when managing simple low value contracts and implements mitigating actions</li> </ul> <p><b>Maintaining accurate and appropriate performance metrics</b></p> <ul style="list-style-type: none"> <li>• Maintains accurate, auditable commercial records of delivery and progress against milestones to judge, defend and justify actions and decisions that have been taken</li> <li>• Actively supports assurance checks and participates in peer reviews to support the sharing of learning through experience across the supply chain</li> </ul> <p><b>Risk management</b></p> <ul style="list-style-type: none"> <li>• Ensures that contract delivery is compliant with legislation (e.g. Single Source Contract Regulations), policy and that Value for Money is achieved by scrutinising supplier proposals, including cost breakdowns</li> <li>• Identifies emerging contractual risk and ensures that these risks are captured in the wider Project Risk Register and Contract Management Plans</li> <li>• Demonstrates understanding of the circumstances in which disclosure of commercial records may be appropriate (e.g. Freedom of Information Requests)</li> </ul>

	<ul style="list-style-type: none"> <li>• Influences, shapes and contributes to contract management by ensuring legislative requirements and risk management plans (e.g. in response to proactively identified contingent liabilities and indemnities) have been met</li> </ul>
<p><b>Awareness</b></p>	<p><b>Subject matter expertise in contract management practices</b></p> <ul style="list-style-type: none"> <li>• Recognises and can explain the importance of managing contracts and can support this by updating records and plans</li> <li>• Explains and applies the correct cost management and invoicing processes to ensure the accurate, timely and auditable payments of invoices</li> <li>• Understands and recognises instances where levies (e.g. the Commercial exploitation levy) factor into the contract management process</li> <li>• Recognises specific contract management requirements that apply to complex acquisitions in local and international contexts</li> <li>• Knows that there are multiple types of commercial models possible (e.g. competitive, single source, public private partnership and private finance initiatives) and can identify impacts these can have on contract management</li> <li>• Demonstrates a broad understanding of the contract closure process, including the steps involved in post costing</li> </ul> <p><b>Ability to resolve poor performance in the supply chain</b></p> <ul style="list-style-type: none"> <li>• Understands and can explain the purpose and content of contract management performance reviews with suppliers and their importance</li> </ul> <p><b>Maintaining accurate and appropriate performance metrics</b></p> <ul style="list-style-type: none"> <li>• Applies and understands the role of e-tools to support the accurate management of commercial records and in preparation for contract management activities</li> <li>• Demonstrates understanding of the importance of maintaining a robust audit trail and can identify appropriately filing systems for evidence of the actions and decisions that have been taken</li> </ul> <p><b>Risk management</b></p> <ul style="list-style-type: none"> <li>• Recognises situations when formal contractual variations or amendments are required to manage risk</li> <li>• Applies security classifications correctly and classifies protectively marked information at the appropriate level</li> <li>• Understands and can explain the concept of contractual consideration as well as the process for how and when to escalate contractual risks</li> <li>• Understands identified risks (e.g. contingent liabilities and indemnities) prior to contract award, understands how they can be managed and supports risk management activities as appropriate</li> </ul>

## Legislation & Departmental Policy

Drives awareness and alignment to European Union Legislation, United Kingdom Procurement Regulations, Departmental policy, Cross government procurement initiatives and drivers to ensure supply chain compliance and sustainability

Level	Descriptors
Authority	Does not align with the structure of the DE&S Commercial function
Expert	<ul style="list-style-type: none"> <li>• Draws on expertise to effectively utilise the application of appropriate legislative frameworks (both national and international) for complex procurements and acquisitions to achieve best value for money</li> <li>• Utilises legislative expertise to provide guidance and advice on how to interpret and promote legislative and policy changes as well as wider government initiatives</li> <li>• Leads procurement risk management (e.g. contingent liabilities and indemnities) and applies evidence to support recommendations to take calculated risks in sourcing the most effective procurement solution for complex or contentious requirements</li> <li>• Evaluates the risk of a legal challenge when sourcing complex or contentious requirements</li> <li>• Defends, resolves and challenges legal challenges in collaboration with experts</li> <li>• Draws on subject matter expertise to effectively utilise Departmental Policy and Guidance for complex procurements and acquisitions to achieve best Value for Money</li> <li>• Applies expertise to advise on wider government commercial initiatives, levies (e.g. the commercial exploitation levy), drivers and procurement policy requirements to improve the alignment of DES commercial strategies to broader governmental priorities</li> </ul>
Practitioner	<ul style="list-style-type: none"> <li>• Utilises broad subject knowledge to effectively evaluate and apply appropriate legislative frameworks (both national and international) for purchases and procurements to achieve best value for money</li> <li>• Draws on expertise of legislation to provide guidance and advice on how to interpret and incorporate legislative and policy changes (e.g. on possible exceptions or approvals required as a result)</li> <li>• Manages specific procurement risks (e.g. contingent liabilities and indemnities), applies appropriate risk mitigation techniques when sourcing goods/services, implements risk mitigation strategies in response to legal challenge and is aware of when it is appropriate to escalate issues</li> <li>• Utilises in-depth legislative expertise to robustly evaluate and effectively apply Departmental Policy and Guidance, along with current government commercial initiatives, drivers and procurement policy requirements, when sourcing purchases and procurements for best value for money</li> <li>• Applies and manages levies (e.g. the Commercial exploitation levy) with confidence in applicable contracts in both familiar and complex situations</li> </ul>

<p><b>Supervised Practitioner</b></p>	<ul style="list-style-type: none"> <li>• Evaluates and applies the correct legislative frameworks for familiar purchases and procurements to achieve best value for money</li> <li>• Keeps up to date with cross government legislative changes (in both national and international contexts), can explain straightforward policy changes and seeks guidance as required</li> <li>• Identifies specific procurement risks (e.g. contingent liabilities and indemnities) and considers, with supervision, appropriate risk mitigation techniques when sourcing goods/services</li> <li>• Recognises legal challenges, why they can occur and provides recommendations of what can be implemented to mitigate the risk of a legal challenge to senior stakeholders</li> <li>• Understands and applies, with supervision, Departmental Policy and Guidance for purchases and procurements as required to achieve best value for money</li> <li>• Applies, with guidance, knowledge of current government commercial initiatives, drivers and procurement policy requirements when sourcing purchases and procurements to achieve best value for money</li> <li>• Demonstrates understanding of how levies (e.g. the Commercial exploitation levy) can affect contracts and how these can be managed in familiar instances</li> </ul>
<p><b>Awareness</b></p>	<ul style="list-style-type: none"> <li>• Understands and can identify the legislative frameworks required for simple low value purchases and procurements to achieve best value for money</li> <li>• Keeps up to date with changes in cross government legislation (e.g. the defence reform act 2014, public contract regulations 2015 and the Single Source Contract Regulations 2014), levies and policy in both national and international contexts</li> <li>• Identifies, can explain common sources of procurement risk (e.g. contingent liabilities and indemnities) and understands when to escalate procurement risks when sourcing goods/services</li> <li>• Understands and can explain what a legal challenge is, why they can occur and what can be done to mitigate the risk of a legal challenge</li> <li>• Applies and can explain Departmental Policy and Guidance for simple low value purchases and procurements to achieve best value for money</li> <li>• Articulates current government commercial initiatives, drivers and procurement policy requirements</li> </ul>



## Governance

Enables governance policies, frameworks and gateway processes that apply to DE&S and wider MoD

Level	Descriptors
Authority	Does not align with the structure of the DE&S Commercial function
Expert	<ul style="list-style-type: none"> <li>Aligns activities to DE&amp;S strategic vision by building a network and working alongside leadership in shaping the risk management within contracts and processes</li> <li>Draws on subject expertise to effectively brief leadership and senior stakeholders on governance issues, tailoring approach according to the audience</li> <li>Defines quality policies, plans and processes, proposes quality targets and agrees them with the organisation's leadership</li> <li>Delivers guidance on assurance and governance frameworks across all categories of projects by mentoring, communicating LFE and best practice</li> <li>Implements governance structures, monitors performance and appropriately challenges poor practice and behaviours that fall below expectations</li> <li>Ensures that roles, responsibilities, authorities and accountabilities are defined in DE&amp;S governance arrangements within the management system</li> <li>Directs, develops and implements improvements to governance processes and assurance procedures</li> </ul>
Practitioner	<ul style="list-style-type: none"> <li>Manages and implements appropriate governance frameworks across a range of projects through the integration of processes, review points and key performance indicators to maximise value</li> <li>Manages and conducts peer reviews, challenging and providing constructive feedback and making recommendations for improvements</li> <li>Applies broad subject knowledge to support areas that require improvement by implementing necessary support, performance measures and an action plan for change</li> <li>Designs assurance and governance processes that are appropriate to the category of project and applies these processes, whilst consulting with experts for LFE and applying best practice</li> <li>Manages and conducts file audits across DE&amp;S and MoD and provides constructive feedback on what has been missed, issues and potential risks based on previous experience</li> <li>Identifies risks and applies risk mitigation techniques effectively in setting clear terms and conditions, utilising project experts to inform the strategies and challenges practices and behaviours acting in contrary</li> <li>Ensure requirements for governance, based on stakeholders' needs, are effectively communicated throughout Domain/Operating Centre</li> </ul>
Supervised Practitioner	<ul style="list-style-type: none"> <li>Assists managers with and has a broad understanding of assurance and governance processes, knowing who to involve in these, and when</li> <li>Supports in the collation of required documents, assurances, reviews and submissions in accordance with governance requirements</li> <li>Recognises and recommends mitigation strategies for process failings, insufficient controls and provides guidance based on LFE and best practice to avoid systemic failings</li> <li>Support and advises on the development of an appropriate range of performance measures and metrics for DE&amp;S, including quality performance</li> <li>Understands the importance of following governance structures, managing risk and appropriately challenges poor practice and behaviours against these</li> </ul>

## Awareness

- Utilises governance frameworks and policies from the guidance of management to assist colleagues and team's delivery
- Understands that there are different levels of assurance required, depending on the category of project spend, is able to understand the processes for each category, knows who conducts the assurance and when these are required
- Contributes to assurance audits, using assurance checklists to ensure governance procedures have been followed
- Demonstrates ability to navigate contract files if requested by an assessor or auditor
- Understands how risks are mitigated in contract terms and conditions
- Follows governance structures and appropriately escalates instances of poor practice and behaviours against these