

## CALL OFF SCHEDULE 7: GOVERNANCE

### 1. DEFINITIONS

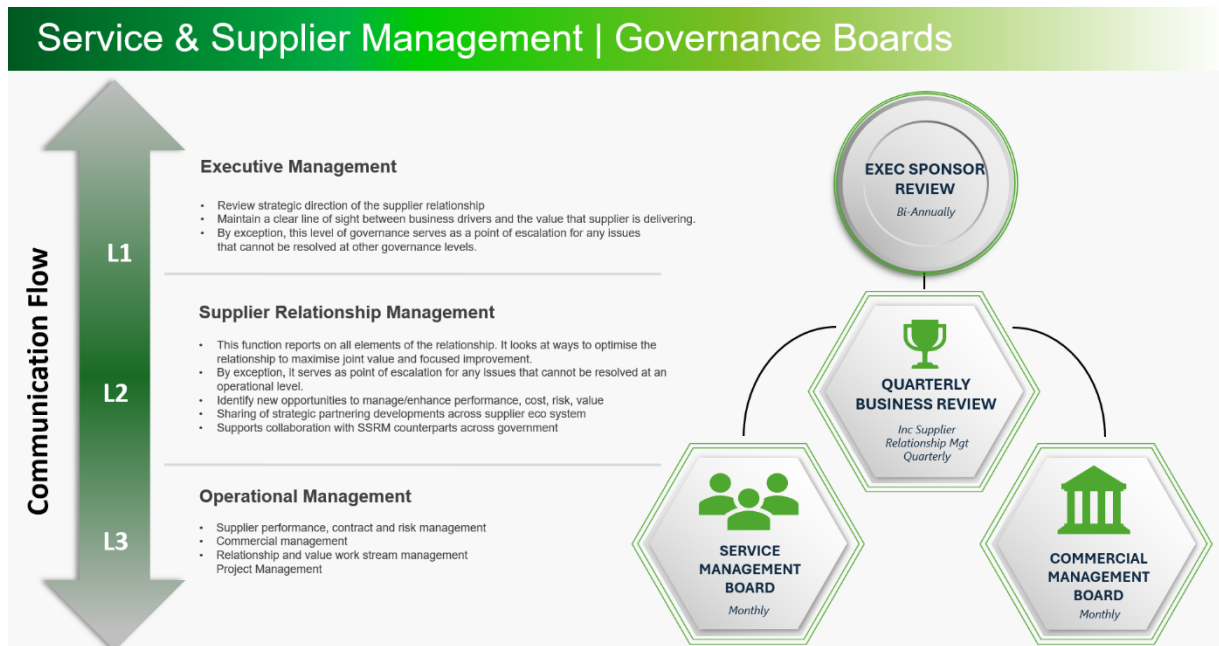
In this Call Off Schedule 7 (Governance), the following definitions shall apply:

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|---|--|
| <b>“Board Member”</b>                     | the initial persons appointed by the Buyer and Supplier to the Boards as set out in Attachment 8 (Governance) of the Order Form and any replacements from time to time agreed by the Parties in accordance with Paragraph 5.3;                       |
| <b>“Boards”</b>                           | means the Executive Sponsor Review Meeting, Quarterly Business Review, the Service Management Board, the Commercial Management Board, the Technical Design Authority and the Transition Management Board, and <b>“Board”</b> shall mean any of them; |
| <b>“Commercial Management Board”</b>      | the body described in Paragraph 9;   |
| <b>“Contract Manager”</b>                 | the individual appointed as such by the Supplier in accordance with Paragraph 3;   |
| <b>"Executive Sponsor Review Meeting"</b> | the meeting described in Paragraph 6;  |
| <b>"Quarterly Business Review"</b>        | has the meaning given in Paragraph 7;  |
| <b>“Service Management Board”</b>         | the body described in Paragraph 8;   |
| <b>“Technical Design Authority”</b>       | the body described in Paragraph 10; and  |
| <b>“Transition Management Board”</b>      | means the Board for transition as described in Paragraph 11 of this Schedule.  |

### 2. MANAGEMENT OF THE SERVICES

- 2.1 This Schedule details the governance arrangements applicable to the Contract. The core operational governance arrangements are summarised and depicted in the diagram at Figure 1 below.
- 2.2 Both Parties shall ensure that appropriate resource is made available on a regular basis such that the aims, objectives and specific provisions of this Contract can be fully realised.
- 2.3 The Parties agree to operate the Boards.
- 2.4 The Supplier shall ensure that appropriately senior, authorised, qualified and experienced Supplier Personnel attend the Boards in accordance with the frequency set out in Attachment 8 (Governance) of the Order Form.
- 2.5 This Schedule sets out the process for how matters are proposed, discussed, and agreed at the Boards by seeking to ensure that the Supplier has clear management responsibilities

in respect of the effective delivery of the Services, and that the Parties have a clear understanding on how matters that remain unresolved at a particular governance forum can be escalated.



**Figure 1: Strategic Supplier Relationship Management (SSRM) Governance Boards**

### 3. ROLE OF THE SUPPLIER CONTRACT MANAGER

- 3.1 The Supplier shall appoint a Contract Manager for the purposes of this Contract.
- 3.2 The Supplier's Contract Manager shall:
  - 3.2.1 be the primary point of contact to receive communication from the Buyer and will also be the person primarily responsible for providing information to the Buyer;
  - 3.2.2 manage the Services on a day-to-day basis; and
  - 3.2.3 be designated as a member of the Key Supplier Personnel.
- 3.3 The Buyer may provide revised instructions to the Supplier's Contract Manager in regards to the Contract and it will be the Supplier's Contract Manager's responsibility to ensure the information is provided to the Supplier and the actions implemented.
- 3.4 Receipt of communication from the Supplier's Contract Manager's by the Buyer does not absolve the Supplier from its responsibilities, obligations or liabilities under the Contract.

### 4. CONTRACT RISK MANAGEMENT

- 4.1 Both Parties shall pro-actively manage risks attributed to them under the terms of this Contract.
- 4.2 The Supplier shall develop, operate, maintain and amend, as agreed with the Buyer, processes for:
  - 4.2.1 the identification and management of risks;
  - 4.2.2 the identification and management of issues; and

- 4.2.3 monitoring and controlling project plans.
- 4.3 The Supplier allows the Buyer to inspect at any time within working hours the accounts and records which the Supplier is required to keep.
- 4.4 The Supplier shall document and update the risks and issues identified under the processes set out in Paragraphs 4.1 and 4.2 in a risk register (the "**Operational Risk Register**"). The Supplier shall keep the Operational Risk Register up to date and shall submit it for review to the appropriate Board(s) on a monthly basis or as otherwise agreed by both Parties.
- 4.5 When documenting risks in the Operational Risk Register, the Supplier shall include the financial impact (if any) associated with such risks as applicable.

## 5. **BOARDS**

### **Establishment and structure of the Boards**

- 5.1 The Boards shall be established by the Buyer for the purposes of this Contract on which both the Supplier and the Buyer shall be represented.
- 5.2 In relation to each Board, the:
  - 5.2.1 Buyer Board Members;
  - 5.2.2 Supplier Board Members;
  - 5.2.3 frequency that the Board shall meet (unless otherwise agreed between the Parties);
  - 5.2.4 location of the Board's meetings;
  - 5.2.5 additional inputs and outputs applicable to the Board's meetings (if any);
  - 5.2.6 planned start date by which the Board shall be established; and
  - 5.2.7 any Other Supplier Board Members (if required),shall be as set out in the relevant terms of reference set out in Attachment 8 (Governance) of the Order Form.
- 5.3 In the event that either Party wishes to replace any of its appointed Board Members, that Party shall notify the other in writing of the proposed change for agreement by the other Party (such agreement not to be unreasonably withheld or delayed). Notwithstanding the foregoing it is intended that each Buyer Board Member has at all times a counterpart Supplier Board Member of equivalent seniority and expertise.

### **Board Meetings**

- 5.4 The Boards are to take place on time with meetings conducted using an agreed medium that is sensible for effective operation for example face to face, video conference or teleconference.
- 5.5 The agenda for a Board meeting shall be distributed to all respective Buyer and Supplier attendees and optional attendees at least three (3) Working Days in advance of each meeting by the Buyer. If any other Core Defra Group Supplier is required to attend the Board, the Buyer shall procure that the other Core Defra Group Supplier shall provide agenda items and supporting material at least five (5) Working Days in advance of the relevant Board.
- 5.6 Agenda items or issues that cannot be concluded, resolved or exceed the decision making responsibilities of the relevant Board shall be escalated to the next scheduled Executive Sponsor Review Meeting.
- 5.7 Each Party shall ensure that its Board Members shall make all reasonable efforts to attend Board meetings at which that Board Member's attendance is required. If any Board Member is not able to attend a Board meeting, that person shall use all reasonable endeavours to ensure that:

- 5.7.1 a delegate attends the relevant Board meeting in his/her place who (wherever possible) is properly briefed, prepared and has the authority to make decisions and;
  - 5.7.2 that he/she is debriefed by such delegate after the Board Meeting.
- 5.8 A chairperson shall be appointed by the Buyer for each Board as identified in Attachment 8 (Governance) of the Order Form. The chairperson shall be responsible for:
  - 5.8.1 scheduling Board meetings;
  - 5.8.2 setting the agenda for Board meetings and circulating to all attendees in advance of such meeting;
  - 5.8.3 chairing the Board meetings;
  - 5.8.4 monitoring the progress of any follow up tasks and activities agreed to be carried out following Board meetings;
  - 5.8.5 ensuring that minutes for Board meetings are recorded and disseminated electronically to the appropriate persons and to all Board meeting participants within seven (7) Working Days after the Board meeting; and
  - 5.8.6 facilitating the process or procedure by which any decision agreed at any Board meeting is documented and given effect in the appropriate manner.
- 5.9 Board meetings shall be quorate as long as at least two (2) representatives from each Party are present.
- 5.10 The Parties shall ensure, as far as reasonably practicable, that all Boards shall as soon as reasonably practicable resolve the issues and achieve the objectives placed before them. Each Party shall endeavour to ensure that Board Members are empowered to make relevant decisions or have access to empowered individuals for decisions to be made to achieve this.
- 5.11 The Parties acknowledge and agree that it may be appropriate for the Other Suppliers, and any Core Defra Group Suppliers, to attend certain of the Boards and, where relevant, the Buyer shall, where practicable, procure the attendance of such third parties.

## 6. **ROLE OF THE EXECUTIVE SPONSOR REVIEW MEETING**

- 6.1 An executive level review meeting ("**Executive Sponsor Review Meeting**") shall be held no less than every six (6) months throughout the Contract Period on a date to be agreed between the Parties, and in accordance with the terms of reference for the Executive Sponsor Review Meeting as set out in Attachment 8 of the Order Form.
- 6.2 The purpose of the Executive Sponsor Review Meetings shall be to:
  - 6.2.1 act as the final point of escalation for service delivery issues and disputes;
  - 6.2.2 provide opportunity to inject coherence and resilience into deliverables;
  - 6.2.3 work collaboratively to overcome problems, provide solutions and leading edge expertise;
  - 6.2.4 drive Core Defra Group Suppliers forward to deliver to scope, quality, schedule and cost;
  - 6.2.5 oversee the approval and delivery of Projects involving more than one Core Defra Group Supplier;
  - 6.2.6 review the strategic direction of the Supplier relationship;
  - 6.2.7 maintain a clear line of sight between business drivers and the value that the Supplier is delivering;
  - 6.2.8 manage the strategic relationship between all Other Suppliers at a senior level;

- 6.2.9 evaluate feedback from other governance bodies about the whole spectrum of the relationship between the Buyer and the Supplier and Other Suppliers; and
- 6.2.10 address the alignment of the Buyer's ICT strategy and the leverage of ICT to deliver additional value to the Buyer's business activities.

## **7. ROLE OF THE QUARTERLY BUSINESS REVIEW (QBR)**

- 7.1 A quarterly review meeting ("**Quarterly Business Review**") shall be held throughout the Contract Period on a date to be agreed between the Parties, and in accordance with the terms of reference for the Quarterly Business Review as set out in Attachment 8 of the Order Form.
- 7.2 The purpose of the Quarterly Business Review shall be to ensure alignment and strategic direction and set the overall tone of the relationship between the Buyer and the Supplier, and to deliver the following objectives:
  - 7.2.1 assure that the end to end services are being delivered in an efficient and cost-effective manner and are meeting the requirements of the Buyer;
  - 7.2.2 review progress against the Account Management Plan;
  - 7.2.3 drive the tone of the relationship between the Buyer and the Supplier and set the strategic agenda;
  - 7.2.4 discuss strategic trends and future road-mapping for the Services;
  - 7.2.5 discuss new and existing value release and relationship improvement initiatives;
  - 7.2.6 discuss opportunities for strategic partnership, innovation and collaboration;
  - 7.2.7 escalation of issues or specific topics that require an executive decision or awareness to the next scheduled Executive Sponsor Review Meeting;
  - 7.2.8 review the forward agenda and pipeline of activity in respect of the Services; and
  - 7.2.9 review the Suppliers' performance against HM Government's Supplier Code of Conduct (as linked below) that set out the standards and behaviours expected of suppliers who work with government:  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/779660/20190220-Supplier\\_Code\\_of\\_Conduct.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779660/20190220-Supplier_Code_of_Conduct.pdf);
  - 7.2.10 by exception, it serves as point of escalation for any issues or disputes that cannot be resolved by the Service Management Board.

## **8. ROLE OF THE SERVICE MANAGEMENT BOARD**

- 8.1 The Service Management Board shall be responsible for the management of the operational delivery of the technical aspects of the Services within the bounds of the Contract and shall:
  - 8.1.1 consider issues relating to the operational aspects of the Services including reviewing the Performance Monitoring Reports in accordance with the Service Measurement and Reporting Policy and Service Measurement and Reporting Process;
  - 8.1.2 confirm the submission of reports required by Call Off Schedule 3 (Service Levels, Service Credits and Performance Monitoring) and agree Performance Monitoring Reports, Service Levels and Key Performance Indicators attainment and Service Credit volumes;
  - 8.1.3 receive reports from the Contract Manager on matters such as issues relating to delivery of existing Services and performance against Service Levels and

Key Performance Indicators, progress against the Implementation Plan and possible future developments;

- 8.1.4 review any Transparency Reports that are allocated to it under Call Off Schedule 6 (Transparency Reports) and Attachment 10 (Transparency Reports) of the Order Form;
- 8.1.5 review service management, co-ordination of individual Projects and any integration issues;
- 8.1.6 consider and resolve key service delivery issues and Disputes (including Disputes as to the cause of a Delay or the performance of the Services) in the first instance and if necessary escalate the Dispute to the Quarterly Business Review;
- 8.1.7 confirm submission of, and review the accuracy and completeness of, the Registers provided pursuant to Call Off Schedule 10 (Exit Management);
- 8.1.8 review operational delivery risks and issues and update the Operational Risk Register;
- 8.1.9 identify areas for improvements to Services;
- 8.1.10 provide recommendations for Projects or investments where applicable;
- 8.1.11 seek guidance from, provide recommendations to, and escalate issues to the Quarterly Business Review as required; and
- 8.1.12 assess the impact and approve or reject all Change Requests. Changes which will have a significant impact on the Services shall be escalated to the Commercial Management Board. In particular, the Service Management Board shall:
  - (a) analyse and record the impact of all Changes, specifically whether the proposed Change:
    - (i) has an impact on other areas or aspects of this Contract and/or other documentation relating to the Services;
    - (ii) has an impact on the ability of the Buyer to meet its agreed business needs within agreed time-scales;
    - (iii) will raise any risks or issues relating to the proposed Change; and
    - (iv) will provide value for money in consideration of any changes to the future Charges and/or Service Levels;
  - (b) provide recommendations, seek guidance and authorisation from the Commercial Management Board as required; and
  - (c) approve or reject (close) all proposed Changes.

## **9. ROLE OF THE COMMERCIAL MANAGEMENT BOARD**

- 9.1 The Commercial Management Board shall be responsible for managing the operation and performance of the Contract.
- 9.2 The Commercial Management Board shall:
  - 9.2.1 consider and resolve commercial and financial issues between the Supplier and the Buyer
  - 9.2.2 review commercial and financial risks and issues and the appropriate risk and issues registers;
  - 9.2.3 consider and review status for all proposed Changes that are escalated to it from the Service Management Board;

- 9.2.4 discuss costs and commercial opportunities associated with service delivery identified under Call Off Schedule 17 (Continuous Improvement) and explore ways of reducing those costs and acting on those commercial opportunities, including reviewing existing cost reduction mechanisms;
- 9.2.5 review any financial and commercial Transparency Reports that are allocated to it under Call Off Schedule 6 (Transparency Reports) and Attachment 10 (Transparency Reports) of the Order Form;
- 9.2.6 act as a point of escalation from the Service Management Board for issues related to Contract performance where appropriate and;
- 9.2.7 seek guidance from, provide recommendations to, and escalate issues to the Quarterly Business Review as required.

## **10. ROLE OF THE TECHNICAL DESIGN AUTHORITY**

- 10.1 The Technical Design Authority shall be accountable for oversight of the technology used in the Services and ensuring that technological choices are made to maximise the long term value of the Services.
- 10.2 The Technical Design Authority shall:
  - 10.2.1 set the direction and assure compliance with the Standards and policies (including security) on technology use and adoption;
  - 10.2.2 grant dispensations for variations from such compliance where appropriate;
  - 10.2.3 assure the coherence and consistency of the systems architecture for the Services;
  - 10.2.4 update architecture reference models (where relevant);
  - 10.2.5 review architecture risks and issues and update the appropriate risks and issues registers;
  - 10.2.6 commission proposals on patterns and technology adoptions and produce and align technology patterns and roadmaps;
  - 10.2.7 monitor developments in new technology, standards and policies and reporting on their potential benefit to the Services (where appropriate);
  - 10.2.8 consider issues with technology delivery and systems integration;
  - 10.2.9 consider service design challenges; and
  - 10.2.10 provide advice, guidance, and information on technical issues.

## **11. ROLE OF THE TRANSITION MANAGEMENT BOARD**

- 11.1 The Transition Management Board, which shall operate from the Commencement Date until such time as the final Milestone has been Achieved, shall:
  - 11.1.1 steer the overall transition portfolio (including staff transfer) taking into consideration business needs;
  - 11.1.2 monitor the Supplier's performance against the Implementation Plan;
  - 11.1.3 ensure alignment of Core Defra Group Suppliers transition and implementation plans, Incumbent Supplier exit plans, and in-flight projects list to ensure that points of integration and dependencies are understood and managed;
  - 11.1.4 review transition risk and issues and update the appropriate risks and issues registers; and

- 11.1.5 seek guidance from, provide recommendations to, and escalate issues to the Buyer's GIO senior stakeholders and Supplier's relevant senior stakeholders, as required.

## **12. OTHER MEETINGS**

- 12.1 The Boards and meetings described in Paragraphs 6 to 12 have the purpose of directly supporting the governance structure of this Contract. In addition to these Boards and meetings, other meetings or calls (if applicable) shall be held as part of the Supplier performance management and governance approach. The precise number and scope of these meetings shall be agreed between the Parties.