



Home Office

AUTHORITY: The Secretary of State for the Home Department

**SCHEDULE 8**  
**GOVERNANCE AND CONTRACT MANAGEMENT**  
**NEXT GENERATION OUTSOURCED VISA SERVICES**

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## **SCHEDULE 8**

### **GOVERNANCE AND CONTRACT MANAGEMENT**

#### **1 GOVERNANCE & CONTRACT MANAGEMENT INTRODUCTION**

##### **1.1 This Schedule:**

- 1.1.1 identifies the principal areas where effective governance procedures are required to manage the relationship between the Authority and the Supplier;
- 1.1.2 sets out the governance and contract management structure for the Agreement; the roles and responsibilities of both Parties to maintain an effective working relationship and the type, content and frequency of management review meetings; and
- 1.1.3 includes the governance and contract management process in so far as it relates to User Pays Services, Supplier proposals and Authority approvals.

##### **1.2 The base governance structure set out in this Schedule will be developed in accordance with the principles contained in this Schedule and shall be designed to ensure that:**

- 1.2.1 a forum for co-operative and proactive management of the Agreement is established so that the objectives set out in the Agreement are consistently achieved;
- 1.2.2 the Supplier's Solution is provided professionally, and in accordance with the Agreement;
- 1.2.3 the Supplier's Solution meets the Service Requirements;
- 1.2.4 the provision of the Supplier's Solution is regularly monitored to ensure compliance with Performance Standards, and that appropriate timely action is taken to deal with any problems or issues;
- 1.2.5 the Supplier's Solution is carried out in accordance with the Authority's compliance, audit and risk management requirements;
- 1.2.6 the Supplier undertakes its responsibilities in a timely and professional manner;
- 1.2.7 the governance structure is kept up to date and modified, as appropriate, to comply with the changing requirements of the Authority, including updating the Authority Policies;
- 1.2.8 risks and issues are identified early, and those and any disputes are resolved promptly in a co-operative manner;
- 1.2.9 the Transition Plan is governed according to the provisions outlined in this Schedule 8 **(Governance and Contract Management)**;
- 1.2.10 the Change Control Procedure is implemented correctly and monitored;

1.2.11 any User Pays Services are implemented correctly and monitored and

1.2.12 Termination Assistance is managed effectively.

1.3 In this Schedule, unless the contrary intention appears, each capitalised term shall have the meaning set out in Schedule 1 (**Definitions**).

## 2 SCOPE

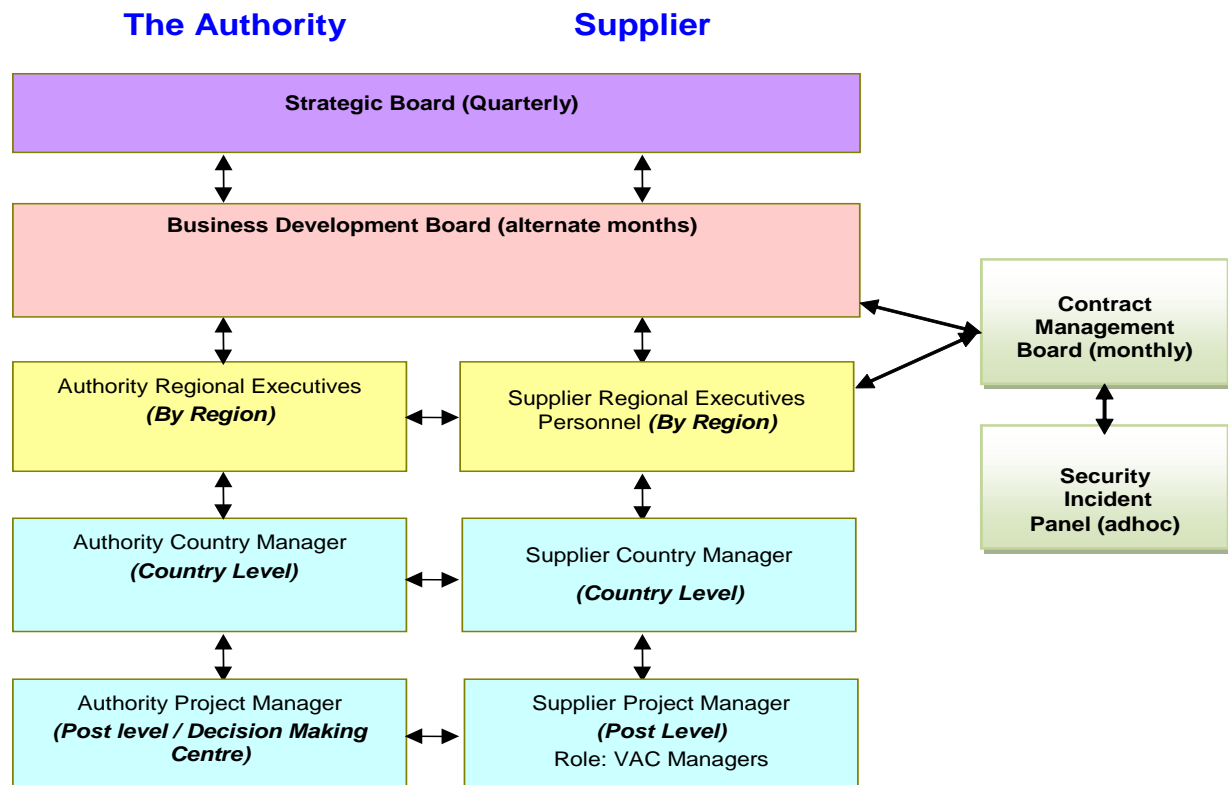
2.1 Nothing in this Schedule is intended to or shall limit any obligations of either Party set out in the Agreement.

2.2 The inclusion or exclusion of any matter in the list of matters to be discussed in a particular forum is not intended to affect, or to be used to interpret, the scope of the obligations imposed on either Party elsewhere in this Agreement.

2.3 The governance structures outlined in this Agreement shall be in place before the Supplier starts to offer any contracted services in any country. The Parties shall be responsible for putting in place their respective governance structures and teams required to deliver the governance structures outlined in this Agreement.

## 3 OVERVIEW AND PRINCIPLES

3.1 The following provides the primary interfaces for the management of the Agreement:



## **4 STRATEGIC BOARD**

- 4.1 As soon as reasonably practicable following the Effective Date, a Strategic Board will be established by the Parties. Such Strategic Board will be attended by senior management from the Authority and the Supplier's account executives. This board will meet on a quarterly basis and held in London, unless otherwise agreed by the Parties.
- 4.2 Governance matters discussed by the Strategic Board may include partnership relations; the Authority's strategic business direction/change; creating strategic directives; strategic planning; overall service delivery; operations and best practices; and contract management.
- 4.3 The Supplier will be required to participate in Strategic Board meetings held to develop principles and mechanisms for how best practices, knowledge and existing experience will be captured, evaluated, implemented and shared among different Visa Application Centres operated by the Supplier and other suppliers fulfilling the Service Requirements in other Countries / Regions. Such best practices, knowledge and existing experience mechanism may also relate to Transition activities and VAC or Biometric roll-out activities.
- 4.4 The roles and responsibilities of the Strategic Board are focused on the overall strategic direction of the Authority's commercial relationship, and shall ensure that:
- 4.4.1 the Authority can communicate planned changes to its business models or processes
  - 4.4.2 the Supplier understands the changes to Authority's business models or processes; and
  - 4.4.3 the Supplier can prepare for such changes.
- 4.5 Wherever reasonably practicable, each Party shall give the other one (1) month written notice in the event it wishes to change its permanent representatives on the Strategic Board.

## **5 BUSINESS DEVELOPMENT BOARD**

- 5.1 A Business Development Board will be formed, consisting of both the Authority and Supplier executives, to provide business oversight and ensure the alignment of the delivery of the Supplier's Solution with the objectives set out in the Clause 1 of the Terms and Conditions. It will also provide a forum for proposing business development initiatives including User Pays Services. Meetings will initially take place quarterly from the Effective Date and be held in London, or otherwise as agreed by the Parties. The Business Development Board will also direct the Authority / Supplier relationship and assist the Authority Regional Executives and the Supplier Regional Executives in decisions that directly affect this Agreement.
- 5.2 An Authority and a Supplier Project Executive will be appointed by the Parties to liaise with the Strategic Board, as and when requested by the Strategic Board
- 5.3 As soon as reasonably practicable following the Effective Date, a Business Development Board will be established by the Parties. The Business Development Board is not intended to be involved in day-to-day management of the Agreement. The objective of the Business

Development Board is to provide global coordination of the commercial relationship and provide guidance for future development of the partnerships including new or additional User Pays Services.

5.4 The Business Development Board will be chaired by a the Authority and comprised as follows:

5.4.1 For the Authority:

- (a) the Authority business development lead; and
- (b) the Authority contract manager
- (c) the Authority security lead; and
- (d) other parties as required.

5.4.2 For Supplier:

- (a) the Supplier operational manager;
- (b) the Supplier project executive; and
- (c) the Supplier security lead; and
- (d) other parties as required.

5.5 In addition to the individuals identified in Section 5.4 above, the Parties shall ensure that senior regional representatives for each Region will attend all Business Development Board meetings held by the Parties.

5.6 The Supplier will provide a list of its members of the Business Development Board with contact details. This list will be kept up-to-date at all times during the Contract Term .

5.7 Wherever reasonably practicable, each Party shall give the other one (1) month's written notice in the event it wishes to change its permanent representatives on the Business Development Board

5.8 The responsibilities of the Business Development Board will include, but not be limited to:

- 5.8.1 ensuring business alignment, analysis of business plans and oversight of business development;
- 5.8.2 reviewing and authorising operational, financial and resource plans and authorising business and technical proposals;
- 5.8.3 reviewing the Transition Plan and providing the relevant authorisations to the Regional Executives in respect of such Transition Plan;
- 5.8.4 reviewing global and regional performance of the Agreement;

- 5.8.5 carrying out risk management and providing an analysis for review by the Project Executives;
- 5.8.6 reviewing Supplier Audits carried out in accordance with Schedule 15 (**Audit Access**); and
- 5.8.7 reviewing the quarterly/annual management summary report and recommendations, as provided by the Regional Executives, and on an annual basis, reviewing recommendations and providing authorisation as required for:
  - (a) Service Level performance for the previous twelve (12) months and Service Credit history;
  - (b) financial budget/actuals;
  - (d) pricing;
  - (e) satisfaction surveys;
  - (f) audit results;
  - (g) compliance requirements;
  - (h) value for money results; and
  - (i) Security concerns covering the previous quarter;
- 5.8.8 preparing an overview of security Incidents and issues that will be discussed in detail at a Security Incident Panel
- 5.8.9 reviewing and authorising commencement of commercial negotiations to implement New Services and other changes to the Agreement;
- 5.8.10 reviewing the implementation of the Agreement and the achievement of the objectives, key milestones and deliverables;
- 5.8.11 monitoring the Supplier's Solution and the Transition Plan and its progress;
- 5.8.12 reviewing the recommendations and suggestions made by the Regional Executives relating to the Service Requirements, Supplier's Solution and/or this Agreement and initiating appropriate actions;
- 5.8.13 providing advice and guidance to the Regional Executives for the performance improvement and making recommendations directly to the Authority and Supplier on issues affecting the relationships between the Parties; and
- 5.8.14 developing the governance structure

## **6 CONTRACT MANAGEMENT BOARD**

- 6.1 The Contract Management Board will consist of the Authority Contract Managers and the Supplier Contract Managers and will meet at least monthly from the Effective Date and be held in London unless otherwise agreed between the Parties. Contract Management Boards will provide a forum for discussion and resolution of performance matters, change control notices, and service delivery issues.
- 6.2 As soon as reasonably practicable following the Effective Date, the Contract Management Board will be established by the Parties. The objective of the Contract Management Board is to provide global coordination of any commercial or contractual issues.
- 6.3 The responsibilities of the Contract Management Board will include, but not be limited to:
- 6.3.1 considering and resolving contractual performance issues identified as part of a service level failure.
  - 6.3.2 reviewing cost reduction proposals;
  - 6.3.3 agreeing contractual terms required to implement new business initiatives agreed at the Business Development Board;
  - 6.3.4 considering outline change proposals and agreeing which proposals shall be taken forward in accordance with the Change Control Procedure set out in Schedule 10 (**Change Control Procedures**);
  - 6.3.5 resolving any relationship issues arising out of the Agreement; and
  - 6.3.6 providing dispute resolution;

## **7 SECURITY INCIDENT PANEL**

- 7.1 The Security Incident Panel will consist of the Authority Security Leads, Authority regional representatives, and the Supplier Security Lead. It will convene on an ad hoc basis and be held in London or as otherwise agreed by the Parties, to discuss security Incidents or concerns, identify lessons learnt and to agree resolutions including changes to processes. The Supplier's attendance at the Security Incident Panel will give assurance to the Authority that Visa Application Centres are operating in accordance with Schedule 4 (**Security**).
- 7.2 Specific security incidents will be discussed in detail at each Security Incident Panel and both parties may highlight any lessons learnt from previous panels which have not implemented.

## **8 REGIONAL EXECUTIVES**

- 8.1 Governance - Regional/Country/Post



- 8.1.1 The governance structures that will operate below the Strategic Board, the Business Development Board and the Contract Management Board are described in more detail in Sections 8, 9 and 10 below.
- 8.1.2 The Regional Executive will be comprised of the following persons:
- (a) the Authority Regional Executive for each Region; and
  - (b) the Supplier's Regional Executive for each Region.
- 8.2 The Regional Executive will meet weekly at a location to be agreed between the Parties, during the Transition Period, and potentially changing to monthly thereafter or as otherwise agreed by the Parties.
- 8.3 The Regional Executive will have day-to-day responsibility for managing the operation of the Agreement (by Regions) and supervising the co-operation and other matters between the Parties. The objectives are to manage services and resolve any issues as close to the actual provision of the service as possible.
- 8.4 The responsibilities of the Regional Executive will include, but not be limited to, matters such as:
- 8.4.1 implementing the Agreement;
  - 8.4.2 monitoring and implementing the Transition Plan and the achievement of key milestones;
  - 8.4.3 managing the day-to-day delivery of the Supplier's Solution;
  - 8.4.4 monitoring the Service Levels;
  - 8.4.5 managing operational problems and risks and issues in accordance with escalation procedures;
  - 8.4.6 ensuring efficient flow of documentation as required by the Agreement;
  - 8.4.7 handling of disputes within the authority of the Regional Executives and referring others to the Contract Management Board in accordance with the Dispute Resolution Procedure;
  - 8.4.8 submitting issues concerning the relationship between the Parties to the Contract Management Board
  - 8.4.9 implementing operations, financial and resource plans;
  - 8.4.10 reviewing and recommending new business development proposals to the Business Development Board;
  - 8.4.11 reviewing performance improvement and making recommendations directly to the Business Development Board;

8.4.12 referring matters outside its authority to the Contract Management Team;

8.4.13 monitoring and reviewing the on-going status of third party contracts; and

8.4.14 monitoring adherence to quality management processes and procedures.

8.5 The Supplier will provide a list of contact details, including mobile phone numbers, of its Regional Executives at the Effective Date. This list will be kept up-to-date at all times during the Contract Term. The Regional Executives from the Supplier will need to be contactable twenty four (24) hours a day, with deputies provided as needed.

## **9 COUNTRY AND POST REPRESENTATIVES**

9.1 Country and Post Representatives -Prior to the first relevant Commencement Date with respect to a Country, each Party will identify a Country Manager and a Post Manager who will act as the primary contacts and interface between the Authority and the Supplier in respect of a Country or Post, as applicable, for service management and day-to-day operation of the relationship between the Authority and the Supplier (such local managers shall be known as the “**Country/Post Manager**”).

9.2 The Country/Post Managers of the Parties for each Country/Post will, unless otherwise agreed, meet weekly to discuss day-to-day operations and such other matters as may be relevant to the provision of the Supplier’s Solution in that Country or to the relevant Post.

9.3 The responsibilities and authorities of the Country/Post Managers will be determined and delegated in each case in accordance with the contract management manual and will include, but not be limited to, matters such as:

9.3.1 implementing the Agreement at the Country/Post;

9.3.2 monitoring and implementing the local Transition Plan for the Country/Post;

9.3.3 managing the day-to-day delivery of the Supplier’s Solution in the Country/Post;

9.3.4 managing operational problems and issues in accordance with escalation procedures;

9.3.5 ensuring efficient flow of documentation as required by the Agreement;

9.3.6 monitoring local adherence to quality management processes and procedures; and

9.3.7 generally dealing with any matter or issue arising out of or in connection with the Agreement within their respective delegated authorities.

9.4 The Supplier will provide a list of contact details, including mobile phone numbers, of the Country/Post Managers at the Effective Date. This list will be kept up to date at all times during the duration of the Agreement. These representatives will need to be contactable 24 hours a day, with deputies provided as needed.

## **10 ON-GOING GOVERNANCE**

- 10.1 The Parties will work together to agree any changes to the governance structure, which will be detailed in a Change Control Note as a Non-Chargeable Change and be issued within the six (6) months from the Effective Date. The governance structure described in Sections 4 to 9 above shall be supplemented by a separate governance stream relating to the management of any Transition related issues during the Transition Period. Such Transition governance is described in Schedule 5 (**Transition**) and the Supplier shall appoint a Transition team. The Supplier shall provide appropriate personnel to attend the Transition forums described in Schedule 5 (**Transition**).

## **11 DISPUTE RESOLUTION PROCEDURE**

### **11.1 General**

The Supplier undertakes to work with the Authority to resolve any disputes as quickly as possible to minimise cost and the impact on the provision of the Supplier's Solution.

### **11.2 Informal Dispute Resolution**

11.2.1 From time to time, issues will arise that cannot be resolved at the various levels of management within the Authority and Supplier teams. These issues may involve obligations of either Party, performance, commercial issues, personnel, etc.

11.2.2 It is the intent of the Authority and Supplier to resolve issues in a constructive way that reflects the concerns and commercial interests of each Party. It is also the intention to have the issues resolved by the appropriate levels of authority without the need for escalation. With this in mind, the following steps are to be followed:

### **11.3 Notification**

Either Party may decide that escalation is appropriate when resolution of an issue appears unachievable at the current level. In this case, the Party desiring to escalate the issue notifies the other Party and, if requested by the other, they shall meet again to attempt resolution of the issue.

### **11.4 Documentation**

Both Parties will try to develop jointly a short briefing document called Statement of Issue for Escalation that describes the issue, relevant impact and positions of both Parties.

### **11.5 Request for Assistance**

A meeting will be scheduled with appropriate individuals as described below. The Statement of Issue for Escalation is sent in advance to the participants. It is the intention of the Authority and the Supplier that issues are escalated for review and resolution to the next level of management as follows:

11.5.1 Post Managers;

11.5.2 Country Managers;

11.5.3 the Regional Executive;

11.5.4 the Business Development Board; and

11.5.5 the Strategic Board; and

11.5.6 Issue Review - following review and resolution, the decision shall be documented and returned to both Parties.

#### 11.6 Alternative Dispute Resolution

11.6.1 If the issue is not resolved by the process set out in Sections 11.2 to 11.5 above (or solely in the case of the Authority, where the Authority reasonably believes the issue needs to be urgently escalated for resolution), the Authority or the Supplier may invoke the following Alternative Dispute Resolution process which will require both Parties to adhere to the following procedure:

- (a) Either Party may submit the dispute to a Neutral Adviser appointed by agreement between the Parties to assist them in resolving the dispute (the "Neutral Adviser"). Either Party may give written notice to the other proposing the name of a suitable person to be appointed. If no such person is appointed within 14 days after such notice is given either Party may request the Centre for Effective Dispute Resolution, International Dispute Resolution Centre, 70 Fleet Street, London, EC4Y 1EU, United Kingdom to appoint a Neutral Adviser acceptable to both Parties.
- (b) Following such appointment, the Parties shall, with the assistance of the Neutral Adviser, seek to resolve the dispute by using an alternative dispute resolution procedure (the "ADR Procedure") agreed between the Parties or, in default of such agreement, established by the Neutral Adviser.
- (c) Subject to paragraph (b) of this Section 11.6.1, the Parties and the Neutral Adviser, shall keep the fact that:
  - any negotiation pursuant to paragraph 11.6.1 (b) above; and
  - any ADR Procedure conducted pursuant to paragraph 11.6.1 (b) above;

is taking place and the outcome of any such procedure (the "Confidential Procedure") confidential. All documentation, information, data, submissions and comments disclosed whether in writing or otherwise by either Party or the Neutral Adviser for the purposes of the Confidential Procedures either in

connection with or in consequence of any Confidential Procedure shall be regarded and treated as confidential. Notwithstanding any of the provisions of this paragraph (c), nothing herein shall apply to information which is publicly available (other than where it is made available as a result of a breach of the Agreement), nor prevent disclosure of any information by either Party or such Neutral Adviser or any of their respective advisers, to the extent required by law or any regulatory or tax authority including the rules of any recognised securities exchange.

- (d) if the Parties accept any recommendations made by the Neutral Adviser or otherwise reach agreement as to the resolution of the dispute, such agreement shall be recorded in writing and signed by the Parties (and, if applicable, the Neutral Adviser), whereupon it shall become binding upon the Parties.
- (e) in the event that the Alternative Dispute Resolution process is initiated in accordance with this Section 11.6 and the Parties fail to reach agreement in the structured negotiations within sixty (60) days of the appointment of the Neutral Adviser (or such other period as may be agreed by the Parties having due regard to the circumstances), either Party may withdraw from the structured negotiations. Any continuing dispute or difference between the Parties may then be referred to the English courts.

#### 11.7 Costs

Unless agreed otherwise by the Parties, each Party will bear its own costs and expenses associated with participating in the process set out in Sections 11.2 to 11.5 and in the Alternative Dispute Resolution process and any third party costs, including fees payable to the Neutral Adviser and in relation to the hiring of a venue, will be shared equally by the Parties.

#### 11.8 Special Procedure following a Notice of Termination

If one Party has delivered a notice of termination of the Agreement to the other Party, the Authority's director with overall responsibility for the Agreement and the Supplier's Project Executive with overall account responsibility for the Agreement (or a nominee appointed by such persons or the relevant individual holding a similar position) shall meet within fourteen (14) days after the date of such delivery for the purpose of defining the scope of the dispute, if any, that may be referred to formal dispute resolution. The officers referred to above may include as attendees at such meeting a reasonable number of business managers and/or legal or other advisors as such officers require to assist in the purpose of such meeting.

#### 11.9 Formal Dispute Resolution

REDACTED