

SCHEDULE 15

Governance

1 MANAGEMENT OF THE SERVICES

- 1.1 The Service Provider and the Authority shall each appoint a contract manager for the purposes of this Contract through whom the Services shall be managed at a day-to-day level. For the avoidance of doubt, for the purposes of the Authority, this shall be the Authority's Designated Officer and for the purposes of the Service Provider, this shall be the Service Provider Representative.
- 1.2 For the purposes of this Contract, the Authority's Designated Officer shall delegate management of the delivery of the Services to the Army Commercial desk officers, the Authority's Supervising Officers and the PSLOs. The ARMCEN Contract Support and Monitoring (CSM) team shall have overall responsibility to monitor the administration of the Contract.
- 1.3 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 CONTRACT MANAGEMENT MECHANISMS

- 2.1 The Parties shall identify and manage risks relating to the performance of the Services in accordance with the Risk Management Plan and Risk Register. For the avoidance of doubt, in respect of the Authority, this role shall be delivered by the Commercial Contract Management Teams.
- 2.2 Both Parties shall pro-actively manage any risks attributed to them under the terms of this Contract.
- 2.3 The Service Provider shall develop, operate and maintain, as agreed with the Authority (and amend in the Risk Management Plan), processes for:
- (a) the identification and management of risks;
 - (b) the identification and management of issues; and

- (c) monitoring and controlling mitigation plans,

the "**Risk Management Plan**".

- 2.4 The Risk Management Plan shall be updated by the Service Provider monthly and submitted for approval by the Authority.

3 CONTRACT MANAGEMENT PLAN

- 3.1 The Parties shall review the draft Contract Management Plan during the Transition Period and the Service Provider shall deliver a final draft to the Authority on the Vesting Day for the Authority's written approval.
- 3.2 The Service Provider shall comply with the Contract Management Plan (as amended from time to time).
- 3.3 The Contract Management Plan shall be updated by the Service Provider annually, prior to the Contract Review Meeting, and submitted for approval by the Authority.
- 3.4 Any Dispute shall be managed in accordance with the Dispute Resolution Procedure set out in Schedule 18 (Dispute Resolution Procedure).

4 CONTRACT PERFORMANCE REVIEW

4.1 Monthly Contract Performance Review

- (a) A Monthly Contract Performance Review meeting shall be held throughout the Contract Term on a date to be agreed between the Parties.
- (b) The meetings shall be attended by the representatives from the Service Provider and the Contract Monitoring Team for the Authority and any other persons considered by the Authority necessary for the review. The meeting shall be chaired by the Authority's Designated Officer or their representative.
- (c) During the meeting, the Parties shall review the delivery of the Services in the previous month, including, but not limited to, the:
 - (i) performance of the Service Provider against the KPIs;

- (ii) progress against KPI rectification plans;
 - (iii) key risk and mitigations;
 - (iv) change proposals and ad hoc task progress;
 - (v) progress against SOTT output;
 - (vi) non-SOTT tasks;
 - (vii) health and safety;
 - (viii) vacancies;
 - (ix) Customer Observation Reports;
 - (x) Authority audit outcomes; and
 - (xi) review of any CSI and innovations.
- (d) Any Dispute shall be managed in accordance with the Dispute Resolution Procedure set out in Schedule 18 (Dispute Resolution Procedure).

4.2 Quarterly Contract Performance Review

- (a) A Quarterly Contract Performance Review meeting shall be held throughout the Contract Term on a date to be agreed between the Parties.
- (b) The meetings shall be attended by the representatives from the Service Provider and the Contract Monitoring Team for the Authority and any other persons considered by the Authority necessary for the review. The meeting shall be chaired by the Authority's Designated Officer.
- (c) The Parties shall review the performance of the Service Provider over the previous 3 months in accordance with, but not limited to, Paragraph 4.1(c), and review any plans and policies as per the agreed timetable (to be agreed between the Parties annually).

- (d) Any Dispute shall be managed in accordance with the Dispute Resolution Procedure set out in Schedule 18 (Dispute Resolution Procedure).

4.3 Annual Contract Performance Review

- (a) An Annual Contract Performance Review meeting shall be held annually throughout the Contract Term.
- (b) The meeting will be chaired by the Senior Responsible Office or their representative. The meetings shall be attended by the representatives from the Service Provider and the Contract Monitoring Team for the Authority and any other persons considered by the Authority necessary for the review.
- (c) The Parties shall undertake a full review of the Contract based on an Annual Report provided by the Service Provider at least 30 Business Days before the date of the meeting.
- (d) The following matters will be the minimum to be assessed at the meeting:
 - (i) review of the comprehensive executive report supplied detailing the delivery of the SOR over the last 12 months to include staff turnover and a review of the financial performance;
 - (ii) performance against the KPIs;
 - (iii) their ISO 9001 accreditation certificate and the report from the external third party ISO9001 accreditor accompanying such accreditation;
 - (iv) highlight any issues of financial distress and/or any issues with their key sub-contractors;
 - (v) performance in discharging its obligations under the contract;
 - (vi) a look forward to the next 12 months to demonstrate to the Authority that the services can continue to be delivered; and
 - (vii) highlight any proposed improvements, CSI measures or efficiencies/innovations for possible implementation within the next 12 months

for agreement with the Authority outside of the annual performance review meeting.

- (e) Any Dispute shall be managed in accordance with the Dispute Resolution Procedure set out in Schedule 18 (Dispute Resolution Procedure).