# PICTS Contract

# Schedule 9

# Governance

**Document Info**

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**Revision History**

| Version | Date | Details of Changes | Author |
|---|---|---|---|
| 0.1 | 19 October 2016 | Conformance | Authority |
| 0.2 | 10 November 2016 | First draft based on conformed OMNI Schedule | Sharpe Pritchard |
| 0.3 | 12/11/16 | Review updates from Sopra Steria | Sopra Steria |
| 0.4 | 29/11/16 | Baselined at joint review 29/11 | Authority and Sopra Steria |
| 1.0 | 14/12/16 | Final version for completion | Sharpe Pritchard |

## 1. Governance – Context and Pre-amble

The overall structure of the governance mechanisms for OMNI shall be based on a straightforward, good practice model, corresponding to the need for effective decision making and delivery support at strategic and operational levels and for coherence with management structures in the AUTHORITY and the PROVIDER. The Annex to this Schedule 9 describes the current board configurations which shall be kept under review through governance.

Developments of or changes to governance Boards and processes in the Annex may be proposed by either party. Proposals for change shall be consulted on jointly before going through governance.

**What is Governance for:-**

To ensure and enable delivery of the Services which support the business and represent value for money through a period of significant business change.

So, practically, for the scope of this Agreement, it shall include:-

- Ownership and setting of strategy and policy
- Approving programme and project start up and shut down
- Overseeing programme and project development
- Overseeing programme and project delivery into live service
- Directing the management of the live service as business as usual
- Ownership and direction of change, risk and escalation
- Commercial contract management

**The Governance Context – Joint Statement Of Intent for the AUTHORITY engagement with the PROVIDER**

To develop the partnership between the AUTHORITY and the PROVIDER set out in this Agreement, across all aspects, to its most mature phase so that it is

- pro-active;
- mutually beneficial; and,
- working in operation.

It is fundamental to the partnership that the AUTHORITY and the PROVIDER should, together:

- Continue to optimise Service within allocated resources;
- Continue to enable and optimise the exit and transfer of the Services;
- Agree, design and deliver Programmes and Projects effectively;
- Promote and respond to opportunities for innovation effectively;

- Engage with the probation business effectively; and,

- Measurably drive up performance (and perception of performance) of the partnership as measured by agreed metrics.

To achieve these aims, the AUTHORITY and the PROVIDER will build an effective partnership engagement, jointly, featuring:

- The right governance with the right power to get things done, organisational structures, processes and reporting at all levels, reducing the politics;

- The right commercial deals with the right boundaries and resources reflecting the right business priorities and strategies;

- The right work done in the right way, properly phased and paced, integrated at all levels, including with other partners and sub-contractors;

- The right people with passion in the right numbers with the right skills, behaviours and relationships in the right proximity – including co-location where appropriate;

- The right lessons learned and applied from what has worked before and what hasn't; and,

- The right balance of the synergies and contentions between what is done, when and how.

**Governance Boards and Management Structures**

There shall be a coherent, integrated and comprehensive hierarchical set of governance Boards and meetings to provide governance for the Agreement and the Services at strategic and operational levels covering service, programmes and projects, contract/commercials and associated business process change.

The Boards shall be:- The Commercial and Finance Board; Service Management Board; Programme and Project Board and the Supplier Governance Board. The Supplier Governance Board is the top of the hierarchy for the management of this Agreement. The current memberships and terms of reference of these Boards are shown at the Annex to this schedule and shall be kept under review by these Boards to meet the requirements set out below.

These Boards shall be integrated with the wider relevant governance and management structures of the AUTHORITY and the PROVIDER.

These Boards shall be able to establish and make changes to sub-boards without using Change Control Procedures and shall make decisions appropriate to their delegated authority and scope on:-

- This Agreement, including this Schedule 9 with its context, preamble and joint statement of intent, and its operation in practice, the definition of which cannot be exhaustively pre-defined but where the content of sections 1.2 through 1.5 of this Schedule shall hold true;

- setting strategy and scope, balancing budgets, projections and costs against benefits and risks, and giving direction;

- financial and commercial propriety and good portfolio, programme and project management and service management practice, including quality, audit and assurance;

- relations and communications with the probation business, stakeholders and users;

- subordinate governance and escalation, ensuring that the costs of governance add value and not undue overhead;

- performance and reporting, including externally, and actions flowing;

- design, architecture, the AUTHORITY and wider Government and Industry technical standards and good practice;

- innovation, opportunities, new work and prioritisation of the full work portfolio, including impacts on the National Probation Service, NOMS and the PROVIDER;

- change in all these, individually and collectively, employing the Change Control Procedures approved by the AUTHORITY and the PROVIDER operating as 'back to back' single processes for operations, business processes and contract;

- resourcing of work and the management of work and resources (optimising for delivery and cost across the AUTHORITY and the PROVIDER together and through the supply chain to promote joint working, leadership, management and compliance from all parties);

- Exit and Service Transfer; and

- supply chain management.

Board chairs (excluding the PROVIDER only boards) shall be AUTHORITY staff or appointees and membership representation on this and other related governance shall reflect the remit above as applied to each Board.

Each Board shall have appropriate and matched (though not necessarily equal in numbers) members and representatives from the AUTHORITY and the PROVIDER. Attendees shall be authorised to decide matters within the competence of the Board.

1.1 Not Used.

1.2 All Boards shall be minuted. Minutes, once agreed by the Board, shall be made available as widely as possible and practicable, governed by the remit and membership of the Board, security marking, freedom of information, data protection and commercial confidence.

1.3 Contacts in addition to the governance framework

It shall be recognised that formal governance structures will be best supported by appropriate ad hoc meetings and joint working between representatives of the AUTHORITY, the PROVIDER, others in the supply chain and in wider Government and industry. Such meetings shall be promoted and facilitated but are not decision making and shall not be used to circumvent formal governance. Any proposals arising from such a meeting shall

therefore be taken as part of the agenda of the next meeting of the appropriate Board or sub-board with appropriate authority.

1.4 Not Used

1.5 Dispute Resolution

Any Dispute that cannot be resolved by day-to-day operations, programme and project management should be escalated to the appropriate Board or sub-board in accordance with Clause 40.2. Disputes can be classified as:

(A) Performance related;

(B) Agreement related;

(C) Progress related,

in accordance with their normal reporting path as set out in the Annex to this Schedule.

If a Dispute cannot be resolved by way of escalation to the appropriate Board(s) or sub-board(s), then the Parties will follow the procedure set out in Clause 41 (Dispute Resolution) of this Agreement.