**DYNAMIC FRAMEWORK**

**SCHEDULE 8.1**

**GOVERNANCE**

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| **VERSION** | **DATE** | **COMMENT** |
| 1.0 | 10 June 2020 | Initial Release       |
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**SCHEDULE 8.1**

**GOVERNANCE**

1. Management Of The Services
	1. The Supplier and the Customer shall each appoint a service manager for the purposes of each Call-Off Contract through whom the Services shall be managed at a day‑to‑day.
	2. Both Parties shall ensure that appropriate resource is made available on a regular basis such that the aims, objectives and specific provisions of each Call-Off Contract can be fully realised.
2. Boards

**Establishment and structure of the Boards**

* 1. The Boards shall be established by the Customer for the purposes of each Call-Off Contract on which both the Supplier and the Customer shall be represented.
	2. In relation to each Board, the:-
		+ 1. Customer Board Members;
			2. Supplier Board Members;
			3. location of the Board's meetings; and
			4. planned start date by which the Board shall be established,

shall be as set out in Schedule 8.1 (Call-Off Governance) of each Call-Off Contract, save that the details in relation to attendees as set out in Schedule 8.1 (Call-Off Governance) of each Call-Off Contract may be amended by the agreement of the Parties from time to time.

* 1. 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 Customer Board Member has at all times a counterpart Supplier Board Member of equivalent seniority and expertise.

**Board meetings**

* 1. 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:-
		+ 1. a delegate attends the relevant Board meeting in their place who (wherever possible) is properly briefed and prepared and has the appropriate delegated authority; and
			2. that they are debriefed by such delegate after the Board Meeting.
	2. A chairperson shall be appointed by the Customer for each Board as identified in Schedule 8.1 (Call-Off Governance) of each Call-Off Contract. The chairperson shall be responsible for:-
		+ 1. scheduling Board meetings;
			2. setting the agenda for Board meetings and circulating to all attendees in advance of such meeting;
			3. chairing the Board meetings;
			4. monitoring the progress of any follow up tasks and activities agreed to be carried out following Board meetings;
			5. ensuring that minutes for Board meetings are recorded and disseminated electronically to the appropriate persons and to all Board meeting participants within ten (10) Working Days after the Board meeting; and
			6. facilitating the process or procedure by which any decision agreed at any Board meeting is given effect in the appropriate manner.
	3. Board meetings shall be quorate as long as at least two representatives from each Party are present.
	4. 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.

**Frequency of Board meetings**

* 1. The frequency of Board meetings for each Call-Off Contract shall depend on whether the Call-Off Contract is indicated as Tier One, Tier Two or Tier Three for governance provisions within the Contract Tiering Matrix as follows:
		+ 1. For a Call-Off Contract which is indicated as Tier One:
				1. Service Management Board: During the Implementation Period the Board shall meet monthly and thereafter quarterly or as required by the Parties.
				2. Contract Strategy Board: The Board shall meet twice (x2) a year or as required by the Parties.
				3. Change Management Board: The Board shall meet as regularly as required by the Parties.
			2. For a Call-Off Contract which is indicated as Tier Two or Tier Three:
				1. Service Management Board: The Board shall meet quarterly or as required by the Parties.
				2. Contract Strategy Board: The Board shall meet annually or as required by the Parties.
				3. Change Management Board: The Board shall meet as regularly as required by the Parties.
	2. Where a Customer has multiple Call-Off Contracts with the Supplier, the Customer reserves the right to combine the Board meetings for these Call-Off Contracts and, for the Contract Strategy Board, increase the frequency to quarterly if necessary. The Supplier shall bear any costs of combining the Board meetings and any increase in frequency.

**Suggested agenda items**

* 1. The level of reporting required and suggested agenda items for the Service Management Board and Contract Strategy Board shall be set out in Appendix 1 of this Schedule 8.1 (Governance). These suggested agenda items may be used and deployed at the Customer's discretion, as required for the particular Call-Off Contract.
1. Role Of The Service Management Board
	1. The Service Management Board shall be responsible for the comprehensive oversight of the Services under each Call-Off Contract and for the senior management of the operational relationship between the Supplier and the Customer (and report to the Contract Strategy Board on request from the Contract Strategy Board from time to time) and shall:
		* 1. maintain operational and commercial management of the Call-Off Contract;
			2. report to (and, where appropriate, escalate to) the Contract Strategy Board on significant issues requiring decision and resolution by the Contract Strategy Board and on progress against the Implementation Plan;
			3. during the Implementation Period, receive regular reports from the Supplier on progress against the Implementation Plan and Achievement of Milestones and shall be responsible for review of Acceptance Criteria for the Milestones in accordance with the provisions of Schedule 6.1 (Call-Off Implementation Plan) of the Call-Off Contract;
			4. receive reports from the Service Managers on matters such as issues relating to delivery of existing Services and performance against Call-Off Contract Performance Indicators, any requests for relief arising from a Performance Failure, application of the Retained Amount, HMIP/OSAG audit reports and Improvement Plans, progress against the Implementation Plan and possible future developments;
			5. review and report to the Contract Strategy Board on service management, financial management and any integration issues on a case by case basis;
			6. consider and resolve 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 Contract Strategy Board; and
			7. develop operational/supplier relationship and develop and propose the relationship development strategy and ensure the implementation of the same.
2. Role of the Contract Strategy Board
	1. The Contract Strategy Board shall be strategically focused and operate a review process between senior management of the Supplier and the Customer to provide senior level guidance, leadership and strategy for the overall delivery of the Services under each Call-Off Contract and the relationship of the Parties.

Therefore it shall:

* + - 1. liaise with and review reports from the Service Management Board and Change Management Board;
			2. be the point of escalation from the Service Management Board and the Change Management Board; and
			3. carry out the specific obligations attributed to it in Paragraph 4.2.
	1. The Contract Strategy Board shall:
		+ 1. ensure that the Call-Off Contract is operated throughout the Call-Off Term in a manner which optimises the value for money and operational benefit derived by the Customer and the commercial benefit derived by the Supplier and to optimise the benefits to Service Users;
			2. ensure that the Services under the Call-Off Contract contribute towards the NPS stated objectives;
			3. receive and review reports from the Service Management Board and review reports on technology, service and other developments that offer potential for improving the benefit that either Party is receiving;
			4. provide guidance on policy matters which may impact on the implementation of the Services; and
			5. provide guidance and authorisation to the Change Management Board on relevant Changes as requested by the Change Management Board.
1. Role Of The Change Management Board
	1. The Change Management Board shall assess the impact and approve or reject all Change Requests in respect of each Call-Off Contract. Changes which will have a significant impact on the Services shall be escalated to the Contract Strategy Board.
	2. The Change Management Board shall:-
		* 1. analyse and record the impact of all Changes, specifically whether the proposed Change:-
				1. has an impact on other areas or aspects of the Call-Off Contract and/or other documentation relating to the Services;
				2. raises any risks or issues relating to the proposed Change; and
				3. provides value for money in consideration of any changes to the Financial Model, future Charges and/or Call-Off Contract Performance Indicators and Target Performance Levels;
			2. provide recommendations, seek guidance and authorisation from the Contract Strategy Board as required; and
			3. approve or reject (close) all proposed Changes.
2. Contract Management Mechanisms
	1. The Supplier and the Customer shall pro‑actively manage risks attributed to them under the terms of each Call-Off Contract.
	2. The Supplier shall develop, operate, maintain and amend, as agreed with the Customer, processes for:-
		* 1. the identification and management of risks;
			2. the identification and management of issues
			3. identification and management of opportunities; and
			4. monitoring and controlling project plans.
3. Annual Review
	1. An annual review meeting shall be held throughout the Call-Off Term for each Call-Off Contract on a date to be agreed between the Parties.
	2. The meetings shall be attended by the attendees set out in Schedule 8.1 (Call-Off Governance) of each Call-Off Contract (save that the details in relation to attendees as set out in Schedule 8.1 (Call-Off Governance) of each Call-Off Contract may be amended by the agreement of the Parties from time to time) and any other persons considered by the Customer necessary for the review.
	3. At the annual review, the Customer and the Supplier shall jointly identity and agree the Supplier's objectives for the next twelve (12) months.
	4. Where a Customer has multiple Call-Off Contracts with the Supplier, the Customer reserves the right to combine the annual review meeting for all such Call-Off Contracts into one (1) meeting.
	5.
4. Suggested agenda items

**Service Management Board**

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| Suggested agenda items of Service Management Board meetings | * Welcome & apologies, declarations of interest
* Actions from previous meeting
* Escalated matters from other Boards
* Volume forecasts (Customer provided) and confirmation of future Volume Bands
* Resource preparation (Supplier response)
* Stakeholders (external and Service Users)
* Review of quarterly report (focusing on quality of services and continuous improvement activity)
	+ Performance Levels and any requests for relief in respect of the same
	+ Whole contract performance and Improvement Plans
	+ Risks & Issues
	+ Quarterly progress against annual review objectives and annual service plans
	+ How Service User feedback has been used to continuously improve the service
* Audit and Investigation
	+ CMT Assurance update
	+ Ad hoc OSAG audits
* Risk management issues including health and safety and complaints
* Equality and diversity
* Principles of collaboration in accordance with Schedule 11 (Collaboration)
* Probation Instructions and Technical Notes
* Supply chain performance and management (to the extent relevant)
* Commercial and contract change
* Future Innovation
* Financial Health
* Review of relevant financial reports submitted in accordance with Schedule 7.5 (Reports, Records and Audit Rights);
* Invoicing matters
* Information Security
* Once (x1) per annum additional agenda items:
	+ Annual review (to inform subsequent year annual service plans)
	+ Business Continuity Review
	+ Exit Plan review
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**Contract Strategy Board**

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| Suggested agenda items of Contract Strategy Board meetings | * Welcome & apologies, declarations of interest
* Actions from previous meeting
* Escalated matters from other Boards
	+ Performance
	+ Commercial
	+ Financial
	+ Risk
* Key performance updates and exceptions
* Key service delivery updates and exceptions
* Key assurance and updates
* Acceptance of annual review objectives/annual service plans (once (x1) per year)
* Stakeholder updates
* Commercial updates
* Financial updates
* Review of how updates are/could be linked to regional plan
* Risks and issues
* Principles of collaboration in accordance with Schedule 11 (Collaboration)
* Proposed innovations and developments
* Horizon scanning
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