

Client Liaison Arrangements: We will establish clear liaison arrangements between the ARK Project Manager and the CSSF Project and Programme Managers, in line with the requirement to provide weekly, monthly and quarterly narrative reports, and quarterly financial reports. Our reporting will detail deliverables and activities outlined in the project work plan, and reporting on the implementation of conflict sensitive approaches, including lessons learned. ARK's delivery team meets regularly with members of HMG for formal and informal briefings on the previous iteration of the project across a range of Palestinian-related issues. They fully understand UK interests, priorities and operating procedures through their existing relationships with CSSF, maximising effective communication and the likelihood of project success. The project's proposed Steering Committee will also establish a close working relationship between the Authority, ARK and key project stakeholders. These two levels of liaison will enable responsive and effective delivery, providing transparent and accountable project governance while also enabling informed and faster decision making. In line with formal requirements, the delivery team will also provide all required reporting and documentation within the inception phase.

Complaints and Escalations: The Project Manager and M&E lead will work closely with the Authority Project Manager to provide complete transparency on project activities and ensure that issues of potential non- or under-performance are flagged at an early stage. If necessary, alternative activities will be developed, different partners or camps identified, or the outcomes of the project will be revised to bring them into line with shifts in the operating context. All project changes will be discussed and agreed with the Authority using written Issue Logs, Decision Gates and Risk Matrices that form part of ARK's project management approach. The project has been designed to maximise two-way feedback between governance actors and local communities and the combination of monthly meetings and the Independent Monitoring Team (IMT) will enable recalibration of project activities where necessary. ARK already has established Community Feedback Mechanisms (CFMs) in the camps which enable communities and beneficiaries to engage directly with the delivery team, who provide ongoing follow up on all issues raised to demonstrate to complainants that issues raised are being addressed.

If a complaint is raised by HMG, the Project Manager will establish the cause, convene relevant delivery team members or other stakeholders to understand the issue and determine corrective action. Should personnel replacement be required, this will take place through ARK's documented HR processes which follow Lebanese employment law and will be shared with the Authority. All complaints are raised to ARK's senior management team for awareness, monitoring and lesson learning. A review date will be set to ensure the problem has been addressed, and to eliminate potential reoccurrence. Follow-up reporting will be agreed both internally within the concerned teams and externally with HMG.

Quality Assurance procedures, proposals for monitoring and reporting on the quality of services delivered: ARK adheres to quality project management principles, and in the inception phase will work with HMG to define the quality indicators expected from the project deliverables (given that delivery on time and on budget is no guarantee of quality). ARK has already developed a detailed understanding of HMG's expectations of quality programming, however, to keep this relevant, the team will ensure ongoing communication with HMG, updating them on project progress, providing examples of key outputs and gaining feedback to ensure that any issues can be addressed immediately. As Cost of Quality (COQ) relates to resources invested in fixing issues, ARK focuses on preventative measures (cost of conformance) through checklists, monitoring and close communication with HMG to ensure that outputs, out-takes and outcomes are meeting expectations. As detailed in other sections, ARK adheres to a 'continuous improvement' approach, ensuring deliverables improve over time. This is typically done through small, incremental changes, and opportunities to identify and address change are therefore embedded in our project management approach through weekly, monthly and quarterly reviews.

Quality Plan: ARK will agree requirements for the quality of deliverables with HMG and timelines for these to be reviewed through regular (at least weekly) communications and monthly meetings.

Quality Assurance: We will use performance data (including KPIs) and monthly programme boards to review and assure quality.

Quality Control: We use ongoing monitoring to control for quality. The IMT will monitor and evaluate outputs, enabling them to catch and address or report issues at the operational level, while data from ARK's M&E team will provide quality control across the project.

Quality of services will be monitored by the IMT that the project will establish, utilising small-scale surveys, focus groups and Key Informant Interviews. Overall quality of implementation will be tracked through the resilience

measuring tools that will be used by ARK's M&E team to understand how the project is contributing to increasing community cohesion and resilience.

Failure to meet objectives: The Project Manager and M&E lead will work closely together to ensure ongoing feedback and learning loops across and throughout the project. Any potential failure to meet objectives will be identified well in advance (as described above). In the event that a failure occurs, ARK's M&E lead will work closely with the project team, field officers and CSO partners to understand the reason for the failure, address it, and correctly document the situation to learn from the experience and avoid its reoccurrence. If project implementation stalls on one activity or in one or more camps, the project is designed to be able to flex to different camps or activities to ensure that overall project objectives can still be met.

Due diligence procedures when sub-contracting and managing the supply chain: To implement this project effectively, it is essential to have an existing, detailed understanding of the operating context in each camp and the allegiances that may impact on fiduciary risk, given that formal sub-contractor and supply chain due diligence is impossible. ARK's 10 years of experience programming in the camps enables the delivery team to identify appropriate partners and limit fiduciary risk to the lowest level possible. This is particularly critical given the presence of Hizbullah and extremist actors in all of the camps and the associated CTF risk.

Consider issues such as quality control, fraud, corruption: ARK has a zero-tolerance policy to fraud and bribery and has policies in place to ensure ethical behaviour which staff are routinely briefed on. ARK takes its responsibilities to ensure HMG funding is not used in contravention of terrorism legislation very seriously. While we use Thomson Reuters World Check to screen all staff, consultants and suppliers for offences, including crimes related to terrorism, terror financing, bribery and fraud when recruiting staff, contractors or suppliers, this is of limited utility in the Palestinian camps and we therefore use our trusted teams and extensive networks there to triangulate data points to ensure that there is no risk of diversion of funds or other fraudulent activity. **The delivery team have all been trained by former Charity Commission staff on downstream diversion of funding risks in 2018 and this was audited by DFID and BEB.** We also conduct organisational capacity assessments (OCAs), which include fiduciary risk, on all proposed sub-contractors or local partners. To address issues of corruption linked to the Popular Committees, we have designed this project to enable ARK to maintain control of all financial spend, until the Community Liaison Committees (CLCs) have built sufficient trust with both local communities and the ARK delivery team, to enable any section of project spending to be provided directly to the CLCs. The financial integrity processes detailed below would then be followed.

Financial integrity/control: ARK's financial management processes follow DFID's Value for Money (VfM) approach, and HMG's Procurement Good Practice principles, including adherence to competitive bidding procedures for transparency and VfM. ARK has been extensively and successfully audited by the Canadian Government, the US Office of the Inspector General, HMG and a comprehensive organisational Due Diligence Assessment by DFID for the Palestinian Youth Project in Lebanon in 2017. The project will have a dedicated Budget Manager who will be the primary financial focal point. Supervised by ARK's Finance Director, they will ensure all financial transactions are aligned with project outputs and timelines, and expenses are allowable, allocable and reasonable. Expenditure must be approved by project and finance managers and can only be transferred once approvals are registered on the payment request system. These include reviews of contract deliverables and supporting evidence, retained as per HMG's data retention guidelines (products, surveys, timesheets, etc.). Multilevel approval ensures clear segregation of duties, compliance with internal policies and procedures, continuous monitoring, and quick identification of anomalies.

Financial integrity is safeguarded by ARK's web-based accounting software, Acumatica, which was custom-built to meet HMG's financial reporting requirements and IFRS regulations. Monthly bank reconciliations are monitored by the Accounting Department, which is by design not involved in payment transactions. ARK's Audit & Compliance Manager carries out regular and ad hoc internal audits at departmental and project level. Policies and procedures are implemented from Head Office, and project teams do not have the autonomy to deviate from SOPs.