

# Schedule 4 – Commercial Management Framework

## Attachment B – Annual Services Plan

### 1 INTRODUCTION

- 1.1 **(About this Attachment)** This attachment to defines the Annual Services Plan that the Scheme Agent is to provide outlining the high level initiatives and strategies within their organisation that ensure continuous improvement of the Services.
- 1.2 **(First Annual Services Plan)** The first Annual Services Plan will be Approved during the Transition Period and will set out planned achievements and continuous improvement initiatives and strategies for the first year of Scheme Services.
- 1.3 **(Subsequent Annual Services Plan)** Subsequent Annual Services Plans will be Approved by the Nominal Insurer and will form part of the Scheme Agent Annual Review described in Schedule 4.
- 1.4 **(Glossary)** For the meaning of defined terms used in this Schedule, refer to Schedule 14 (Glossary).
- 1.5 **(Obligations)** The obligations in this Schedule are in addition to the other parts of the Deed.
- 1.6 **(About the Annual Services Plan)** The Annual Services Plan sets out the key initiatives and strategies the Scheme Agents will implement within their organisation in order to deliver the Services and achieve the Quarterly Performance Fee Targets and Incentive Fee Targets. The information reported in the Annual Services Plan will reflect the Scheme Agent's strategies to ensure continuous improvement and where appropriate maintained performance of the Services.
- 1.7 **(Obligations)** The Annual Services Plan is of significant importance to ensure:
- (a) The Scheme Agent is focused on Scheme Outcomes;
  - (b) Services are delivered in accordance with the Deed; and
  - (c) The Business Model continues to deliver planned Quarterly Performance Fee Targets and Incentive Fee Targets.
- 1.8 **(Inclusions)** The Annual Services Plan will include at a minimum:
- (a) Key developments and achievements planned for each year of Scheme Services;
  - (b) Scheme Agent's organisational objectives, including business development and growth strategies for the following year of Scheme Services and capacity plans;

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- (c) continuous improvement report issued under Sub-clause 6.14 of the Deed;
- (d) Initiatives proposed by the Scheme Agent under Sub-clause 6.16 of the Deed;
- (e) Any material changes to the Business Model and infrastructure;
- (f) Annual Performance Management and quality management plans;
- (g) Proposals for improving the Services to meet the then highest Australian insurance industry standards, including improvements to the levels of existing KPIs, and any new KPIs;
- (h) Employee risk reduction program;
- (i) Annual Relationship Values Survey results and actions;
- (j) Scheme Agent's Portfolio distribution; and
- (k) Updated Disengagement Plan.

## 2 ANNUAL SERVICES PLAN REVIEW

- 2.1 **(Annual Review)** The Annual Services Plan will be reviewed as part of the Scheme Agent Annual Review.
- 2.2 **(Draft Annual Services Plan)** Prior to 1 November each year, the Scheme Agent will provide a draft Annual Services Plan ("DASP"), setting out the Scheme Agent's plan for the following year.
- 2.3 **(Monitor)** The Scheme Agent Quarterly Review group will monitor the Annual Services Plan to ensure progress towards milestones and contribution towards Quarterly Performance Fee Targets and Incentive Fee Targets, Scheme Outcomes and Scheme Objectives.