

# **Workers Compensation Claims and Policy Services**

**DATE**

**2005**

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## **Schedule 7 –Variation Framework**

**Nominal Insurer**

**And**

**«CoName»**

# Schedule 7 - Variation Framework

## 1 Introduction

- 1.1 **(About this Schedule)** This Schedule provides the process for Variations as referred to in clause 10 of the Deed.
- 1.2 **(Purpose)** Any proposed Variation, including an Urgent Direction must be conducted in accordance with the procedures set out in this Schedule and the Deed.
- 1.3 **(Price)** Each Variation or Direction will describe the impact on:
- (a) cost of implementation of the Variation;
  - (b) Remuneration for operational costs; and
  - (c) Reasonable costs, if any, and limited to \$10,000, that are directly associated with the Scheme Agent's internal costs of operational evaluation. If 10.8 of the Deed applies, comment on the draft Variation Notice will also be included.
- 1.4 **(Scope)** The scope of a Variation may include:
- (a) a change that is agreed by the parties, which may be initiated by the Nominal Insurer or the Scheme Agent, and may include a Project Service;
  - (b) a change, deletion or addition to the Operational Document Set;
  - (c) a Non-Urgent Direction; or
  - (d) an Urgent Direction.
- 1.5 **(Project Services)** Where the Variation requires Project Services to be completed, the Scheme Agent will follow the Project Management Methodology described in the Operational Document Set and Part D of the Variation Notice.
- 1.6 **(Obligations)** The obligations in this Schedule are in addition to the other obligations set out in the Deed.
- 1.7 **(Glossary)** For the meanings of defined terms used in this Schedule, refer to Schedule 14 (Glossary).

## 2 Process

- 2.1 **(Request for Variation)** Each request or recommendation for a Variation must be submitted to the Account Manager of the other party of the Deed in the form of a ("Variation Notice"), Attachment A to this Schedule. The submitting party's Principal must endorse the draft Variation Notice signifying that party's authorisation. The process outlined in Clause 10 of the Deed and this Schedule 7 (Variation Framework), must be followed.
- 2.2 **(Number)** Upon issue or receipt of a request for Variation, the Nominal Insurer will allocate a Variation Notice request reference number. The request will be subject to the Nominal Insurer's version control.
- 2.3 **(Support Details)** The Variation Notice must contain the terms of supply of the Variation, and a full list of the relevant Deed references. A description of the impact on the Quarterly Performance Fee Targets, the Incentive Fee Targets and the Additional Incentive Fee Targets and Services are to be included as an attachment to the Variation.

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- 2.4 **(Submission)** The draft Variation Notice and supporting documentation should be sent to the Nominal Insurer, along with a Deed and performance impact summary.
- 2.5 **(Action)** For each draft Variation Notice submitted, the Nominal Insurer will evaluate the request or recommendation and, as appropriate may:
- (a) request further information; and/or
  - (b) request amendments.
- 2.6 **(Decision)** Once the details of the draft Variation Notice have been finalised between the parties, the Nominal Insurer will either accept or reject the draft Variation Notice, in accordance with the process in Clause 10.
- 2.7 **(Execution)** If the Nominal Insurer Approves the draft Variation Notice, it will issue a final numbered Variation Notice. This includes the definitive changes to the Deed, which the Scheme Agent must sign two originals and return them to the Nominal Insurer. The Nominal Insurer will then countersign the Variation Notices and return one original to the Scheme Agent. Both parties will file the executed Variation Notice as per their own internal contract administration procedures.
- 2.8 **(Designated Representative)** The Variation Notice may only be Approved by the Nominal Insurer's Principal.

### 3 Urgent Direction

- 3.1 **(Submission)** The Nominal Insurer may issue an Urgent Direction in accordance with Sub-clause 10.10 of the Deed. The Nominal Insurer will complete a Variation Notice, indicating that it is an Urgent Direction.

### 4 Disputes

- 4.1 **(Resolution Process)** If a dispute arises as a result of a Variation, including an Urgent Direction, then the matter should be escalated as per the Dispute Resolution Process referred to in Clause 25 of the Deed ("Dispute Resolution") and Schedule 4 (Commercial Management Framework).

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## ATTACHMENT A – VARIATION NOTICE

### 1 Part A (Proposal)

(Guide Note: If the proposed Variation will vary the terms of the Deed, specifications or other Documents forming part of the Deed, draft amendments must be attached as per Section 2.3).

<b>Scheme Agent Identifier</b>	
<b>Variation Notice number (to be allocated by the Nominal Insurer)</b>	
<b>Originator</b>	
<b>Company</b>	
<b>Contact phone number</b>	
<b>Date submitted</b>	
<b>Date received</b>	
<b>Proposed date of change</b>	
<b>Date of expiry of validity of Variation Notice</b>	

#### Variation title

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#### Details of proposed change

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#### List any documents affected by this change

<b>Deed reference</b>	<b>Proposed change</b>

(Guide Note: The table must include any Deed or Schedule changes that will be impacted as a result of this Variation).

#### Submitting Principal's endorsement:

<b>Name</b>	<b>Date</b>

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## 2 Part B (Implications)

**Identify any risks if the proposed Variation was not accepted**

**Identify any anticipated change(s) to service delivery performance**

**Provide any other relevant qualifications or comments**

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## 3 Part C (Implementation)

Identify the means of implementing the proposed Variation

Provide the implementation plan and timetable for the proposed Variation

## 4 Part D (Project Services)

- 4.1 Insert detailed description of deliverables, including specification.
- 4.2 Insert details of acceptance criteria and acceptance testing process.
- 4.3 Insert details of the timetable for delivery including detailed project plan showing key milestones, deliverables and acceptance testing.
- 4.4 Insert details of payment amounts, milestones for payment and retention sums if applicable and describe liquidated damages.
- 4.5 Confirm if clause 21.4 of the Deed applies to any New Contract Material, and if so, specify the terms of the licence and fees payable.
- 4.6 Provide details of any items/resources to be supplied by the Nominal Insurer.
- 4.7 Provide details of Applicable Standards, warranties and warranty periods.
- 4.8 Provide details of any requirements for documentation, training and support.

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### 5 Part E (Fees)

#### Insert details of

Amount payable for cost of implementation of Variation, and a payment plan	
Variation to the Remuneration for on-going compliance	
Amount if any (up to \$10,000) if Sub-clause 10.8 of the Deed applies	
Costs in accordance with Sub-clause 21.4 of the Deed (if applicable)	

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## 6 Part F (Execution)

This Variation is made in accordance with clause 10 of the Deed.

Approval Number: \_\_\_\_\_

**SIGNED FOR AND ON** )  
**BEHALF OF THE WORKERS** )  
**COMPENSATION NOMINAL** )  
**INSURER** by the Chief )  
Executive Officer of ) .....  
WorkCover [or authorised )  
person with delegation )  
authorised to sign on behalf of )  
the Nominal Insurer] in the )  
presence of: )

.....  
Witness Signature

.....  
Print Full Name of Witness

.....  
Position

.....  
Date of signature

**Execution by the Scheme Agent:**



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The **COMMON SEAL** of.....

.....

(insert name of Scheme Agent)

A.C.N: .....

(insert Scheme Agent's A.C.N.)

was duly affixed hereto at .....

(insert name of City/ Town)

in the State of .....

(insert name of State / Territory)

(Corporate Seal)

.....

(signature of Director)

in the presence of.....

(insert name of Secretary or other permanent officer)

)

)

)

.....

(signature of Secretary or other permanent officer)