

Schedule 6

Governance and Co-operation

1. Introduction

1.1 This Schedule 6 (**Governance and Co-operation**):

- (a) sets out the procedures that will be used to manage the relationship between the Authority and the Supplier at both a strategic and an operational level;
- (b) sets out an Escalation Procedure for the prompt resolution of issues of disagreement; and
- (c) seeks to build upon the vision, strategy and objectives set out in Clause 6 (**Partnering and Joint Objectives**) of the Terms and Conditions.

1.2 The objectives of this Schedule 6 (**Governance and Co-operation**) are to ensure that:

- (a) the Parties maintain a successful working relationship which reflects a spirit of partnering;
- (b) disputes are resolved quickly and at the appropriate level; and
- (c) a governance structure exists for the proper management of the Services.

2. Partnering Principles and the Governance Structure

2.1 Partnering Principles

The Parties shall seek to:

- (a) afford each other priority in treatment and resolution of issues;
- (b) share information as to risks involved in providing the Services, costs and/or Service Charges and Contract Changes;
- (c) work in a collaborative manner in order to ensure successful delivery of all the Services;

- (d) ensure sufficient seniority of management to attend review meetings in order that all issues can be addressed, and to agree and implement strategy and change going forward, and the Supplier will provide management information reports (in a pre-agreed format) for this purpose;
- (e) agree a rolling agenda to review the Services and/or Future Services, to ensure that the Authority is making appropriate use of all services available from the Supplier, and that the Authority has the opportunity to raise and discuss development of processes which are relevant to the Services;
- (f) work together on an ongoing relationship basis, and in this regard:
 - (i) the Supplier shall manage its relationship with the Authority including keeping abreast of all industry and Supplier specific developments which could benefit the Authority; and
 - (ii) in order to bring greater focus to development of banking solutions the Supplier will be available to hold specific meetings with the Authority, outside of normal service reviews, to discuss how this can be achieved and to further cement the partnering arrangements with the Authority;
- (g) have ongoing continued dialogue with each other, in which the Supplier will introduce new products and efficiencies of operation;
- (h) bring issues (including incidents, dissatisfactions and complaints) to the attention of the other Party at the earliest opportunity (rather than wait for a formal service review), and maintain an open and honest dialogue on both Parties' issues to facilitate resolution of such issues to the other Party's satisfaction; and
- (i) if necessary, co-operate in escalating any issues of concern of either Party in accordance with paragraph 2.2.4 of this Schedule.

2.2 Governance Structure

2.2.1. Operational Governance

With effect from Implementation of any Operational Services, the Supplier Review

Board will meet monthly, or as otherwise agreed from time to time, to monitor the provision of the Operational Services.

2.2.2 Senior Stakeholders

- (a) The Senior Stakeholders will meet quarterly, or as otherwise agreed from time to time, to discuss and monitor the strategic direction of Implementation and/or the Services, and to discuss the impact of industry trends and major change requirements.
- (b) The Parties shall bear their own costs and expenses in respect of all such meetings held pursuant to this Schedule.

2.2.3. Provision of Documentation

The Supplier must provide all documentation (such documentation to be of high quality) necessary for any of the meetings referred to in paragraphs 2.2.1 and 2.2.2 above at least five (5) Working Days (or as otherwise agreed from time to time) prior to any such meetings.

2.2.4. Escalation

- (a) If any issue of concern arises between the Authority and the Supplier, the Parties will use all reasonable endeavours to resolve such issue, as soon as practicably possible, at the level at which such issue originates.
- (b) Where the Parties cannot achieve resolution of a dispute within twenty (20) Working Days (or such other period as agreed between the Parties), either Party may refer the dispute to the Escalation Procedure set out below.
- (c) The Parties will apply the Escalation Procedure using the following levels of escalation:

| Level of Escalation | Relevant officer |
|---------------------|--|
| Level 1 | Authority Relationship Manager and Supplier Relationship Manager |
| Level 2 | Supplier Review Board |
| Level 3 | Senior personnel from the Authority and |

Supplier

- (d) Where an issue arises which cannot be resolved at the level at which such issue originates (or where the Parties have not been able to resolve it within twenty (20) Working Days, or such other period as agreed between the Parties, at that level), the Authority or the Supplier may refer it to the next level in the Escalation Procedure.
- (e) The Escalation Procedure is intended to be a guide for the Parties to resolve issues rapidly as they arise. It is not intended that this Escalation Procedure should operate inflexibly or so as to prevent an issue being resolved at the most appropriate level as quickly as possible.
- (f) Notwithstanding the operation of this Escalation Procedure, the Parties will use all reasonable efforts to resolve the issue at every stage.
- (g) Where a resolution is agreed, the decision, together with any implementation plan, will be reported in writing.
- (h) Where an issue cannot be resolved at a particular level, the issue will be referred to the next higher level in accordance with this paragraph unless one Party requests that a particular issue receives consideration more quickly or at a more senior level, in which case the issue will be escalated to that level.