



Australian Government

Safety, Rehabilitation and
Compensation Commission

REGULATOR PERFORMANCE FRAMEWORK

Safety, Rehabilitation and Compensation
Commission's self-assessment for 2018-19

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EXECUTIVE SUMMARY

This is the fourth annual self-assessment by the Safety, Rehabilitation and Compensation Commission (Commission) against the Government's Regulator Performance Framework (RPF).

The Commission has committed to 18 measures of good regulatory performance (Commission performance measures) against the six outcomes-based key performance indicators of the RPF.

This self-assessment was informed by activity undertaken by the Commission in 2018-19, including the outcomes of Commission meetings and decisions made by the Commission, and consultation and feedback from regulated entities (self-insured licensees).

The self-assessment identified that the Commission has met all 18 of the measures that fall under the six KPIs. This signifies an overall positive view of the Commission's performance for 2018-19.

The Commission recognises that there continues to be opportunities for improvement, and these have been identified within the self-assessment where applicable.

2018-19 result

The Commission implements continuous improvement strategies to reduce the costs of compliance for those they regulate.

It should be noted that both opportunities for improvement and continuous improvement points have been identified and are evident across many of the KPIs which will continue to be made in the 2019-20 year.

Specific areas for improvement highlighted by the self-assessment include:

- engaging with other regulators to learn from peer experiences and share better practice; and
- ongoing consultation with stakeholders to review and improve the Licence Compliance and Performance Model (LCPM).

Endorsement

Rosemary Vilgan

Commission Chairperson

Safety Rehabilitation and Compensation Commission

BACKGROUND

About the Commission

The Commission is established under the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act).

The Commission is an 11-member body. Members represent stakeholders in the Commonwealth scheme. A listing of Commission members and biographies is provided on the [Commission website](#).

Role of the Commission

The Commission's primary [functions](#) are regulating self-insurance arrangements under the SRC Act, which includes granting and revoking licences and monitoring licensees' compliance against the Commission's conditions of self-insurance licence.

The Commission sets compliance measures which licensees are required to meet. These include, but are not limited to, licence conditions; performance standards and measures; and reporting requirements as set out in the [Licence Compliance and Performance Model \(LCPM\)](#).

The Commission has other functions under the SRC Act and *Work Health and Safety Act 2011* (WHS Act):

SRC Act functions

- ensuring there is [equity of outcomes](#) resulting from administrative practices and procedures used by Comcare and licensees in the performance of their functions under the SRC Act;
- provide [advice to the Minister](#) about the operation of the SRC Act and the Commission's functions;
- provide [advice and guidance](#) to Comcare and licensees; and
- provide [guidelines on the setting of premiums and a review point](#) (if required) for employers' premium and regulatory contributions.

WHS Act functions

- provide advice to the Minister on the administration and the most effective means of giving effect to the objects of the WHS Act; and
- provide a [forum for consultation](#) between Comcare and persons conducting businesses or undertakings, workers and the bodies that represent them.

Regulator Performance Framework

The Government released the [RPF](#) in 2014 to encourage regulators to undertake their functions with the minimum impact necessary to achieve regulatory objectives and to effect positive ongoing and lasting cultural change within regulators.

From 1 July 2015, all Commonwealth regulators that administer, monitor or enforce regulation implement the RPF and conduct an annual assessment of performance against six outcomes-based key performance indicators:

1. regulators do not unnecessarily impede the efficient operation of regulated entities
2. communication with regulated entities is clear, targeted and effective
3. actions undertaken by regulators are proportionate to the risk being managed
4. compliance and monitoring approaches are streamlined and coordinated
5. regulators are open and transparent in their dealings with regulated entities
6. regulators actively contribute to the continuous improvement of regulatory frameworks.

2018-19 SELF-ASSESSMENT

Commission performance measure summary

The Commission committed to 18 performance measures against the six KPIs of the RPF. A detailed summary of each performance measure follows.

Table 6: RPF KPIs and Commission Performance Measures

RPF KPI	Commission Performance Measure	2018-19 Result
KPI 1: The Commission does not unnecessarily impede the efficient operation of regulated entities.	1.1 The Commission demonstrates an understanding of the operating environment of the industry, or organisation, or the circumstances of individuals and the current emerging issues that affect the sector.	●
	1.2 The Commission takes actions to minimise the potential for unintended negative impacts of regulatory activities on regulated entities or affected supplier industries and supply chains.	●
	1.3 The Commission implements continuous improvement strategies to reduce the costs of compliance for those they regulate.	●
KPI 2: The Commission communicates with regulated entities in clear, targeted and effective manner.	2.1 The Commission provides guidance and information that is up to date, clear, accessible and concise through media appropriate to the target audience.	●
	2.2 The Commission considers the impact on regulated entities and engages with industry groups and representatives of the affected stakeholders before changing policies, practices or service standards.	●
	2.3 The Commission's decisions and advice are provided in a timely manner, clearly articulating expectations and the underlying reasons for decisions.	●
	2.4 The Commission's advice is consistent and supports predictable outcomes.	●
KPI 3: Actions undertaken by the Commission are proportionate to the regulatory risk being managed.	3.1 The Commission applies a risk-based, proportionate approach to compliance obligations, engagement and regulatory enforcement actions.	●
	3.2 The Commission's preferred approach to regulatory risk is regularly reassessed. Strategies, activities and enforcement actions are amended to reflect changing priorities and evolving regulatory threats, without diminishing regulatory certainty or impact.	●
	3.3 The Commission recognises the compliance record of regulated entities, including using earned autonomy where this is appropriate. All available and relevant data on compliance, including evidence of relevant external verification is considered.	●
KPI 4: Compliance and monitoring approaches are streamlined and coordinated.	4.1 The Commission's information requests are tailored, coordinated, only when necessary and utilises existing information to secure regulatory objectives, and information requests are made to minimise impact.	●
	4.2 The Commission bases monitoring and inspection approaches on risk and, where possible, takes into account the circumstance and operational needs of the regulated entity.	●
	5.1 The Commission's risk-based frameworks are publicly available in a format which is clear, understandable and accessible.	●

KPI 5: The Commission is open and transparent in its dealings with regulated entities.	5.2 The Commission is open and responsive to requests from regulated entities regarding the operation of the regulatory framework, and approaches implemented by the Commission.	●
	5.3 The Commission's performance measurement results are published in a timely manner to ensure accountability to the public.	●
KPI 6: The Commission actively contributes to the continuous improvement of regulatory frameworks.	6.1 The Commission establishes and maintains cooperative and collaborative relationships with stakeholders to promote trust and improve the efficiency and effectiveness of the regulatory framework.	●
	6.2 The Commission engages all relevant stakeholders in the development of options to reduce compliance costs. This could include changes to the overarching regulatory framework, or other strategies to streamline monitoring and compliance approaches.	●
	6.3 The Commission regularly shares feedback from stakeholders and performance information (including from inspections) with policy departments to improve the operation of the regulatory framework and administrative processes.	●

Legend

- Indicator is met
- Indicator is partially met/at risk of not being met for the period
- Indicator is not met

Reporting against each KPI

KPI 1: The Commission does not unnecessarily impede the efficient operation of the regulated entities

Measure of Good Regulatory Performance 1.1	
The Commission demonstrates an understanding of the operating environment of the industry, or organisation, or the circumstances of individuals and the current emerging issues that affect the sector.	
Output/Activity	Access to documented knowledge base on regulated entities, their environment and issues impacting them.
Status	● Achieved
Evidence	
<p>At its quarterly meetings the Commission is provided with updates on:</p> <ul style="list-style-type: none"> • issues relevant to current regulated entities (licensees); • forward looking issues relevant to potential licence applications; and • strategic matters from Comcare on issues impacting on its scheme performance and a work health and safety regulatory matters update. <p>Licensees report to the Commission against the performance standards and measures set out in the LCPM. Reporting is made up of quarterly and annual elements.</p> <p>The Commission membership includes a Commissioner representing the interests of licensees. Commissioners are provided with regular updates that include a summary of relevant media.</p> <p>Comcare staff, in support of the Commission, provide ongoing information, analysis and self-insurance expertise (general and specific to each licensee) to the Commission.</p>	
Actions for Improvement	
Nil.	

Measure of Good Regulatory Performance 1.2	
The Commission takes actions to minimise the potential for unintended negative impacts of regulatory activities on regulated entities or affected supplier industries and supply chains.	
Output/Activity	Regular, ongoing consultations or engagement with stakeholders on policies and procedures, including independent experts and industry associations, where relevant.
Status	● Achieved
Evidence	
In 2018-19 the Commission and its sub-committee for the Regulation of Self-Insured Licensees (RRSIL) consulted on the following policies and procedures:	

<ul style="list-style-type: none"> • Licensee reporting requirements; • Introduction of new process products for complaints and feedback handling; • The Commission rehabilitation performance measure – median incapacity; and • Application of the Commission’s regulatory model <p>Engagement with stakeholders on policies and procedures occurred in 2018-19 via:</p> <ul style="list-style-type: none"> • Three licensee liaison forums – 2018, December 2018 and June 2019; • Meeting with the Safety Rehabilitation and Compensation Licensee Association (SRCLA) – February 2019; • Annual meeting with licensees – 27 March 2019; • Meeting with licensee and union affiliate representatives – 1 May 2019; and • Inaugural meeting with affiliates (union representatives) – 19 June 2019.
Actions for Improvement
Nil.

Output/Activity	Documented responsiveness to feedback from regulated entities, including feedback from existing complaint mechanisms and surveys of regulated entities.
Status	● Achieved
Evidence	
<p>Mechanisms for feedback from regulated entities include:</p> <ul style="list-style-type: none"> • Raising feedback directly through the Commission Members – feedback is considered by the Commission or referred to its sub-committee as required; • At the Commission annual meetings with licensees and affiliates; • Attending licensee and union affiliate working groups; and • Making submissions to the Commission – the Commission considers and responds to submissions it receives. <p>In 2018-19 the Commission considered and responded to feedback in relation to:</p> <ul style="list-style-type: none"> • Licensee reporting requirements – licensees provided feedback via the Member representing licensees. The feedback was considered at sub-committee meetings in November 2018, February 2019 and May 2019. • Operation of the regulatory model – the SRCLA chairperson provided feedback in December 2018. Members of the RRSIL subsequently met with the SRCLA in February 2019 to discuss and respond to the feedback. • Complaints and feedback handling – introduction of new process products. The Commission discussed the introduction of three new products with licensees and responded to feedback and questions at the meeting on 27 March 2019. Further discussion occurred with licensee and union affiliate representatives on 1 May 2019. • Rehabilitation performance measurement – review of licensee KPI – median incapacity – the Commission discussed this item with licensees and responded to feedback and questions at the meeting on 27 March 2019. Further discussion occurred with licensee and union affiliate representatives on 1 May 2019. 	
Actions for Improvement	
Nil.	

Output/Activity	Regulatory operations consider the knowledge base prior to commencing action.
Status	● Achieved
Evidence	
<p>The Commission considers regulatory action primarily through quarterly licensee performance reporting.</p> <p>As part of considering any regulatory action, the Commission has regard to:</p> <ul style="list-style-type: none"> • performance information for each licensee (based on the requirements of the LCPM), including performance against KPIs and the outcomes of and actions taken following audits of licensees' management systems; • an assessment by Comcare of this performance information against the LCPM and recommendations for regulatory action; • its regulatory decision precedent log; and • guidance material for assessing regulatory issues under the LCPM. <p>The precedent log and guidance material support the Commission's deliberative process and assist the Commission in making consistent decisions under the LCPM.</p> <p>Note the implementation of the regulatory decision precedent log was an improvement action identified in the 2017-18 RPF self-assessment.</p> <p>Additionally, the Commission is guided by its policies, including:</p> <ul style="list-style-type: none"> • Policy on variation of a licence under Part VIII of the SRC Act; • Policy on the regulatory approach relating to licensing under Part VIII of the SRC Act; • Policy on suspension or revocation of a licence under Part VIII of the SRC Act; • Policy on extension of a licence under Part VIII of the SRC Act; and • Policy on consultation and dispute resolution for licensing decisions of the Commission impacting on Licensees under Part VIII of the SRC Act. 	
Actions for Improvement	
Nil.	

Measure of Good Regulatory Performance 1.3

The Commission implements continuous improvement strategies to reduce the costs of compliance for those they regulate.

Output/Activity	Demonstrated engagement with relevant organisations to learn from peer experiences and share better practice.
Status	● Indicator partially met
Evidence	
<p>The composition of the Commission and industry bases of licensees facilitates continued learning and sharing of best practice to enable the Commission to consider, and implement where appropriate, continuous improvement strategies to reduce the costs of compliance.</p>	

A number of Commission Members attended the Comcare conference which shares best practice and latest research from experts, researchers, practitioners and administrators in relation to workers compensation, rehabilitation and work health and safety.

Actions for Improvement

Indicator partially met. An improvement action for 2018-19 was the Commission to engage with other regulators to share experiences and better practice. Engagement is expected to occur in December 2019. The Commission will invite another regulator to present at a meeting in 2019-20.

Output/Activity	Regular review of regulatory model confirming no need to or benefit from making changes or any change identified as necessary and/or beneficial is subject to compliance cost/benefit analysis.
Status	● Achieved
Evidence	
<p>An updated version of the Commission’s LCPM was published on the Commission website in November 2018.</p> <p>To ensure the effectiveness of its model (including its approach to regulatory risk), the Commission has established and is implementing a five-year review plan to ensure all key elements of the model will be assessed by 2022. The plan includes a biennial review of the model to determine whether it is helping to drive, or has achieved, improved performance outcomes from licensees.</p> <p>The purpose of the review in 2018-19 is to consider if the model has:</p> <ul style="list-style-type: none"> • captured and measured licensee performance • ensured that appropriate and consistent responses to performance are taken • driven performance improvement; • reduced regulatory burden. <p>Additionally, the Commission’s sub-committee for reviewing the regulation of self-insured licensees (RRSIL) acts to streamline processes and procedures to remove unnecessary regulatory burden as it relates to licensing matters. The RRSIL seeks comments from stakeholders, keeps them informed of any proposed changes and provides advice to the Commission, making recommendations as appropriate.</p> <p>In 2018-19 the following review activities were undertaken by the RRSIL/Commission:</p> <ul style="list-style-type: none"> • An end to end review of the licensee reporting requirements – end to end review; • Review of the performance measure for rehabilitation – median incapacity KPI; • High level review of the general conditions of licence; and • High level overview of the functioning of the model. 	
Actions for Improvement	
Improvement action - ongoing consultation with stakeholders to review and improve the LCPM.	

KPI 2: The Commission communicates with regulated entities in a clear, targeted and effective manner

Measure of Good Regulatory Performance 2.1

The Commission provides guidance and information that is up to date, clear, accessible and concise through media appropriate to the target audience.

Output/Activity	Guidance material and information that complies with government accessibility guidelines
Status	● Achieved
Evidence	
Guidance material and information is published on the Commission website in line with government accessibility guidelines.	
Comcare on behalf of the Commission, continues to monitor government accessibility guidelines and provides advice to the Commission should any enhancements to the website we required.	
Actions for Improvement	
Nil.	

Output/Activity	Feedback (including measures of use, e.g. web visits) received from regulated entities and others inform guidance material and information.
Status	● Achieved
Evidence	
The Commission receives feedback from regulated entities through a range of mechanisms, including the annual Commission-licensee meeting, the Licensee Liaison Forum, meetings with licensee and union affiliates representatives and consultation activities.	
In 2018-19, this feedback informed Commission decisions on:	
<ul style="list-style-type: none"> • Licensee reporting requirements • The Commission’s rehabilitation performance measure – median incapacity • The introduction of new information products on complaints and feedback mechanisms 	
The LCPM is the Commission’s primary guidance document. It is updated to reflect Commission decisions, based on feedback.	
Actions for Improvement	
Nil.	

Measure of Good Regulatory Performance 2.2

The Commission considers the impact on regulated entities and engages with industry groups and representatives of the affected stakeholders before changing policies, practices or service standards.

Output/Activity	Policy, practices and standard changes which are preceded by comprehensive engagement with stakeholders
Status	● Achieved
Evidence	
<p>The Commission has a policy on consultation and dispute resolution for licensing decisions of the Commission impacting upon Licensees under Part VIII of the SRC Act. This policy provides the framework under which the Commission engages and consults with licensees in relation to making changes to a range of matters, including licensing conditions, and the regulatory model.</p> <p>The Commission considered the impact on regulated entities when introducing new information products on complaints and feedback mechanisms. The Commission engaged with affected stakeholders and considered feedback before agreeing to the introduction of these products.</p>	
Actions for Improvement	
Nil.	

Output/Activity	Feedback is sought from all relevant stakeholders on guidance and advice provided by the regulator via a wide range of mechanisms, including stakeholder surveys.
Status	● Achieved
Evidence	
<p>Detail of Commission membership and feedback mechanisms provided at KPI 1.2.</p> <p>Consultation and engagement with relevant stakeholders in 2018-19 provided against KPI 1.2.</p> <p>A range of mechanisms are used to obtain feedback from relevant stakeholders. In 2018-19 feedback was facilitated by consultation notes, meetings and written correspondence.</p>	
Actions for Improvement	
Nil.	

Measure of Good Regulatory Performance 2.3

The Commission's decisions and advice are provided in a timely manner, clearly articulating expectations and the underlying reasons for decisions.

Output/Activity	Maximum, minimum and average time for decision.
Status	● Achieved
Evidence	
Regulatory decisions	
In 2018-19, the Commission made the following regulatory decisions:	
<ul style="list-style-type: none">• Took regulatory action for a breach of licence. When issuing the Commission's preliminary findings on the matter, the Commission provided the APC with two weeks to respond (in accordance with policy on consultation and dispute resolution for licensing decisions of the Commission impacting upon licensees under Part VIII of the SRC Act).• Agreed to send encouragement letters to six licensees, regarding performance as a self-insurer.• Agreed to send direction letters to three licensees, directing that specific actions (such as audits) be undertaken to address concerns with performance.	
The encouragement and direction letters were sent within 14 days of the Commission's decision.	
Licensing decisions	
Requests for a variation to a self-insurance licence are submitted to the Commission by licensees when a change is deemed necessary. The Commission considers licensing decisions at the next quarterly meeting or via an earlier out of session meeting.	
In 2018-19, the Commission made the following licensing decisions:	
<ul style="list-style-type: none">• Agreed to a change of reporting cycle for two licensees; and• Agreed to five licence variations to change claims managers or reviewer arrangements. These decisions were made in time to meet the commencement dates requested by licensees.	
Licence applications	
In relation to self-insurance licence applications, the Commission's website notes 'The legislation does not stipulate a timeframe for the evaluation of self-insurance licence applications and it can vary depending on the complexity of the information provided. The preparedness and capacity of the licence applicant to meet all of the requirements will enable the process to be undertaken in a timely manner.'	
In 2018-19 the Commission received and considered two licence applications:	
<ul style="list-style-type: none">• DHL Express – licence application received 28 June 2018. A commencement date of 1 January 2019 was requested.• ACT Government – licence application received 20 July 2018. A commencement date of 1 March 2019 was requested.	
Both licences were granted at the 28 November 2018 Commission meeting. The DHL Express licence commenced on 1 January 2019. The ACT Government licence commenced on 1 March 2019.	

Evidence

Regulatory decisions

In 2018-19, the Commission made the following regulatory decisions:

- Took regulatory action for a breach of licence. When issuing the Commission's preliminary findings on the matter, the Commission provided the APC with two weeks to respond (in accordance with [policy on consultation and dispute resolution for licensing decisions of the Commission impacting upon licensees under Part VIII of the SRC Act](#)).
- Agreed to send encouragement letters to six licensees, regarding performance as a self-insurer.
- Agreed to send direction letters to three licensees, directing that specific actions (such as audits) be undertaken to address concerns with performance.

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- Agreed to a change of reporting cycle for two licensees; and
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- DHL Express – licence application received 28 June 2018. A commencement date of 1 January 2019 was requested.
- ACT Government – licence application received 20 July 2018. A commencement date of 1 March 2019 was requested.

Both licences were granted at the 28 November 2018 Commission meeting. The DHL Express licence commenced on 1 January 2019. The ACT Government licence commenced on 1 March 2019.

Reviews of determination of premium or regulatory contributions

In 2018-19 no reviews of premium or regulatory contributions were requested.

Actions for Improvement

Nil.

Output/Activity Published timeframes for decision making

Status ● Achieved

Evidence

Evidence to support rating as per above item - *Maximum, minimum and average time for decision.*

Actions for Improvement

Nil.

Output/Activity Decisions are accompanied by statement of reasons where required

Status ● Achieved

Evidence

Where the Commission makes an adverse decision in relation to licensing matters, a statement of reasons is issued to the affected party.

The Commission also provides a statement of reasons where it reviews premium determinations under section 97K of the SRC Act. No premium determination reviews were conducted in 2018-19.

In relation to the breach of licence in 2018-19, the Commission engaged with the affected licensee including providing it with a range material and information about how the Commission reached its decision.

Actions for Improvement

Nil.

Output/Activity Demonstrated mechanisms for responding to stakeholder engagement/ complaint.

Status ● Achieved

Evidence

Commission membership and feedback mechanisms as per supporting evidence provided against KPI 1.2.

The Commission meets quarterly at which time any Member can bring an item to the agenda for consideration which is otherwise not on the agenda.

It is open to licensees to make a submission at any time in relation to the operation of the Commission or its decisions relating to the entity. The Commission considers all submissions either via quarterly meetings or sooner if required.

Employees of licensees can make complaints about the operations of their employer under their self-insurance licence. Comcare manages these complaints on behalf of the Commission and reports on these complaints at each regular quarterly meeting of the Commission.

Actions for Improvement

Nil.

Output/Activity Demonstrated engagement with regulated entities to inform them of the regulators' expectations

Status ● Achieved

Evidence

Commission membership and feedback mechanisms as per supporting evidence provided against KPI 1.2.

Actions for Improvement

Nil.

Measure of Good Regulatory Performance 2.4

The Commission's advice is consistent and supports predictable outcomes.

Output/Activity Approved procedures for communications are available for staff use when interacting with regulated entities.

Status ● Achieved

Evidence

The [Commissioner code of conduct](#) was endorsed at the 3 October 2018 meeting. The code of conduct describes the standards of behaviour and conduct expected from Commissioners in dealing with Members, stakeholders and the public.

The Commission has published policy documents that detail when the Commission will communicate with licensees and affected parties. Examples of these policy documents include:

- [Policy on the regulatory approach relating to licensing under Part VIII of the SRC Act](#)
- [Policy on consultation and dispute resolution for licensing decisions of the Commission impacting upon Licensees under Part VIII of the SRC Act.](#)

The Commission has no staff. Comcare, on behalf of the Commission, provides an Account Management model through which advice is provided to current and potential future licensees in relation to the self-insurance regulatory framework.

Actions for Improvement

Nil.

Output/Activity	Advice provided to regulated entities is consistent with communication policies.
Status	● Achieved
Evidence	
The Commission has no staff. Comcare, on behalf of the Commission, provides an Account Management model through which advice is provided to current and potential future licensees in relation to the self-insurance regulatory framework.	
Actions for Improvement	
Nil.	

Output/Activity	Communications with regulated entities include clear and consistent reasons for the communication and, where relevant linkage with the risk framework.
Status	● Achieved
Evidence	
The Commission has a strategic risk register. The risk register is reviewed and updated throughout the year. Additionally, Comcare has a risk management framework in place.	
The Commission's regulatory decisions are made in accordance with the risk-based regulatory response framework set out in the LCPM.	
The Commission communicates with licensees to inform them of relevant decisions, including regulatory action, encouragement and directions. Regulatory decisions made in 2018-19 are set out at KPI 2.3. In these matters, the Commission communication set out reasons for Commission decisions including links to its LCPM and the SRC Act.	
Actions for Improvement	
Nil.	

KPI 3: Actions undertaken by The Commission are proportionate to the regulatory risk being managed

Measure of Good Regulatory Performance 3.1	
The Commission applies a risk-based, proportionate approach to compliance obligations, engagement and regulatory enforcement actions.	
Output/Activity	Risk management policies and procedures are available to regulator staff and the public.
Status	● Achieved
Evidence	

As noted above, the Commission has a strategic risk register. The risk register is reviewed and updated throughout the year at quarterly Commission meetings. Additionally, Comcare has a risk management framework in place.

The Commission’s self-insurance regulatory framework (set out in the [LCPM](#)) is risk based.

Where the Commission considers that a regulatory response may be appropriate, the Commission considers a set of staged responses. This set of graduated responses enable the Commission to impose a response that is proportionate to the risk, escalate or de-escalate regulatory action, and minimise the costs associated with a response. The use of a graduated set of responses also means that the financial, health and time costs of employers and employees can be minimised.

Actions for Improvement

Nil

Output/Activity	Compliance and enforcement strategies, consistent with agreed risk management policies, are implemented.
Status	● Achieved
Evidence	
<p>The Commission’s Policy on the regulatory approach relating to licensing under Part VIII of the SRC Act is a risk based approach to regulation and is available on the Commission’s website.</p> <p>The Commission’s self-insurance regulatory framework (set out in the LCPM) is risk based.</p> <p>Where the Commission considers that a regulatory response may be appropriate, the Commission considers a set of staged responses. This set of graduated responses enable the Commission to impose a response that is proportionate to the risk, escalate or de-escalate regulatory action, and minimise the costs associated with a response. The use of a graduated set of responses also means that the financial, health and time costs of employers and employees can be minimised.</p> <p>These two products ensure the Commission’s’ compliance and enforcement strategies/decisions are consistent and aligned to the principles of its risk-based regulatory model.</p>	
Actions for Improvement	
Improvement action – Commission continues to review its self-insurance regulatory framework.	

Output/Activity	Statements of expectations and intent are published.
Status	● Achieved
Evidence	
<p>The LCPM is the Commission’s primary guidance document, it sets out the Commission’s expectations and intent including:</p> <ul style="list-style-type: none"> • Roles of the Commission and licensees (the regulated entities) • Commission objectives and principles 	

- Oversight and regulation.

The [LCPM](#) is supported by the [Commission's policies](#), which are also available on the Commission website.

Actions for Improvement

Nil.

Output/Activity	Relevant staff trained in risk Management policies, processes and procedures.
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Status	● Achieved
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Evidence

Commissioners are appointed to their positions based on the SRC Act specifications, as well as their relevant qualifications and experience.

The Commission has no staff. Comcare support staff are trained in risk management.

Actions for Improvement

Nil.

Measure of Good Regulatory Performance 3.2

The Commission's preferred approach to regulatory risk is regularly reassessed. Strategies, activities and enforcement actions are amended to reflect changing priorities and evolving regulatory threats, without diminishing regulatory certainty or impact.

Output/Activity	Documented procedures in place to review risk approaches regularly including considering with stakeholders on risk approaches.
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Status	● Achieved
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Evidence

The Commission's risk register is reviewed and updated throughout the year at quarterly Commission meetings.

To ensure the effectiveness of its model (including its approach to regulatory risk), the Commission has established and is implementing a five-year review plan to ensure all key elements of the model will be assessed by 2022. The plan includes a biennial review of the model to determine whether it is helping to drive, or has achieved, improved performance outcomes from licensees.

The purpose of the review in 2018-19 is to consider if the model has:

- captured and measured licensee performance
- ensured that appropriate and consistent responses to performance are taken
- driven performance improvement;
- reduced regulatory burden.

Feedback from stakeholders is considered as part of this review.

Actions for Improvement

Nil.

Output/Activity	Documented enforcement strategy includes options for graduated compliance actions consistent with regulators' powers
Status	● Achieved
Evidence	
<p>The Commission's self-insurance regulatory framework (set out in the LCPM) is risk based.</p> <p>Where the Commission considers that a regulatory response may be appropriate, the Commission considers a set of staged responses. This set of graduated responses enable the Commission to impose a response that is proportionate to the risk, escalate or de-escalate regulatory action, and minimise the costs associated with a response. The use of a graduated set of responses also means that the financial, health and time costs of employers and employees can be minimised.</p>	
Actions for Improvement	
Nil.	

Measure of Good Regulatory Performance 3.3

The Commission recognises the compliance record of regulated entities, including using earned autonomy where this is appropriate. All available and relevant data on compliance, including evidence of relevant external verification is considered.

Output/Activity	Documented enforcement strategy which allows for the compliance records of regulated entities to be considered in determining regulatory actions.
Status	● Achieved
Evidence	
<p>The Commission's risk-based regulatory model recognises the compliance record of regulated entities and allows for earned autonomy where this is appropriate. For example, ongoing financial monitoring is only required where an elevated risk is identified.</p> <p>The Commission considers the compliance of regulated entities through quarterly reporting. This paper provides Commissioners with:</p> <ul style="list-style-type: none"> • an overview of the Commission's regulatory model; • a range of performance related information for each licensee (based on the requirements of the Commission regulatory model), including performance against key performance indicators; and • updates on enforcement actions • an assessment by Comcare of this performance information against the regulatory model and its recommendations for regulatory action. 	

Additionally the Commission is provided with supporting information that includes relevant data on compliance, including any external verification (such as audit reports) to inform consideration of licensee performance.

Commission guidance material sets out a range of factors to be considered when assessing licensee compliance issues to ensure the regulatory response is proportionate to the issue.

Actions for Improvement

Nil.

KPI 4: Compliance and monitoring approaches are streamlined and coordinated

Measure of Good Regulatory Performance 4.1

The Commission’s information requests are tailored, coordinated, only when necessary and utilises existing information to secure regulatory objectives, and information requests are made to minimise impact.

Output/Activity	Evidence of collected information being acted upon, stored and re-used.
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Status	● Achieved
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Evidence

The Commission does not have any resources of its own. Comcare provides the staffing and resources to manage any data collected and used by the Commission.

The Commission’s [Privacy Policy](#) outlines the privacy obligations of the Commission and its commitment to meeting its highest standards when collecting, storing, using and disclosing personal information.

Through the self-insurance regulatory model, the Commission obtains a variety of information from licensees primarily through monthly data submissions and quarterly updates on the maintenance of management systems (e.g. through internal audits and corrective actions). This information is stored by Comcare. Comcare analyses this information and provides it to the Commission throughout the year in various formats, in particular:

- LCPM reporting paper provided to each quarterly meeting;
- a scheme performance summary report provided to each quarterly meeting; and
- an assessment of the licensees annual licence compliance and performance improvement reports.

The Commission is provided with a quarterly view of licensee performance against [key performance indicators](#), as well as supporting documentation such as licensee context and assessment of evidence where required.

This approach minimises ad hoc requests and ensures existing information is utilised to secure regulatory objectives.

Actions for Improvement

Nil.

Output/Activity	Documented decision-making procedures for information requests requiring consideration of the necessity of a request and the impact of the request.
Status	● Achieved
Evidence	
<p>Outside the information that is provided by licensees under the self-insurance regulatory model, the Commission has the power under the SRC Act and the Commission endorsed conditions of self-insurance licence to obtain information from licensees.</p> <p>The Commission's Policy on the regulatory approach relating to licensing under Part VIII of the SRC Act provides for a graduated and risk-based response to regulation. This framework sets the direction through which the Commission seeks additional information from licensees.</p>	
Actions for Improvement	
Nil.	

Output/Activity	Following a process to determine whether information is already held by the Commission or other regulatory bodies before requesting information from the regulated entities.
Status	● Achieved
Evidence	
<p>Comcare provides support to the Commission in order for it to fulfil its functions. Relevant Comcare staff are made available to the Commission (at and outside of meetings) to address any questions or concerns that Commissioners may have.</p> <p>The LCPM sets out the Commission's framework for requesting and collecting information. This occurs through monthly data submissions and quarterly performance reviews. Comcare staff apply this framework on behalf of the Commission and check what available data (held by Comcare) can be utilised before requesting information from licensees.</p>	
Actions for Improvement	
Nil.	

Output/Activity	Timing of requests for information takes into account the desirability of minimising and consolidating requests made to regulated entities.
Status	● Achieved
Evidence	
<p>To minimise ad hoc requests of individual licensees, the Commission first seeks information from Account Managers.</p> <p>The LCPM sets out the Commission's framework for requesting and collecting information. This occurs through monthly data submissions and quarterly performance reviews. Comcare staff</p>	

apply this framework on behalf of the Commission and check what available data (held by Comcare) can be utilised before requesting information from licensees.

Actions for Improvement

Nil.

Measure of Good Regulatory Performance 4.2

The Commission bases monitoring and inspection approaches on risk and, where possible, takes into account the circumstance and operational needs of the regulated entity.

Output/Activity Demonstrated transparency of inspection and monitoring arrangements

Status ● Achieved

Evidence

The Commission’s [Policy on the regulatory approach relating to licensing under Part VIII of the SRC Act](#) is a risk based regulatory approach. The principles and consultation process in that document promote transparency.

The LCPM provides for a consistent and flexible approach to monitoring of licensee performance. Demonstrated transparency of inspection and monitoring arrangements is achieved through the publication of Commission’s performance standards and measures for licensees in the LCPM. The LCPM sets out the Commission’s endorsed success factors and for each one identifies the performance indicators, method of assessment, data and information to be provided and frequency.

Additionally, for transparency, full copies of the individual licensee quarterly performance reports are shared with licensees prior to the Commission considering the reports and making decisions.

Comcare’s Account Managers engage with licensees on the recommendations that are made by Comcare to the Commission that affect their licence (and regulation).

Targeted reviews are used by the Commission to facilitate a risk-based approach to addressing performance concerns. In 2018-19 two targeted reviews were directed to address concerns with licensee management systems for prevention and claims management.

Actions for Improvement

Nil.

Output/Activity Feedback mechanisms to seek stakeholder views on inspection and monitoring regime.

Status ● Achieved

Evidence

The Commission’s model seeks to promote autonomy and flexibility in relation to demonstrating compliance with its performance standards and measures. For example:

- Licensees have flexibility in how they demonstrate they have maintained their systems for safety, claims and rehabilitation.
- Licensees are able to propose alternative measures that can be used to measure rehabilitation performance.
- Licensees have the opportunity to review audit findings and provide feedback prior to reports being finalised and reported to the Commission.

To ensure the effectiveness of its model (including its approach to regulatory risk), the Commission has established and is implementing a five-year review plan to ensure all key elements of the model will be assessed by 2022. The plan includes a biennial review of the model to determine whether it is helping to drive, or has achieved, improved performance outcomes from licensees. Feedback from stakeholders is considered as part of this review.

Actions for Improvement

Nil.

Output/Activity	Monitoring and enforcement strategies that allows for a range of regulatory responses.
Status	● Achieved
Evidence	
As per KPI 3.1, the Commission's Policy on the regulatory approach relating to licensing under Part VIII of the SRC Act is a risk based regulatory approach that provides for a staged approach to regulation.	
Actions for Improvement	
Nil.	

Output/Activity	Regular review and assessment of agreed monitoring and compliance strategies, including use of earned autonomy approaches.
Status	● Achieved
Evidence	
The Commission's regulatory model is a staged approach to regulation, inclusive of earned autonomy for those that demonstrate good performance and continuous improvement.	
Where the Commission imposes a regulatory action in addition to that stipulated in its self-insurance regulatory model (such as a targeted review or additional monitoring), it monitors and reviews the ongoing need for this additional regulation through quarterly performance updates specific to the licensee provided at quarterly Commission meetings.	
Actions for Improvement	
Nil.	

KPI 5: The Commission is open and transparent in its dealings with regulated entities

Measure of Good Regulatory Performance 5.1

The Commission's risk-based frameworks are publicly available in a format which is clear, understandable and accessible.

Output/Activity	Enforcement strategy and risk approach are published.
Status	● Achieved
Evidence	
As per 3.1, the LCPM and the Commission's Policy on the regulatory approach relating to licensing under Part VIII of the SRC Act set out a risk based regulatory approach, these are available on the Commission's website.	
Actions for Improvement	
Nil.	

Measure of Good Regulatory Performance 5.2

The Commission is open and responsive to requests from regulated entities regarding the operation of the regulatory framework, and approaches implemented by the Commission.

Output/Activity	Advice and guidance are available to all stakeholders.
Status	● Achieved
Evidence	
The Commission's website contains the Commission policies and guidance material, as well as the LCPM documents that are available to stakeholders and to the public.	
Additionally, licensees have a dedicated Account Manager to provide advice about the requirements of self-insurance licences.	
Actions for Improvement	
Nil.	

Output/Activity	Demonstrated feedback mechanisms in place to support and inform continuous improvement.
Status	● Achieved
Evidence	
As per supporting evidence included that detailed as per KPI 1.2, the Commission, through its review of its self-insurance regulatory framework, engages extensively with licensees on improvements to improve the model.	

Actions for Improvement

Nil.

Output/Activity	Responses to requests from regulated entities provided within specified timeframes.
Status	● Achieved
Evidence	
<p>The Commission's Policy on consultation and dispute resolution for licensing decisions of the Commission impacting on Licensees under Part VIII of the SRC Act states that the Commission will meet all reasonable timeframes as required.</p> <p>In 2018-19 the Commission received requests from licensees in relation to the application of the regulatory model. These were received, considered and determined in timeframes appropriate to the nature of the request and the application of the regulatory framework as set out at KPI 2.3.</p> <p>The Commission also has, as part of its website, an access to information page, which provides detail on accessing information that the Commission holds, including requests for information under the <i>Freedom of Information Act 1982</i>.</p>	
Actions for Improvement	
Nil.	

Measure of Good Regulatory Performance 5.3

The Commission's performance measurement results are published in a timely manner to ensure accountability to the public.

Output/Activity	Performance measurement results are published.
Status	● Achieved
Evidence	
<p>The Commission publishes performance information in its annual report.</p> <p>The Commission finalised its 2017-18 self-assessment of its performance under the RPF. Following approval from the Department of Jobs and Small Business it will publish both its 2017-18 and 2018-19 self-assessment through the Commission's website.</p>	
Actions for Improvement	
Nil.	

KPI 6: The Commission actively contributes to the continuous improvement of regulatory frameworks

Measure of Good Regulatory Performance 6.1

The Commission establishes and maintains cooperative and collaborative relationships with stakeholders to promote trust and improve the efficiency and effectiveness of the regulatory framework.

Output/Activity	Documented procedures are in place to allow active and regular engagement with stakeholders.
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Status	● Achieved
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Evidence

The Commission has a [Policy on consultation and dispute resolution for licensing decisions of the Commission impacting on Licensees under Part VIII of the SRC Act](#).

The Commission has a forward planning calendar which details when it will meet with licensees and union affiliates. These meetings allow active and regular engagement with stakeholders.

Additionally the Commissioner representing licensees provides outcomes of Commission meetings quarterly via licensee liaison forums.

Actions for Improvement

Nil.

Measure of Good Regulatory Performance 6.2

The Commission engages all relevant stakeholders in the development of options to reduce compliance costs. This could include changes to the overarching regulatory framework, or other strategies to streamline monitoring and compliance approaches.

Output/Activity	Number of stakeholder events held to facilitate participation in the development and/or amendment of regulatory frameworks.
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Status	● Achieved
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Evidence

Supporting evidence as per detail provided against KPI 1.2.

Actions for Improvement

Nil.

Output/Activity	Documented guidelines ensuring engagement
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Status	● Achieved
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Evidence

The Commission has a [Policy on consultation and dispute resolution for licensing decisions of the Commission impacting on Licensees under Part VIII of the SRC Act](#). The standards that are set by

the Commission, which form the basis of the self-insurance regulatory framework, fall within the purview of Part VIII of the SRC Act.

This Policy provides for both overarching principles (and includes that the Commission will strive to achieve an environment which is characterised by cooperation, mutual respect and open communication with licensees), and a consultation process.

Actions for Improvement

Nil.

Measure of Good Regulatory Performance 6.3

The Commission regularly shares feedback from stakeholders and performance information (including from inspections) with policy departments to improve the operation of the regulatory framework and administrative processes.

Output/Activity	Documented procedures are in place to facilitate the flow of information between the regulator and policy departments.
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Status	● Achieved
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Evidence

The Commission provides outcomes letters to the Minister following each of its quarterly meetings and on priority matters as required. The Minister has a standing invitation to attend Commission meetings and the Commission Chairperson meets with Minister to discuss priority matters.

In 2018-19:

- The Chairperson met with the Minister in December 2018
- The outcomes of Commission meetings were provided to the Minister
- An additional briefing was provided on the regulatory action for a breach of licence.

The membership of the Commission includes a Member representing the Commonwealth who is employed by the Department of Jobs and Small Business. The Commission’s governance document articulates how information is to flow between it and the Department of Jobs and Small Business.

Actions for Improvement

Nil.