



Operational Plan 2023–24

Purpose

The Safety, Rehabilitation and Compensation Commission (SRCC) is an independent statutory body established under the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act).

The SRCC administers the regulatory functions of the SRC Act, other than those ascribed to Comcare.

As part of this, the SRCC have the power to set standards for the rehabilitation and work health and safety performance of self-insured licensees and must be satisfied that licence applicants can meet these standards.

Roles and functions

The Commission's functions are described in the SRC Act and *Work Health and Safety Act 2011* (WHS Act). In summary these are:

- ensure that, as far as practicable, there is equity of outcomes resulting from the administrative practices and procedures used by Comcare and a licensee in the performance of their respective functions under the SRC Act;
- advise the Minister on the operation of the SRC Act and the administration of the WHS Act;
- issue general policy guidelines to the Chief Executive Officer (CEO) of Comcare or the Principal Officer of a licensee in relation to the operation of the SRC Act to the extent it confers functions or powers on Comcare or a licensee;
- grant licences to Commonwealth authorities and eligible corporations to self-insure under the SRC Act;
- set and monitor performance standards for licensees, described in the Licence Compliance and Performance Model (LCPM);
- prepare and issue to the CEO of Comcare written guidelines for the determination of premiums and regulatory contributions;
- undertake requests for review of premium determinations issued by Comcare; and
- provide, under the WHS Act, a forum for consultation between Comcare and persons conducting businesses or undertakings (PCBUs), workers and the bodies that represent them.

Key activities in 2022–23 which the Commission will deliver to meet these roles and functions are described in **Table A**. These activities sit under four key priority areas;

- Operation of the Regulatory Model
- Operation of Licensees
- Operation of the Commission
- Stakeholder Engagement

Regulatory Performance

In December 2021, the Minister for Industrial Relations issued a Statement of Expectations to the Commission in line with the *Regulator Performance Guide July 2021*.

The Commission has embedded the principles of regulator best practice within its regulatory framework, being:

- continuous improvement and building trust
- risk based and data driven
- collaboration and engagement

The Commission is committed to applying these principles to all of its regulatory functions. How the Commission will apply each principle to its activities is set out in **Table A**.

Outcome	Reference	Activity	Timeframe
Priority area – 1. Operation of the Regulatory Model			
1.1 The Commission actively contributes to the continuous improvement of regulatory frameworks and does not unnecessarily impede the effective operation of regulated entities.	Risk 1 and 3 Regulatory Performance Guide – Continuous Improvement and building trust	Establish and maintain a schedule to review the Licence Compliance and Performance model (LCPM), with changes to be implemented on a half yearly basis. Including <ul style="list-style-type: none"> regulatory response framework annual review of dispute resolution 	In line with the schedule set in the 2022-27 LCPM review
		Quarterly Reviewing the Regulation of Self-Insured Licensees sub-committee (RRSIL) meetings held to consider the Commission's regulatory framework.	Ongoing
1.2 The Commission communicates with regulated entities in clear, targeted and effective manner.	Risk 1 and 3 Regulatory Performance Guide – Collaboration and Engagement	Licensees consulted on changes to the LCPM and performance targets	As required
1.3 Review of premium determinations and regulatory contributions.	s97K SRC Act Risk 3	As required, the Commission (through a sub-committee): <ol style="list-style-type: none"> considers requests for review by the Commission on a case by case basis; considers, in each case, whether Comcare has followed the Commission's Guidelines for the Determination of Premiums and Regulatory Contributions issued under Section 97E of the SRC Act; and make recommendations to the Commission as appropriate. 	Undertake requests for review as required.
1.4 Guidance advice and directions to Comcare or licensees.	73A s97E(1) s97E(2) s97H Risk 1 and 3	The Commission issues guidance, advice and directions to the scheme with the assistance of Comcare.	As required
Priority area – 2. Operation of licensees			
2.1 Consider licence applications	s102 – s107 SRC Act. Risk 1 and 3 Regulator Performance Guide – risk based and data driven	Licence applications are considered by the Commission against the requirements in the SRC Act and decisions made based on evidence considered.	As tabled
		Comcare conducts licence application assessments on behalf of the Commission and advises on the merits of licence applications and compliance with legislative provisions.	As tabled
		Scope and conditions are set on an individual basis and reflected in licence conditions.	As tabled

Outcome	Reference	Activity	Timeframe
2.2 Monitoring of licensees.	S89B(a) SRC Act Risk 1 and 3 Regulator Performance Guide – risk based and data driven	Commission consideration of licensee performance reports.	Quarterly
		Commission consideration of licensee prudential reporting.	Annual and as required.
2.3 Compliance and monitoring approaches are streamlined and coordinated	S89B(a) SRC Act Risk 1 and 3 Regulatory Performance Guide – Continuous Improvement and building trust	Continue to review reporting to identify opportunities to streamline and reduce regulatory burden.	Ongoing
2.4 Charging of licence fees	S89s and s108D(b) SRC Act. Risk 1 and 3	Fees, scope and conditions are set on an individual basis and reflected in licence conditions.	As required
		Charging of 2023-24 licence fees by Comcare’s Chief Executive Officer under delegation from the Commission.	Annual
2.5 Determining and implementing regulatory responses in relation to the action of licensees	Part VIII, Division 2, SRC Act. Risk 1 Regulator Performance Guide - risk based and data driven	Maintain the regulatory decision precedent log.	Ongoing
		Utilise the Commission regulatory response framework.	As required
Priority area – 3. Operation of the Commission			
3.1 The Commission ensures, as far as practicable, there is equity of outcomes resulting from administrative practices and procedures used by Comcare and a licensee in the performance of their respective functions.	SRC Act s89B(a) Risk 2 Regulator Performance Guide - risk based and data driven	The Commission can issue guidelines. Where required, Comcare provides reasonable resources to facilitate the development of guidelines.	As required
		The Commission reviews information about licensees and their performance in undertaking their functions and powers under the SRC Act. Comcare collects, manages and reports data to the Commission. Comcare manages complaints made about the performance of licensees of their functions.	Equity of outcomes report tabled: <ul style="list-style-type: none"> September 2023; and March 2024 Complaints report provided to the Commission quarterly.
		Commission considers, and reviews equity of outcomes reports and implements actions where required	Equity of Outcomes Report tabled September 2023 and March 2024

Outcome	Reference	Activity	Timeframe
3.2 To advise the Minister about anything relating to the operation of the SRC Act or to the Commission's functions and powers.	s89B(b) SRC Act Risk 4 and 5	Outcome letters from quarterly meetings provided to the Minister.	Quarterly
3.3 To advise the Minister on the administration of the WHS Act; To advise and make recommendations to the Minister on the most effective means of giving effect to the objects of the WHS Act; and To enquire into and make recommendations to the Minister on any matter relating to work health and safety referred to the Commission by the Minister.	Schedule 2, Part 2, s2 (a – c) WHS Act Risk 4 and 5	Outcome letters from quarterly meetings provided to the Minister. Advice to Minister as required following stakeholder forums. Comcare drafts advice based on the Commission's views and provides research and analysis about the operations of the Act to the Commission.	As required
3.4 Commission endorsed annual report released including relevant licensee performance information.	s89R, s89S SRC Act	Endorsement of 2022-23 annual report content.	September 2023
3.5 Actions undertaken by the Commission are proportionate to the regulatory risk being managed.	Risk 1 and 3 Regulator Performance Guide – risk based and data driven	Regular review of strategic risk register. Control measures monitored for effectiveness at each meeting.	Paper tabled at quarterly meetings
3.6 Governance and reporting.	Risk 1	Review of published policies and materials.	As per review schedule
Priority area – 4. Stakeholder Engagement			
4.1 Stakeholder engagement to include Minister, Comcare, licensees and union representatives. The Commission is open and transparent in its dealings with regulated entities.	Schedule 2, Part 2, WHS Act. s89B(a) SRC Act. Risk 1 and 4	Invitation to meeting extended to Minister.	Ongoing
		Annual consultation forum with Licensees.	March 2024
		Updates provided to licensees by the Commissioner representing licensees following each Commission Meeting at the Licensee Liaison Forum, conducted by Comcare.	Quarterly
		Annual consultation forum with affiliates.	September 2023
		Commission to reflect on its engagement with the Department of Employment and Workplace Relations annually.	September 2023

Stakeholders

Our key stakeholders and a summary of interactions is provided in the following table:

Stakeholder	Interaction
Minister	A summary of key outcomes provided after each quarterly meeting. Ad hoc advice on specific matters.
Comcare	Attendance at each regular meeting. Comcare paper at each quarterly meeting summarising key activities.
Department of Employment and Workplace Relations	Commission Member representing the Commonwealth. The Commission reflects on its engagement with the Department of Employment and Workplace Relations annually.
Self-insured licensees and licence applicants	Commission Member representing the interests of licensees. Consultation with individual licensees on performance. An annual consultation forum with all licensees. Consultation on matters affecting licensees on as needs basis.
Unions affiliates	Commission Members appointed by the Australian Council of Trade Unions. An annual consultation forum with union affiliates. Consultation on matters on an as needs basis.
Premium payers	If a premium payer requests a review of the premium set by Comcare, the Commission reviews the premium and communicates reasons for its decision.
PCBUs, workers and bodies that represent them	Under WHS Act, provide a forum for consultation between Comcare and PCBUs, workers and the bodies that represent them.

Risk Management

The Commission maintains a strategic risk register to identify, monitor and mitigate risks to the Commission and to recognise and respond to environmental factors. The strategic risk register is reviewed at each quarterly meeting of the Commission.

It is recognised that some risk is inevitable, however the Commission actively works to minimise risks which may cause harm to its regulatory authority, reputation, stakeholder relationships, legislative obligations and the health and safety of employees which it regulates. The Commission regularly monitors the success of risk controls implemented, and revise or supplement controls as required.

The Commission's strategic risks are summarised in the following table.

Strategic risk	Mitigation strategies
1. The Commission does not effectively meet its statutory obligations under the SRC and WHS Acts.	Regularly reviews of governance documents including Code of Conduct, Statement of Services provided by Comcare to the Commission and the Guide to Governance.
2. The Commission does not discharge its responsibilities under section VII of the SRC Act and ensure as far as practicable there is equity of outcomes resulting from the administrative practices and procedures used by Comcare and a licensee in performance of their claims management functions.	Adequate emphasis in policies and procedures for considering equity of outcomes issues with measures developed for the equity of outcomes report, reported biannually.
3. The Commission does not discharge its responsibilities under section VIII of the SRC Act and effectively oversee the licence system and monitor the premium system.	Effective induction of Members and review of the induction process along with regular reviews of Commission Members skills. As well as regular reviews of licence fees.
4. The Commission does not provide timely, appropriate and high-quality advice to the Minister on the SRC or WHS Acts in line with the Commission's legislative functions.	Regular communication and engagement with Minister through Commonwealth representative Member.
5. The Commission fails to address emerging issues in the strategic environment relevant to its legislative responsibilities in a timely manner.	Strong focus on stakeholder engagement including monitoring by Comcare Account Managers of the operating environment of licensees. Quarterly environmental scan.
6. A catastrophic event impacts on the Commission's ability to regulate licensees.	Regular monitoring of the licensees operating environment, regular engagement with licensees and other relevant stakeholders as well as regular performance monitoring of licensees.
7. Fraud is committed against the Commission.	Governance policies and procedures to reduce the risk of fraud including the Code of Conduct, Declaration of Interests policy, Information Disclosure policy and corporate functions being managed by Comcare.